



INFRASTRUCTURE
DEVELOPERS LTD.

EARNINGS PRESENTATION

Q4/FY17



- MEP Infrastructure Developers Ltd (MEP), is one of the leading players for OMT and Toll Collection projects in India.
- Founded in 2002 by current promoters Mr Dattatray Mhaikar and Jayant Mhaikar, MEP commenced operations with toll collection at five entry points to Mumbai for 6 years.
- MEP further added a portfolio of Toll collection projects over Short and Long term, together with OMT projects, and has forayed into road development / construction by participating in Hybrid Annuity Model road projects.

Company Overview



Business Mix



Tolling Projects

- 2 Long Term (LT) and 2 Short Term (ST) Tolling projects under management pan India
- 5 Toll Plazas across 5 states

Operate Maintain Transfer (OMT)

- Managing 3 OMT projects across India
- Covering 1,361 lane kms and 9 toll plazas

Hybrid Annuity Model (HAM)

- Awarded 6 HAM projects in Maharashtra (4) and Gujarat (2)
- Worth INR 38,369.9 mn covering 1,060 lane kms

Build Operate Transfer (BOT)

- 1 Long term BOT project with Toll Revenues under management
- Covering bridge, Ring Road and 5 toll plazas

- One of the largest OMT contracts at the five Mumbai Entry Points for a period of 16 years until 2026
- Toll collection projects such as HRBC- Vidyasagar Setu in Kolkata
- Six HAM projects (4 in Maharashtra and 2 in Gujarat) covering 1,060 lane kms

Key Projects



Financials

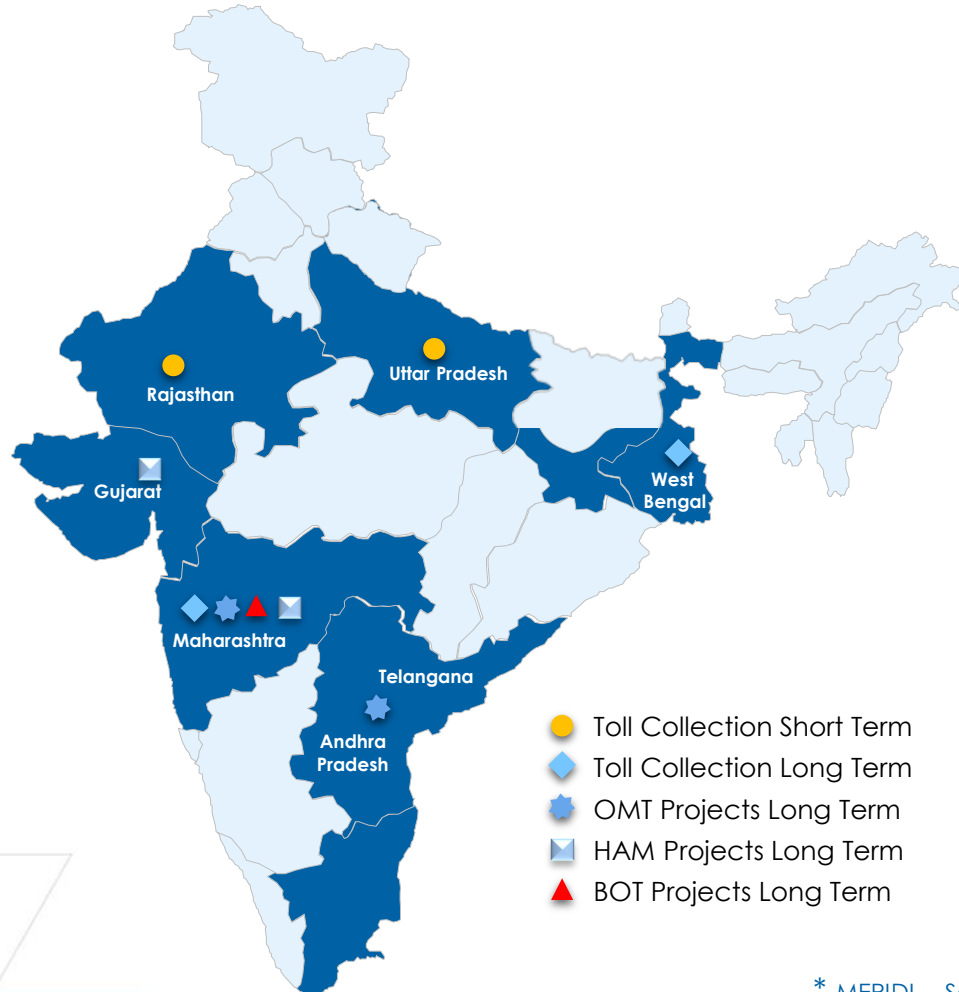


- **Total Revenue from Operations*** grown from INR 11,979 Mn in FY14 to INR 17,291 Mn in FY17;
- **Net Profit*** grown from INR (1,292) Mn in FY14 to INR 1,089 Mn in FY17;
- **Cash Profit*** grown from INR (256) Mn in FY14 to INR 2,062 Mn in FY17;

