

12<sup>th</sup> August 2019

National Stock Exchange of India Limited  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra Kurla Complex,  
Bandra (E),  
Mumbai – 400 051

BSE Limited,  
Floor 25, P J Towers,  
Dalal Street,  
Mumbai – 400 001

Dear Sir / Madam,

**Sub: Presentation on Unaudited Financial Results for the quarter ended 30<sup>th</sup> June 2019**

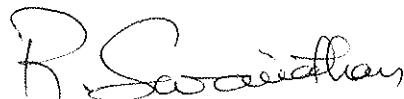
Pursuant to Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (“SEBI Regulations”), please find enclosed a presentation on the Unaudited Financial Results of the Company for the quarter ended 30<sup>th</sup> June 2019 made to Investors/ Analysts.

The aforesaid presentation is also being hosted on the website of the Company, [www.wabag.com](http://www.wabag.com) in accordance with Regulation 46 of the SEBI Regulations.

Kindly take on record the same.

Thanking you,

**For VA TECH WABAG LIMITED**



**R SWAMINATHAN**

**COMPANY SECRETARY & COMPLIANCE OFFICER**



Encl: as above

Sustainable solutions, for a better life



sustainable solutions. for a better life.

# VA TECH WABAG LTD.

RESULT UPDATE PRESENTATION

Q1 FY 2019 - 20

DRIVING **SUSTAINABILITY**  
DELIVERING **VALUE**

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- This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.

