



INFRASTRUCTURE
DEVELOPERS LTD.

EARNINGS PRESENTATION

Q2-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 recently forayed into road development / construction by participating in Hybrid Annuity Model road projects.

Company Overview



Business Mix



Tolling Projects

- 3 Long Term (LT) and 9 Short Term (ST) Tolling projects under management pan India
- 20 Toll Plazas across 7 states

Operate Maintain Transfer (OMT)

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

Hybrid Annuity Model (HAM)

- Recently 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



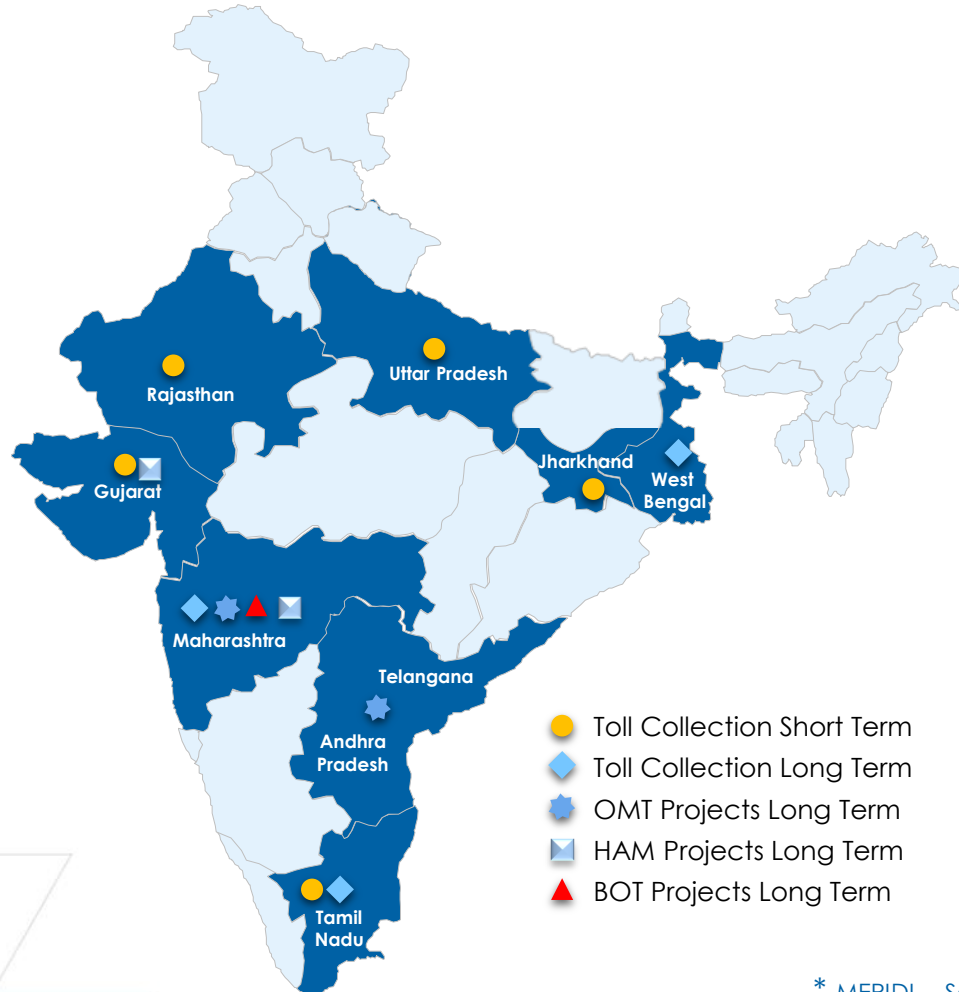
Financials



- **Total Revenue** grown from INR 12,149 Mn in FY14 to INR 20,068 in FY16;
- **Net Profit** grown from INR (1,292) Mn in FY14 to INR 263 Mn in FY16;
- **Cash Profit** grown from INR (256) Mn in FY14 to INR 1,816 Mn in FY16;

Diversified Project Portfolio With Pan-India Presence

Current Portfolio Across Eight States In India



Current Project Mix

Location	OMT	Long Term Toll	Short Term Toll	HAM	BOT	Total
Maharashtra	2	1		4	1	8
Tamil Nadu	-	1	1	-	-	2
Rajasthan	-	-	3	-	-	3
Gujarat	-	-	-	2	-	2
Uttar Pradesh	-	-	2	-	-	2
West Bengal	-	1	0	-	-	1
Andhra Pradesh	1	-	-	-	-	1
Jharkhand	-	-	3	-	-	3
Total	3	3	9	6*	1	22#

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 has won 6 HAM projects in Maharashtra & Gujarat. 2 projects have achieved financial closure and we are currently in process of achieving financial closure for the rest.

