



INFRASTRUCTURE
DEVELOPERS LTD.

EARNINGS PRESENTATION

Q3/9M-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 Mhaiskar and Jayant Mhaiskar, 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



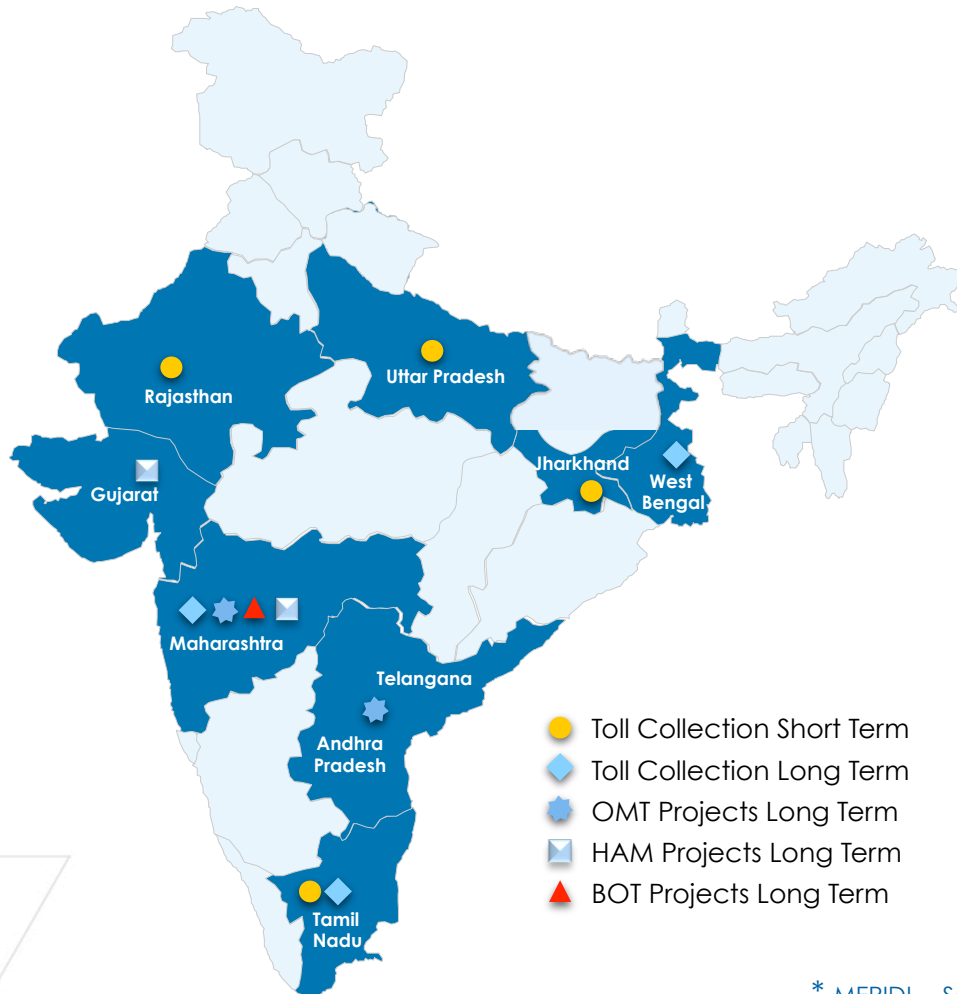
Financials



- **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	-	-	-	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. MEP has achieved financial closure for 4 projects in Maharashtra while the company is in the 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	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	Surjapur	West Bengal	NHAI	Short Term Toll Collection	26 th November, 2016	1 year	420.3
2	Brijghat	Uttar Pradesh	NHAI	Short Term Toll Collection	16 th January, 2017	1 Year	518.4

