

Ref: SEL/BSE/2016-17/14
28.11.2016

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 30.09.2016 (Q2)

Please find attached herewith copy of Press Release issued in respect of Unaudited Financial Results for quarter ended 30.09.2016 (Q2).

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 Q2 FY17

November 2016

Performance Q2 FY17 vs Q2 FY16 (YoY)

- Income from operations is at Rs. 615.64 cr vs Rs. 745.91 cr. (growth at -17.46%)
- EBITDA margin at 10.62% vs 10.82%
- Net Profit of Rs. 18.52 cr vs Rs. 27.79 cr

Performance H1 FY17 vs H1 FY16 (YoY)

- Income from operations is at Rs. 1,422.61 cr vs Rs. 1,575.20 cr (growth at -9.69%)
- EBITDA margin at 10.70% vs 10.80%
- Net Profit of Rs. 67.21 cr vs Rs. 68.36 cr

Order book as on 30th September 2016 at Rs. 5,979.60 cr. New orders added during Q2FY17:- Nil

Standalone Financial Performance

Particulars (In Rs cr)	Q2 FY17	Q2 FY16	H1 FY17	H1 FY16
Income from operations	615.64	745.91	1422.61	1575.20
Construction expenses	483.85	602.44	1145.94	1282.21
<i>% of sales</i>	<i>78.59</i>	<i>80.77</i>	<i>80.55</i>	<i>81.40</i>
Employee expenses	35.32	31.92	66.82	60.22
<i>% of sales</i>	<i>5.74</i>	<i>4.28</i>	<i>4.70</i>	<i>3.82</i>
Other expenses	31.09	30.81	57.64	62.64
<i>% of sales</i>	<i>5.05</i>	<i>4.13</i>	<i>4.05</i>	<i>3.98</i>
EBITDA	65.38	80.74	152.21	170.13
<i>% of sales</i>	<i>10.62</i>	<i>10.82</i>	<i>10.70</i>	<i>10.80</i>
Depreciation	25.34	21.44	50.78	41.76
Finance cost	22.14	16.67	39.36	36.89
<i>% of sales</i>	<i>3.60</i>	<i>2.23</i>	<i>2.77</i>	<i>2.34</i>
Other income	0.77	3.76	5.52	6.96
Exceptional item	0	-11.78	0	-11.78
PBT after exceptional item	18.67	34.61	67.59	86.66
<i>% of sales</i>	<i>3.03</i>	<i>4.64</i>	<i>4.75</i>	<i>5.50</i>
Taxes	0.15	6.82	0.38	18.30
PAT	18.52	27.79	67.21	68.36
<i>% of sales</i>	<i>3.01</i>	<i>3.73</i>	<i>4.72</i>	<i>4.34</i>

Segmental Revenue Breakup

Quarterly Revenue Breakup (Rs cr)	Q2FY17	% of total sales	Q2FY16	% of total sales
Transport sector	457.60	74.33	592.59	79.45
- BOT	33.25	5.40	461.01	61.81
- EPC	424.35	68.93	131.57	17.64
Irrigation sector	90.27	14.66	31.45	4.22
Mining sector	65.85	10.70	119.84	16.07
Power generation	1.92	0.31	1.99	0.26
Total	615.64	100.00	745.91	100.00

Half Yearly Revenue Breakup (Rs cr)	H1FY17	% of total sales	H1FY16	% of total sales
Transport sector	1021.67	71.82	1,099.18	69.78
- BOT	144.94	10.19	868.00	55.10
- EPC	873.65	61.42	231.18	14.68
Irrigation sector	258.64	18.18	232.05	14.73
Mining sector	138.15	9.71	240.06	15.24
Power generation	4.15	0.29	3.86	0.25
Total	1422.61	100.00	1,575.20	100.00

Order book Breakup / Top 5 Projects by Execution During Q2 FY17

Quarterly Revenue Breakup (Rs cr)	Q2FY17	% of total sales	Q2FY16	% of total sales	Q1 FY17	% of total sales
Transport sector	2956.87	49.45	5,419.98	58.24	3651.45	53.47
- BOT	156.07	2.61	989.98	10.64	174.32	2.55
- EPC	2800.80	46.86	4,430.00	47.60	3477.12	50.92
Irrigation sector	1186.77	19.85	1,732.70	18.62	1275.68	18.68
Mining sector	1835.97	30.70	2,153.44	23.14	1901.82	27.85
Total	5979.60	100.00	9,306.12	100.00	6828.95	100.00

Top 5 Projects	Segment	Execution during Q2FY17 (Rs. cr)
EPE - 1	Transport - EPC	106.85
Yamunanagar Panchkula Package - 2	Transport - EPC	60.70
EPE - 2	Transport - EPC	47.86
Yamunanagar Panchkula Package - 1	Transport - EPC	39.51
Jodhpur Pachpadra	Transport - EPC	38.72

New Orders after Q2 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
Two and Four Lanning thereof on design, build, operate and transfer existing road from km 287.520 to km 461.550 (design chainage from km 287.500 to km 458.420) (approximately 170.920 km) on the BRT Tiger Reserve Boundary to Bangalore section of National Highway No. 209 in the State of Karnataka	Transport	170.92	855	730 days from Appointed date
Total			3,128	

- In Road segment, two projects viz., Managuli – Devpura and Mysore – Bellary in the state of Karnataka were affected due to Kaveri issue. Work got hampered in both these projects for around 20 days, which resulted in the lower turnover to the tune of Rs 35 cr. Apart from the above, heavy monsoon in the current year led to slowdown in execution mainly due to slow movement of materials and equipments at various project sites.
- In Irrigation segment, execution got impacted due to heavy monsoon as compared to the previous quarter. It resulted in lower turnover to the tune of Rs 70 cr.
- In case of Mining, Service tax issue is persisting and we have taken up the matter with the client (Bharat Coking Coal Ltd) as per terms of contract. Due to this, execution is moving at slower pace leading to lower turnover.
- 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 Q4 FY17.
- Currently the execution is at full pace and for the month of October, Company has completed execution to the tune of Rs. ~325 cr.
- H1 2017 revenue does not include revenue from HAM projects. The company has already started execution for 2 of the HAM projects.
- As per NHAI and various state governments ,projects worth Rs 53 870 cr (45 projects) are expected to be bid by January 2017.

Thank You