This comprises of 16 operational projects and 6 recently won HAM projects, within our project portfolio

Recent Project – Additions/Completion

Project Additions

Sr. No	Name of Project	State	Name of Authority	Type	Commencement of operations	Tenor	Payment to Authority (INR Mn)
1	Ghangari	Jharkand	NHAI	Short Term Toll Collection	1 st September, 2016	1 Year	792.0
2	Sau Kala	Jharkand	NHAI	Short Term Toll Collection	18 th September, 2016	1 Year	873.0
3	Kappalur	Tamil Nadu	NHAI	Short Term Toll Collection	18 th September ,2016	3 months	121.5
4	Etturvattam	Tamil Nadu	NHAI	Short Term Toll Collection	18 th September ,2016	3 months	97.2
5	Salaipudhur	Tamil Nadu	NHAI	Short Term Toll Collection	18 th September ,2016	3 months	97.2
6	Nanguneri	Tamil Nadu	NHAI	Short Term Toll Collection	18 th September ,2016	3 months	102.1

Project Completion

Sr. No	Name of Project	State	Name of Authority	Type	Closure of operations	Tenor	Payment to Authority (INR Mn)
1	Gurau	Uttar Pradesh	NHAI	Short Term Toll Collection	31 July, 2016	1 year	594.0
1	Kini Tasawade	Maharashtra	MSRDC	Long Term Toll Collection	22 nd August 2016	104 Weeks	2,270.7
2	IRDPS Solapur	Maharashtra	MSRDC	Long Term Toll Collection	31 st August 2016	156 weeks	208
1	Madurai Kanyakumari	Tamil Nadu	NHAI	Operate Maintain Transfer	25 th August 2016	9 years	1,108.7*

* Payment to authority for first year with 10% escalation every year

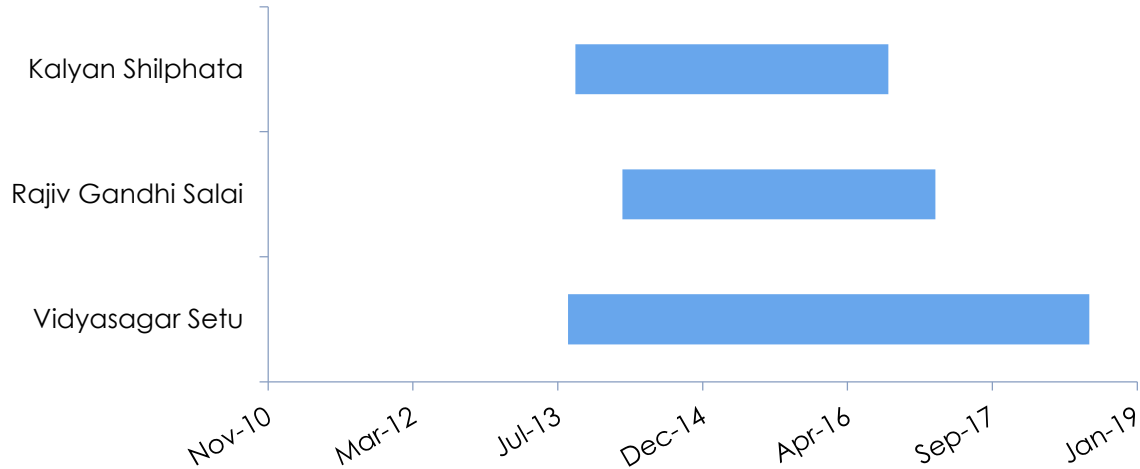
MEPIDL has 6 road projects under Hybrid Annuity Model

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

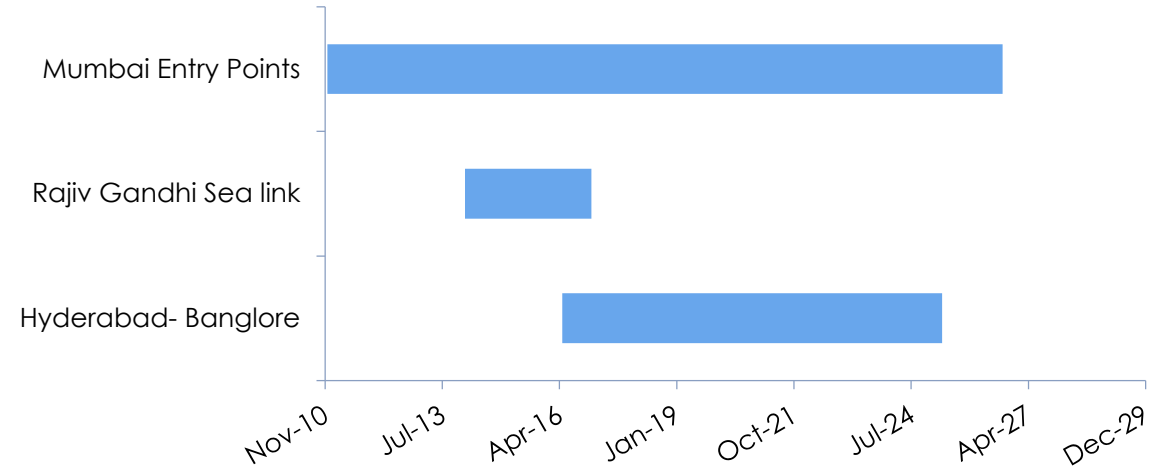
*The projects have attained financial closure on 14th Oct 2016