Hybrid Annuity Model Project portfolio

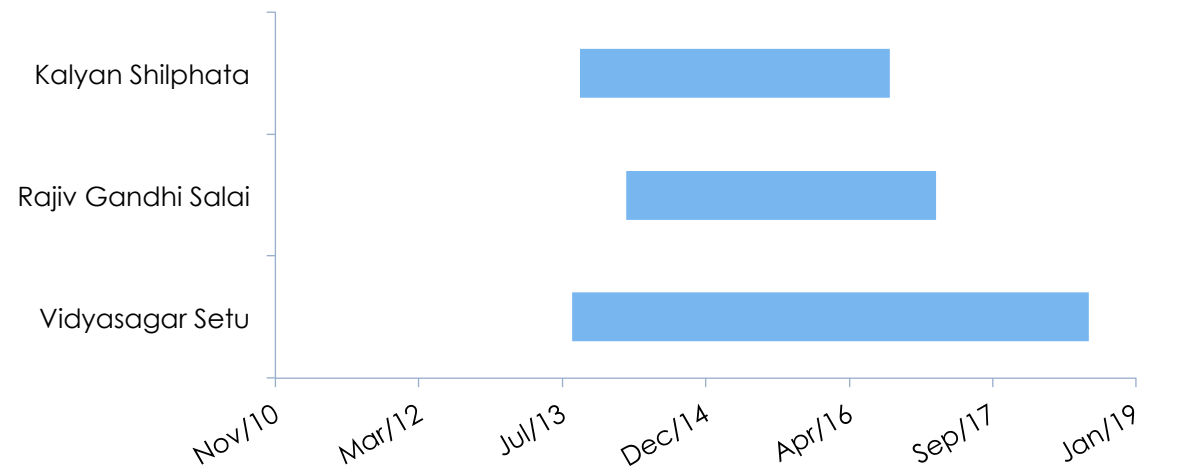
MEPIDL has 6 road projects under Hybrid Annuity Model

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

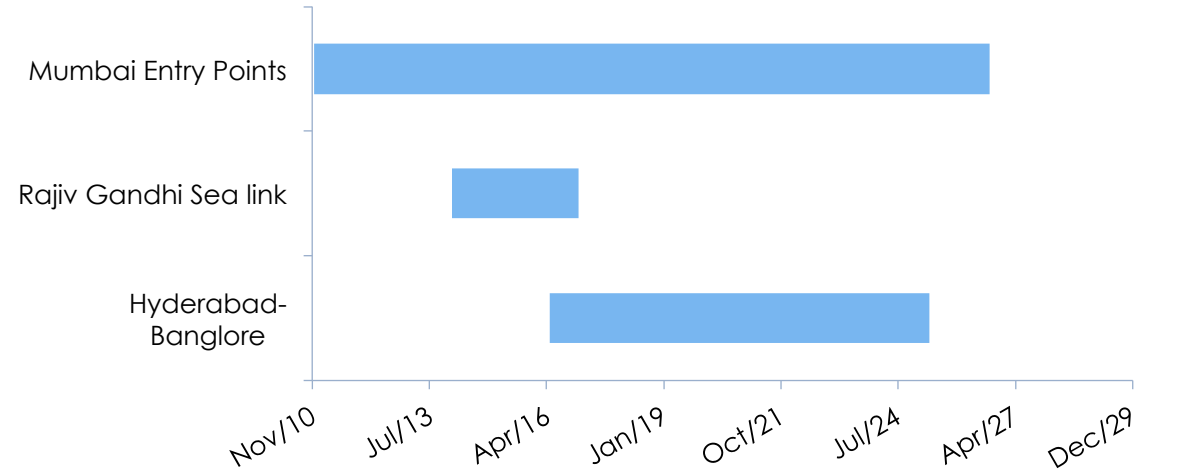
*The projects have attained financial closure

