



VA TECH WABAG LIMITED

CIN: L45205TN1995PLC030231

Regd. office: "WABAG HOUSE" No.17, 200 Feet Radial Road, S.Kolathur, Chennai 600 117

PART I

(Rs. In Lakhs)

Sl. No	Particulars	STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014				STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014			
		Quarter ended		Year ended		Quarter ended		Year ended	
		June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014	June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014
		Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
1	Income from operations								
	a) Net Sales/Income from operations (Net of excise duty)	39,803	89,664	28,558	2,23,015	12,513	51,853	11,567	1,13,999
	b) Other operating income	301	102	52	845	436	695	2	1,225
	Total Income from operations (net) (a) + (b)	40,104	89,766	28,610	2,23,860	12,949	52,548	11,569	1,15,224
2	Expenses								
	a. Cost of materials consumed	29,780	67,506	19,788	1,68,878	8,233	39,021	8,790	86,718
	b. Changes in inventories	(687)	2,935	(643)	915	(656)	1,659	(1,679)	145
	c. Employee benefits expense	5,595	4,982	5,332	22,174	2,167	2,175	1,858	8,019
	d. Depreciation and amortisation expense (Refer Note 4)	333	345	325	1,501	(243)	269	169	809
	e. Other expenses	3,366	3,613	2,155	10,993	2,054	1,722	1,047	5,113
	Total expenses (a+b+c+d+e)	38,387	79,381	26,957	2,04,461	11,555	44,846	10,185	1,00,804
3	Profit/(Loss) from operations before other income, finance costs, Foreign exchange fluctuation (Gain)/Loss and exceptional items (1) - (2)	1,717	10,385	1,653	19,399	1,394	7,702	1,384	14,420
4	Interest and Finance Charges/(Income) (Net of Interest and Dividend Income)	584	511	154	1,235	108	177	(89)	73
5	Foreign Exchange Fluctuation (Gain)/ Loss	(431)	424	717	2,050	(95)	213	566	1,120
6	Profit/(Loss) from ordinary activities after finance costs and Foreign exchange fluctuation (Gain)/Loss but before exceptional items (3) - (4) - (5)	1,564	9,450	782	16,114	1,381	7,312	907	13,227
7	Exceptional Items	-	506	-	506	-	-	-	-
8	Profit/(Loss) from Ordinary Activities before tax (6) + (7)	1,564	9,956	782	16,620	1,381	7,312	907	13,227
9	Tax expense	477	2,766	477	5,258	464	2,406	302	4,369
10	Profit/(Loss) from Ordinary Activities after tax (8) - (9)	1,087	7,190	305	11,362	917	4,906	605	8,858
11	Extraordinary items	-	-	-	-	-	-	-	-
12	Net Profit/(Loss) for the period (10) - (11)	1,087	7,190	305	11,362	917	4,906	605	8,858
13	Share of Profit/(Loss) of Associates	(39)	13	(21)	63	-	-	-	-
14	Minority interest	31	64	1	90	-	-	-	-
15	Net Profit/(Loss) after taxes, minority interest and share of Profit/(loss) from Associates (12)+(13)-(14)	1,017	7,139	283	11,335	917	4,906	605	8,858
16	Paid-up equity share capital (face value Rs.2/- each)	534	532	531	532	534	532	531	532
17	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year				83,563				59,751
18	Earnings Per Share (EPS) (of face value Rs.2/- each) (In Rupees) (Not annualized)								
	a) Basic EPS before Extraordinary items	3.82	26.84	1.07	42.61	3.45	18.44	2.28	33.30
	b) Diluted EPS before Extraordinary items	3.75	26.54	1.06	42.14	3.38	18.24	2.26	32.93
	c) Basic EPS after Extraordinary items	3.82	26.84	1.07	42.61	3.45	18.44	2.28	33.30
	d) Diluted EPS after Extraordinary items	3.75	26.54	1.06	42.14	3.38	18.24	2.26	32.93

PART II

SELECT INFORMATION FOR THE QUARTER ENDED JUNE 30, 2014

A	PARTICULARS OF SHAREHOLDING								
1	Public Shareholding								
	- Number of shares	1,86,53,218	1,85,35,428	1,83,49,691	1,85,35,428	1,86,53,218	1,85,35,428	1,83,49,691	1,85,35,428
	- Percentage of shareholding	69.84%	69.70%	69.09%	69.70%	69.84%	69.70%	69.09%	69.70%
2	Promoters and Promoters group shareholding								
	1) Pledged/Encumbered								
	- Number of shares	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of the promoter and the promoter group)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of total share capital of the company)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2) Non-encumbered								
	- Number of shares	80,56,702	80,56,702	82,07,638	80,56,702	80,56,702	80,56,702	82,07,638	80,56,702
	- Percentage of shares (as a % of the total shareholding of the promoter and the promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of total share capital of the company)	30.16%	30.30%	30.91%	30.30%	30.16%	30.30%	30.91%	30.30%
B	INVESTOR COMPLAINTS (3 months ended June 30, 2014)	Pending at the beginning of the quarter - Nil		Received during the quarter - Nil		Disposed of during the quarter - Nil		Remaining unresolved at the end of the quarter - Nil	

