



INFRASTRUCTURE  
DEVELOPERS LTD.

# EARNINGS PRESENTATION

9M / Q3-FY18



## Sector outlook:

- **NHAI** is targeting to construct **3,500 Km in FY18**, against the **5 years average of 2,170 Km**
- To maintain the pace of construction, NHAI has commenced works on **27 new projects covering 1,330 Km** and will commence the work soon on **another 50 projects covering 3,000 Km**. Banks/ financial institutions are now showing keen interest in **Hybrid Annuity Mode (HAM)** and financing of HAM projects is now happening smoothly.
- The projects likely to be awarded by **March, 2018** across regions include:  
**40% in West; 27% in South; 17% in North; 10% in East and 6% in the Central India**

## Projects Awarded:

- Projects worth **INR 422 Bn** awarded until **Jan 2018** entailing a length of **2,697 Km** until largely under EPC and HAM mode
  - **EPC:** Total length of the road is **1,834 Km** and the cost is **INR 2,37,647 Mn**
  - **HAM:** Total length of the road is **753 Km** and the cost is **INR 1,69,336 Mn**
  - **Toll:** Total length of the road is **109 Km** and the cost is **INR 15,770 Mn**

## Bids Invited:

- Additional, projects worth **INR 1.41 Tn** are expected to be bidded upto **March 2018** with over 60% projects to be awarded under HAM model
  - **EPC:** Total length of the road is **2,968 Km** and the cost is **INR 4,78,274 Mn**
  - **HAM:** Total length of the road is **4,699 Km** and the cost is **INR 9,16,596 Mn**
  - **Toll:** Total length of the road is **100 Km** and the cost is **INR 21,410 Mn**

- **Achieved the 1<sup>st</sup> Milestone** for two projects namely, **Mahuva Kagavadar in Gujarat and Nagpur Ring Road Package II in Maharashtra**. The Authority has paid the **1<sup>st</sup> Milestone payment of 20%** of the physical progress for the project on 12<sup>th</sup> December 2017 and 11<sup>th</sup> January, 2018, respectively.
- **Commenced Toll and ECC collection rights at 124 Entry points to Delhi from 1<sup>st</sup> October 2017** against payment of **INR 12,060 Mn p.a.** Key highlights of the Project are as under: (i) Toll & Environment Compensation Charge (ECC) collection rights at all entry points to Delhi. (ii) Period of Contract: **5 (Five) years**. (iii) The contractual amount for the said Project is payable to SDMC on a **weekly basis**.
- **Commenced operations at RGSL from 3<sup>rd</sup> October 2017 (awarded for the second time as an OMT contract)**. Key highlights are: (i) **O&M** of Rajiv Gandhi Sea Link (RGSL) Project for **Toll Plaza & Collection of Toll** (ii) Terms of the Contract Agreement: (Period of the Contract is **156 weeks (3 years)** from the date of work order. (iii) The contractual amount for the said Project is **INR 3,250.8 Mn** payable to **MSRDC on Whole Upfront basis**.
- **EPC Order-book** as on 31<sup>ST</sup> December 2017 stood at INR 30,404 Mn

- The 3QFY18 revenues stood at INR 7,566 Mn vis-à-vis INR 3,890 Mn in Q3-FY17, up 94.5%. The robust growth in revenues was attributed to commencement of Toll collection at the Delhi Entry Points project and EPC revenues on the 4 ongoing HAM projects
- The operation and maintenance expenses at INR 4,575 Mn due to incurrance of INR 1,205.8 Mn towards construction expenses corresponding to recognition of EPC revenues and payment of INR3,030 MN towards concession fee to authorities for Delhi Entry Points project.
- Post adoption of Ind-AS, the concession fee paid to authority on tolling projects are classified as Intangible assets and are to be amortised over the tenure of the contract. During the quarter we commenced operations of our Delhi Entry Points project. Since this contract comprises of an exit clause of 90 days, the amount payable to authority cannot be recognised as an intangible asset as per Ind AS 38. Depreciation and amortization in Q3-FY18 includes INR 58 Mn and INR 1,212 Mn vis-a-vis INR 42 Mn & INR1,888 Mn in Q3-FY17
- Finance costs declined by 0.4% in Q3-FY18 due to unwinding of trade payables
- PAT (excluding exceptional items) stood at INR 247 Mn in Q3-FY18 vis-à-vis INR 9 Mn in Q3-FY17 led by higher EPC margins

