



VA TECH WABAG LIMITED

CIN: L45205TN1995PLC030231

Regd. office: "WABAG HOUSE" No.17, 200 Feet Thoraipakkam- Pallavaram Main Road, Sunnambu Kolathur, Chennai 600 117.

Website: www.wabag.com | Email: companysecretary@wabag.in

₹ in Lakhs

Sl No.	Particulars	STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE						STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE					
		Quarter Ended			Nine Months Ended			Quarter Ended			Nine Months Ended		
		31/12/2019	30/09/2019	31/12/2018	31/12/2019	31/12/2018	31/03/2019	31/12/2019	30/09/2019	31/12/2018	31/12/2019	31/12/2018	31/03/2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue												
	a. Revenue from operations	67,944	63,612	66,190	177,209	210,171	278,096	48,810	44,284	45,157	125,492	131,268	174,812
	b. Other income	283	547	53	948	163	435	361	402	5	840	20	238
	Total Income (a + b)	68,227	64,159	66,243	178,157	210,334	278,531	49,171	44,686	45,162	126,332	131,288	175,050
2	Expenses												
	a. Cost of sales and services	53,360	48,233	50,497	134,447	161,654	211,862	36,959	34,897	33,756	93,732	99,454	129,769
	b. Changes in inventories	(936)	(550)	230	(1,676)	213	271	164	(87)	271	182	422	242
	c. Employee benefits expense	6,208	5,936	7,101	18,322	20,032	25,377	3,363	3,132	3,305	9,496	9,504	12,022
	d. Finance cost	2,827	2,634	1,879	8,176	5,130	7,532	2,042	2,098	1,274	5,954	3,208	4,847
	e. Depreciation and amortisation expense	359	429	412	1,138	1,257	1,679	161	178	210	507	643	847
	f. Other expenses	2,586	3,847	3,431	9,493	12,945	21,172	3,345	1,696	2,345	7,837	8,247	15,634
	Total expenses (a + b + c + d + e + f)	64,404	60,529	63,550	169,900	201,231	267,893	46,034	41,914	41,161	117,708	121,478	163,361
3	Profit before share of profit of associates and joint ventures, exceptional items and tax	3,823	3,630	2,693	8,257	9,103	10,638	3,137	2,772	4,001	8,624	9,810	11,689
4	Share of profit of associates and a joint venture	321	34	4	469	286	333	-	-	-	-	-	-
5	Profit before exceptional items and tax	4,144	3,664	2,697	8,726	9,389	10,971	3,137	2,772	4,001	8,624	9,810	11,689
6	Exceptional items	-	-	-	-	-	-	-	-	-	-	-	-
7	Profit before tax	4,144	3,664	2,697	8,726	9,389	10,971	3,137	2,772	4,001	8,624	9,810	11,689
8	Tax expense:												
	a. Current tax	81	1,037	1,777	1,945	4,165	3,766	32	715	1,672	1,309	3,822	3,232
	b. Deferred tax	1,238	238	(289)	1,503	(255)	(1,717)	1,152	262	(266)	1,577	(379)	(1,783)
9	Profit for the period	2,825	2,389	1,209	5,278	5,479	8,922	1,953	1,795	2,595	5,738	6,367	10,240
	Profit for the period attributable to:												
	Owners of the parent	3,078	2,709	1,542	6,049	6,425	10,502	1,953	1,795	2,595	5,738	6,367	10,240
	Non-controlling interests	(253)	(320)	(333)	(771)	(946)	(1,580)	-	-	-	-	-	-
10	Earnings per equity share (in ₹)												
	a. Basic (Not annualised)	5.63	4.96	2.82	11.06	11.75	19.21	3.57	3.28	4.75	10.49	11.65	18.73
	b. Diluted (Not annualised)	5.63	4.96	2.82	11.06	11.75	19.21	3.57	3.28	4.74	10.49	11.64	18.73
11	Other Comprehensive income												
	i) Items that will not be reclassified to profit or loss												
	- Re-measurement gains/(losses) on defined benefit plans	(2)	(2)	(7)	(6)	(21)	33	(2)	(2)	(7)	(6)	(21)	(1)
	- Translation reserve	76	(37)	(192)	47	(130)	(49)	-	-	-	-	-	-
	- Income tax relating to items that will not be reclassified to profit or loss	1	1	2	2	6	(10)	1	1	2	2	6	(10)
	ii) Items that will be reclassified subsequently to profit or loss												
	- Translation reserve	462	(59)	(1,049)	403	163	(411)	-	-	-	-	-	-
	- Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
12	Other comprehensive income for the period, net of tax	537	(97)	(1,246)	446	18	(437)	(1)	(1)	(5)	(4)	(15)	(11)
	Other comprehensive income for the period, net of tax attributable to:												
	Owners of the parent	461	(60)	(1,054)	399	148	(388)	(1)	(1)	(5)	(4)	(15)	(11)
	Non-controlling interests	76	(37)	(192)	47	(130)	(49)	-	-	-	-	-	-
13	Total comprehensive income for the period	3,362	2,292	(37)	5,724	5,497	8,485	1,952	1,794	2,590	5,734	6,352	10,229
	Total comprehensive income for the period attributable to:												
	Owners of the parent	3,539	2,649	488	6,448	6,573	10,114	1,952	1,794	2,590	5,734	6,352	10,229
	Non-controlling interests	(177)	(357)	(525)	(724)	(1,076)	(1,629)	-	-	-	-	-	-
14	Paid-up equity share capital (Face value ₹ 2 each)	1,094	1,094	1,093	1,094	1,093	1,094	1,094	1,094	1,093	1,094	1,093	1,094
15	Earnings per equity share (in ₹)												
	a. Basic (Not annualised)	6.47	4.85	0.89	11.79	12.02	18.50	3.57	3.28	4.74	10.48	11.62	18.71
	b. Diluted (Not annualised)	6.47	4.85	0.89	11.79	12.02	18.50	3.57	3.28	4.73	10.48	11.61	18.71