Our Project Timelines

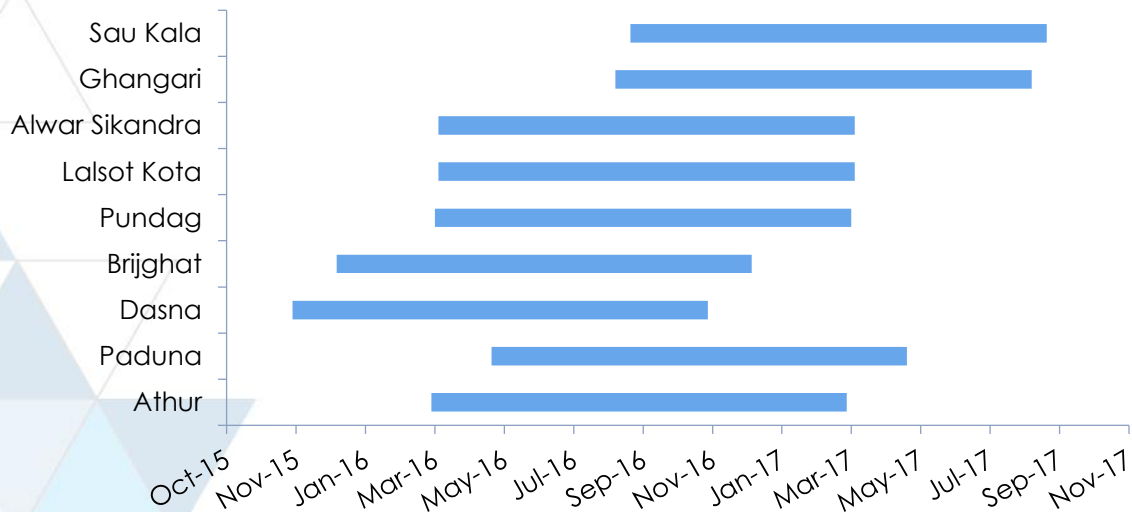
Long Term Toll



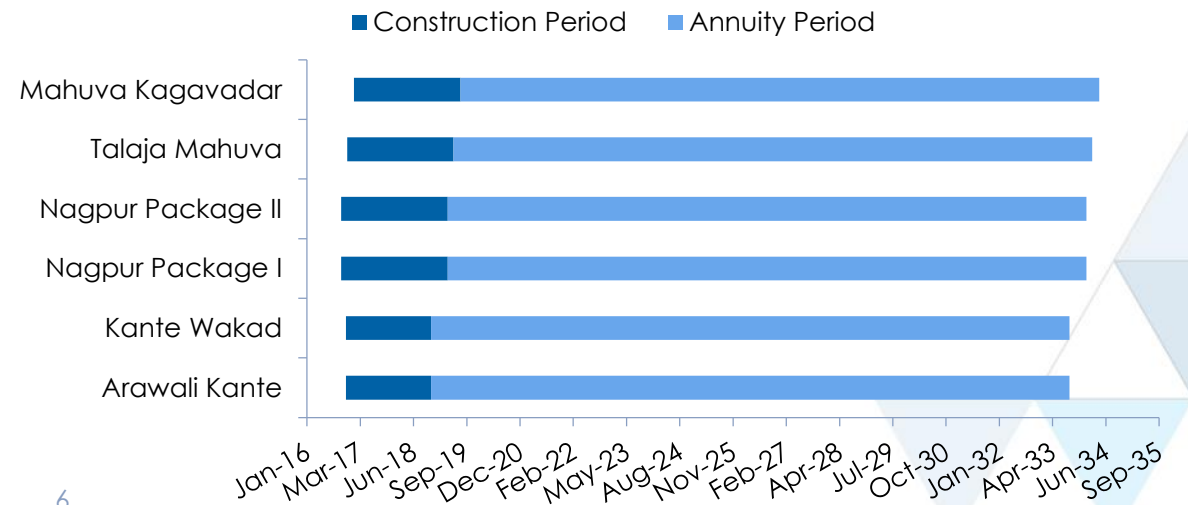
Operate Maintain Toll



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 IRB Infrastructure Developers Ltd, IL&FS Transportation Networks, Ltd, Sterlite Power Transmission Ltd, Reliance Infrastructure Ltd and MEP Infrastructure Developers Ltd, among others.
- 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.
- 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 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.
- 31 projects worth INR 267.5 Bn, have been awarded till date entailing a length of ~ 6,155 lane km.
- The company holds a market share of 15% in the space, has already achieved financial closure for its first two projects and will meet its financial closure targets in time.

