

REGISTERED OFFICE
913, Hemkunt Chambers, 89 Nehru Place
New Delhi – 110019, India
Tel : +91-11-26411931, 26415961
Fax : +91-11-26221521
Email : info@technofabengineering.com
CIN : L74210DL1971PLC005712



TECHNOFAB ENGINEERING LIMITED

February 21, 2019

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 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

Information Update

Date: 21 February 2019

The Board of Directors of the Company has approved the unaudited financial results for the Quarter and Nine Month ended 31st December 2018 at its Board Meeting held on 14th February 2019.

Brief highlights are given below:

Financials:

The Total Revenue (standalone) during the quarter (Q3FY19) was Rs. 86.76 Crore as against Rs. 108.17 Crore in the corresponding period of the previous fiscal year which represents a decline of 19.8%. However the cumulative Total Revenue (standalone) during the first Nine (9) Months of the year amounts to Rs. 302.95 Crore as against Rs. 268.40 Crore in the corresponding period of the previous fiscal year which represents an increase of 12.87%.

The pre-tax profit (PBT) for Nine (9) Months ended 31 December 2018 was Rs. 9.15 Crore which equates to a ratio of 3.06 % of the Turnover. However the Company has incurred a nominal loss of Rs. 0.31 Cr in the current quarter. The profit after tax (PAT) for the nine month ended 31 December 2018 was at Rs. 5.92 Cr, which equates to a ratio of 1.98 % of Turnover.

Financials	Q3FY19	Q3FY18	9 Month ended 31 Dec 18	9 Month ended 31 Dec 17
Total Revenue (Standalone)	86.76	108.17	302.95	268.4
PBT	-0.31	4.89	9.15	11.37
PAT	-0.3	3.19	5.92	7.25
EPS	-0.29	3.04	5.64	6.91
EBITDA	9.17	13.36	33.97	35.30
EBITDA (%)	10.59%	12.39%	11.37%	13.17%

Performance Analysis:

During nine months ended 31 December 2018 (the "Period under review"), the Company experienced a slight increase of 2.45% in total expenditure as compared to the corresponding period under preceding fiscal year. In particular, the Cost of Materials Consumed during Period under review (64.64% of Net Sales) remained almost same as compared to (62.98% of Net Sales) whereas Expenditure on Contracts saw a slight increase (11.84% of Net Sales) as compared to (8.99% of Net Sales) in the previous period.

Employee Cost:

During this period, the Employee Benefit Cost has been brought down to (11.20% of Net Sales) as compared to (11.88% of Net Sales).

Finance Cost:

Finance Cost of the Company has remained flat. It was Rs. 21.64 Crore (7.25 % of Net Sales) in nine month ended 31 December 2018 as compared to Rs.20.79 Crore in nine month ended 31 December 2017(7.76 % of Net Sales).

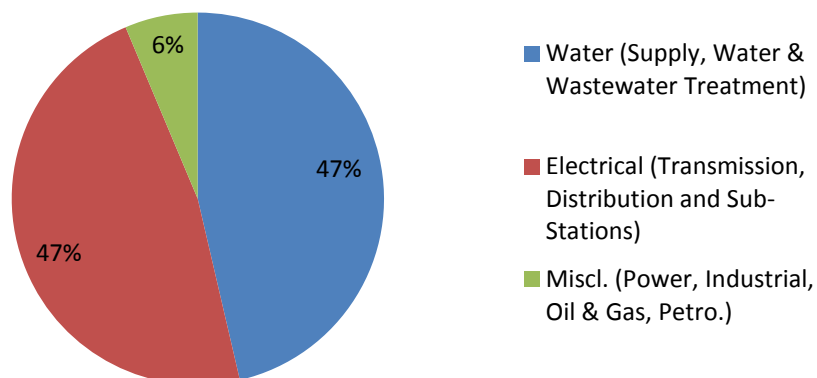
Order Book:

We are pleased to announce receipt of one new order in water sector worth Rs. 153 Crore from the West Bengal PHED which is funded by the Asian Development Bank. This is in addition to the order received from the same State from the WBSEDCL in the electrical sector worth Rs. 105.5 Cr.

