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TECHNOFAB ENGINEERING LIMITED

November 14, 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 half year ended 30 September 2018.

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



Q2FY19 / H1FY19 Information Update

Date: 14 November 2018

The Board of Directors of the Company has approved the unaudited financial results for the Quarter and Half Year ended 30th September 2018 at its Board Meeting held on 13th November 2018.

Brief highlights are given below:

Financials:

The Total Revenue (standalone) during the quarter and half year ended 30 September 2018 were Rs. 111.68 Cr. and 216.65 Crore respectively showing increase of 45.53 % and 35.20 % when compared to the results of the corresponding periods of the previous year.

The pre-tax profit (PBT) for the quarter and half year ended 30 September 2018 were Rs. 6.64 Crore and Rs. 9.46 Crore respectively which equates to a ratio of 6.08 % and 4.46% of respective Turnover.

The profit after tax (PAT) for the Q2FY19 was at Rs. 4.42 Cr, which equates to a ratio of 4.05% of Turnover and an increase of 62.50 % over the corresponding period of the previous year. While PAT for H1FY19 is Rs. 6.22 Crore is 2.93% of turnover showing an increase of 53.58 %.

The Company has reported EPS of Rs. 4.21 for the quarter ended 30 September 2018 as compared to Rs. 2.59 for the corresponding period of the previous year.

(Rs. in Crore except otherwise mentioned)

Financials	Q2 FY19	Q2 FY18	% Change	H1 FY19	H1FY18	% Change
Total Revenue (Standalone)	111.68	76.74	↑ 45.53%	216.65	160.24	↑ 35.20%
PBT	6.64	4.26	↑ 55.87%	9.46	6.48	↑ 45.99%
PAT	4.42	2.72	↑ 62.50%	6.22	4.06	↑ 53.20%
EPS	4.21	2.59	↑ 62.55%	5.93	3.87	↑ 53.23%
EBITDA	13.96	11.22	↑ 24.42%	24.80	21.94	↑ 13.04%

Performance Analysis:

During H1FY19, the Company experienced an increase in Cost of Material Consumed and Expenditure on Contracts. Cost of Material Consumed was 66.25% (of Net Sales) as compared to 61.26% in H1FY18 and Expenditure on Contracts was 11.60% (of Net Sales) as compared to 9.26% in H1FY18. The increase was primarily on account of increase in prices of various raw materials like ferrous and non-ferrous items, aluminum, conductors, electrical equipment like Transformers etc. and due to rise in transportation and freight costs on account of hike in fuel prices and other market conditions.

Finance Cost:

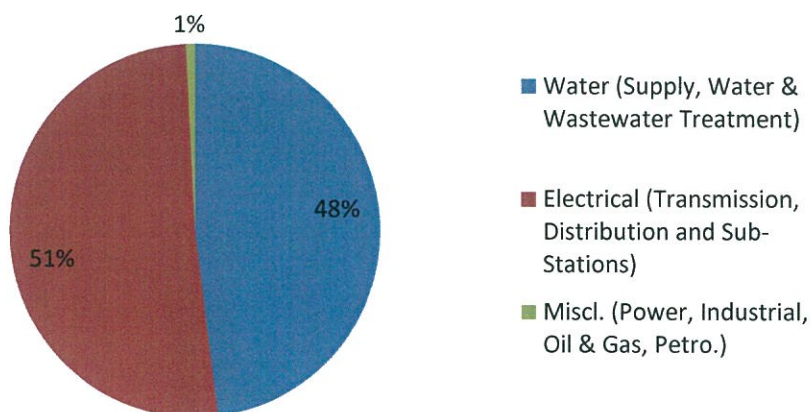
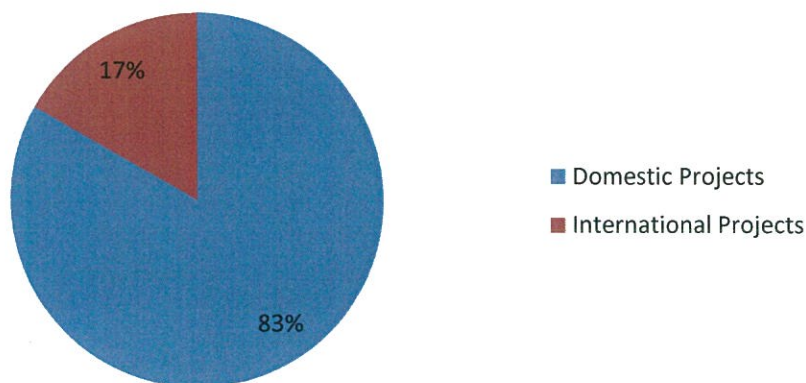
Finance Cost of the Company has remained flat. It was Rs. 13.27 Crore (6.26 % of Net Sales) in H1FY19 as compared to Rs. 13.34 Crore in H1FY18 (8.33 % of Net Sales).



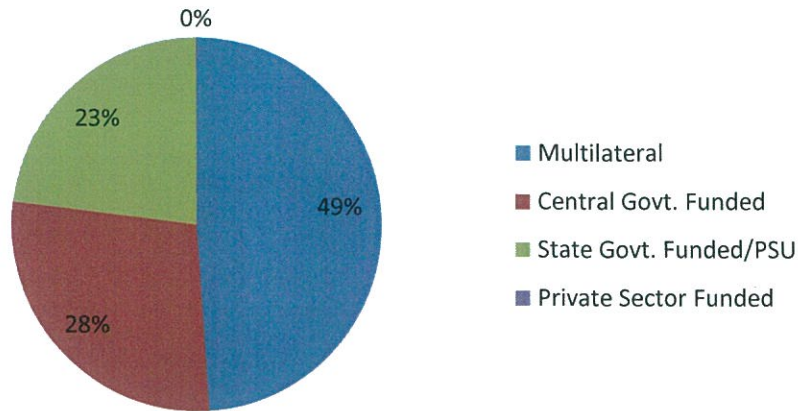
Order Book:

The Company secured fresh orders (two) worth Rs 389 Crores in the current Quarter, with both orders coming in from the Electrical Sector in India. With these orders, the Company has a robust order backlog (unexecuted portion of all orders) of around Rs 2020 Cr.

Sectorial, Geographical and Funding arrangement of the Order Book is as follows:

Sectorial Break-up of Order Backlog**Geographical Break-up of Order Backlog:**

Sources of Fund



Outlook on Fresh Business:

In addition to the recent orders totaling to Rs. 389 Cr, the Company is expecting new orders (L1 Position) of approx. Rs. 565 Cr. The expected orders are for two projects in the Water Sector (Overseas & Domestic) and one project in the Electrical Sector (Domestic).

Management Commentary:

The Operational results for the Quarter are satisfactory. Given the healthy order book, L1 position, the Management expects that the current year should see decent growth in both earnings and performance, however, rise in cost of raw materials and deteriorating liquidity positions in the market may need to be factored in.

Investors Con Call:

An Investors con-call has been tentatively organized to be held on Thursday, 15 November 2018 at 4:00 PM for which a separate confirmation will be issued to the Stock Exchanges.

Suman Kumar Verma
Company Secretary



Disclaimer

Certain statements in this communication may be 'forward looking statements' within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.

Technofab Engineering Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.