Our Project Timelines

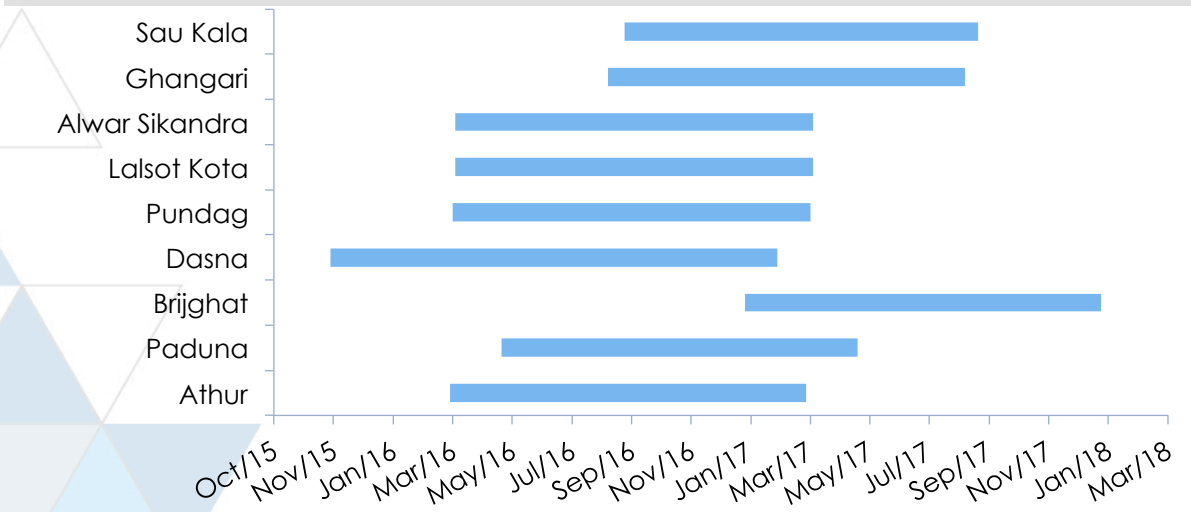
Long Term Toll



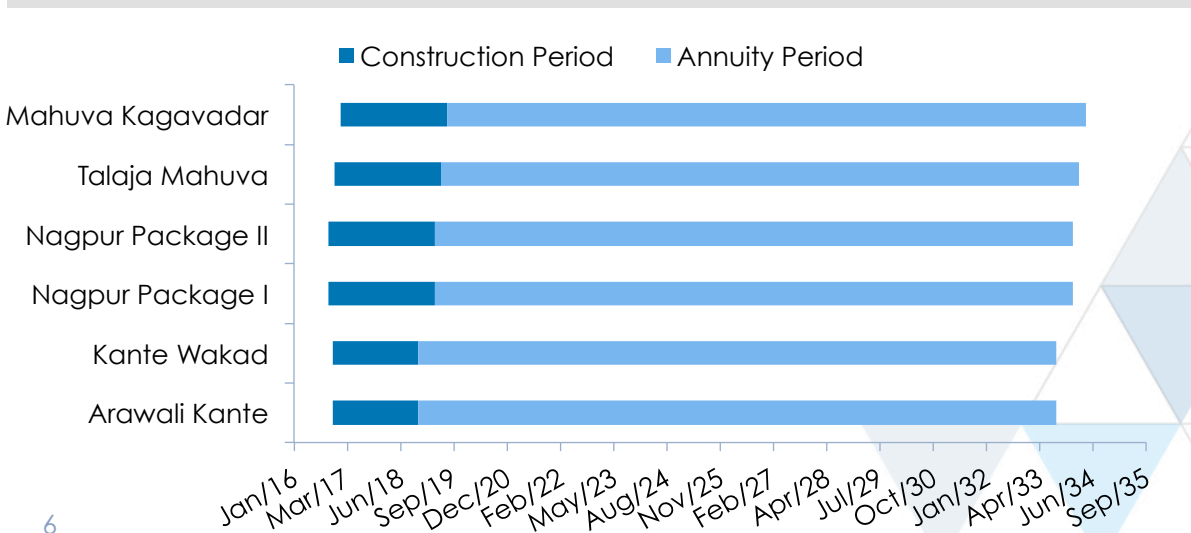
Operate Maintain Toll



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.
- 33 projects worth INR 303.3 Bn, have been awarded till date entailing a length of ~ 7,397.6 lane km.
- The company holds a market share of 13% in the space, has already achieved financial closure for its first four projects and is expected to achieve financial closure for the rest at the earliest.

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 by April 2017.
- 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 announced 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	8,690	<= 1 year	19
2	HSIIDC	400	<= 1 year	1
	Total	9,090		20

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	MSRDC	3,600	3 Years	1
2	NHAI/MORTH	2,60,075	2 – 2.5 years / 15 years	24
	Total	2,63,675		25