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# Business Overview

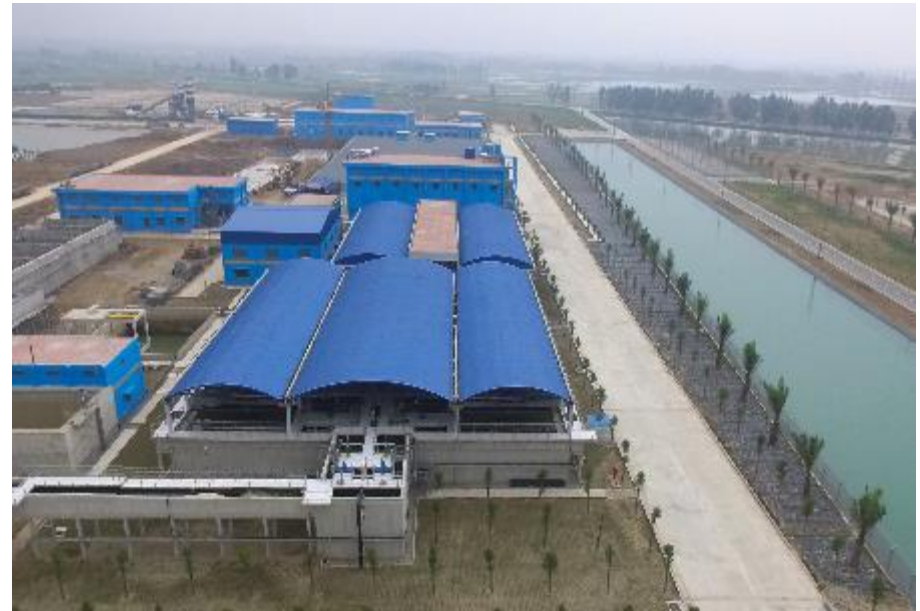


**Refinery and Petrochemical Integrated Development Project (RAPID),  
Pengerang, Johor, Malaysia**

# Key Highlights Q1 FY 20

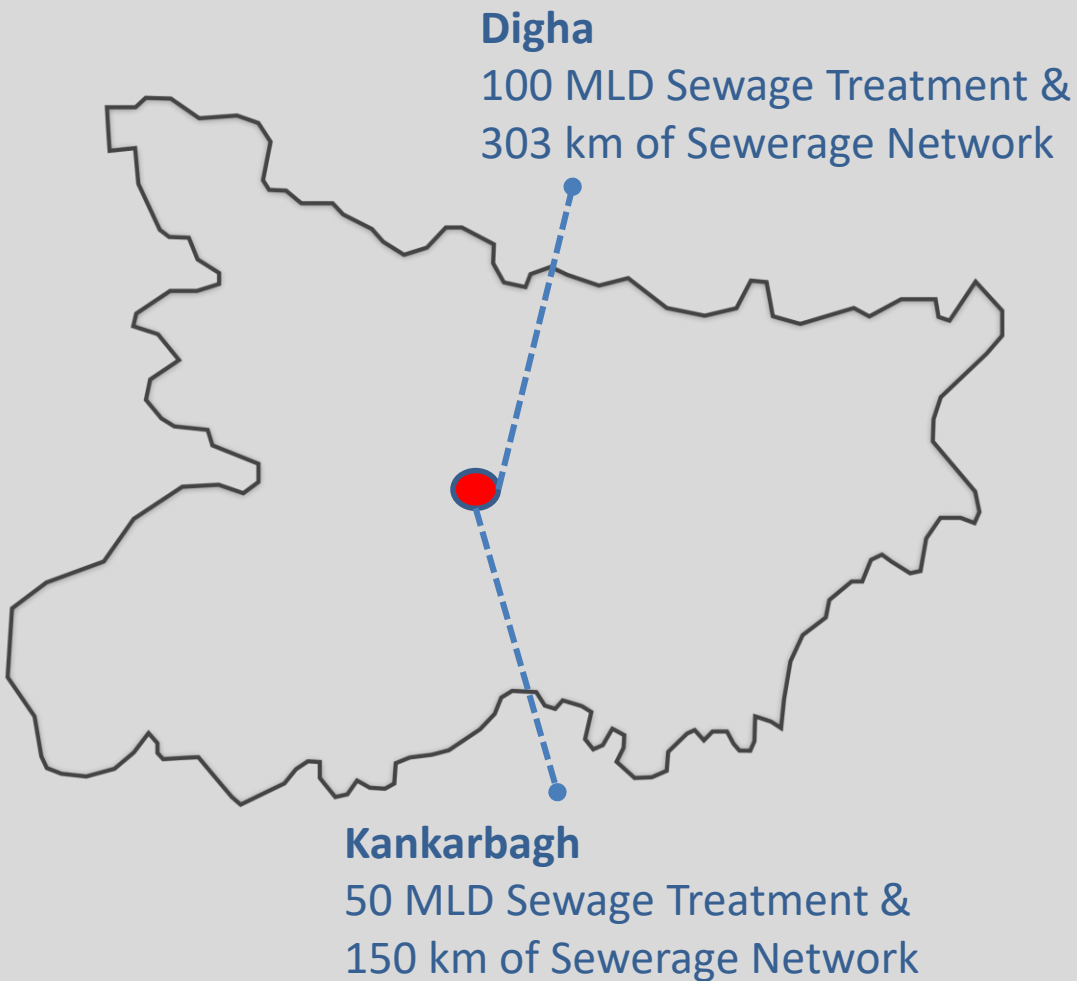


- Standalone Revenue of INR 3,240 Mn; EBITDA of INR 463 Mn
- Consolidated Revenue of INR 4,565 Mn; EBITDA of INR 375 Mn
- Order Intake of over INR 27 Bn
- Order Book over INR 117 Bn  
*including framework orders*



