

Ref: SEL/BSE/2016-17/12  
13.02.2017

To,  
The Dy. Gen. Manager,  
Corporate Relationship Dept.,  
**BSE Limited**  
PJ Tower, Dalal Street,  
Mumbai – 400 001  
Fax : 022-22722037-39  
**Equity Scrip Code:532710**

To,  
**National Stock Exchange of India  
Ltd.**  
Exchange Plaza,  
Plot no. C/1, G Block,  
Bandra-Kurla Complex, Bandra (E)  
Mumbai - 400 051  
Fax : 022-26598237-38  
**Equity Scrip Name: SADBHAV**

**Sub: Press Release of Unaudited Financial Results for quarter ended 31.12.2016 (Q3)**

Please find attached herewith copy of Press Release issued in respect of Unaudited Financial Results for quarter ended 31.12.2016 (Q3).

You are requested to take the above on record.

Thanking you

Yours truly,  
For **Sadbhav Engineering Ltd.**



**Tushar Shah**  
**Company Secretary**  
**Mem.No. F7216**



# Sadbhav Engineering Limited

Result Update Q3 FY17

February 2017

# Key Financial Highlights: Q3 & YTD FY 2016-17

## Performance Q3 FY17 vs Q3 FY16 (YoY)

- Income from operations is at Rs. 864.83 cr vs Rs. 753.09 cr. (growth at +14.84%)
- EBITDA margin at 10.85% vs 9.81%
- Net Profit of Rs. 52.42 cr vs Rs. 28.74 cr

## Performance YTD FY17 vs YTD FY16 (YoY)

- Income from operations is at Rs. 2,287.43 cr vs Rs. 2,328.29 cr (growth at -1.75%)
- EBITDA margin at 10.76% vs 10.48%
- Net Profit of Rs. 119.63 cr vs Rs. 97.09 cr

**Order book as on 31<sup>st</sup> December 2016 at Rs. 7,708 cr.**

**New orders added during Q3FY17 :- Rs. 2,273.00 cr**

# Standalone Financial Performance

Particulars (In Rs cr)	Q3 FY17	Q3 FY16	% growth	9m FY17	9m FY16	% growth
<b>Income from operations</b>	<b>864.83</b>	<b>753.09</b>	<b>14.84</b>	<b>2,287.43</b>	<b>2,328.29</b>	<b>(1.75)</b>
<b>Construction expenses</b>	698.64	608.19	14.87	1,844.58	1,890.40	(2.42)
<i>% of sales</i>	<i>80.78</i>	<i>80.76</i>		<i>80.64</i>	<i>81.19</i>	
<b>Employee expenses</b>	31.93	31.09	2.69	98.75	91.30	8.15
<i>% of sales</i>	<i>3.69</i>	<i>4.13</i>		<i>4.32</i>	<i>3.92</i>	
<b>Other expenses</b>	40.45	39.95	1.24	98.10	102.59	(4.38)
<i>% of sales</i>	<i>4.68</i>	<i>5.31</i>		<i>4.29</i>	<i>4.41</i>	
<b>EBITDA</b>	<b>93.82</b>	<b>73.85</b>	<b>27.03</b>	<b>246.01</b>	<b>243.99</b>	<b>0.83</b>
<i>% of sales</i>	<i>10.85</i>	<i>9.81</i>		<i>10.76</i>	<i>10.48</i>	
<b>Depreciation</b>	24.99	21.76	14.87	75.77	63.52	19.29
<b>Finance cost</b>	24.31	19.29	26.05	63.67	56.18	13.33
<i>% of sales</i>	<i>2.81</i>	<i>2.56</i>		<i>2.78</i>	<i>2.41</i>	
<b>Other income</b>	6.02	2.37	154.32	11.55	9.33	23.69
<b>Exceptional item</b>	-	1.40	(100.00)	-	(10.38)	(100.00)
<b>PBT after exceptional item</b>	<b>50.53</b>	<b>36.58</b>	<b>38.15</b>	<b>118.12</b>	<b>123.24</b>	<b>(4.16)</b>
<i>% of sales</i>	<i>5.84</i>	<i>4.86</i>		<i>5.16</i>	<i>5.29</i>	
<b>Taxes</b>	(1.89)	7.84	(124.17)	(1.51)	26.14	(105.79)
<b>PAT</b>	<b>52.42</b>	<b>28.74</b>	<b>82.44</b>	<b>119.63</b>	<b>97.09</b>	<b>23.21</b>
<i>% of sales</i>	<i>6.06</i>	<i>3.82</i>		<i>5.23</i>	<i>4.17</i>	

# Segmental Revenue Breakup

Quarterly Revenue Breakup (Rs cr)	Q3FY17	% of total sales	Q3FY16	% of total sales
<b>Transport sector</b>	<b>690.17</b>	<b>79.80</b>	<b>559.64</b>	<b>74.31</b>
- BOT	41.98	4.85	428.12	56.85
- EPC	648.19	74.95	131.52	17.46
<b>Irrigation sector</b>	<b>73.93</b>	<b>8.55</b>	<b>100.35</b>	<b>13.33</b>
<b>Mining sector</b>	<b>100.18</b>	<b>11.58</b>	<b>92.15</b>	<b>12.24</b>
<b>Power generation</b>	<b>0.54</b>	<b>0.06</b>	<b>0.94</b>	<b>0.13</b>
<b>Total</b>	<b>864.83</b>	<b>100.00</b>	<b>753.09</b>	<b>100.00</b>

