

Bodhtree Consulting Limited

CIN: L74140TG1982PLC040516

Nine Months Performance Review (Q3 FY18)

Dear Shareholders,

On behalf of Bodhtree Consulting Limited, I am pleased to share with you the key highlights of the performance of your company in the first nine months (Q3 FY18) of fiscal 2018 (April 1, 2017 to December 31, 2017). Let me take you through the highlights of the industry, followed by the company's performance vis- a- vis industry.

INDUSTRY HIGHLIGHTS

The overall Global IT spending for FY18 is pegged at \$ 3.7 trillion USD, and the US economy is growing at a 2.5 % rate. And, the US economy continues to rise on its growth rate for next year. Inflation is expected to be under control, and the organization worldwide are spending a larger percentage of their overall spend to be digitally ready for facing the competition effectively. The Indian scenario is also helping with initiatives like PM Modi's 'Digital Mission Mode Project', Indian Organizations also realizing the importance of digital investments like Cloud, Analytics, Artificial Intelligence, Virtual Reality etc. and starting their investments on this front, and various other digital disruption opportunities. NASSCOM expects 3-4 % growth for export oriented IT business whereas the domestic demand will rise by 10 – 11 %, paving a decent trend for IT/ITES companies

KEY OPERATING HIGHLIGHTS

- Bodhtree Consulting bagged Rs. 100 crore order from MCI, Under Digital Mission Mode II, part of Prime Ministers "Digital India" rollout program. Order to cover 550 Medical colleges
- Bodhtree bags Rs. 43 crore order from Magadh University to provide Digital University Platform and Rs.8.39 crore order from ICFRE, Dehradun

GST Services

- Bodhtree Consulting signs partners Pan India to provide GST Suvudha Services
- Signed with Varang Technologies and Shoban Digital in Andhra Pradesh and Telangana and 56 Suvudha centres are proposed
- Signed with Shriroop Consultancy in Pune to cater to Maharastra, Gujarat, Madhya Pradesh and Goa and 200 centres are proposed
- Signed with Fineday Engineering Pvt. Ltd. for Tamil Nadu, Karnataka and Kerala and 300 centres are proposed

- Some of the leading corporates like Popcorn Mumbai, KASH-IT Pune, VRK Global Hyderabad, Paytm and 13 other corporates including MPPGCL have also signed for GST Services
- Bodhtree has signed an agreement with IXORA Global Services Pvt. Ltd. for 200 CA firms for providing GST services

BODHTREE'S STANDALONE 9M FY18 PERFORMANCE:

- During nine months of FY18 (9M FY18), the revenues increased by 55% on YoY basis to Rs 64.19 crores as against Rs 41.42 crores in 9M FY17
- During 9M FY18, EBITDA stood at Rs 7.74 crores as against Rs 3.31 crores in 9M FY17.
- EBITDA margin improved substantially to 12.06% in 9M FY18 as against 7.98% in 9M FY17
- PAT for 9M FY18 was at Rs 1.58 crores as against Rs 1.36 crores in 9M FY17

Q3 FY18 HIGHLIGHTS:

- The company reported revenues of Rs 26.23 crores in Q3 FY18 as against Rs 17.46 crores in Q3FY17, registered a growth of 50.2% on YoY basis.
- The earnings before interest & depreciation (EBITDA) stood at Rs 3.25 crores in Q3 FY18 as against Rs 1.27 crores in Q3 FY17, registering a significant growth of 156.5% on YoY basis
- EBITDA margin improved by 513 bps YoY to 12.4% in Q3 FY18 as against 7.2% in Q3 FY17
- Profit after Tax increased by 30% YoY to Rs 0.77 crores in Q3 FY18 as against Rs 0.59 crores in Q3 FY17

OUTLOOK FOR Q4FY18

We are very confident of delivering 50% growth in revenues during Q4 FY18 and expecting a robust quarter in the history of the company. Considering this, we are very well on the path to deliver 50% growth for the entire year FY18 and would continue to deliver similar growth for the next three years.

We are bidding good amount of Government projects and we are actively working with our existing and potential clients in private sector to increase our revenues and add marquee clients.

We have seen good growth in digital projects in the segments we are currently operating like cloud computing, salesforce and digitisation projects from the Government. We are expecting this segment to contribute 50% of our business in the next three years.

Thanking You.