# Recent Project additions and exits

Project Additions							
Sr. No	Name of Project	State	Name of Authority	Type	Commencement of operations	Tenor	Payment to Authority
1	Chennasumudram	Tamil Nadu	NHAI	Short Term Toll Collection	4 September, 2017	1 year	INR 747.0 Mn to be paid in weekly instalments of INR 14.32 Mn
2	Delhi Entry Point	Delhi	SDMC	Long term toll Collection	1 October, 2017	5 years	INR 12,060 p.a. to be paid weekly basis subject to enhancement of 5% every 2 years
3	Rajiv Gandhi Sea Link	Maharashtra	MSRDC	OMT	3 October, 2017	156 weeks	Upfront payment of INR 3,250.8 Mn

Project Completion							
Sr. No	Name of Project	State	Name of Authority	Type	Closure of operations	Tenor	Payment to Authority
1	Paduna	Maharashtra	NHAI	Short term Toll collection	3 September, 2017	15 months*	1,324.5 Mn
2	Rajiv Gandhi Sea Link	Maharashtra	MSRDC	OMT	2 October, 2017	44 months*	3,250.8 Mn
3	Brijghat	Uttar Pradesh	NHAI	Short term toll Collection	16 January, 2018	12 months	600.3 Mn

\* Paduna and Rajiv Gandhi Sea Link were operated on an extension of 3 & 8 months respectively post completion of the initial period of 1 year



INFRASTRUCTURE  
ENGINEERS LTD

MEP. With you all the way.