3Q-FY17 Highlights



- Revenues have declined at INR 12,975 Mn in 9M FY17 vis-à-vis INR 13,973 Mn in 9M FY16 due to
 - a. Temporary suspension of toll collection and impact on traffic growth due to demonetization
 - b. Completion and hand-over of major projects during the financial year such as Madurai-Kanyakumari, Kini Tasawade and RIDCOR
- EBIT has decreased due to a reduction in turnover during the period under review. EBIT margins have declined by 340 bps due to higher operating costs and employee costs.
- The authorities had announced temporary suspension of toll collection at the toll plazas operated by the company and its Subsidiaries from November 9, 2016 to December 2, 2016 post demonetization. The Company and its subsidiary companies have claimed compensation of INR 885 Mn pursuant to the relevant agreement(s) entered with the respective authorities. (Claims recognised under Other operating revenue : INR 498 Mn and Claims adjusted against depreciation and amortisation expenses amounting INR 387 Mn).
- 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 a provision for major Maintenance for HB, Mumbai Entry point Projects and BTPL totalling to INR 235.29 Mn has been recognised up to 9M FY 17.
- Finance costs have reduced to Rs.3,726 Mn from Rs.4,839 Mn. It includes INR 2,803 Mn (Previous Period: INR 2,868 Mn) relating to interest on borrowings and INR 923 Mn (Previous Period: INR 1,971 Mn) relating to accretion of Trade payables and provisions relating to resurfacing.
- We have successfully achieved financial closure for four Hybrid Annuity Projects, namely Nagpur Ring Road 1 & 2 and Arawali-Kante and Kante-Wakad. Further, we have received the Appointed Date for Nagpur Ring Road 1 & 2. Further we expect to achieve the financial closure of the 2 remaining projects at the earliest.



INFRASTRUCTURE
DEVELOPMENT PTE LTD

MEP With you all the way.



FINANCIAL OVERVIEW

Quarterly P&L Statement

In INR Mn

Particulars	Q3 FY17	Q3 FY16	YoY%
Total Revenues from Operations	3,890	4,825	(19.4)%
Other Income	177	188	(5.9)%
Operating and Maintaining Expenses	597	671	(11.0)%
Employee Expenses	175	216	(19.0)%
Other Expenses	107	63	69.8%
Depreciation & Amortization	1,930	2,579	(25.2)%
EBIT	1,258	1,484	(15.2)%
EBIT Margin (%)	32.3%	30.8%	150 bps
Finance Costs	1,213	1,597	(24.0)%
Exceptional Items	0	0	NA
PBT	45	(113)	NA
Taxes	17	(21)	NA
PAT before Minority Interest	28	(92)	NA
Share of profit/(loss) from Associate/JV	(19)	(3)	NA
PAT	9	(95)	NA
PAT Margin (%)	0.2%	NA	NA
Other Comprehensive Income	(1)	(1)	NA
Net Profit (After Other Comprehensive Income)	8	(96)	NA

