

Orbit Corporation Limited

Unaudited Results for the Quarter Ended 31 December 2014 – Press Release

MUMBAI, 13 February 2015

Orbit Corporation Limited (“**OCL**”), a leading premium developer in the Mumbai Metropolitan Area with significant presence in niche and premium locations of South and South Central Mumbai, declared its unaudited financial results for the quarter ended 31 December 2014.

Key Financial Highlights

- ✓ Total income for Q3-FY 2015 stands at INR 354 mn.
- ✓ Complete Exit from Santacruz SRA Project finalised and the definitive agreements expected to be drawn up in due course subject to confirmation from LIC.
- ✓ Exit from Non-Core projects materialized this quarter.
- ✓ Construction of 4 Projects Resume, which were stucked due to regulatory logjam
- ✓ Construction on 2 more projects likely to start shortly.
- ✓ EBITDA for Q2-FY 2015 stands at 67.5 mn, an increase of 275% YoY.
- ✓ Impressive PAT for Q2-FY 2015 at INR (103) mn; an increase of 64% YoY.
- ✓ Principal Debt reduced Quarter on Quarter Basis from 7710.6 mn to 7641.1 mn.
- ✓ Further permissions received for Projects.

Top Management’s Key View Points on Industry and Company’s Outlook

- ✓ Working/Discussion on Comprehensive Restructuring plan under process
- ✓ Company to strategically monetize certain investments to reduce debt and also exploring possibilities of Joint Development.
- ✓ A fresh revenue stream by way of fee income being explored by the management and expected to materialise in due course.
- ✓ Company continues to have interim relief, conditional access to the project for development (ORP – Saki Naka)
- ✓ Finance Cost & availability still continues to be a concern
- ✓ With New Government in State and initiatives being taken by government at Center, State and FDI Norms, Industry is expected to revive in near future

Orbit Corporation Limited (OCL)

(BSE: 532837; NSE: ORBITCORP; Reuters: ORCP.BO; Bloomberg: ORB@IN)

Forward Looking Statement

Certain statements in this document may be forward looking based on certain assumptions of future events over which the Company exercises no control. Hence this involves number of risks and uncertainties which could cause the actual results to differ materially from those that may be projected or implied by these forward looking statements. Such risks and uncertainties include, but are not limited to: our ability to manage growth, competition, attracting and retaining skilled professionals, time and cost overruns, regulatory approvals, market risks, domestic and international economic conditions, and changes in laws governing the company including the tax regimes and exchange control regulations.



ORBIT

VISION BEYOND

ORBIT Corporation Limited

Investor Presentation

Quarter Ended 31st December 2014 – Q3FY15

THE VIEW, 165, DR. ANNIE BESANT ROAD
WORLI, MUMBAI – 400 018, INDIA
TEL: +91 22 3044 6910
FAX: +91 22 2491 1028

WWW.ORBITCORP.COM

TABLE OF CONTENT

Industry & Company Update

3

Profit & Loss Details

4

Balance Sheet Details

5

Cash Flow & Debtor Details

6

Corporate Information & Compliance

7

INDUSTRY & COMPANY UPDATE

Real Estate – Updates

- Apartment sales in Mumbai Metropolitan Region (MMR) fell 9% last year. However, prices increased by 10% YoY.
- According to Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received foreign direct investment (FDI) equity inflows to the tune of USD 23,874.1 million in the period April 2000-September 2014.
- The Indian real estate market size is expected to touch USD 180 billion by 2020.

Orbit Corporation Ltd. - Updates

- Successfully exited from property known as Indage House
- Divested our entire investment in Mazda Construction Company Ltd.
- Company continues to have interim relief, conditional access to the project for development (ORP-Saki Naka).

Company Performance – on Revenue A/c

	Q3FY15	QoQΔ
Total Income (₹ Mn)	344	↓
EBITDA (₹ Mn)	68	↑
Profit after Tax (₹ Mn)	(103)	↑

Company Performance – on Capital A/c

	Q3FY15	QoQΔ
Shareholder's Fund (₹ Mn)	8,440	↓
Prin. Debt – Excl. CCD (₹ Mn)	7,641	↓
Net Debtors (₹ Mn)	5,529	↑
Inventory (₹ Mn)	7,421	↓
Advance for Properties (₹ Mn)	8,525	↑

PROFIT & LOSS DETAILS

Profit & Loss A/c (Consolidated)

(`Mn)

Particulars	Q3FY15	Q2FY15	Q3FY14
Operating Income	340	409	59
Other Income	14	10	29
Total Income	354	419	88
Expenditure	286	363	127
EBITDA	68	56	(39)
Profit Before Tax	(151)	(186)	(363)
Exceptional Item[#]	-	-	-
Provision for Tax	(48)	(55)	(77)
Profit After Tax (PAT)	(103)	(131)	(266)
Basic EPS (`)	(0.88)	(1.13)	(2.33)
Diluted EPS (`)	(0.88)	(1.13)	(2.33)

The Company has been following Accounting Policy for accounting of 'Borrowing Costs' in compliance with AS 16 "Borrowing Costs" –

"Borrowing Costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily takes a substantial period over twelve months of time to get ready for its intended use or sale. All other borrowing costs are recognized as expense in the period in which they are incurred".