**Duong River Water Treatment Plant,  
Hanoi, Vietnam**

# Continuing our success with Namami Gange



## HIGHLIGHTS OF THE ORDER

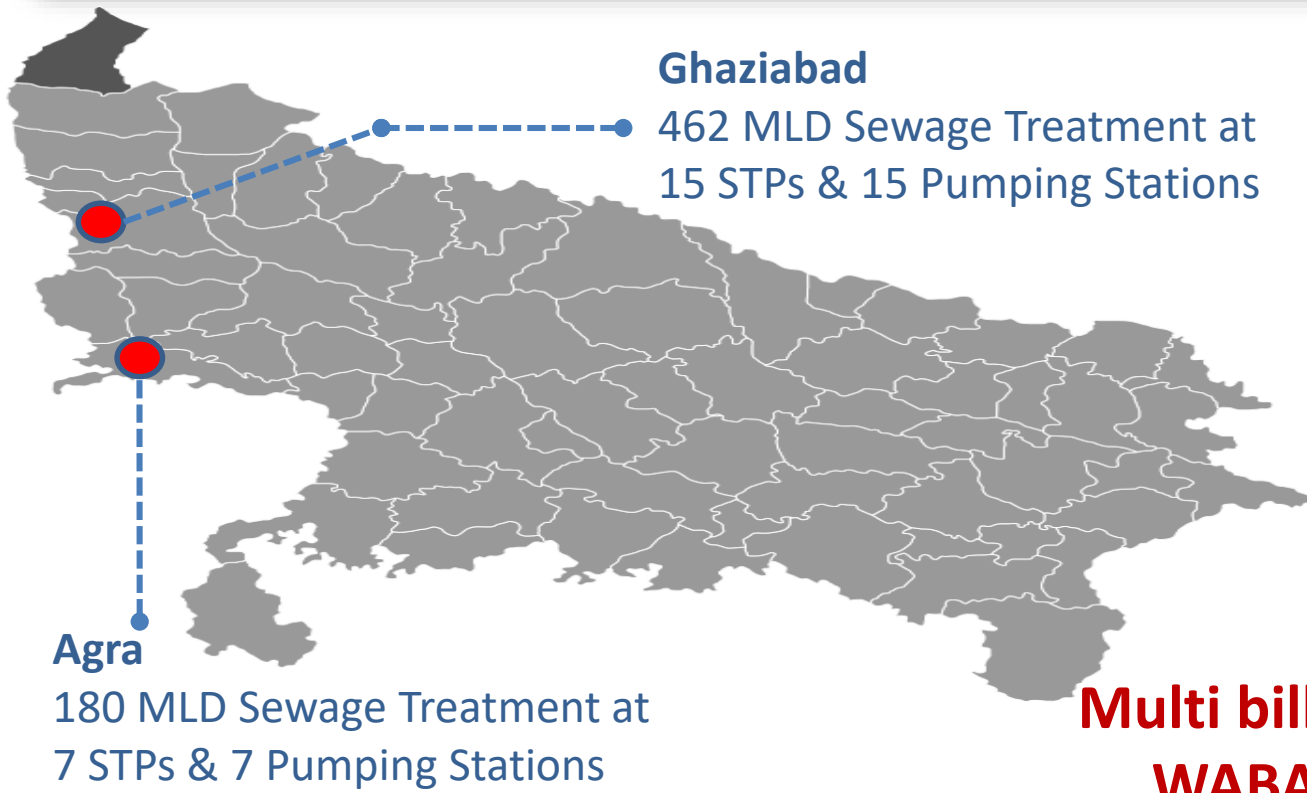
- **WABAG's largest order** under Namami Gange Mission
- **INR 1187 Crore** order – INR 247 Crore for Sewage treatment on HAM model and INR 940 Crore for sewerage network on DBO model
- **WABAG will cumulatively treat over 130 crore liters** of sewage every day along the entire stretch of River Ganga
- **Cumulative value of orders** entrusted to WABAG under **Clean Ganga Mission: Over INR 3000 Crore**

**With this success, 4 out of 6 sewerage zones are entrusted to WABAG in Patna, one of the most populous cities along River Ganga**



# Major Order Win - One City, One Operator Model

**Wabag secures one-city, one-operator contracts in Uttar Pradesh worth Rs 1,477 crore**



**Multi billion dollar market for WABAG with more cities expected to replicate the One City, One Operator Model**

# Quarterly Performance



# RESULTS OVERVIEW – Standalone Profit and Loss

Rs. Millions	Q1 FY 20	Q1 FY 19	YOY %
<b>Revenue from Operations</b>	<b>3,240</b>	<b>3,402</b>	<b>(4.8%)</b>
Cost of Sales	2,198	2,497	
Total Cost of Operations (TCO)	579	612	
<b>EBITDA</b>	<b>463</b>	<b>294</b>	<b>57.3%</b>
<b><i>EBITDA margin</i></b>	<b>14.3%</b>	<b>8.6%</b>	
Net Finance Cost	174	85	
Depreciation & Amortization	17	22	
Tax	73	66	
<b>Profit After Tax</b>	<b>199</b>	<b>121</b>	<b>64.2%</b>
<b><i>PAT margin</i></b>	<b>6.1%</b>	<b>3.6%</b>	