* Prior to FY16 Financials are based on iGAAP and after FY16 financials are presented under Ind-AS

Diversified Project Portfolio With Pan-India Presence

Current Portfolio Across Six States In India



Current Project Mix

Location	OMT	Long Term Toll	Short Term Toll	HAM	BOT	Total
Maharashtra	2	1	-	4	1	8
Rajasthan	-	-	1	-	-	1
Gujarat	-	-	-	2	-	2
Uttar Pradesh	-	-	1	-	-	1
West Bengal	-	1	-	-	-	1
Andhra Pradesh	1	-	-	-	-	1
Total	3	2	2	6*	1	14

Company's ability to manage multiple projects across different locations provides a significant advantage to efficiently manage its growth and expansion

* MEPIDL – Sanjose India JV won 6 HAM projects in Maharashtra & Gujarat and achieved financial closure for them.

Recent Project – Additions/Completion

Project Additions

Sr. No	Name of Project	State	Name of Authority	Type	LOA/ Commencement of operations	Tenor	Payment to Authority (INR Mn)
1	Kalyan – Shilphata	Maharashtra	MSRDC	Long Term Toll Collection	23 rd December 2016	156 Weeks	616.5
2	Brijghat	Uttar Pradesh	NHAI	Short Term Toll Collection	17 th January, 2017	1 Year	600.3

Project Completion

Sr. No	Name of Project	State	Name of Authority	Type	Closure of operations	Tenor	Payment to Authority (INR Mn)
1	Brijghat	Uttar Pradesh	NHAI	Short Term Toll Collection	16 th January, 2017	1 year	518.4
2	Dasna	Uttar Pradesh	NHAI	Short Term Toll Collection	27 th February, 2017	1 year	280.8
3	Pundag	Jharkand	NHAI	Short Term Toll Collection	29 th March. 2017	1 year	566.1
4	Rajiv Gandhi Salai	Tamil Nadu	ITEL	Long Term Toll Collection	31 st March, 2017	3 years	14.6*
5	Alwar Sikandra	Rajasthan	RIDCOR	Short Term Toll Collection	31 st March, 2017	1 Year	190.8

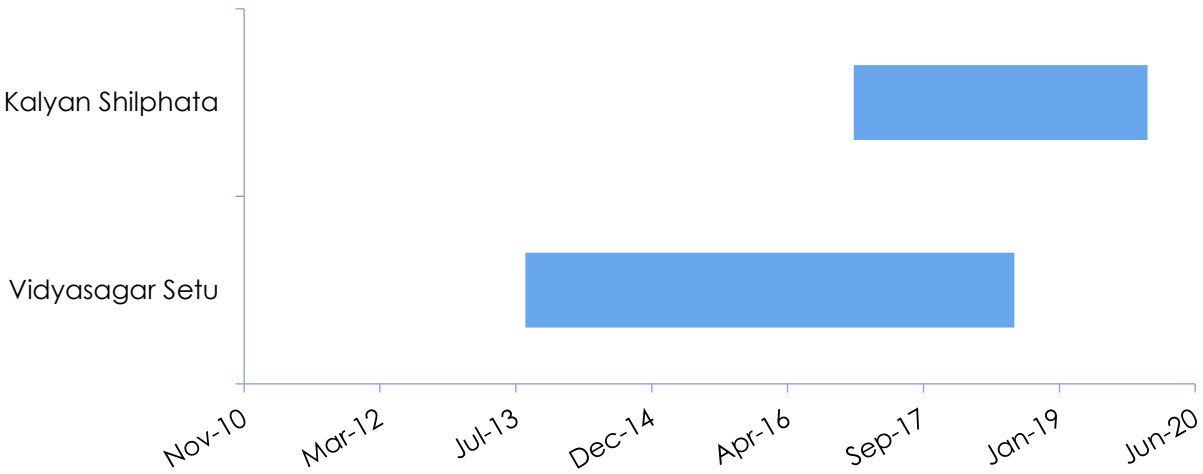
* Payment to authority for first year with 5% escalation every year

MEPIDL has 6 road projects under Hybrid Annuity Model and has achieved financial closure for them