Particulars	CONSOLIDATED				STANDALONE			
	Quarter Ended		Year ended		Quarter Ended		Year ended	
	June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014	June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
1. Segment Revenue								
India	9,465	34,064	8,538	82,191	9,465	34,064	8,538	82,191
Rest of world	32,348	63,273	20,049	1,51,126	3,048	17,789	3,029	31,808
Total	41,813	97,337	28,587	2,33,317	12,513	51,853	11,567	1,13,999
Less: Inter Segment Revenue	2,010	7,673	29	10,302	-	-	-	-
Net sales/Income From Operations	39,803	89,664	28,558	2,23,015	12,513	51,853	11,567	1,13,999
2. Segment Results								
India	3,100	5,327	3,093	14,963	3,100	5,327	3,093	14,963
Rest of world	7,610	13,896	6,320	38,259	1,836	5,846	1,363	12,173
Total	10,710	19,223	9,413	53,222	4,936	11,173	4,456	27,136
Less: (i) Interest and bank charges, net	584	511	154	1,235	108	177	(89)	73
(ii) Other Un-allocable Expenditure	9,294	9,364	8,529	36,718	3,978	4,379	3,640	15,061
Add: (i) Un-allocable income	732	608	52	1,351	531	695	2	1,225
Total Profit Before Tax	1,564	9,956	782	16,620	1,381	7,312	907	13,227
3. Capital Employed (Segment Assets – Segment Liabilities)								
India	43,410	32,227	38,948	32,227	45,242	34,059	40,476	34,059
Rest of world	34,509	35,670	24,261	35,670	8,371	9,393	2,964	9,393
Unallocated	7,624	16,502	11,113	16,502	7,947	16,853	10,845	16,853
Total Capital Employed	85,543	84,399	74,322	84,399	61,560	60,305	54,285	60,305


Notes:

- The above results were reviewed by the Audit Committee and approved and taken on record by the Board at its meeting held on August 11, 2014 and a limited review of the same has been carried out by the Statutory Auditors of the Company.
- The figures for the corresponding previous periods have been regrouped / reclassified wherever considered necessary to conform to the figures presented in the current period. The figures for the quarter ended March 31, 2014 represents the difference between the audited figures in respect of financial year and the published figures for the 9 months ended December 31, 2013.
- Considering the risk/return profiles of the segments between product and geography, the Company has identified geography as primary segment in accordance with Accounting Standard (AS) 17 on Segment Reporting. The Company does not have any secondary Segment. Segment revenue comprises sales & operational income allocable specifically to a segment. Un-allocable expenditure mainly includes employee expense, depreciation, foreign exchange loss and other expenses. Un-allocable income primarily includes other operating income and foreign exchange gain.
- Depreciation for the current quarter includes a reversal of Rs.597 lakhs (in the standalone results) and of Rs.276 lakhs (net) (in the Consolidated results), which represents the impact of change in accounting policy for providing depreciation on fixed assets from 'Written Down Value' method to 'Straight Line' method effective April 1, 2014, in order to reflect a more appropriate preparation/presentation of financial statements. Further, effective April 1, 2014, the Company has also revised the useful life of fixed assets based on Schedule II to the Companies Act, 2013. Consequently, the depreciation for the quarter ended June 30, 2014 is higher to the extent of Rs.139 lakhs. Further, an amount of Rs.75 lakhs (net of tax) representing the carrying value of assets with revised useful life as nil, has been charged to the opening reserves as on April 1, 2014.
- Exceptional item for the previous periods represents reversal of actuarial liability provisions, net of deferred taxes, by WABAG Wassertechnik AG Switzerland, Company's subsidiary on account of classifying the pension plan as a defined contribution plan during the previous year. This change reflects the substance of the pension plan and is consistent with the accounting principles locally followed by the said subsidiary.

Place: Chennai

Date: August 11, 2014

For VA TECH WABAG LIMITED


RAJIV MITTAL
MANAGING DIRECTOR

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
Arihant Nitco Park, 6th Floor
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Review Report

To the Board of Directors of VA Tech Wabag Limited

1. We have reviewed the accompanying statement of unaudited financial results (“the Statement”) of VA Tech Wabag Limited (“the Company”) for the quarter ended 30 June 2014, except for the disclosures regarding ‘Public Shareholding’ and ‘Promoter and Promoter Group Shareholding’ which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company’s Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Without qualifying our opinion, we draw your attention to the matter below :
Consequent to the amendment to Section 80-IA by Finance Act, 2009, denying the benefit of deduction to businesses in the nature of work contracts, with retrospective effect from April, 2000, the Company based on a legal opinion, believes that same will not impact its eligibility to claim deduction under the said section. Accordingly the Company had also filed a writ petition in the High Court, challenging the constitutional validity of the retrospective amendment.