## 9M / Q3-FY18 FINANCIAL HIGHLIGHTS



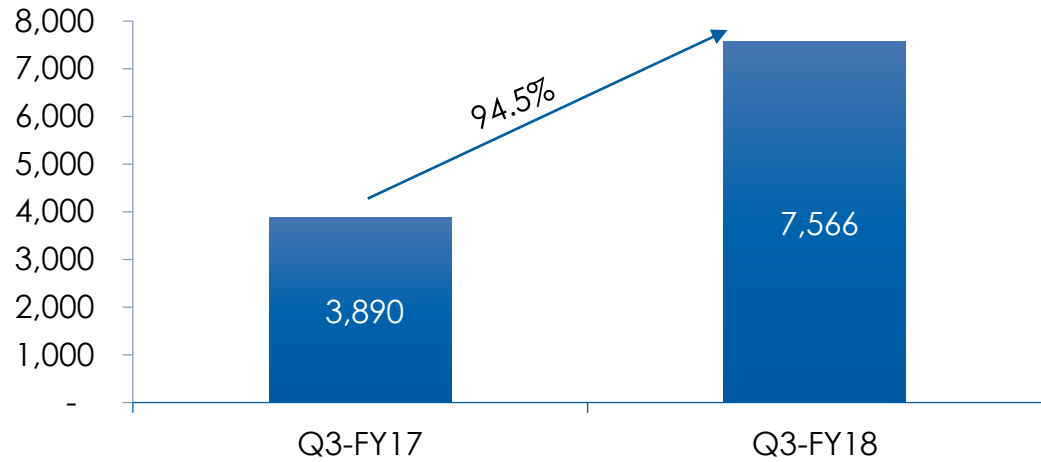
# Quarterly P&L Statement

In INR Mn

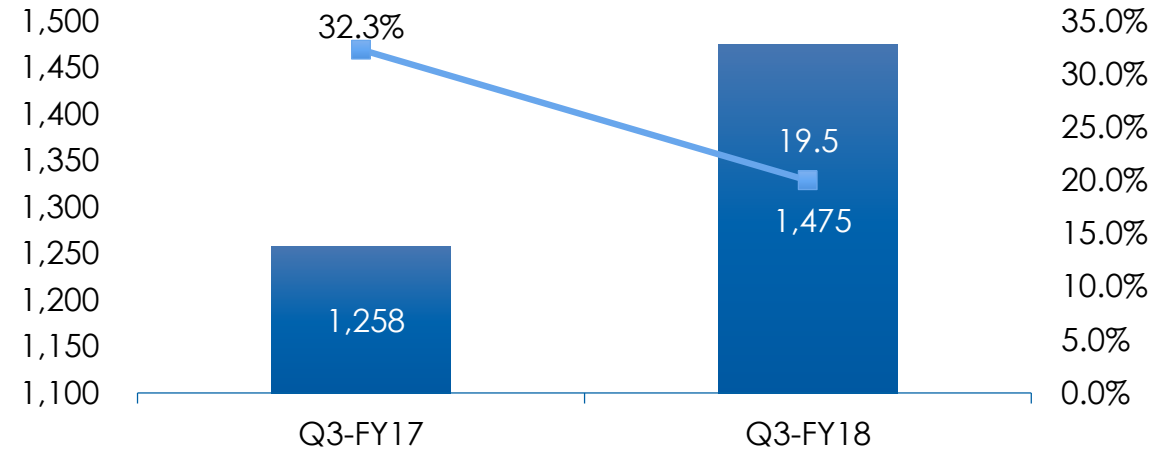
Particulars	Q3-FY18	Q3-FY17	YoY
<b>Total Revenues from Operations</b>	<b>7,566</b>	<b>3,890</b>	<b>94.5%</b>
Other Income	146	177	(17.5)%
Operating and Maintaining Expenses	4,575	597	NA
Employee Expenses	243	175	38.8%
Other Expenses	148	107	38.5%
Depreciation & Amortization	1,270	1,930	(34.2)%
<b>EBIT</b>	<b>1,476</b>	<b>1,258</b>	<b>17.3%</b>
<b>EBIT Margin (%)</b>	<b>19.5%</b>	<b>32.4%</b>	<b>(1,230) Bps</b>
Finance Costs	1,208	1,213	(0.4)%
Exceptional Items	0	0	NA
<b>PBT</b>	<b>267</b>	<b>46</b>	<b>NA</b>
Taxes	84	17	NA
<b>PAT before Minority Interest</b>	<b>183</b>	<b>29</b>	<b>NA</b>
Share of profit/(loss) from Associate / JV	66	(19)	NA
<b>PAT</b>	<b>249</b>	<b>9</b>	<b>NA</b>
<b>PAT Margin (%)</b>	<b>3.00%</b>	<b>0.2%</b>	<b>306Bps</b>
Other Comprehensive Income	(1)	(1)	NA
<b>Net Profit (After Other Comprehensive Income)</b>	<b>247</b>	<b>9</b>	<b>NA</b>

# Quarterly Results Highlights

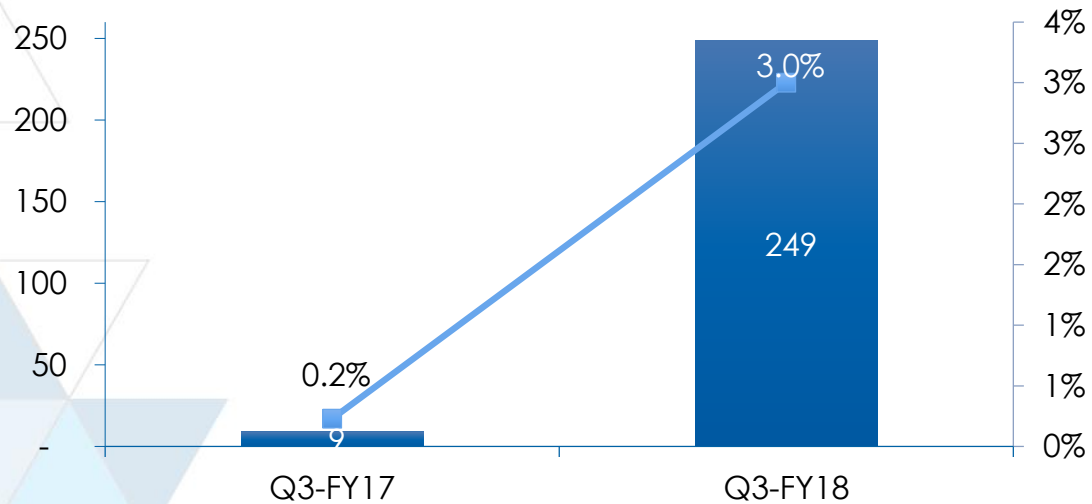
## REVENUE FROM OPERATIONS (INR Mn)