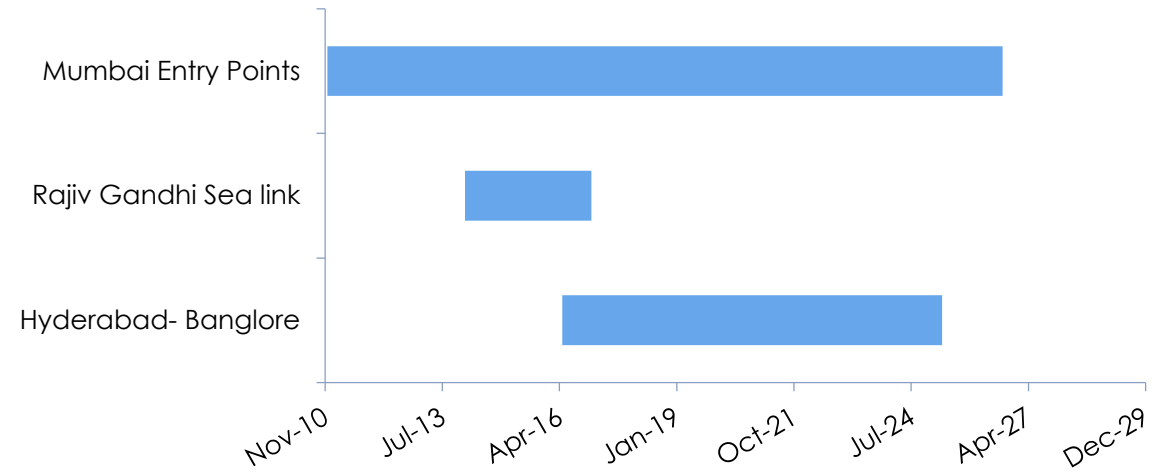
Project Asset	Arawali Kante	Kante Wakad	Nagpur Package I	Nagpur Package II	Talaja Mahuva	Mahuva Kagavadar
Scope of Project	Four-laning of NH66 (km 241.3 – 281.3) under NHDP Phase-IV	Four- laning of NH66 (km 281- 332) under NHDP Phase IV	Four-laning standalone Ring Road / Bypass (km 0.5- 34.0) for Nagpur city package	Four-laning standalone Ring Road / Bypass (km 34.5- 62.035) for Nagpur city package	Four-laning of Talaja Mahuva section of NH 8E (km 53.5 - 100.1) & design chainage (km 54.9- 100.45)	Four Laning of Mahuva to Kagavadar of NH 8E(km 100.1-139.92) under NHDP Phase IV
Lane kms	156.9	203.6	134.0	112.1	181.8	160.1
Authority	MoRTH	MoRTH	NHAI	NHAI	NHAI	NHAI
State	Maharashtra	Maharashtra	Maharashtra	Maharashtra	Gujarat	Gujarat
Bidder	MEPIDL – Sanjose India JV	MEPIDL-San Jose India JV	MEPIDL – Sanjose India JV	MEPIDL – Sanjose India JV	MEPIDL – Sanjose India JV	MEPIDL – Sanjose India JV
MEPIDL's Stake	74%	74%	74%	74%	60%	60%
Bid Project Cost (BPC)	INR 5,929.8 Mn	INR 8,262.8 Mn	INR 5,310.0 Mn	INR 6,390 Mn	INR 6,430 Mn	INR 6,045 Mn
O&M Bid	INR 56.7 Mn	INR 116 Mn	INR 63 Mn	INR 67.5 Mn	INR 90 Mn	INR 84.6 Mn
Project NPV	INR 5,565.6 Mn	INR 8,055.9 Mn	INR 4,938.9 Mn	INR 5,878.2 Mn	INR 6,242 Mn	INR 5,869 Mn
Construction Period	2 Years	2 Years	2.5 Years	2.5 Years	2.5 years	2.5 years
Concession Period	15 Years	15 Years	15 Years	15 Years	15 years	15 years