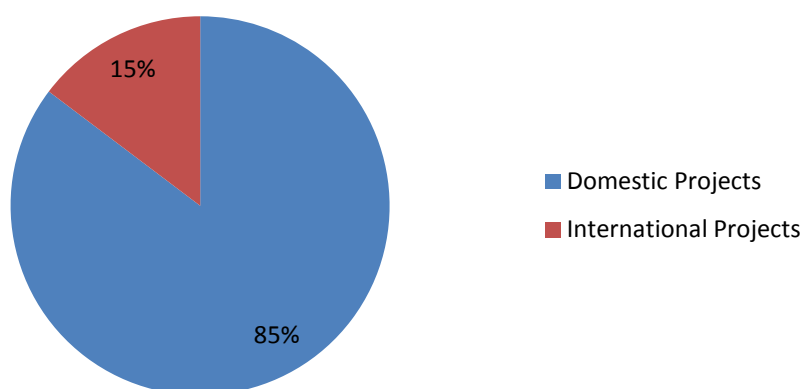
With these new orders, the Company has a robust order backlog (unexecuted portion of all orders) of around Rs. 2089 Cr. It is pertinent to note that all the orders are either funded by Central Government of India, Multilateral Funding Agencies (ADB/WB/EIB/EXIM/AfDB/etc.) and State Government. There are no orders with the Private Sector. All ongoing jobs are by and large are progressively moving at a decent pace.

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

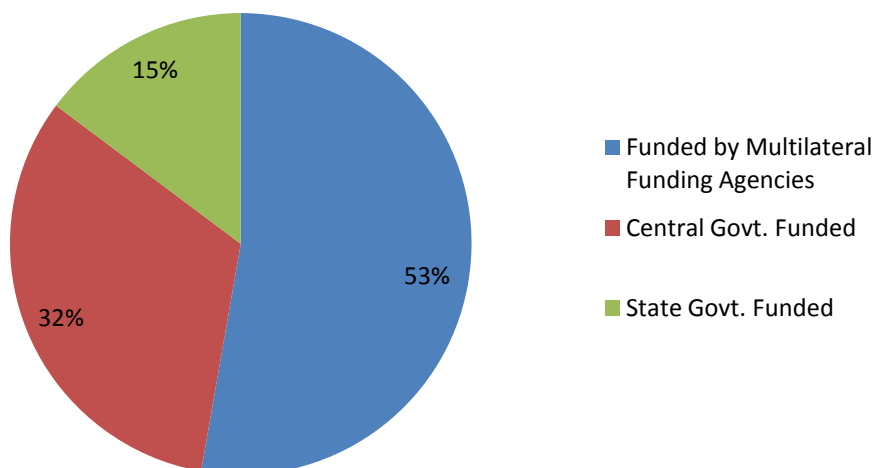
Sectorial Break-up of Order Backlog



Break-up of Order Backlog (Geographical):



Break-up of Order Backlog (Source of Funding)



Outlook on Fresh Business:

In addition to the recent orders, the Company is expecting one new order (L1 Position) of approx. Rs. 300Cr which is for an Overseas Project in the Water Sector.

Management Commentary:

The Operational results for the Quarter were below management expectations. The dip in Q3FY19 Revenue was primarily on account of cash flow mismatch due to delay in pickup of revenues from new orders from RUDIP Hanumangarh and JKPDD Srinagar coupled with some delays in inflows from running projects including PGCIL, Rwanda and Uganda. The new projects have now started to pick up pace and at the same time, inflows from running projects have also started rolling in, albeit slowly.

The Company is putting its best efforts and is confident of improving its cash flow leading to stable growth in Revenue over the next few Quarters. Given the healthy order book and L1 position, the medium to long-term prospects remain good.

Meanwhile the Company continues to seek additional working capital through its bankers as well as through various other means of finance to fund its growth. The established track record of Management and diversified project portfolio (sectorial and geographical) have always been the key strength of the Company.

Investors Con Call:

An Investors con-call has been tentatively organized to be held on Tuesday, 26 February 2019 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.