

REGISTERED OFFICE
507 Eros Apartments, 56 Nehru Place
New Delhi-110 019, India
Tel : +91-11-26411931, 26415961
Fax : +91-11-26221521
Email : info@technofabengineering.com
CIN : L74210DL1971PLC005712



TECHNOFAB ENGINEERING LIMITED

February 9, 2018

**The National Stock Exchange of India
Limited**
Exchange Plaza, Plot No. C-1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051
Symbol: **TECHNOFAB**

The BSE Limited
15th Floor, Phiroze Jeejeeboy Towers
Dalal Street
Mumbai – 400001
Security Code: 533216

Subject:- Information Update

Dear Sir/Madam,

Technofab Engineering Limited is pleased to announce the attached information updates pertaining to the Financial Performance of the Company for the quarter and nine month ended 31 December 2017.

You are requested to take the note of the same in your records for the purpose of further dissemination.

Thanking you,
Yours Faithfully
For Technofab Engineering Limited


Suman Kumar Verma
Company Secretary
M. No. F7409





Information Update

Date: 09 February 2018

The Board of Directors of Technofab Engineering have approved the unaudited financial results for the quarter and nine months ending 31 December 2017 at its meeting held on 09 February 2018.

Brief highlights are given below:

Financials

The Turnover (standalone) during the quarter was Rs. 108.16 Crores. This represents a 16.9% increase over the corresponding quarter of the previous year and a 40.8% increase over the immediately preceding quarter. For the 9 month period up to December 2017 the turnover at Rs. 268 Crores represented a slight drop of 4.5% over the corresponding period of the previous year.

The Profit Before Tax for the quarter amounted to Rs 4.89 Crores. This represents an increase of 58.6 % over the corresponding quarter of the previous year and an increase of 14.8% over the immediately preceding quarter. The Profit Before Tax for the nine month period was Rs 11.36 Crores which represented an increase of 4.9 % over the corresponding period of the previous year.

The Profit After Tax for the quarter was Rs 3.19 Crores which was 49 % higher than the corresponding quarter of the previous year and 17.3 % more than in the immediately preceding quarter. The profit After Tax for the nine month period was Rs 7.25 crores.

Margins

The EBITDA margins which have been slowly rising were just over 13.1% for the nine month period..

Order Book

The Company has an extremely healthy order backlog of close to Rs 2200 Crores. The Company has large outstanding bids worth over Rs 3000 Crores and a known L1 position of around Rs. 150 Crores. This provides an excellent foundation for good growth in the next 2-3 years and beyond.

The order back-log is largely contributed to by the water and Electrical sectors with other traditional sectors now having a negligible contribution.

Management Commentary

The operational results for the first half of the year were adversely impacted due to introduction of GST, paucity of working capital and delay in payments from customers. From the third quarter onwards the adverse impact due to GST whilst not fully extinguished, have substantially been overcome and this is reflected in the increase in turnover, which while still slightly lower (cumulatively for 9 months) than the corresponding turnover of the previous fiscal year is expected to be, for the full year, higher than the previous year.

The tightness in working capital, mainly due to delay in payments, has compelled the Company to increase short term borrowings with resultant increase in finance cost.

To be able to take full advantage of its healthy order backlog, the Company is actively looking for ways and means to augment access to additional funds, for overall enhancement of operational performance in terms of turnover and profit. The prospects both medium and long term are good. The Company expects the EBITDA margins to be maintained around or over 12%.

Outlook on Fresh Business

Notwithstanding the healthy order backlog the Company continues to look for more orders, both domestically and overseas, at decent margins. Apart from the Electrical and Water sectors there may be some opportunities in the Power & Industrial sectors especially related to Air Pollution Control Systems and Waste-to-Energy Plants as new measures are being implemented by the Government to contain the menace of Air Pollution and Solid Waste.

Investors Con Call

An investors Con Call is planned to be held at 4:30 pm on Wednesday 14th February 2018, for which a separate intimation will be issued through NSE and BSE.



Arjun Gupta
Whole-time Director