- Revenue de-growth on account of new projects in startup phase and expected to pickup in coming quarters
- Higher EBITDA margin on account of margin expansion in existing projects and also new projects in engineering phase
- Increase in net finance cost mainly driven by higher WCDL borrowing as mandated by banking regulations; higher BG & LC charges due to new projects

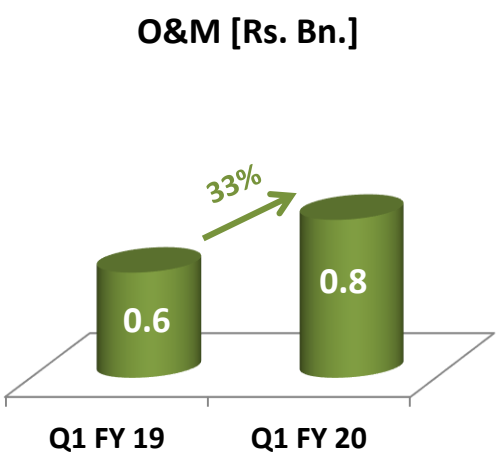
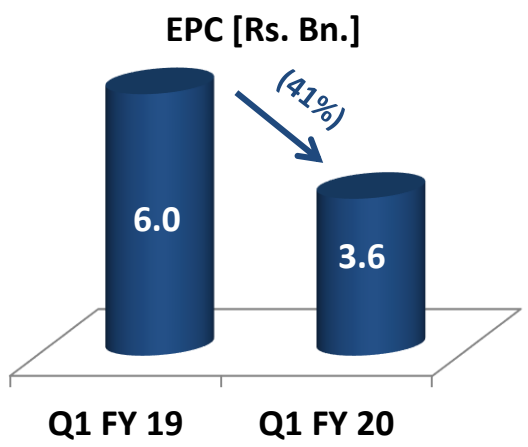
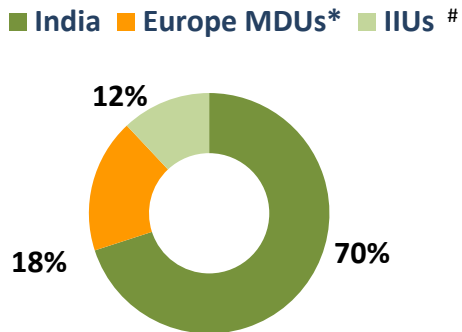
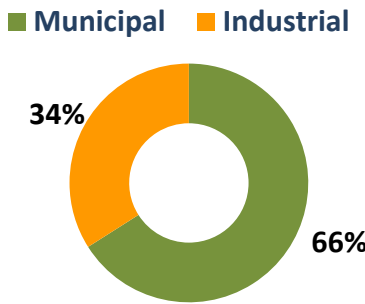
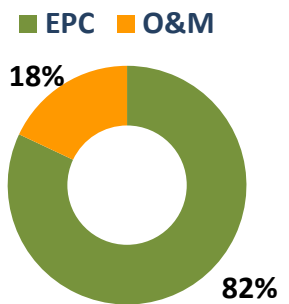
# RESULTS OVERVIEW – Consolidated Profit and Loss

