

October 10, 2017

National Stock Exchange of India Limited,
Plot No C/1, G Block,
Bandra-Kurla Complex,
Bandra (E),
Mumbai – 400051.

BSE Limited,
Floor 25, PJ Towers,
Dalal Street,
Mumbai – 400001.

Dear Sirs,

Sub: PRESS RELEASE: “REPORT ON INITIATION OF CORPORATE INSOLVENCY
RESOLUTION PROCESS - CLARIFICATION”

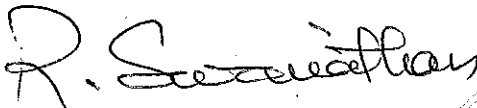
Please find enclosed the subject Press Release being issued by the company today.

This is for your information.

Thanking You,

Yours faithfully,

For VA TECH WABAG LIMITED



R Swaminathan
Company Secretary



Encl. As above

Sustainable solutions, for a better life



Press Release

For Immediate Publication

Chennai, Oct 10, 2017: In the light of the news reports on the initiation of Corporate Insolvency Resolution process Order against VA TECH WABAG (Company) by the National Company Law Tribunal, Division Bench, Chennai (NCLT) on the plea made by Consolidated Construction Consortium Limited (CCCL), the Company would like to first clarify all concerned that the Company is completely solvent.

CCCL had worked as one of the sub-contractors for the Company's 50 MGD WTP, Dwarka Project. CCCL had filed an application with NCLT against the Company in respect of an alleged default in payment of dues to CCCL involving a principal amount of Rs.1,50,13,529. It is important to note that, CCCL had not fully performed their contractual obligations as per the contract with the company and hence WABAG has disputed the claim.

The NCLT, at its hearing held on 6th October 2017 has passed an order for initiation of Corporate Insolvency Resolution Process (CIRP) under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC). The Company has filed an appeal against this Order with the National Company Law Appellate Tribunal (NCLAT).

The Company's consolidated revenue in FY 2016-17 was Rs. 3207 crores and its net profit was Rs.102 crores. The Company has a track record of continuous profits over the last 10 years. The Company has one of the best Debt-Equity ratio in the industry and has a credit rating of AA-(Stable) for long term and A1+ for short term by ICRA. As on March 31, 2017 the Company had a net-worth of Rs. 1,010 crores and gross cash of Rs. 261 crores.

VA TECH WABAG is a leading Indian Multinational in the Water Sector operating in more than 20 countries. The Company has been consistently bagging top awards in various world renowned forums and is recognized as a leading global player in the water sector.