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 company continues to maintain its leadership position in the tolling market and will participate in TOT when it is announced.

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	4,852	<= 1 year	10
2	MSRDC	790	<= 3 year	1
	Total	5,642		11

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	2,790	9 Years	2
2	NHAI	2,50,050	2 – 2.5 years / 15 years	20
	Total	2,52,840		22



2Q-FY17 Highlights



- Revenues remained stable at INR 4,474 Mn in Q2 FY17 vis-à-vis INR 4,477 Mn in Q2 FY16 due to
 - a. Enhanced contribution to revenues from 1 year tolling projects, Hyderabad Bangalore and Mumbai Entry Points
 - b. Despite completion of few projects namely RVPL, Chennai Bypass, Madurai Kanyakumari Project
- EBIT margin declined by 570 bps due to higher operating cost as a result of larger contribution of short term toll collection projects to revenues
- PAT stood higher at INR 623 Mn in Q2 FY17 vis-à-vis a loss of INR 113 Mn in Q2 FY16, as a result of reversal of major road maintenance expenses and concession fees payable to authority net of intangible assets, due to handover of an OMT project.
- As a result of the company adopting Ind-AS, the significant maintenance obligation under the OMT projects shall have to be provided in all the financial years from COD till the actual date of expenditure. Hence, a provision for major maintenance for HB, BTPL and Mumbai Entry point projects totaling to INR 83.9 Mn has been recognized for the current quarter.
- MIPL project yielded better results vis-a-vis Q2 FY16 as a result of efficient management of costs. IIFCL, has disbursed INR 2,699 Mn to MIPL, under a takeout finance scheme, thus reducing the rate of interest to 10.1% (on INR 2,699 Mn) along with a ease in repayment obligation.
- We have successfully achieved financial closure for two Hybrid Annuity Projects, namely Nagpur Ring Road 1 & 2 and have availed the drawdown in the respective projects. Further we hope to achieve the financial closure of the remaining projects by end of December 2016.



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ENGINEERS LTD

MEP. With you all the way.



FINANCIAL OVERVIEW



Quarterly P&L Statement

In INR Mn

Particulars	Q2 FY17	Q2 FY16	YoY%
Total Revenues from Operations	4,474	4,477	(0.1)%
Other Income	194	189	2.6%
Operating and Maintaining Expenses	844	555	52.1%
Employee Expenses	184	170	8.2%
Other Expenses	96	90	6.7%
Depreciation & Amortization	2,332	2,422	(3.7)%
EBIT	1,212	1,429	(15.2)%
EBIT Margin (%)	27.1%	31.9%	(480) bps
Finance Costs	1,267	1,603	(21.0)%
Exceptional Items	1,034	-	NA
PBT	979	(174)	NA
Taxes	354	(61)	NA
PAT before Minority Interest	625	(113)	NA
Share of profit/(loss) from Associate/JV	(1)	1	NA
PAT	624	(112)	NA
PAT Margin (%)	13.9%	NA	NA
Other Comprehensive Income	(1)	(1)	NA
Net Profit (After Other Comprehensive Income)	623	(113)	NA