Our Project Timelines

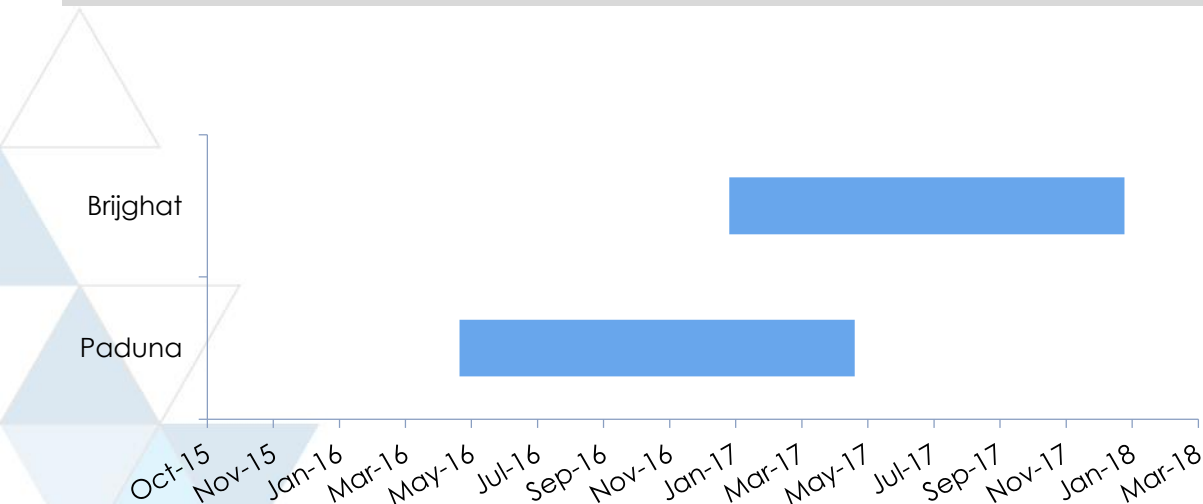
Long Term Toll



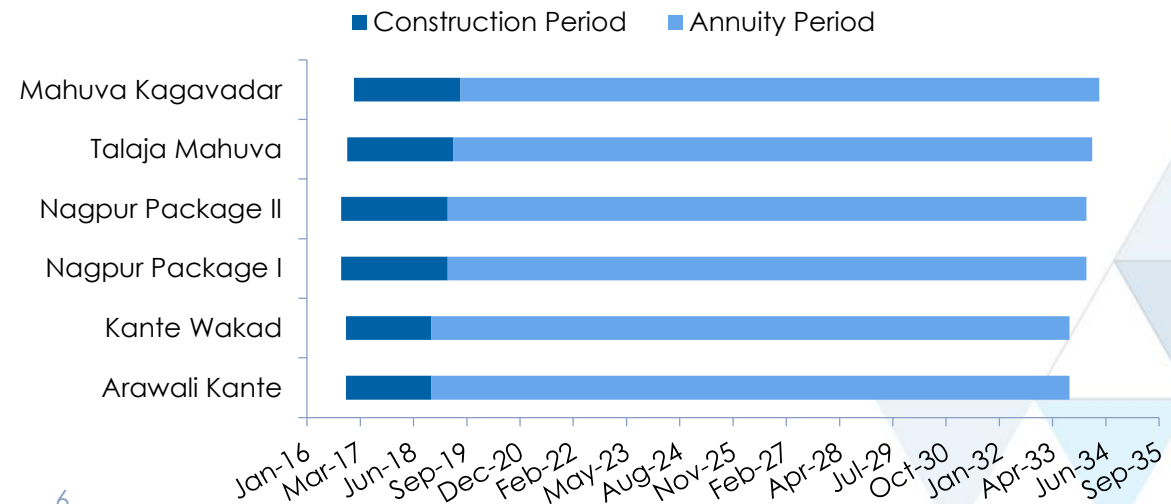
Operate Maintain Toll



Short Term Toll



Hybrid Annuity Model



Infrastructure Investment Trust (InvIT):

- The option of an InvIT has emerged as an alternate source of funding to address the infrastructure financing gap in India.
- Several companies have Initiated, or are in the process of, obtaining approval from SEBI. They include IL&FS Transportation Networks, Ltd, Reliance Infrastructure Ltd and MEP Infrastructure Developers Ltd, among others. IRB Infrastructure Developers Ltd has in fact already successfully launched its InvIT, and Sterlite Power Transmission Ltd, is expected to launch soon as well.
- SEBI has been continuously revising the InvIT regulations to make it investor friendly. In September 2016, SEBI decided to relax certain InvITs norms by reducing mandatory sponsor holding in InvITs to 15%, removing the limit on the number of sponsors and rationalising the requirements for private placement of InvITs. Later in November, SEBI put in place few more disclosure requirements from InvITs in order to make these instruments more attractive for raising capital. It included utilisation of the funds raised, justification for the fees paid to investment and project managers and methodology for its computation, disclosures about half-yearly and annual financial information having an impact on economic decisions as well as unit holding pattern. Permission has also been given by SEBI to mutual fund schemes and RBI to banks to invest in InvITs.
- The company believes these are positive moves by the SEBI for a successful InvIT and is currently in advanced stages of filing its DRHP.

HAM Projects:

- Going forward, over 80% of the road projects are proposed to be awarded under EPC and Hybrid Annuity Model (HAM) routes.
- For FY17, MoRTH and NHAI have lined up 40% of total road projects to be awarded on HAM requiring an investment of ~ INR 600 billion.
- 45 projects worth INR 426.11 billion, have been awarded till date entailing a length of ~ 10,329.11 lane kms .