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Segment-wise Revenue, Results, Assets and Liabilities

₹ in Lakhs

Sl No.	Particulars	STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE						STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE					
		Quarter Ended			Nine Months Ended			Quarter Ended			Nine Months Ended		
		31/12/2019	30/09/2019	31/12/2018	31/12/2019	31/12/2018	31/03/2019	31/12/2019	30/09/2019	31/12/2018	31/12/2019	31/12/2018	31/03/2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue												
	India	26,825	22,440	22,155	72,213	68,093	93,589	26,825	22,440	22,155	72,213	68,093	93,589
	Rest of the world	44,921	45,554	49,640	115,266	152,693	197,239	21,100	22,151	22,279	52,351	61,252	77,408
	Total	71,746	67,994	71,795	187,479	220,786	290,828	47,925	44,591	44,434	124,564	129,345	170,997
	Add: Un-allocable revenue	1,244	701	1,143	3,288	2,719	6,526	885	(307)	723	928	1,923	3,815
	Less: Inter-segment Revenue	5,046	5,083	6,748	13,558	13,334	19,258	-	-	-	-	-	-
	Net Sales/Income From Operations	67,944	63,612	66,190	177,209	210,171	278,096	48,810	44,284	45,157	125,492	131,268	174,812
2	Segment Results (Profit before Interest, tax and other unallocable items)												
	India	4,592	4,774	4,048	15,893	9,579	18,723	4,592	4,774	4,048	15,893	9,579	18,748
	Rest of the world	11,120	10,866	10,744	28,229	37,736	44,180	6,210	5,006	6,359	14,757	19,890	22,236
	Total	15,712	15,640	14,792	44,122	47,315	62,903	10,802	9,780	10,407	30,650	29,469	40,984
	Less:												
	(i) Interest and bank charges, net	(2,667)	(2,470)	(1,826)	(7,734)	(4,967)	(7,097)	(1,933)	(1,971)	(1,269)	(5,641)	(3,188)	(4,635)
	(ii) Other un-allocable expenditure	(9,153)	(10,328)	(10,944)	(28,953)	(34,234)	(48,228)	(6,869)	(5,235)	(5,860)	(17,840)	(18,394)	(28,503)
	Add:												
	(i) Un-allocable income	252	822	675	1,291	1,275	3,393	1,137	198	723	1,455	1,923	3,843
	Profit before exceptional items and tax	4,144	3,664	2,697	8,726	9,389	10,971	3,137	2,772	4,001	8,624	9,810	11,689
	Exceptional Items	-	-	-	-	-	-	-	-	-	-	-	-
	Profit before tax	4,144	3,664	2,697	8,726	9,389	10,971	3,137	2,772	4,001	8,624	9,810	11,689
3	Segment Assets												
	India	182,227	183,008	173,454	182,227	173,454	172,816	184,748	185,528	175,973	184,748	175,973	175,335
	Rest of the world	180,129	159,147	193,022	180,129	193,022	172,846	78,247	72,219	80,288	78,247	80,288	75,482
	Unallocated	38,566	34,291	25,453	38,566	25,453	32,189	36,275	32,065	23,313	36,275	23,313	30,123
	Total	400,922	376,446	391,929	400,922	391,929	377,851	299,270	289,812	279,574	299,270	279,574	280,940
4	Segment Liabilities												
	India	84,616	80,493	71,035	84,616	71,035	79,849	84,616	80,493	71,035	84,616	71,035	79,849
	Rest of the world	152,042	133,048	155,037	152,042	155,037	142,934	68,557	63,014	68,186	68,557	68,186	64,590
	Unallocated	50,158	52,080	46,292	50,158	46,292	46,510	48,691	50,850	44,490	48,691	44,490	44,830
	Total	286,816	265,621	272,364	286,816	272,364	269,293	201,864	194,357	183,711	201,864	183,711	189,269