Half Yearly P&L Statement

In INR Mn

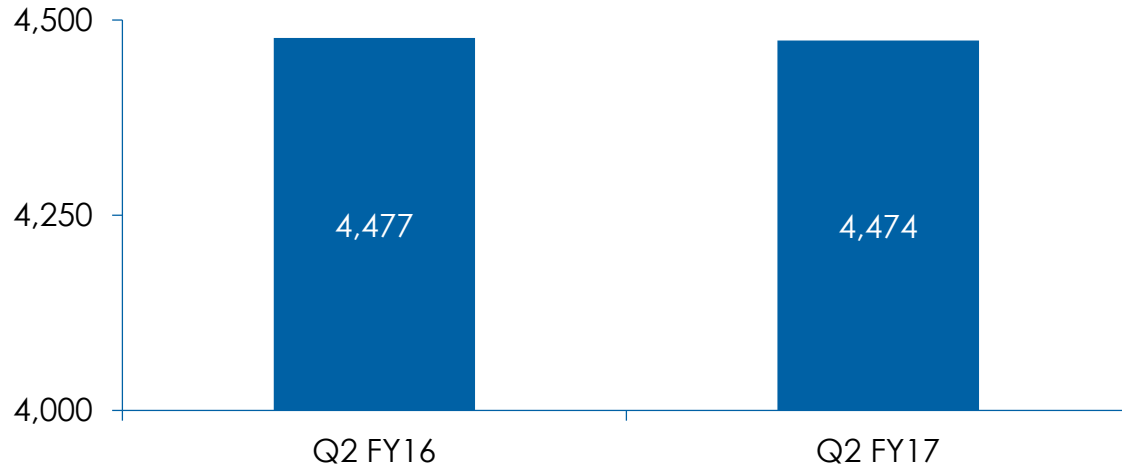
Particulars	H1 FY17	H1 FY16	YoY%
Total Revenues from Operations	9,085	9,148	(0.7)%
Other Income	391	370	5.7%
Operating and Maintaining Expenses	1,658	1,148	44.4%
Employee Expenses	378	332	13.9%
Other Expenses	188	183	2.7%
Depreciation & Amortization	4,792	4,858	(1.4)%
EBIT	2,460	2,997	(17.9)%
EBIT Margin (%)	27.1%	32.8%	(570) bps
Finance Costs	2,514	3,243	(22.5)%
Exceptional Items	1,579	-	NA
PBT	1,525	(246)	NA
Taxes	564	(60)	NA
PAT before Minority Interest	961	(186)	NA
Share of profit/(loss) from Associate/JV	(2)	(2)	NA
PAT	959	(188)	NA
PAT Margin (%)	10.6%	NA	NA
Other Comprehensive Income	(1)	(2)	NA
Net Profit (After Other Comprehensive Income)	958	(190)	NA

Half Yearly Balance Sheet (Ind-AS)

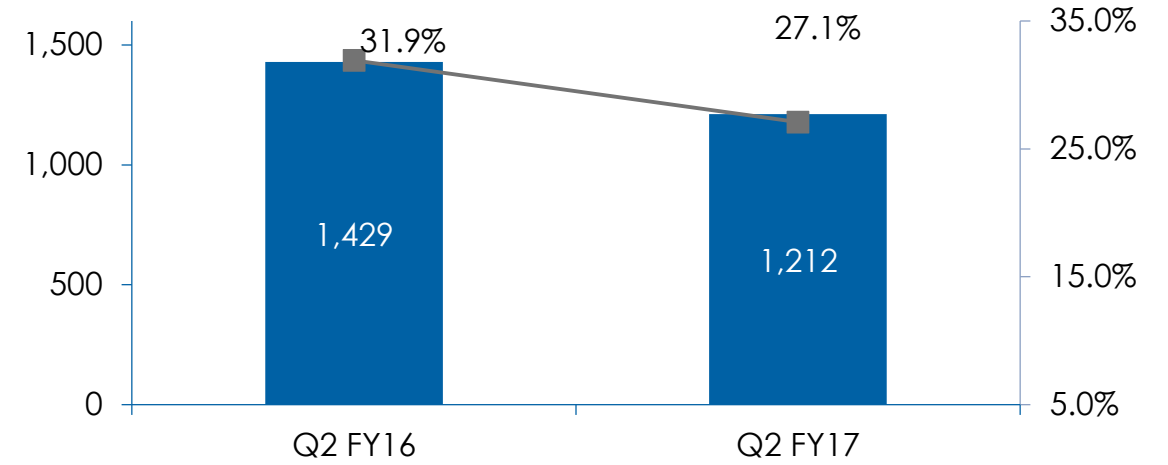
Particulars	H1 FY17	Particulars	In INR Mn H1 FY17
I) Assets		I) Equity & Liabilities	
1) Non-Current Assets		1) Equity	
a) Property, Plant and Equipment	590	a) Equity Share Capital	1,626
b) Capital work in progress	159	b) Other Equity	(1,812)
c) Goodwill on consolidation	265	Total Shareholder's Funds	(186)
d) Other intangible assets	27,687	Liabilities	
e) Financial Assets		2) Non-Current Liabilities	
i) Investments	217	a) Financial Liabilities	
ii) Loans and Advances	5,617	i) Borrowings	25,810
iii) Others	352	ii) Trade Payables	5,839
f) Deferred Tax Assets (Net)	1,523	b) Provisions	1,041
g) Non-current tax assets (Net)	474	c) Other non-current Liabilities	280
h) Other non-current assets	3,420	Total Non-Current Liabilities	32,970
Total Non-Current Assets	40,304	3) Current Liabilities	
2) Current Assets		a) Financial Liabilities	
a) Financial Assets		i) Borrowings	2,212
i) Trade Receivables	283	ii) Trade Payables	10,128
ii) Cash and equivalents	464	iii) Other financial liabilities	2,751
Bank balance other than ii) above	1,063	b) Other current liabilities	451
iv) Loans & Advances	3,792	c) Provisions	6
v) Others	1,388	d) Current tax liabilities (Net)	133
b) Other Assets	1,171	Total Current Liabilities	15,681
Total Current Assets	8,161	Total Equity & Liabilities	48,465
Total Assets	48,465		