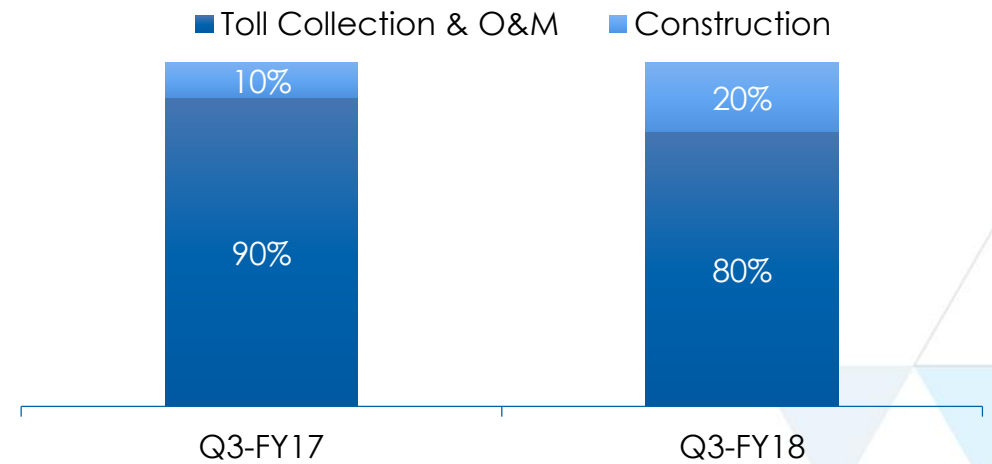
## EBIT (INR Mn) & EBIT MARGIN (%)