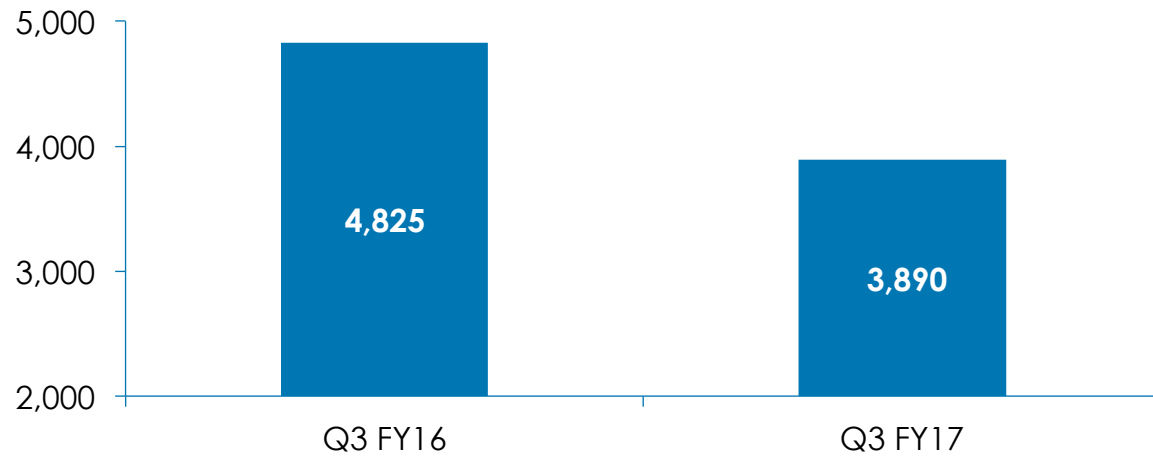
9 Months P&L Statement

In INR Mn

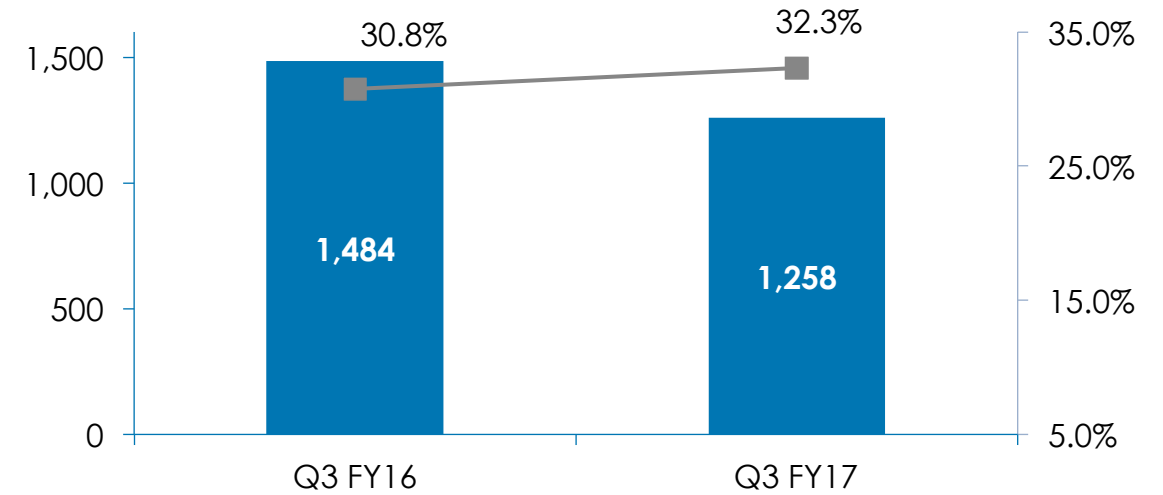
Particulars	9M FY17	9M FY16	YoY%
Total Revenues from Operations	12,975	13,973	(7.1)%
Other Income	568	558	1.8%
Operating and Maintaining Expenses	2,254	1,818	24.0%
Employee Expenses	554	548	1.1%
Other Expenses	295	247	19.4%
Depreciation & Amortization	6,722	7,437	(9.6)%
EBIT	3,718	4,481	(17.0)%
EBIT Margin (%)	28.7%	32.1%	(340) bps