Notes:

- The above results were reviewed by the Audit Committee and were approved and taken on record by the Board at its meeting held on February 08, 2020 and a limited review has been carried out by the Statutory Auditors of the Company.
- The Company has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (IND AS 108) read with SEBI's circular CIR/CFD/FAC/62/2016 dated July 05, 2016. Accordingly, the Company has identified the geographical components as its operating segments for reporting and is consistent with performance assessment and resource allocation by the management. Segment revenue comprises sales and 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.
- The Company has been executing certain projects for Andhra Pradesh Power Generation Corporation Limited (APGENCO) and Telangana State Power Generation Corporation Limited (TSGENCO) as part of a consortium. With financial difficulties faced by other two partners, the Company took over as consortium leader for these projects in 2014-15. Corporate insolvency resolution process was ordered against the erstwhile consortium leader Tecpro Systems Limited ("Tecpro") in 2017-18. The receivables from these projects, net of provision for expected credit losses are as follows:
 - The Company is pursuing legal action to recover an amount of ₹6,953 lakhs from Tecpro held under trust. The company expects to recover these dues through National Company Law Tribunal post the ruling in National Company Law Appellate Tribunal.
 - The Company has completed the project for TSGENCO and is in the process of recovering the receivables and retentions of ₹13,875 lakhs. Tecpro is endeavouring to initiate arbitration with TSGENCO. The Company and TSGENCO have challenged the same legally and obtained an interim injunction order against the arbitration proceedings.
 - The receivables and retentions pertaining to APGENCO project of ₹24,396 lakhs, are recoverable progressively upon satisfactory completion of the contractual milestones
- Effective April 01, 2019, the Group has adopted Ind AS 116 "Leases" using the modified retrospective transition method. Accordingly, comparative amounts of the previous periods have not been retrospectively adjusted. The impact of adoption of Ind AS 116 on the financial results is not material.
- Pursuant to the Taxation Laws (Amendment) Ordinance, 2019 ("Ordinance") enacted by the Government of India, the Company has a one-time option to adopt a reduced maximum marginal tax rate, which shall apply for financial years starting April 01, 2019. The Company is in the process of evaluating this option provided in the Ordinance.
- Figures for the previous periods have been regrouped/reclassified to conform to the figures presented in the current period.

Place : Chennai

Date : February 08, 2020

Rajiv Mittal

RAJIV MITTAL
MANAGING DIRECTOR & GROUP CEO





SHARP & TANNAN

Chartered Accountants

Firm's Registration No. 003792S

Independent Auditor's Limited Review Report on Standalone unaudited financial results of VA Tech Wabag Limited for the quarter and nine months ended 31 December 2019

To

The Board of Directors of VA Tech Wabag Limited

1. We have reviewed the accompanying statement of unaudited financial results of VA Tech Wabag Limited ('the Company') for the quarter and nine months ended 31 December 2019 ('the Statement.'). 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 these financial results based on our review.
2. We conducted our review of the Statement 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 Indian Accounting Standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw reference to Note 3 of the Statement which describes that the Company has been executing projects for M/s. Andhra Pradesh Power Generation Corporation Limited and M/s. Telangana State Power Generation Corporation Limited as part of a consortium. The Company took over the projects as consortium leader in 2014-15 and a corporate insolvency resolution process was ordered against the erstwhile consortium lead member Tecpro Systems Limited in 2017-18. The net receivables on these projects of Rs. 45,224 Lakhs, its status and process of recoverability is explained in the aforementioned note. Our conclusion is not modified in respect of this matter.