## PAT (INR Mn) & PAT MARGIN (%)



## SEGMENTAL SALES





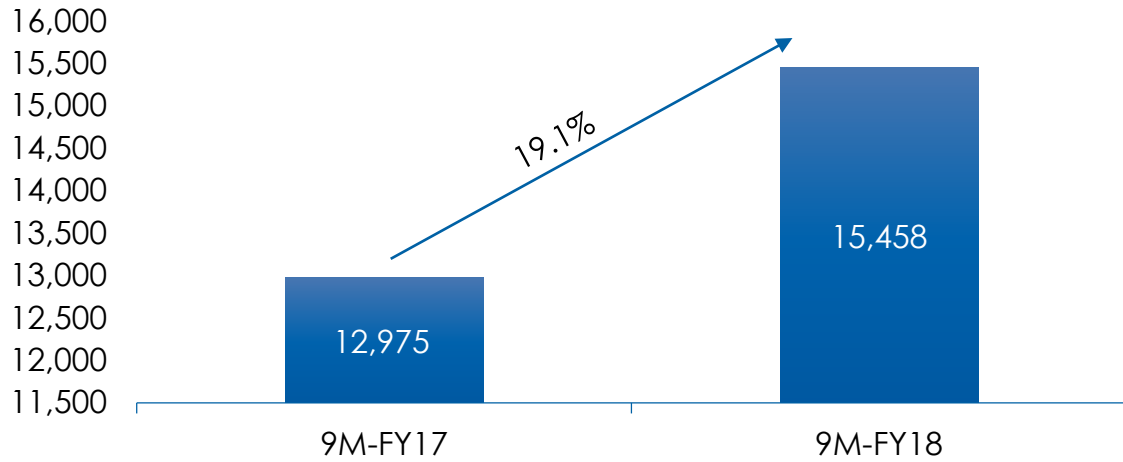
# Nine-Monthly P&L Statement

In INR Mn

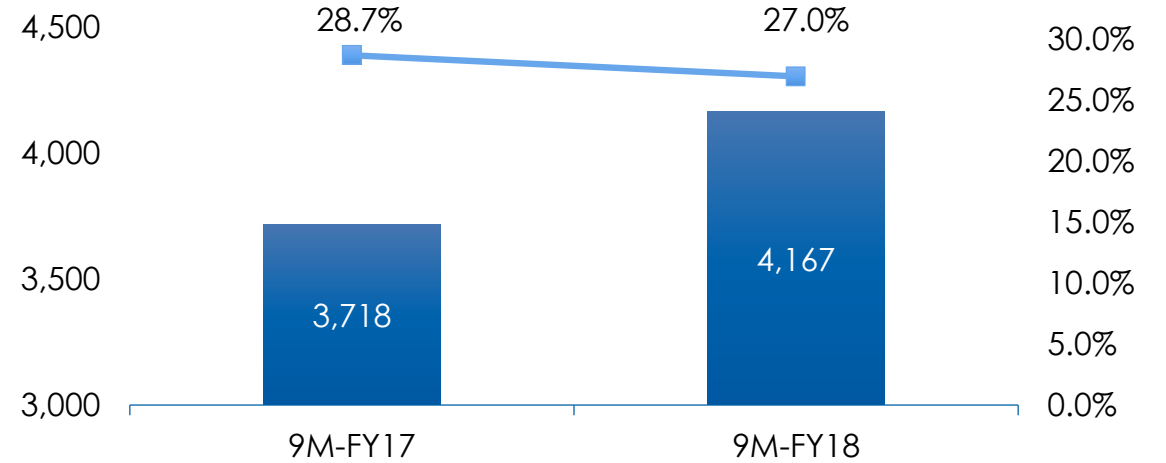
Particulars	9M-FY18	9M-FY17	YoY%
<b>Total Revenues from Operations</b>	<b>15,458</b>	<b>12,975</b>	<b>19.1%</b>
Other Income	853	568	50.1%
Operating and Maintaining Expenses	8,266	2,254	266.7%
Employee Expenses	577	553	4.2%
Other Expenses	343	295	16.2%
Depreciation & Amortization	2,958	6,722	(56.0%)
<b>EBIT</b>	<b>4,167</b>	<b>3,718</b>	<b>12.08%</b>
<b>EBIT Margin (%)</b>	<b>27.0%</b>	<b>28.7%</b>	<b>(170bps)</b>
Finance Costs	3,509	3,726	(5.8%)
Exceptional Items	-	1,579	NA
<b>PBT</b>	<b>658</b>	<b>1,571</b>	<b>NA</b>
Taxes	246	581	NA
<b>PAT before Minority Interest</b>	<b>412</b>	<b>990</b>	<b>NA</b>
Share of profit/(loss) from Associate/JV	32	(21)	NA
<b>PAT</b>	<b>444</b>	<b>969</b>	<b>NA</b>
<b>PAT Margin (%)</b>	<b>2.7%</b>	<b>7.2%</b>	<b>NA</b>
Other Comprehensive Income	(4)	(2)	NA
<b>Net Profit (After Other Comprehensive Income)</b>	<b>440</b>	<b>967</b>	<b>NA</b>

# Nine-Monthly Results Highlights

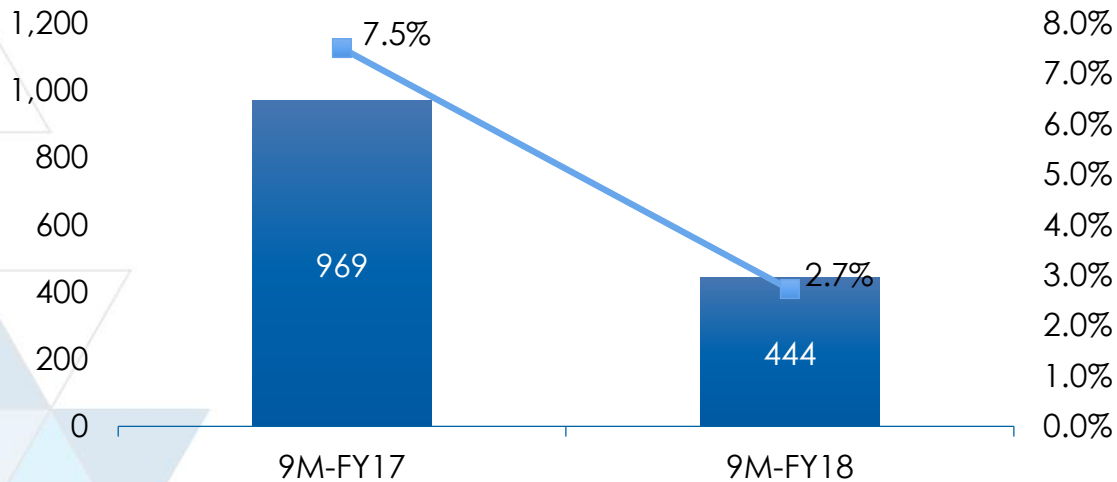
## REVENUE FROM OPERATIONS (INR Mn)