Quarterly Results Highlights

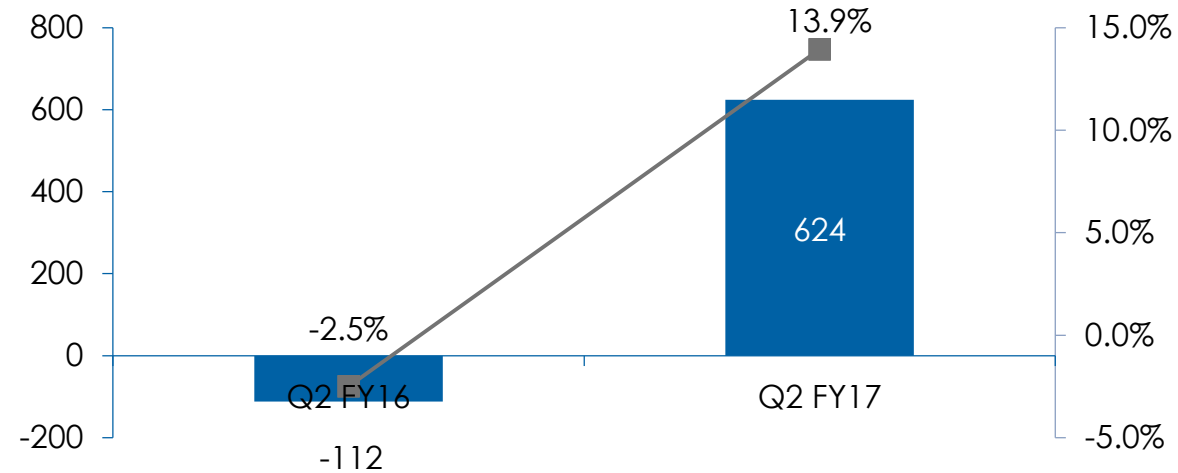
REVENUE FROM OPERATIONS (INR Mn)