TOT Projects:

- New Toll-Operate-Transfer (TOT) Model To Be Introduced For Efficient Monetization Of Existing Toll Roads.
- Around 75 operational projects have been identified; Projected TOT market of INR 80,000 crore to emerge. The first tranche of 10 projects are expected to open up for bidding very soon.
- The company continues to maintain its leadership position in the tolling market and will participate in TOT when it is announced.

Increased Budget Allocation:

- In Union Budget 2017-18, the government has increased road allocation from INR 57,000 crore to INR 64,000 crore.

Short Term/long term Toll Collection Projects

Sr. No	Name of Authority	Annual Potential Toll Collection (INR Mn)	Tenor	Number of Projects Currently Available
1	NHAI	6,405.50	<= 1 year	17
	Total	6,405.50		17

OMT Projects/ Hybrid Annuity Projects

Sr. No	Name of Authority	Estimated Project Cost (INR Mn)	EPC Period / Operations Period	Number of Projects Currently Available
1	NHAI	2,205.50	9 Years	2
2	NHAI	1,70,472	2 – 2.5 years / 15 years	11
	Total	1,72,677.50		13



4Q-FY17 Highlights



- Revenues have declined at INR 17,291 Mn in FY17 vis-à-vis INR 19,052 Mn in FY16 due to completion of RIDCOR, Kini Tasawade project and hand over of Chennai and MK Projects to the authority
- EBIT and EBIT margins have decreased due to corresponding reduction in turnover and higher operating and maintenance costs.
- PAT Margins have improved to 6.3% in FY17 from (1.9)% in FY16 due to reduction in finance costs.
- Finance costs have reduced to Rs.4,931 Mn in FY17 from Rs.6,422 Mn in FY16. It includes INR 3,625 Mn (Previous Period: INR 3,785 Mn) relating to interest on borrowings and INR 1,172 Mn (Previous Period: INR 2,557 Mn) relating to accretion of Trade payables and provisions relating to resurfacing.
- Consequent to adoption of Ind-As, Significant maintenance obligation under OMT projects shall have to be provided in all the financial years from COD to till actual expenditure. Hence, provisions relating to Future maintenance requirements amounting INR 240 Mn for FY17 (Previous year: Rs. 465 Mn) has been recognised in the financial statements in line with Ind-AS 37.
- We have successfully achieved financial closure for all Hybrid Annuity Projects, and we have also received the appointed date for Nagpur Ring Road 1 & 2, Taloja-Mahuva and Mahuva-Kagavadar projects.
- The Board of Directors have recommended a final dividend Re 0.15 per equity share of the face value of Rs 10/- per share.



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MEP. With you all the way.



FINANCIAL OVERVIEW

Quarterly P&L Statement

In INR Mn

Particulars	Q4 FY17	Q4 FY16	YoY%
Total Revenues from Operations	4,316	5,079	-15%
Other Income	296	199	48.7%
Operating and Maintaining Expenses	1,026	782	31.2%
Employee Expenses	180	197	-8.6%
Other Expenses	94	153	-38.6%
Depreciation & Amortization	1,958	2,685	-27.1%
EBIT	1,354	1,461	-7.3%
EBIT Margin (%)	31.4%	28.8%	260 Bps
Finance Costs	1,205	1,582	-23.8%
Exceptional Items	-	-	
PBT	149	-121	NA
Taxes	51	77	-33.8%
PAT before Minority Interest	98	-44	NA
Share of profit/(loss) from Associate/JV	23	-38	NA
PAT	121	-82	NA
PAT Margin (%)	2.8%	-1.6%	NA
Other Comprehensive Income	-3	-	NA
Net Profit (After Other Comprehensive Income)	118	82	43.90%

Yearly P&L Statement

In INR Mn

Particulars	FY17	FY16	YoY%
Total Revenues from Operations	17,291	19,052	-9.2%
Other Income	864	757	14.1%
Operating and Maintaining Expenses	3,280	2,600	26.2%
Employee Expenses	734	744	-1.3%
Other Expenses	389	400	-2.8%
Depreciation & Amortization	8,680	10,122	-14.2%
EBIT	5,072	5,943	-14.7%
EBIT Margin (%)	29.3%	31.2%	-190 Bps
Finance Costs	4,931	6,422	-23.2%
Exceptional Items	1,579	0	NA
PBT	1,720	-479	NA
Taxes	633	-158	NA
PAT before Minority Interest	1,087	-321	NA
Share of profit/(loss) from Associate/JV	2	-45	NA
PAT	1,089	-366	NA
PAT Margin (%)	6.3%	-1.9%	NA
Other Comprehensive Income	-5	-3	-66.7%
Net Profit (After Other Comprehensive Income)	1,084	-369	NA