## EBIT (INR Mn) & EBIT MARGIN (%)

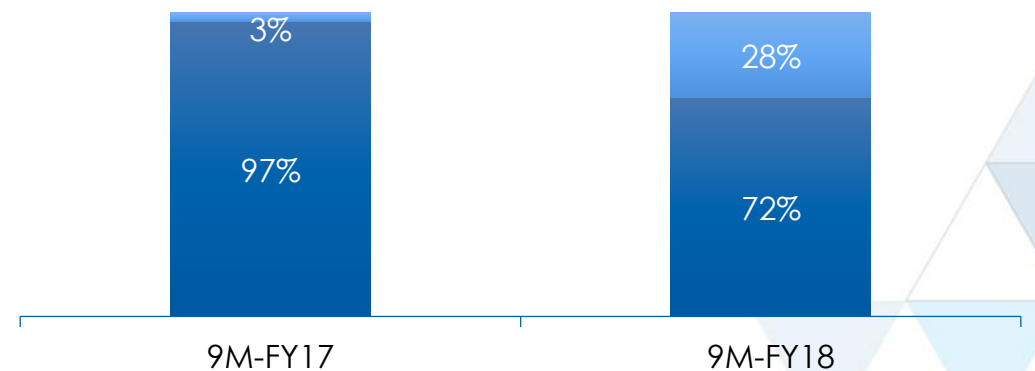


## PAT (INR Mn) & PAT MARGIN (%)

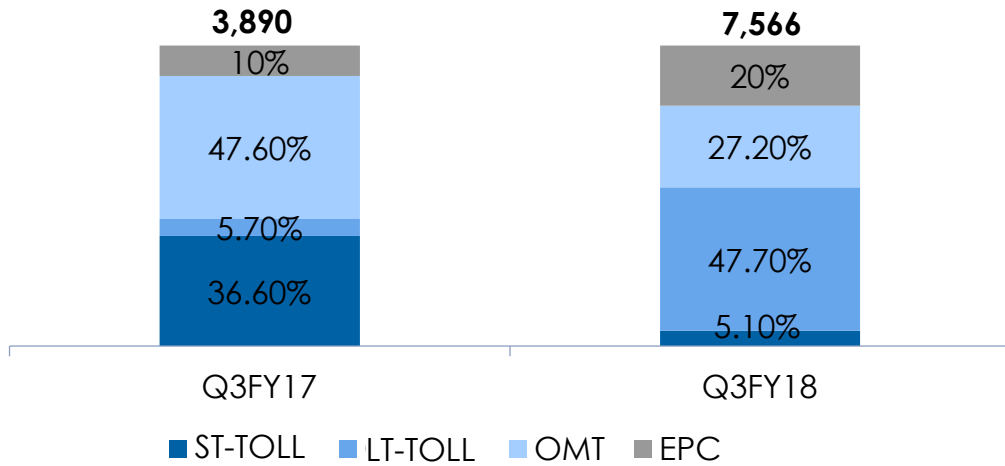


## SEGMENTAL SALES

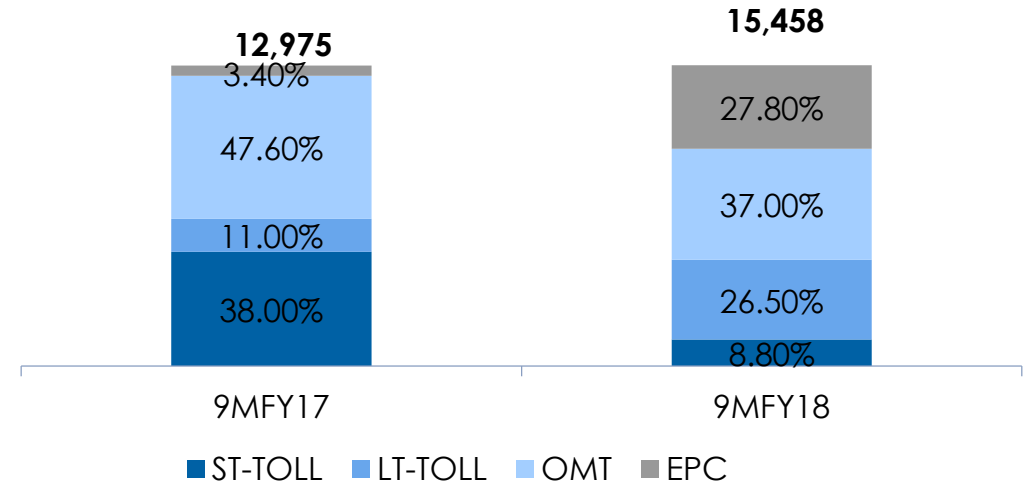
■ Toll Collection & O&M ■ Construction



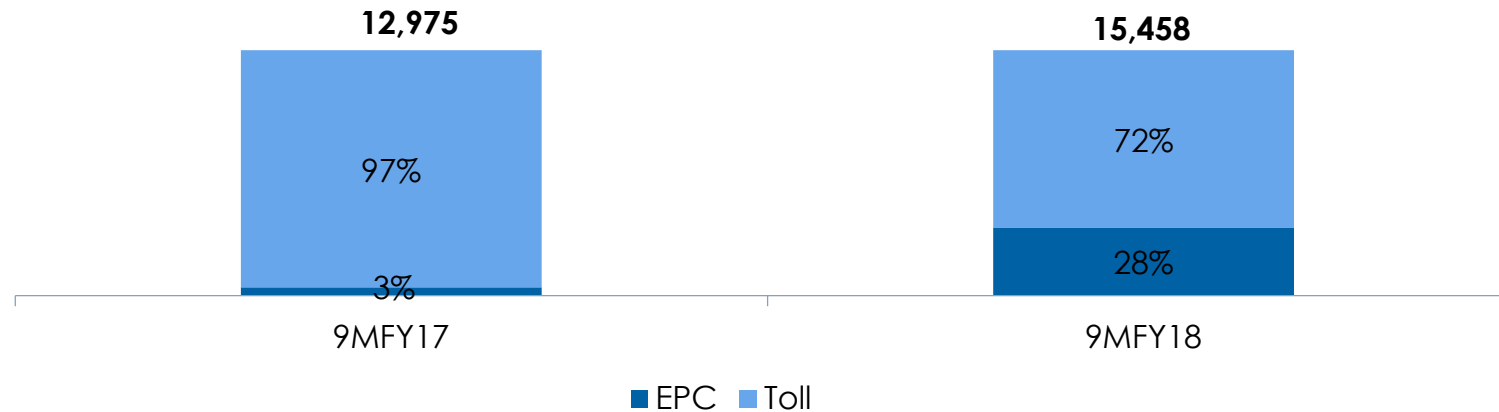
## QUARTERLY ANALYSIS



## NINE MONTH ANALYSIS



## INCREASING FOCUS ON LT PROJECTS (INR MN)



## MEP Infrastructure Developers Ltd. Disclaimer:

- This presentation has been prepared by MEP Infrastructure Developers Limited (the "Company"), for general information purposes only, without regard to any specific objectives, suitability, financial situations and needs of any particular person and does not constitute any recommendation or form part of any offer or invitation, directly or indirectly, in any manner, or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment therefor. This presentation does not solicit any action based on the material contained herein. Nothing in this presentation is intended by the Company to be construed as legal, accounting or tax advice.
- This presentation has been prepared by the Company based upon information available in the public domain. This presentation has not been approved and will not or may not be reviewed or approved by any statutory or regulatory authority in India or by any Stock Exchange in India. This presentation may include statements which may constitute forward-looking statements. The actual results could differ materially from those projected in any such forward-looking statements because of various factors. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events, or otherwise.
- This presentation contains certain forward-looking statements relating to the business, financial performance, strategy and results of the Company and/or the industry in which it operates. Forward-looking statements are statements concerning future circumstances and results, and any other statements that are not historical facts, sometimes identified by the words including, without limitation "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", and similar expressions. The forward-looking statements, including those cited from third party sources, contained in this presentation are based on numerous assumptions and are uncertain and subject to risks. A multitude of factors including, but not limited to, changes in demand, competition and technology, can cause actual events, performance or results to differ significantly from any anticipated development. Neither the Company nor its affiliates or advisors or representatives nor any of its or their parent or subsidiary undertakings or any such person's officers or employees guarantees that the assumptions underlying such forward-looking statements are