Rs. Millions	Q1 FY 20	Q1 FY 19	YOY %
<b>Revenue from operations</b>	<b>4,565</b>	<b>6,879</b>	<b>(33.6%)</b>
Cost of Sales	3,266	5,151	
Total Cost of Operations (TCO)	924	1,316	
<b>EBITDA</b>	<b>375</b>	<b>412</b>	<b>(9.0%)</b>
<b><i>EBITDA margin</i></b>	<b>8.2%</b>	<b>6.0%</b>	
Net Finance Cost	260	142	
Depreciation & Amortization	35	43	
Tax	85	101	
Share of Profits from Associates / MI ( <i>Net</i> )	31	4	
<b>Profit After Tax (Owners)</b>	<b>26</b>	<b>130</b>	<b>(79.7%)</b>
<b><i>PAT margin</i></b>	<b>0.6%</b>	<b>1.9%</b>	

- Revenue de-growth driven by key overseas projects (AMAS and RAPID) completed, subdued Europe performance and new projects in startup phase
- TCO under control driven by cost control measures across the Group, mainly in Europe

# Revenue Breakup – Q1 FY 20

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	1,692	1,014	338	57	3,101
Wabag Overseas	598	317	278	134	1,327
<b>Total</b>	<b>2,290</b>	<b>1,331</b>	<b>616</b>	<b>191</b>	<b>4,428</b>



# Key Projects Contributing to Revenue – Q1 FY 20

Project Details	Revenue recognized [Rs. Mn]
▪ Koyambedu, Chennai – TTP	464
▪ HMEL, Bathinda – ETP & RWTP	366
▪ Dangote, Nigeria - ETP & RWTP	325
▪ Polghawela, Sri Lanka – WTP	294
▪ MRPL, Karnataka – Desal	282
▪ K&C Valley, Bengaluru – STP	151
▪ Petronas RAPID, Malaysia – ETP	125
▪ South Doha, Qatar – STP	105
▪ Rithala, Delhi - STP	87
▪ Barmer, Rajasthan – Integrated Water Supply Project	87

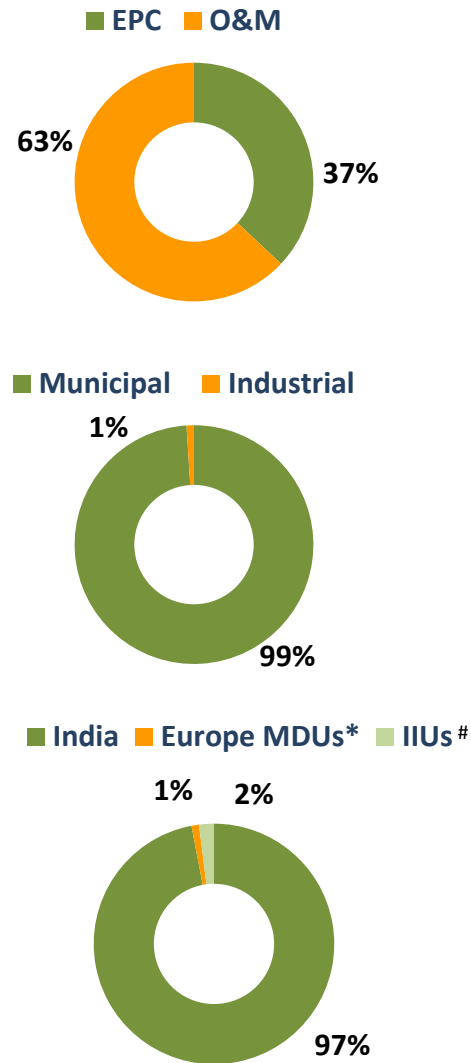
# Order Book Analysis



# Order Intake Breakup

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
<b>Wabag India</b>	10,225	-	16,862	9	<b>27,096</b>
<b>Wabag Overseas</b>	52	60	695	78	<b>885</b>
<b>Total</b>	<b>10,277</b>	<b>60</b>	<b>17,557</b>	<b>87</b>	<b>27,891</b>