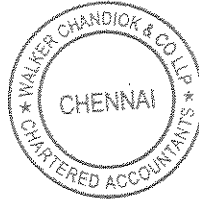
Walker Chandiook & Co LLP

As the ultimate outcome of the matter cannot be presently determined and no provision for any resulting liability has been considered in the financial statements by the company for the period from 01 April 2001 to 31 March 2009. However, such liability on account of possible denial of deduction prospectively from 01 April 2009 has been fully provided as current tax. Pursuant to this, the estimated tax liability for the period from 01 April 2001 to 31 March 2009 amounting to ₹ 2,422 lakhs and interest thereupon from 01 April 2001 to 30 June 2014 amounting to ₹ 2,337 lakhs have been considered as contingent liabilities as at 30 June 2014.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm Registration No: 001076N/N500013

Suresh E S
per Suresh E S
Partner
Membership No. 206931



Place: Chennai
Date : 11 August 2014

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
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Review Report

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To the Board of Directors of VA Tech Wabag Limited

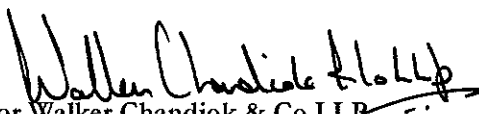
1. We have reviewed the accompanying statement of unaudited consolidated financial results (“the Statement”) of VA Tech Wabag Limited (“the Company”), its subsidiaries, associates and joint ventures (collectively referred to as “the Group”) for the quarter ended 30 June 2014, except for the disclosures regarding ‘Public Shareholding’ and ‘Promoter and Promoter Group Shareholding’ which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company’s Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above and upon consideration of reports of other auditors, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Without qualifying our opinion, we draw your attention to the matter below:
Consequent to the amendment to Section 80-IA by Finance Act, 2009, denying the benefit of deduction to businesses in the nature of work contracts, with retrospective effect from April, 2000, the Company based on a legal opinion, believes that same will not impact its eligibility to claim deduction under the said section. Accordingly the Company had also filed a writ petition in the High Court, challenging the constitutional validity of the retrospective amendment.



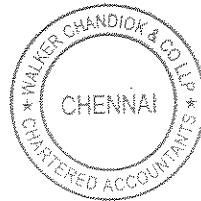
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5. We did not review the interim financial results of 14 subsidiaries, 1 associate and 1 joint venture, included in the Statement, whose interim financial results reflect total revenues (after eliminating intra-group transactions) of ₹ 27,699 lakhs, net profit after tax and prior period items (after eliminating intra-group transactions) of ₹ 305 lakhs for the quarter ended 30 June 2014. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us and our opinion in respect thereof is based solely on the review reports of such other auditors. Our review report is not qualified in respect of this matter.


For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm Registration No: 001076N/N500013


per Sunesh E S
Partner
Membership No. 206931



Place: Chennai
Date: 11 August 2014

WABAG announces Q1 FY 14-15 results; Registers impressive growth in Revenue & Profits; Bags largest O&M order from Turkish MDU

Chennai, India, August 11, 2014: VA TECH WABAG LIMITED, a leading Multinational Company specialized in Water and Waste Water management today announced its financial results for the quarter ended June 30, 2014.

Key Highlights of the Quarter:

- Consolidated Revenue and PAT up by 40% and 259% respectively YoY.
- Standalone Revenue and PAT increased by 12% and 52% respectively YoY.
- Order Book of Rs. 6,351 Crores including Framework Contracts of Rs. 1,331 Crores *
- New Framework Contracts worth Rs. 448 Crores by MDUs.

* On receipt of advances / LCs / Notice to Proceeds or achieving financial closure, Framework contracts will form part of the Company's firm order book.

Consolidated Numbers at a glance:

Rs. In Crores	Q1 FY 2014-15	Q1 FY 2013-14	Growth
Revenue	401.04	286.10	40%
EBITDA	20.50	19.78	4%
PAT	10.17	2.83	259%

Commenting on the results, Mr. Rajiv Mittal, Managing Director, VA TECH WABAG LIMITED said "The Company has performed impressively during the quarter and has shown stellar growth both in the topline and bottomline. The Company has won a new large framework contract worth Euro 45 mn in the O&M space in Turkey which



reiterates the growing stature of WABAG in Turkey and our continued focus on increasing O&M Revenues. The new government in India has shown keen interest in the water sector and I am confident that WABAG with its inherent skills and executorial capabilities is well placed to capture a large share of the upcoming water treatment business in the Country.”

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For Further information, please contact:

Mr. T V Gopal, Chief Manager - Public Relations

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About WABAG: Around the world, the WABAG name stands for innovative and successful solutions in the water engineering sector. As an internationally respected expert group, we act as a systems specialist and full service provider with a focus on the planning, installation and operation of drinking and wastewater plants for local government and industry in the growth markets of Asia, North Africa, Middle East, the Central and Eastern Europe states. The WABAG Group represents a leading multinational player with a workforce of over 1,500 and has companies and offices in more than 20 countries. It disposes over unique technological know-how, based on innovative, patented technologies and long-term experience. Since 1995, WABAG has completed over 900 water and wastewater plants worldwide. Through the conservation and ecological use of the world's most valuable resource, WABAG has made a sustained contribution to an improvement in the quality of life of well over a hundred million people. WABAG is thus one of the world's leading partners for investments in a future that is worth living.