free from errors nor does either accept any responsibility for the future accuracy of the forward-looking statements contained in this presentation or the actual occurrence of the forecasted developments. Forward-looking statements speak only as of the date of this presentation and are not guarantees of future performance. As a result, the Company expressly disclaims any obligation or undertaking to release any update or revisions to any forward-looking statements in this presentation as a result of any change in expectations or any change in events, conditions, assumptions or circumstances on which these forward looking statements are based. Given these uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements.
- The information contained in these materials has not been independently verified. None of the Company, its directors, promoter or affiliates, nor any of its or their respective employees, advisers or representatives or any other person accepts any responsibility or liability whatsoever, whether arising in tort, contract or otherwise, for any errors, omissions or inaccuracies in such information or opinions or for any loss, cost or damage suffered or incurred howsoever arising, directly or indirectly, from any use of this presentation or its contents or otherwise in connection with this presentation, and makes no representation or warranty, express or implied, for the contents of this presentation including its accuracy, fairness, completeness or correctness of any information, estimates, projections or opinions contained herein or verification or for any other statement made or purported to be made by any of them, or on behalf of them, and nothing in this presentation or at this presentation shall be relied upon as a promise or representation in this respect, whether as to the past or the future. Past performance is not a guide for future performance. Potential investors must make their own assessment of the relevance, accuracy and adequacy of the information contained in this presentation and must make such independent investigation as they may consider necessary or appropriate for such purpose. The information contained in this presentation is current, and if not stated otherwise, made as of the date of this presentation. The Company undertakes no obligation to update or revise any information in this presentation as a result of new information, future events or otherwise. Any person/ party intending to provide finance/ invest in the shares/ businesses of the Company shall do so after seeking their own professional advice and after carrying out their own due diligence procedure to ensure that they are making an informed decision.