YTD Revenue Breakup (Rs cr)	9mFY17	% of total sales	9mFY16	% of total sales
<b>Transport sector</b>	<b>1,711.84</b>	<b>74.84</b>	<b>1,658.82</b>	<b>71.25</b>
- BOT	186.92	8.17	1,296.12	55.67
- EPC	1,524.92	66.67	362.70	15.58
<b>Irrigation sector</b>	<b>332.57</b>	<b>14.54</b>	<b>332.40</b>	<b>14.28</b>
<b>Mining sector</b>	<b>238.33</b>	<b>10.42</b>	<b>332.21</b>	<b>14.27</b>
<b>Power generation</b>	<b>4.69</b>	<b>0.21</b>	<b>4.80</b>	<b>0.21</b>
<b>Total</b>	<b>2,287.43</b>	<b>100.00</b>	<b>2,328.29</b>	<b>100.00</b>

## Order book Breakup / Top 5 Projects by Execution During Q3 FY17

Order book breakup (Rs cr)	As on 31.12.16	% of total	As on 31.12.15	% of total	As on 30.09.16	% of total
<b>Transport sector</b>	<b>4,842.69</b>	<b>62.83</b>	<b>4,567.96</b>	<b>55.22</b>	<b>3211.25</b>	<b>51.51</b>
- BOT	2,406.46	31.22	572.91	6.93	156.07	2.50
- EPC	2,436.23	31.61	3,995.06	48.29	3055.19	49.01
<b>Irrigation sector</b>	<b>1,112.83</b>	<b>14.44</b>	<b>1,643.62</b>	<b>19.87</b>	<b>1,186.77</b>	<b>19.04</b>
<b>Mining sector</b>	<b>1,752.63</b>	<b>22.74</b>	<b>2,061.29</b>	<b>24.92</b>	<b>1,835.97</b>	<b>29.45</b>
<b>Total</b>	<b>7,708.15</b>	<b>100.00</b>	<b>8,272.87</b>	<b>100.00</b>	<b>6233.99</b>	<b>100.00</b>

Top 5 Projects	Segment	Execution during Q3FY17 (Rs. cr)
EPE - 2	Transport - EPC	151.45
EPE - 1	Transport - EPC	88.71
Yamunanagar Panchkula Package - 2	Transport - EPC	83.34
Ambala Kaithal	Transport - EPC	68.02
Yamunanagar Panchkula Package - 1	Transport - EPC	66.27

## Order inflow in Q3 FY17

Project	Segment	Length (kms)	Quoted price (Rs. cr.)	Construction period/ Maintenance period
Four Laning of Rampur – Kathgodam Section of NH – 87 (New NH No. 9) from 0.000 (km 190.000 of NH -24) km to km 42.791 (design chainage 43.446) [Package – 1] in the state of UP	Transport	43.45	603	730 days from Appointed date
Four Laning of Rampur – Kathgodam Section of NH – 87 (New NH No. 9) from 42.791 (design chainage 43.446)km to km 42.791 (design chainage 93.226) [Package – 2] in the state of UP	Transport	49.78	525	730 days from Appointed date
Four Laning of Bhavnagar – Talaja Section of NH – 8E from km. 7.090 to km. 53.585 in the state of Gujarat to be executed on HAM under NHDP Phase – IV	Transport	48.05	650	910 days from Appointed date
Four Laning of Una – Kodinar Section of NH – 8E from km. 180.478 to km. 221.610 in the state of Gujarat to be executed on HAM under NHDP Phase – IV	Transport	40.95	495	910 days from Appointed date
<b>Total</b>			<b>2,273</b>	

## Financial Performance : Notes

- In Road segment, execution is going on at very fast speed in all EPC Projects. However due to stage wise payment mechanism, we are observing blockage of some additional working capital in this projects.
- In case of Mining, Service tax issue is being taken up with the client (Bharat Coking Coal Ltd) as per terms of contract. We expect to get it resolved soon. We are expecting improvement in execution in forthcoming quarters.
- Increase in the finance cost was mainly due to change in the working capital requirement in some of the EPC contracts which are under stage completion method. We expect this to normalize in Q4FY17. Mobilization advance worth Rs. 110.00 crs. have been repaid in Q3FY17 and INR 45.00 crs. in Jan-2017 to NHAI towards EPC Contracts won in FY 2015-2016.
- 9 months ended 31<sup>st</sup> December, 2016 revenue includes revenue from HAM projects of Rs. 4.73 crs. However, execution in 3 HAM Projects out of 4 has been picked in Q4FY17.
- As per NHAI website, projects worth Rs. 12,433 crs (21 projects) are expected to be bidded by March 2017 under EPC Mode. Over and above, we expect large number of bids from MORTH through various State Governments, in coming couple of quarters.



Thank You