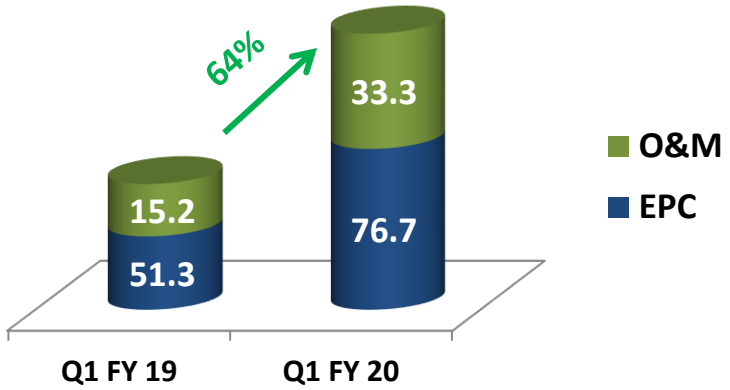
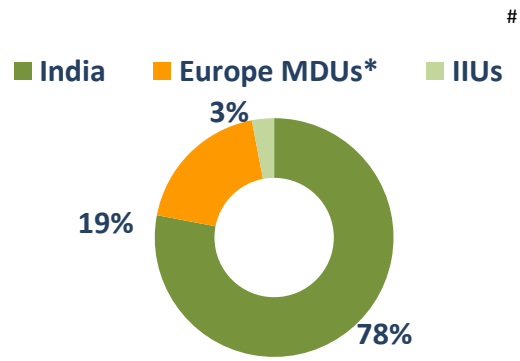
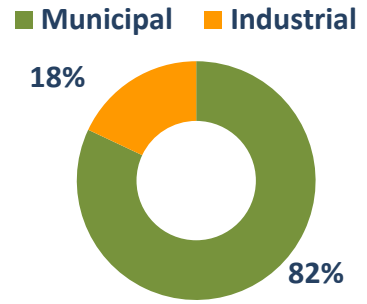
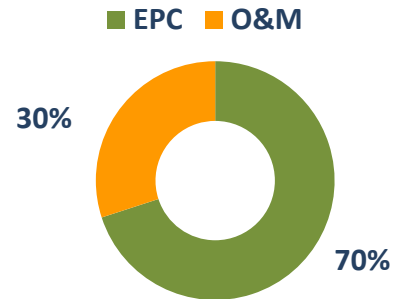
Key Orders Received	Order Value (Rs. Mn.)
BUIDCO, Digha & Kankarbagh – STP & Network [ Namami Gange ]	11,878
UPJN, O&M of Agra & Ghaziabad	14,776





# Order Book Composition

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
<b>Wabag India</b>	25,715	14,629	25,811	1,931	<b>68,086</b>
<b>NMCG (SPVs)</b>					
- EPC	7,947	-	1,453	-	<b>9,400</b>
- HAM	5,959	-	2,268	-	<b>8,227</b>
<b>Wabag Overseas</b>	19,499	2,953	1,544	315	<b>24,311</b>
<b>Framework Contracts</b>					<b>6,996</b>
<b>Total</b>	<b>59,120</b>	<b>17,582</b>	<b>31,076</b>	<b>2,246</b>	<b>117,020</b>



# Order Book of Rs. 110 Bn & Framework Contracts of Rs. 6.9 Bn

## Key Contracts in Orderbook

Project Details	Amt [Rs. Mn]
▪ BUIDCO, Digha & Kankarbagh – STP Network	11,878
▪ UPJN, O&M of Agra & Ghaziabad	14,776
▪ Expansion SWTP 9, Jubail, KSA – STP	8,171
▪ KMDA, Howrah – STP	5,748
▪ 50 MLD Zarat, Tunisia – Desal	5,188
▪ South Doha, Qatar – STP	5,023
▪ MRPL, Karnataka – Desal	4,006
▪ Dangote, Nigeria – ETP & RWTP	3,841
▪ JAJMAU, Kanpur – CETP	4,636
▪ Polgahwela, Srilanka – WTP	3,228

## Key Framework Contracts \*

- Libya STP of Rs. 6,114 Mn
- Koye Fetcbe, Ethiopia of Rs. 882 Mn

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

## Guidance for FY 20

Revenue : INR 34 Bn – INR 37 Bn & Order Intake : INR 50 Bn – INR 54 Bn



**For further information, please contact**

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