Operating Income Composition

Project	Location	`Mn
Orbit Haven	Napeansea Road	175
Orbit Enclave	Prathna Samaj	1
Orbit Terraces	Lower Parel	4
Orbit Grand	Lower Parel	25
Indage House	Worli	131
Orbit Residency Park	Andheri – Saki Naka	4
Total Operating Income		340

Interest Details

Particulars	`Mn
Interest Cost for Q2FY15	403
Net Interest W.I.P	192
Net Interest Charged to P&L A/c	211

BALANCE SHEET DETAILS

Sources of Fund

('Mn)

Particulars	31 Dec' 14	30 Sept'14
Equity Share Capital	1,140	1,140
Reserves & Surplus	7,296	7,406
Application Money Pending Allotment	4	4
Minority Interest	1,285	1,333
Borrowings – Current (A)	3,397	3,454
Borrowings – Non Current (B)	2,214	2,166
Total Borrowings (A + B)	5,611	5,620
Non Convertible Debentures	2,870	2,870
Compulsorily Convertible Deb	947	947
Deferred Tax Liability	-	-
Total	19,153	19,320

Application of Fund

('Mn)

Particulars	31 Dec'14	30 Sept'14
Net Tangible Assets	188	198
Net Intangible Assets	-	39
Cash & Cash Equivalents	110	118
Investments (incl liquid funds)	1	39
Deferred Tax Assets	707	660
Inventory – Current	7,421	7,570
Gross Debtors	7,221	6,920
Advance for Properties	8,525	8,470
Other Net Current Assets	(3328)	(2918)
Advance from Customers	(1,692)	(1,776)
	19,153	19,320

- E Net worth as on 31st Dec 2014 stands at ` 8,440mn
- E Prin. Debt (excluding amount attributable to convertible items) stands at ` 7,641.1Mn, a reduction of 69.5 mn. Interest Outstanding is at 3152.7 Mn implying a Debt by Equity ratio of 1.28x
- E Gross Debtors comprises of ` 4,161 Mn as Billed Debtors
- E Total Investments in properties stands at ` 15,946 Mn

CASH FLOW & DEBTOR DETAILS

Cash Flow Statement (Conso)

(` Mn)

Particulars	Q3 FY15	Q2 FY15
Cash Flow from / (used in):		
Operating Activities	643.30	205.86
Investing Activities	33.20	4.66
Financing Activities	(1645.70)	(1,191.03)
Net Cash Flow	(969.20)	(980.52)
C&CE* at beginning of period	1078.93	1,099
C&CE* at end of period	109.73	118.48

* Cash & Cash Equivalent

Debtor Movement

(` Mn)

Particulars	Q3 FY15	Q2 FY15
Net Debtors* at beginning	5,143	5,034
Add: Revenue Recognized	340	409
Less: Debtors Realized	23	300
Add: Adjustments (Mazda)	68	
Less: Debtors w/off		-
Net Debtors at end of period	5,528	5,143

* Debtors net off advances

Shareholding Pattern as on 31st Dec 2014

Category	Percentage	No. of Shares
Promoter Group	24.88%	2,83,57,422
MFs / FIs	1.05%	12,01,984
FIIIs	2.26%	25,70,010
Bodies Corporate	22.43%	2,55,64,117
Other Public	49.38%	5,62,68,357
	100.00%	113,961,890

Details of Shares Pledged by Promoter Group

Particulars	Holding on 31st Dec'14	Pledged on 31st Dec'14
Ravi Kiran Aggarwal	9,136,216	4,995,458
Pujit Aggarwal	16,901,365	15,972,689
Emgee Foils Pvt. Ltd.	1,388,735	13,71,935
Other Promoter Group	931,106	-
	28,357,422	22,340,082

Other Information

Accounting Policy

➤ Effective from 1st April, 2014 the Company has provided depreciation with reference to the useful lives of tangible assets as specified in Schedule II of the Companies Act, 2013

Shareholders

➤ Total number of shareholders on 31st December 2014 stands at 51,570 as compared to 51,889 on 30th September 2014

Employees

➤ Number of employees stand at 233 on 31st Dec 2014 as compared to 241 on 30th Sep 2014

DISCLAIMER

The Presentation (the “Presentation”) is based on management estimates and is being provided to you (herein referred to as the “Recipient”) only for information purposes. The sole purpose of this Presentation is to provide preliminary information on the business activities of the Company, in order to assist the recipient in understanding the Company. This Presentation does not purport to be all inclusive or necessarily include all information that a prospective investor may desire in evaluating the Company. The Company expressly disclaims any and all liability for any errors and/or omissions, representations or warranties, expressed or implied as contained in this document.

This Presentation contains certain forward looking statements which are based on certain assumptions of future events over which the Company exercises no control. Hence this involves number of risks and uncertainties which could cause the actual results to differ materially from those that may be projected or implied by these forward looking statements. Such risks and uncertainties include, but are not limited to: our ability to manage growth, competition, attracting and retaining skilled professionals, time and cost overruns, regulatory approvals, market risks, domestic and international economic conditions, changes in laws governing the company including the tax regimes and exchange control regulations.

The Company does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the Company. By receiving this Presentation, the Recipient agrees to keep confidential the information contained herein or made available in connection with any further evaluation of the company. This Presentation has been prepared for information purposes relating to this company only and upon the express understanding that it will be used only for the purposes set forth above. This Presentation may not be photocopied, reproduced or distributed to others at any time without prior consent of the Company. Upon request, the Recipient will promptly return all material received from the company without retaining any copies thereof.

In furnishing this Presentation, the company do not make any obligation to provide the Recipient with access to any additional information on the company or its subsidiaries. This Presentation should not be deemed an indication of the state of affairs of the company nor shall it constitute an indication that there has been no change in the business or state of affairs of the company since the date of publication of this Presentation.

Any clarifications / queries on the proposal as well as any future communication regarding the Company should be addressed to Orbit Corporation Limited / the company.