EBIT (INR Mn) & EBIT MARGIN

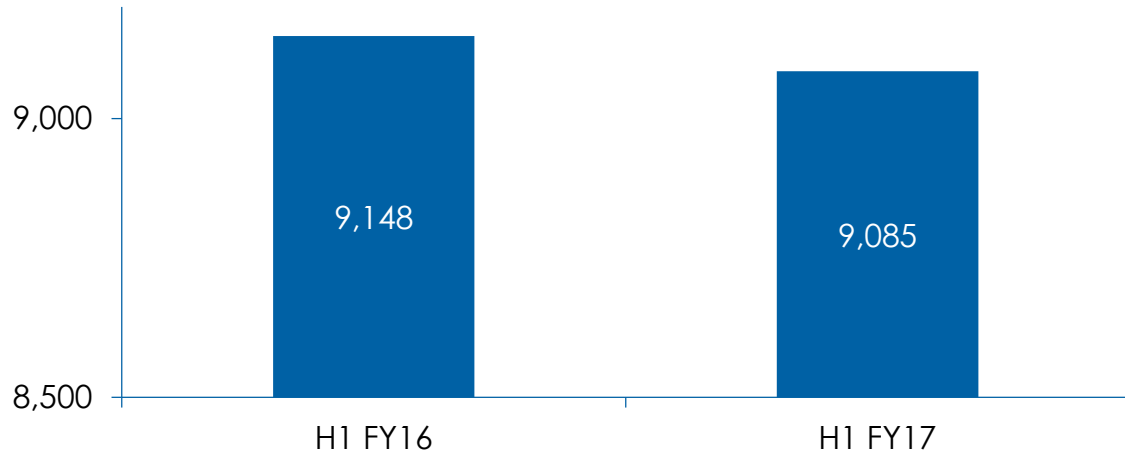


PAT (INR Mn) & PAT MARGIN

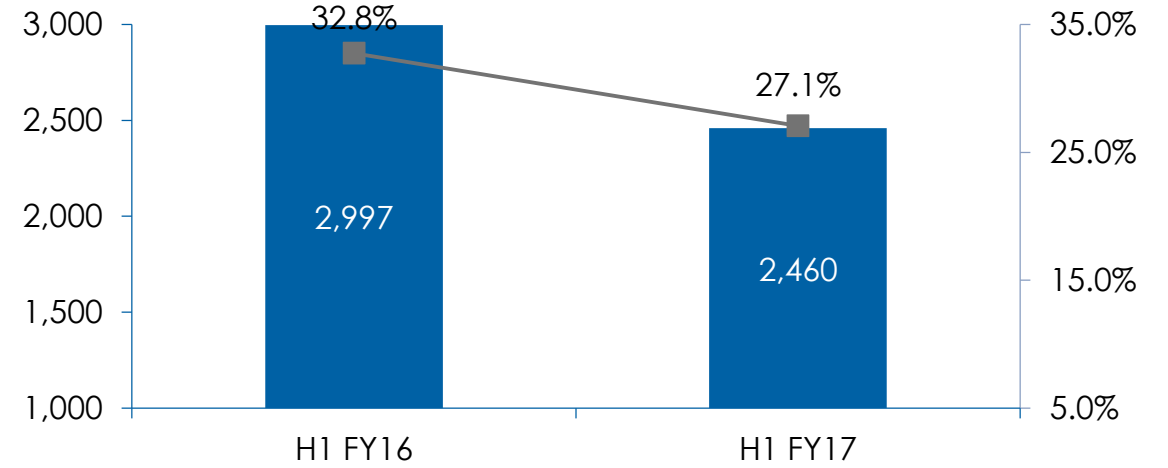


Half Yearly Results Highlights

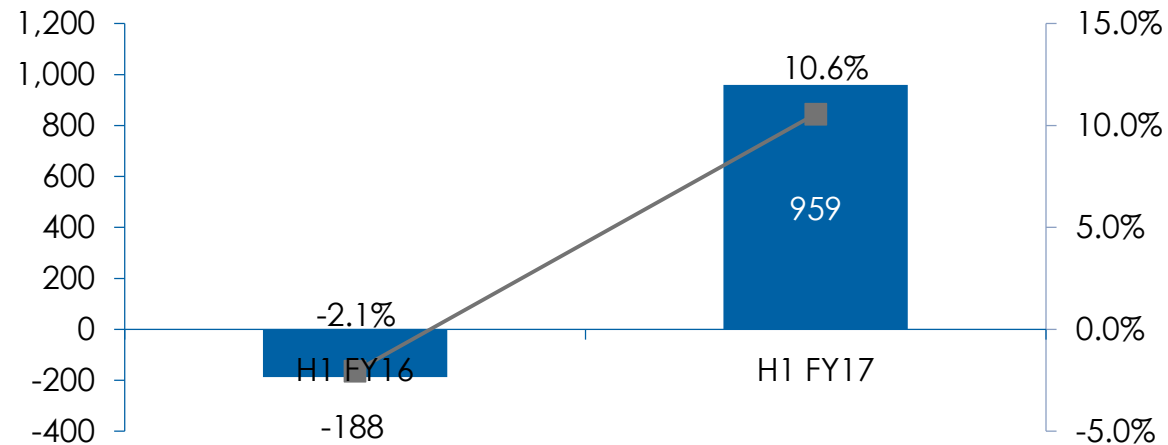
REVENUE FROM OPERATIONS (INR Mn)