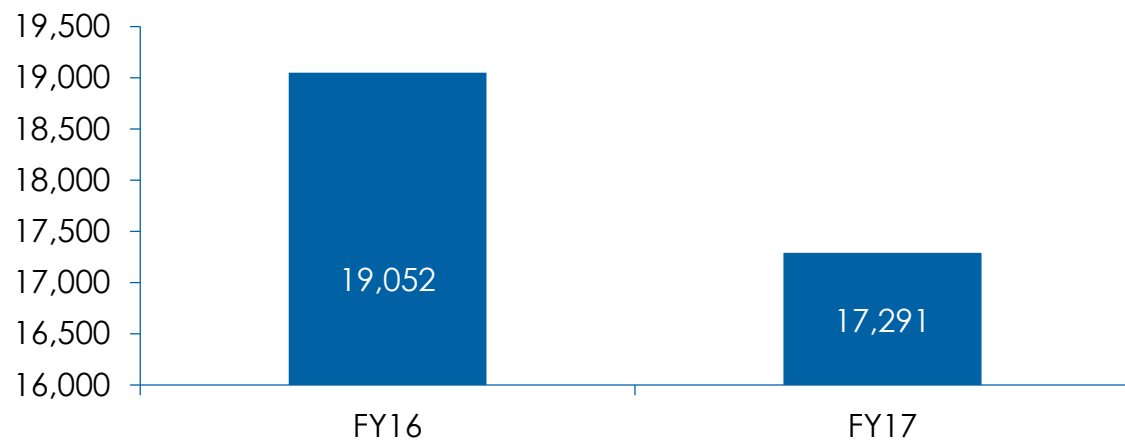
Consolidated Balance Sheet

In INR Mn

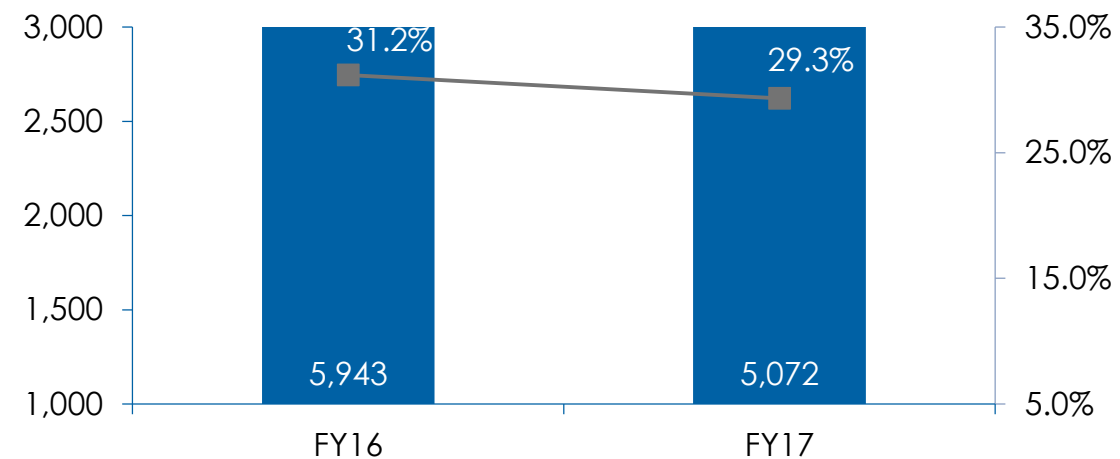
Particulars in INR Mn	FY17	FY16	Particulars in INR Mn	FY17	FY16
Equities & Liabilities			Assets		
Shareholder's Funds			Non-Current Assets		
Share Capital	1,626	1,626	Fixed Assets	508	609
Other Equity	-1,705	-2,750	Capital Work-in-Progress	282	67
Reserves & Surplus	0	0	Goodwill on Consolidation	262	265
			Other Intangible Assets	23,878	35,004
Non-Current Liabilities			Investment in JV & Associates	1,445	0
Long-term Borrowings	25,149	26,387	Non-Current Investments	218	217
Trade Payables	5,029	7,138	Deferred Tax Assets (net)	1,520	2,045
Deferred Tax Liability	0	0	Long-term Loans & Advances	4,898	5,122
Other Non-Current Liabilities	1,948	0	Other Non-Current Assets	5,768	4,540
Long-term Provisions	281	1,228	Other Financial Assets	269	430
			Income Tax Assets	655	238
Current Liabilities			Current Assets		
Short-term Borrowings	2,012	2,461	Trade Receivables	354	2
Trade Payables	8,255	15,733	Cash & Cash Equivalents	354	553
Other financial Liabilities	3,840	2,176	Bank Balance	1,088	936
Other Current Liabilities	1,620	134	Short-term Loans & Advances	2,345	844
Liabilities for current tax (net)	100	0	Other Current Assets	2,122	1,964
Short-term Provisions	803	212	Other Financial Assets	2,992	1,509
Total Equity & Liabilities	48,958	54,345	Total Assets	48,958	54,345