Finance Costs	3,726	4,839	(23.0)%
Exceptional Items	1,579	0	NA
PBT	1,571	(358)	NA
Taxes	581	(80)	NA
PAT before Minority Interest	990	(278)	NA
Share of profit/(loss) from Associate/JV	(21)	(6)	NA
PAT	969	(284)	NA
PAT Margin (%)	7.5%	NA	NA
Other Comprehensive Income	(2)	(2)	NA
Net Profit (After Other Comprehensive Income)	967	(286)	NA

Quarterly Results Highlights

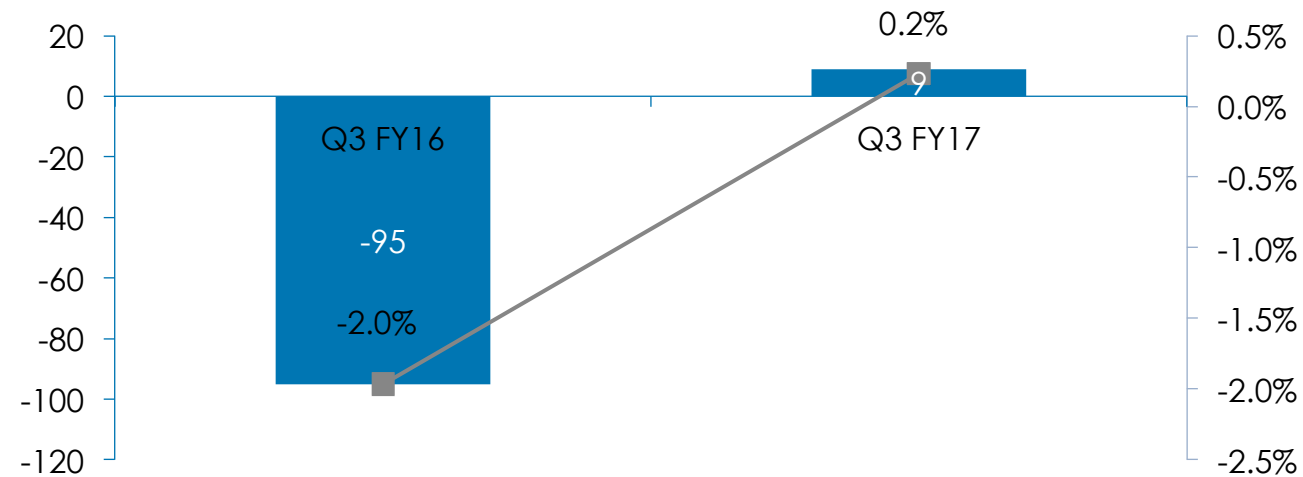
REVENUE FROM OPERATIONS (INR Mn)