Sincerely,

Sd/-

L. N. Rama Krishna

Managing Director

(DIN: 03623543)



February 14, 2018

If you have any questions or require further information, please feel free to contact us at cosecy@bodhtree.com

Green initiative: As a part of our efforts in reducing carbon foot print, going forward we intend sending the shareholder and investor related communications only by email to their respective registered email addresses. We encourage your participation and request your support in this regard. To receive further communications from the Company in electronic form, please register your e-mail address with you Depository Participant/ Company's Registrar and Share Transfer Agent.

Certain statements in this document that are not historical facts are forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological hazards, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. The Company 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.

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

Particulars	Quarter Ended			Nine Months ended		Year ended
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
	Un-Audited			Un-Audited		Audited
Income :						
Income from Operations	2,622.85	1,140.97	1,745.96	6,419.10	4,141.89	7,876.16
Other Income	2.14	19.08	12.15	24.42	54.45	87.62
Total Income from operations	2,624.99	1,160.06	1,758.11	6,443.52	4,196.34	7,963.79
Expenses :						
Work Execution expenses	1,741.46	321.99	1,078.95	3,929.19	2,193.90	5,074.14
Employee Benefits Expense	437.69	465.13	394.89	1,324.53	1,166.03	1,591.85
Finance costs	56.79	53.36	38.21	145.86	103.93	131.17
Depreciation and Amortization Expense	152.34	153.95	30.23	431.88	95.19	120.39
Other expenses	119.03	114.62	145.54	391.01	451.31	600.16
Total Expenditure	2,507.31	1,109.05	1,687.82	6,222.47	4,010.37	7,517.71
Profit / (loss) before tax	117.68	51.01	70.29	221.05	185.97	446.08
Tax expense						
Current tax	35.62	16.86	15.84	69.80	53.37	129.18
Deferred tax	4.66	(12.89)	(5.02)	(7.04)	(3.29)	32.94
Net Profit / (loss) for the period	77.40	47.04	59.47	158.29	135.90	283.96
Other Comprehensive Income (OCI)						
Item that will not be reclassified to Profit and Loss-						
- Remeasurement of define benefit plan	8.28	(5.43)	-	0.68	-	(14.96)
- Income tax on remeasurements of define benefit plans	(0.28)	(0.22)	-	(0.41)	-	7.10
Other Comprehensive Income / (Loss) for the period	7.99	(5.65)	-	0.27	-	(7.87)
Total Comprehensive Income for the period (Comprising Net Profit / (loss))	85.39	41.39	59.47	158.55	135.90	276.09
Paid-up Equity Share Capital (Face Value : Rs.10 per share)	1,995.82	1,995.82	1,804.62	1,995.82	1,804.62	1,804.62
Earnings Per Share (Basic) (*)	0.43	0.21	0.33	0.79	0.75	1.53
Earnings Per Share (Diluted) (*)	0.43	0.21	0.33	0.79	0.75	1.53

Notes:

(i). The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 14th February, 2018. The Statutory Auditors of the Company have carried out a Limited Review of the above results.

(ii). The Company adopted Indian Accounting Standard ("Ind AS") and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder. The date of transition to Ind AS is April 1, 2016. The figures for the Quarter and Nine Months ended December 31, 2016 are also Ind AS compliant. They have not been subjected to review or audit. However, the management has exercised necessary due diligence to ensure that the financial result provide a true and fair view of its affairs. These results have been prepared in accordance with regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 read with SEBI circular dated 5th July, 2016.

(iii). Reconciliation of Profit and loss as previously reported under IGAAP to Ind AS is as under:

Particulars	Rs. in Lakhs		
	Quarter ended	Nine Months ended	Year ended
	31.12.2016	31.12.2016	31.03.2017
Net Profit / (Loss) as per IGAAP	50.40	125.81	266.43
Increase / (Decrease) in Income	-	10.15	0.55
Decrease / (Increase) in Expenses	9.07	(0.06)	9.11
Net Profit / (Loss) as per Ind AS	59.47	135.90	276.09

This reconciliation statement has been provided in accordance with circular CIR/CFD/FAC/62/2016 issued by SEBI dated July 5, 2016 on account of implementation of Ind-AS by listed companies.

(iv). Previous period figures have been regrouped / rearranged wherever necessary, to make them comparable.

Date: February 14, 2018
Place: Hyderabad

for Bodhtree Consulting Limited

L N Rama Krishna
L N Rama Krishna
Director
DIN: 03623543