12 Months Results Highlights

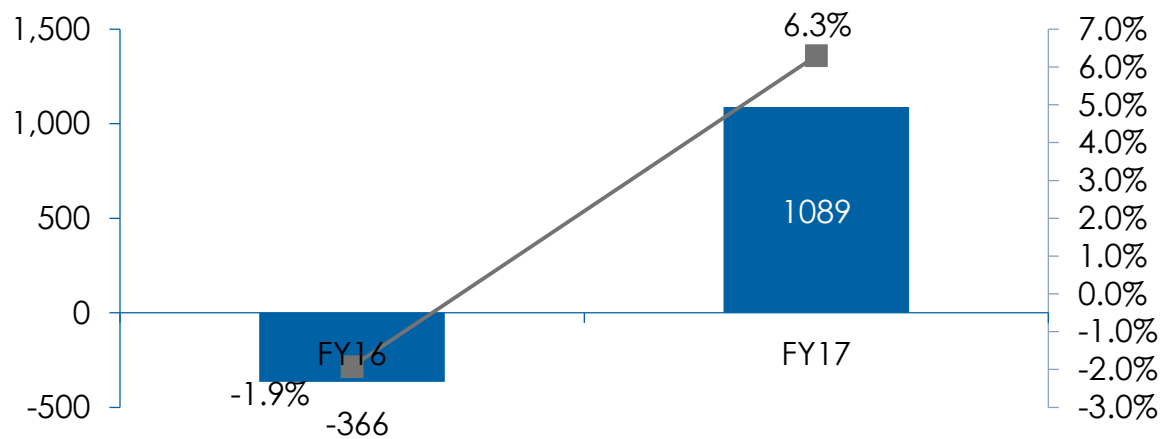
REVENUE FROM OPERATIONS (INR Mn)