EBIT (INR Mn) & EBIT MARGIN

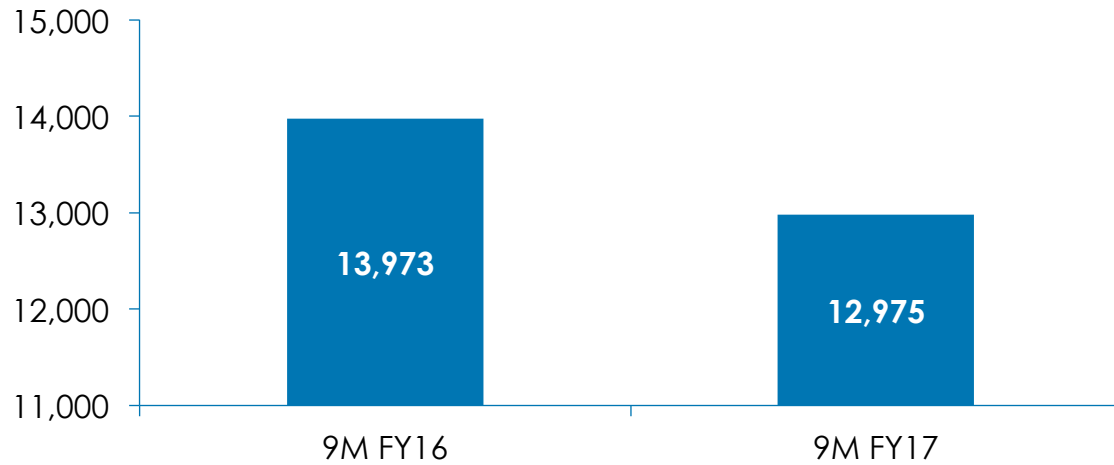


PAT (INR Mn) & PAT MARGIN

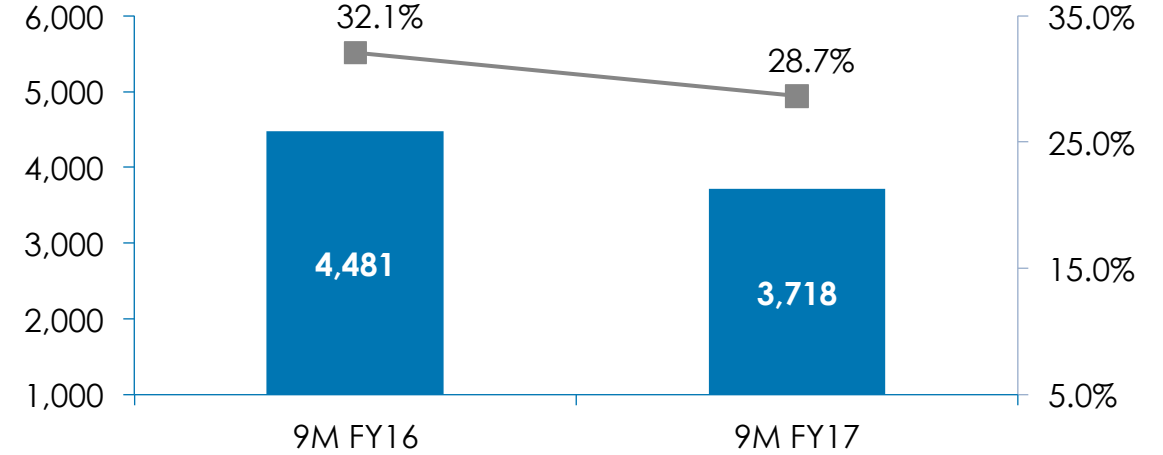


9 Months Results Highlights

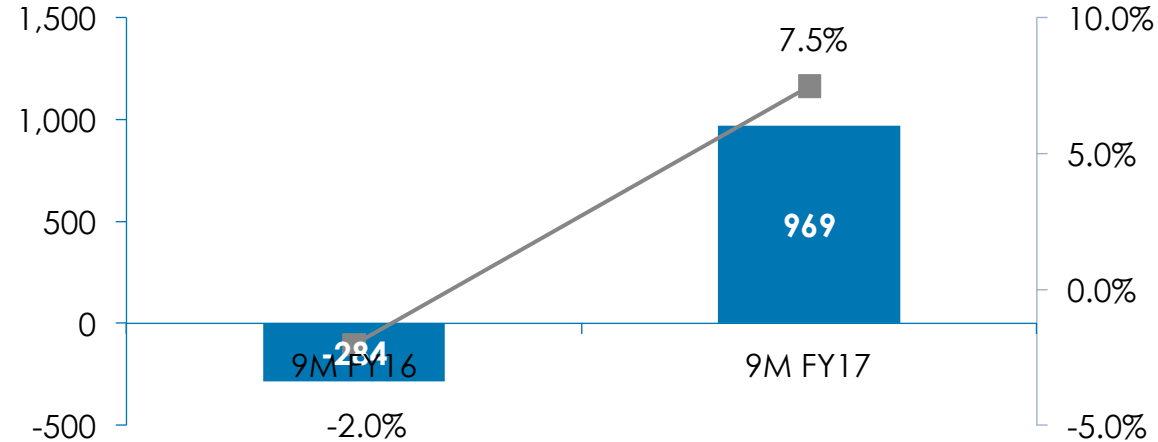
REVENUE FROM OPERATIONS (INR Mn)