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No. 003792S)

V. Viswanathan
Partner

Membership No. 215565
UDIN: 20215565AAAAAE2813

Place: Chennai
Date: 8 February 2020



SHARP & TANNAN

Chartered Accountants

Firm's Registration No. 003792S

Independent Auditor's Limited Review Report on Consolidated unaudited financial results of VA Tech Wabag Limited for the quarter and nine months ended 31 December 2019, pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Board of Directors of VA Tech Wabag Limited

1. We have reviewed the accompanying statement of consolidated unaudited financial results of VA Tech Wabag Limited ('the Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group'), and its share of the net profit / (loss) after tax and total comprehensive income / (loss) of its associates and a joint venture for the quarter and nine months ended 31 December 2019 ('the Statement'), being submitted by the Parent pursuant to the requirements of regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('IndAS 34'), prescribed under section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
4. The Statement includes the results of the subsidiaries, associates and a joint venture as given in Annexure I.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of review reports of other auditors as referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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6. We draw reference to Note 3 of the Statement which describes that the Parent has been executing projects for M/s. Andhra Pradesh Power Generation Corporation Limited and M/s. Telangana State Power Generation Corporation Limited as part of a consortium. The Parent took over the projects as consortium leader in 2014-15 and a corporate insolvency resolution process was ordered against the erstwhile consortium lead member Tecpro Systems Limited in 2017-18. The net receivables on these projects of Rs. 45,224 Lakhs, its status and process of recoverability is explained in the aforementioned note. Our conclusion is not modified in respect of this matter.
7. We did not review the interim financial information of 19 subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect, total revenues of Rs. 25,971 Lakhs and Rs. 70,347 Lakhs, total loss after tax (net) of Rs. 103 Lakhs and Rs. 2,548 Lakhs, total comprehensive loss (net) of Rs. 103 Lakhs and Rs. 2,548 Lakhs for the quarter and nine months ended 31 December 2019, respectively as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also include the Group's share of profit after tax (net) of Rs. 321 Lakhs and Rs. 469 Lakhs and total comprehensive income (net) of Rs. 321 Lakhs and Rs. 469 lakhs for the quarter and nine months ended 31 December 2019, respectively, as considered in the consolidated unaudited financial results, in respect of two associates and a joint venture, whose interim financial information have not been reviewed by us. These interim financial information have been reviewed by other auditors whose review reports have been furnished to us by the management of the Parent and our conclusion on the Statement, in so far as it relates to the amounts and disclosures of these subsidiaries, associates and a joint venture, is based solely on the reports of other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion is not modified in respect of this matter.

Place: Chennai

Date: 8 February 2020

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No. 003792S)


V. Viswanathan
Partner

Membership No. 215565
UDIN: 20215565AAAAAD8583

Annexure 1 - List of entities included in the Statement

Subsidiaries

1. VA Tech Wabag (Singapore) Pte. Ltd, Singapore
2. VA Tech Wabag GmbH, Austria
3. VA Tech Wabag Brno spol S.R.O, Czech Republic
4. Wabag Wassertechnik AG, Switzerland
5. Wabag Water Services s.r.l, Romania
6. VA Tech Wabag S U Teknolojisi Ve Ticaret A.S, Turkey
7. VA Tech Wabag Deutschland GmbH, Germany
8. VA Tech Wabag Tunisie s.a.r.l, Tunisia
9. Ujams Wastewater Treatment Company (Pty) Ltd, Namibia
10. VA Tech Wabag Muscat LLC, Oman
11. Wabag Muhibbah JV SDN BHD, Malaysia
12. VA Tech Wabag (Philippines) Inc., Philippines
13. Wabag Limited, Thailand
14. Wabag Operation and Maintenance WLL, Bahrain
15. Wabag Belhasa JV WLL, Bahrain
16. VA Tech Wabag Limited Pratibha Industries Limited JV, Nepal
17. VA Tech Wabag Brazil Servicos De Agua E Saneamento Ltda., Brazil
18. Ganga STP Projects Private Limited (incorporated on 5 April 2019)
19. DK Sewage Projects Private Limited (incorporated on 26 September 2019)
20. Wabag Water Services (Macao) Ltd, Macau (liquidated effective 31 March 2019)

Associates

21. VA Tech Wabag & Roots Contracting LLC., Qatar
22. Windhoek Goreangab Operating Company (Pty) Limited, Namibia

Joint venture

23. International Water Treatment LLC, Oman

SNF