EBIT (INR Mn) & EBIT MARGIN

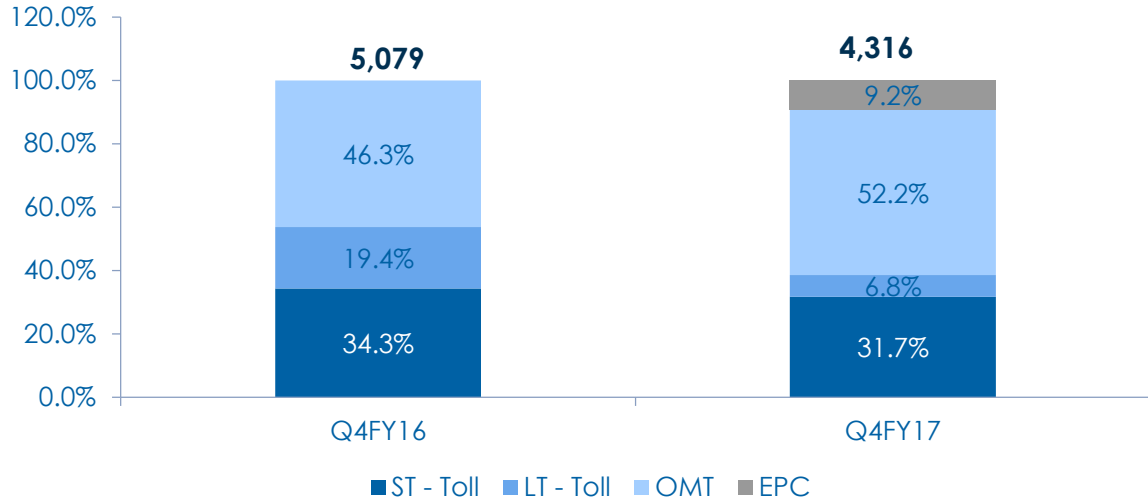


PAT (INR Mn) & PAT MARGIN

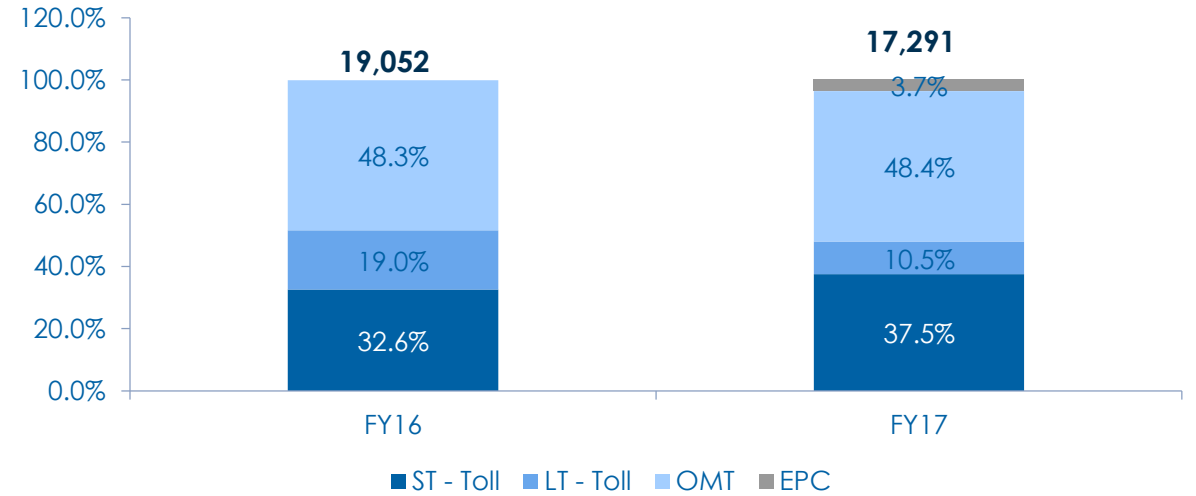


Revenue Analysis

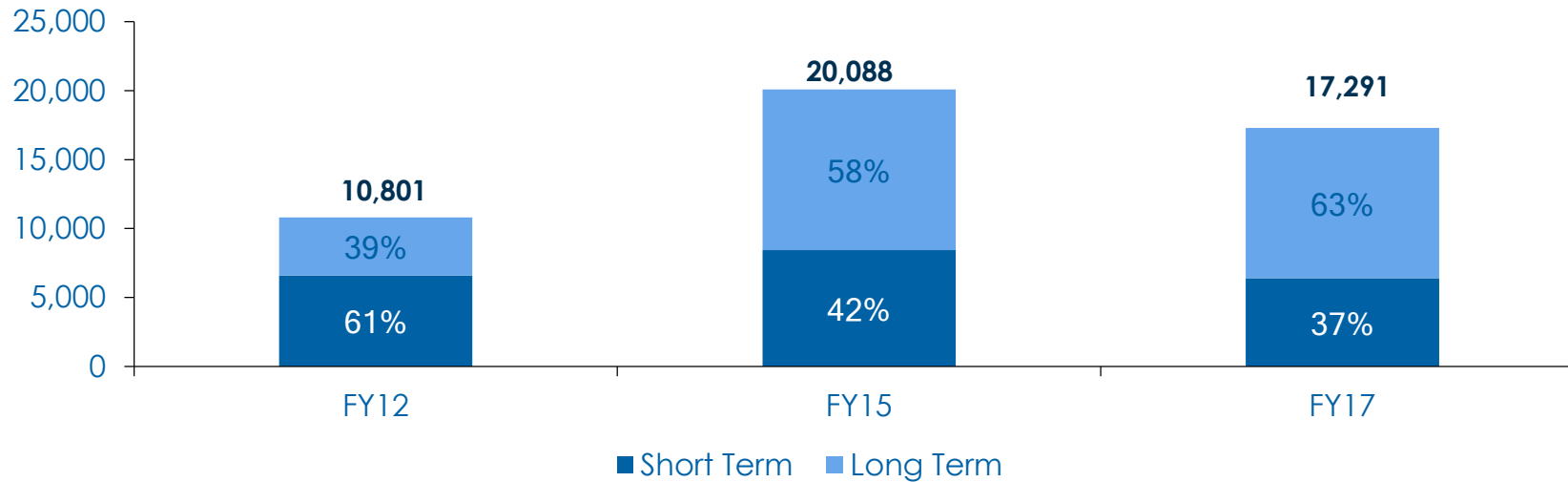
Quarterly Analysis



Yearly Analysis



Increasing focus on LT projects (INR Mn) *



* Prior to FY16 Financials are based on iGAAP and after FY16 financials have been restated under ind-AS

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



Ms. Manisha Bihani
Investor Relations
T +91 22 61204800
Email : mbihani@mepinfra.com



Mr. Anuj Sonpal
Valorem Advisors Investor Relations Management
Tel: +91-22-3006-7521 / 22 / 23 / 24
Email: mep@valoremadvisors.com