- This presentation is not a prospectus, a statement in lieu of a prospectus, an offering circular, offering memorandum, a private placement offer letter, an advertisement or an offer document under the Companies Act, 2013, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, or any other applicable law in India
- This presentation is strictly confidential and may not be copied or disseminated, in whole or in part, and in any manner or for any purpose. No person is authorized to give any information or to make any representation not contained in or inconsistent with this presentation and if given or made, such information or representation must not be relied upon as having been authorized by any person. Failure to comply with this restriction may constitute a violation of the applicable securities laws. Neither this document nor any part or copy of it may be distributed, directly or indirectly, in the United States. The distribution of this document in certain jurisdictions may be restricted by law and persons in to whose possession this presentation comes should inform themselves about and observe any such restrictions. By reviewing this presentation, you agree to be bound by the foregoing limitations. You further represent and agree that you are located outside the United States and you are permitted under the laws of your jurisdiction to receive this presentation.
- This presentation is not an offer to sell or a solicitation of any offer to buy the securities of the Company in the United States or in any other jurisdiction where such offer or sale would be unlawful. Securities may not be offered, sold, resold, pledged, delivered, distributed or transferred, directly or indirectly, in to or within the United States absent registration under the United States Securities Act of 1933, as amended (the "Securities Act"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The Company's securities have not been and will not be registered under the Securities Act.

## Valorem Advisors Disclaimer:

Valorem Advisors is an Independent Investor Relations Management Service company. This Presentation has been prepared by Valorem Advisors based on information and data which the Company considers reliable, but Valorem Advisors and the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. Valorem Advisors also hereby certifies that the directors or employees of Valorem Advisors do not own any stock in personal or company capacity of the Company under review.

## For further details, please feel free to contact our Investor Relations:



**Ms. Manisha Bihani**

**Investor Relations**

T +91 22 61204800

Email : [mbihani@mepinfra.com](mailto:mbihani@mepinfra.com)



**Mr. Anuj Sonpal**

**Valorem Advisors Investor Relations Management**

Tel: +91-22-3006-7521 / 22 / 23 / 24

Email: [mep@valoremadvisors.com](mailto:mep@valoremadvisors.com)