EBIT (INR Mn) & EBIT MARGIN

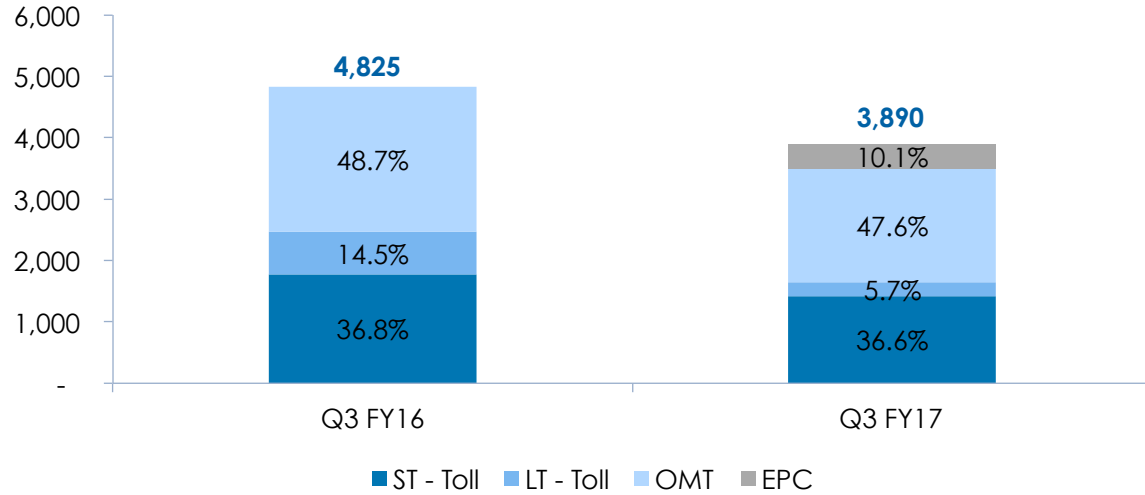


PAT (INR Mn) & PAT MARGIN

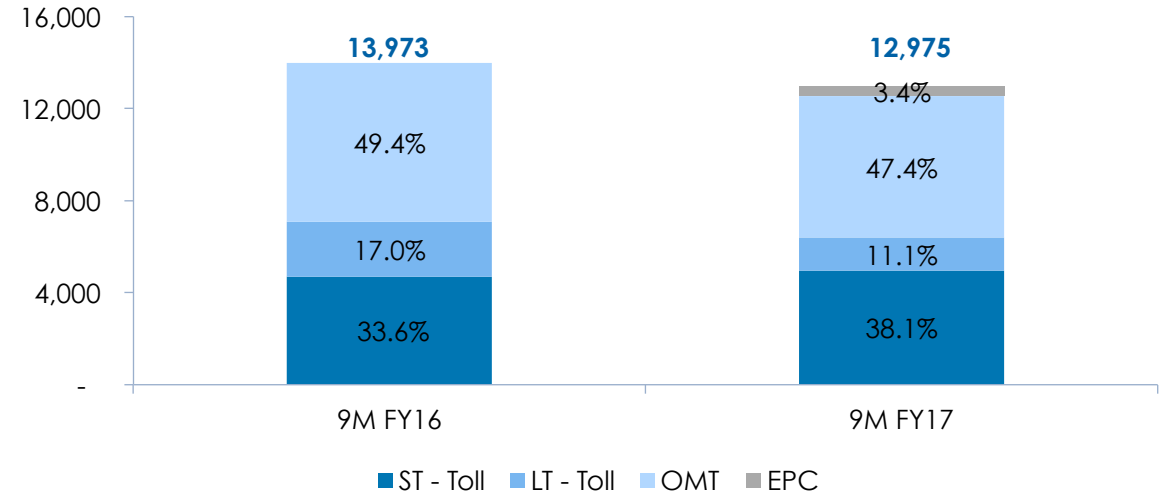


Revenue Analysis

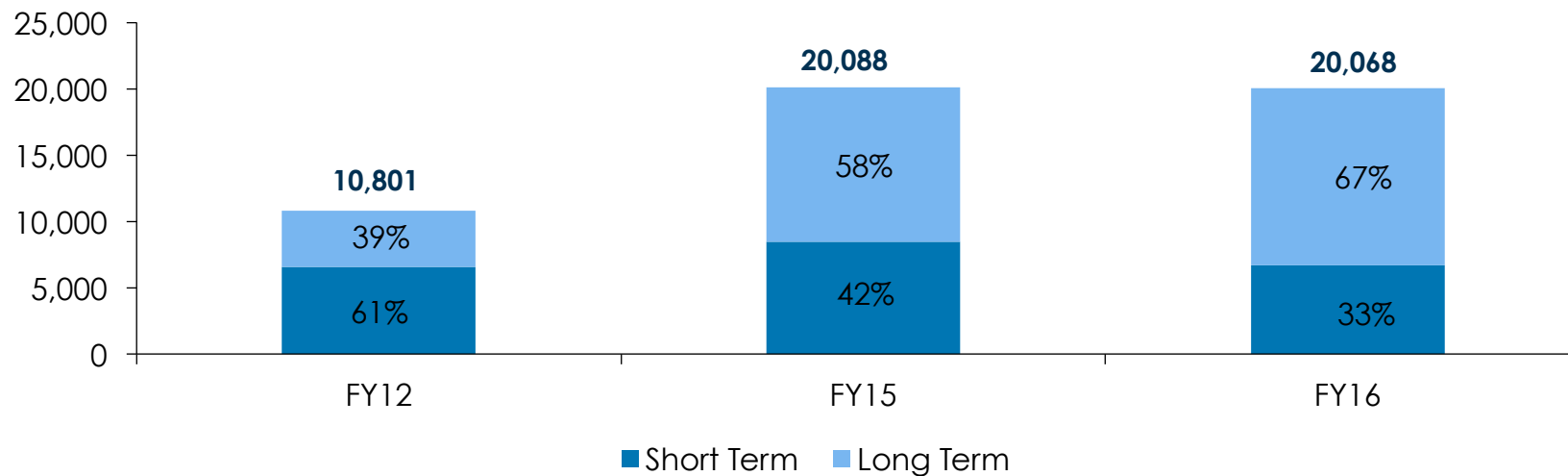
Quarterly Analysis



Nine Month Analysis



Increasing focus on LT projects (INR Mn)



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