EBIT (INR Mn) & EBIT MARGIN

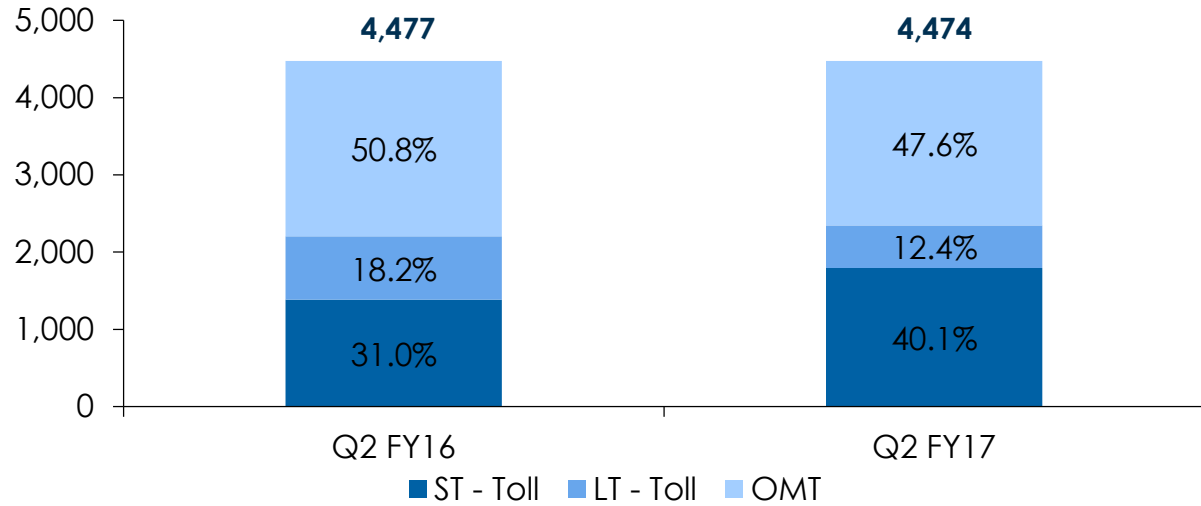


PAT (INR Mn) & PAT MARGIN

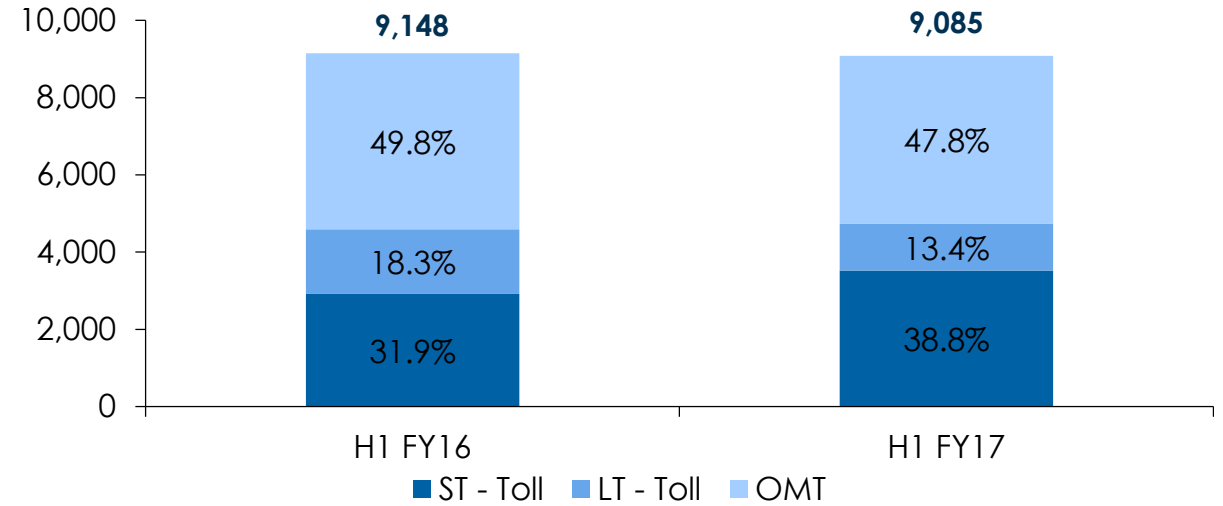


Revenue Analysis

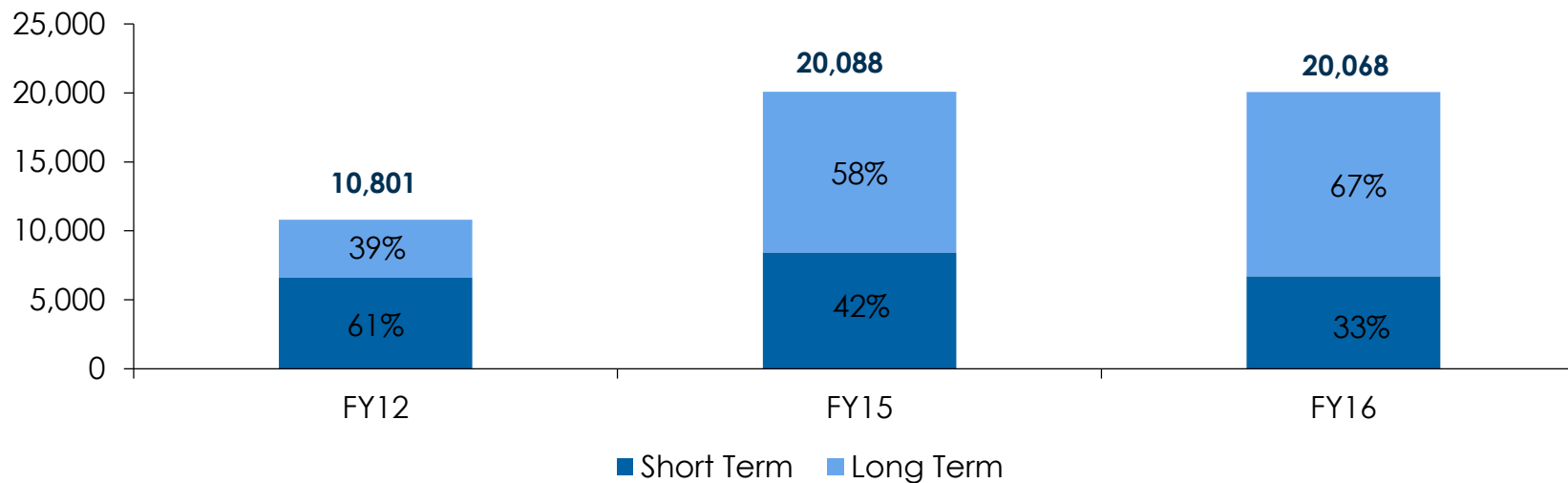
Quarterly Analysis



Half Yearly Analysis



Increasing focus on LT projects (INR Mn)



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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