



Creating **Highways** to Success



# ***MBL Infrastructures Limited***

***Investor Presentation***

***May 2016***

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# *MBL Infrastructures Limited: Business Overview*



# MBL in a Snapshot....

An *Integrated Infrastructure* construction company

Successfully *completed* 2 BOT Toll road projects of **114 kms** & **18 kms** in the state of Madhya Pradesh



Bids for *NHAI* and *State projects* funded by *World Bank* or *ADB*

Currently executing more than **25** projects

*Owns* large fleet of *construction equipment* and has over **1,700 technical and skilled** personnel



Well diversified orders in hand of ~**Rs. 69,031 mn**



NHAI Prequalification for single PPP (BOT & OMT) project up to **Rs. 6,791 mn.**

# Business Overview

## Railways & Metro

- Building of High Speed Rail Corridors, ROBs, RUBs
- Civil Work like Viaduct, Depots etc.



## EPC & OMT

- Largest contributor to construction sector
- Momentum of investments likely to pick-up during the terminal years of the 5-year plan



## Railways & Metro

Highways



Urban Infrastructure

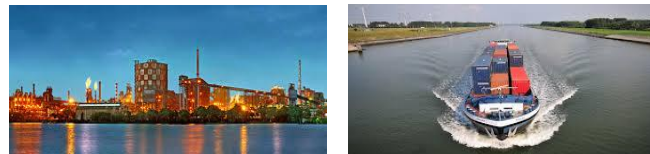
## Industrials & Others Infrastructure

## Housing Infrastructure



- Rising population has intensified the focus on development of urban infrastructure

## BOT



- Industrial based construction investments to be USD 74 bn during 2012-16
- ~Rs. 228 bn Investments over 2014-22 on IWT

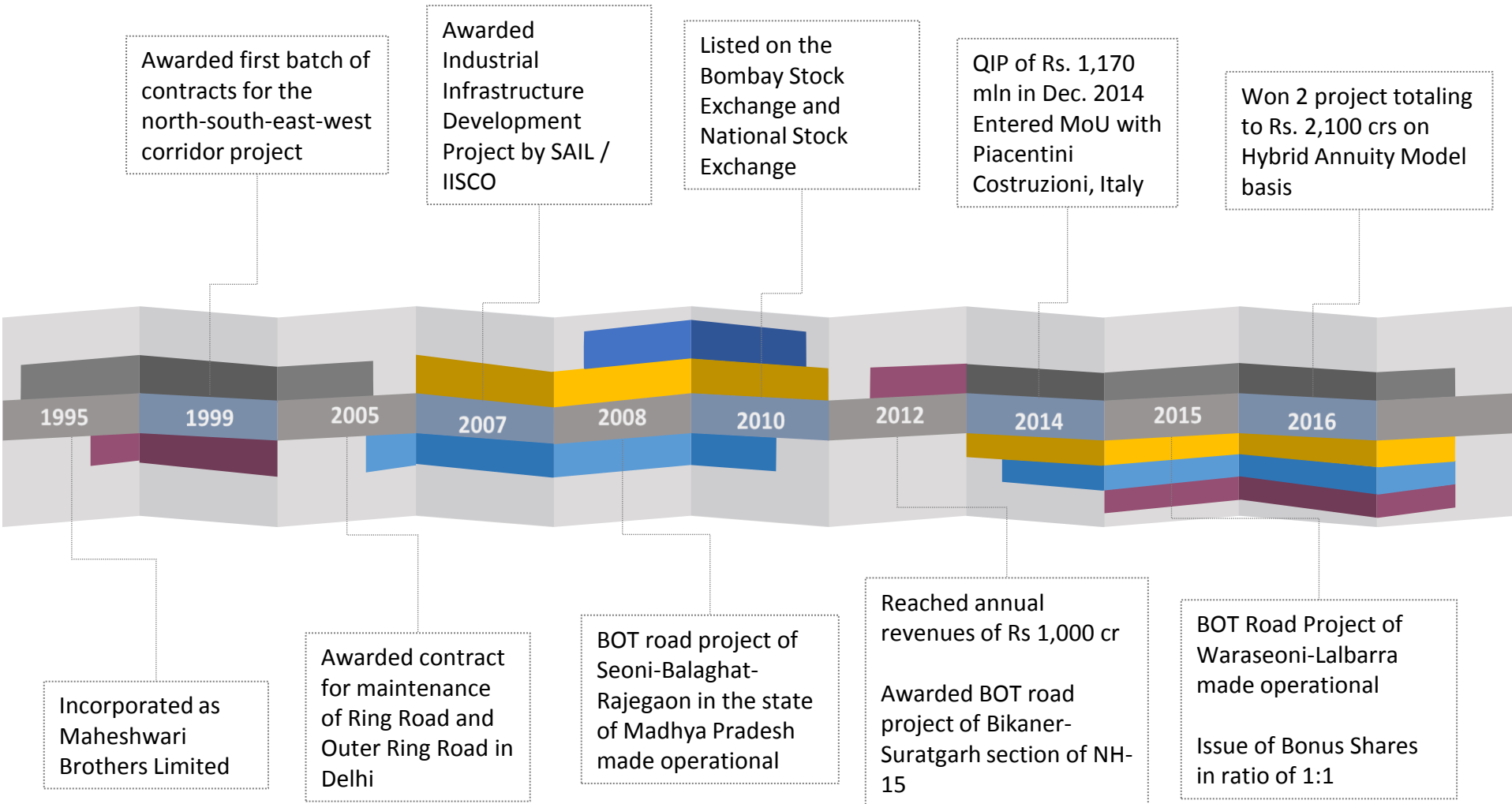
**Industrial Infrastructure**    **Inland Water Transport IWT**

## Other Urban Infrastructure

**Current Exposure**

**Areas to Explore**

# Evolution



# Key Strengths

## ***Increasing and diversified Order Book***

- Orders in hand of Rs. 69,031 mn
- Diversified projects from government and government agencies – includes roads, highways, railways, buildings

## ***Large fleet of owned machineries***

- Own a large fleet of construction equipment such as hot mix plants, sensor pavers, concrete pumps, cranes, etc, which lower cost of execution, enhances technical qualification and reduces time for mobilization

## ***Excellent execution capabilities and technical expertise***

- With over 20 years of experience, MBL has built a reputation for efficient and timely completion of projects
- Continuous expansion in our capacity in terms of experience, technical know-how and financial resources

## ***Strong Financial Performance***

- Revenues have expanded at a CAGR of 24% from FY 2010-16 whereas PAT has expanded at a CAGR of 16%

## ***Track record of winning government contracts as a prime contractor***

- Our business model allows us to enter into competitive bidding, where we demonstrate financial and technical capabilities required to win government contracts as primary contractor

## ***Early Mover Advantage***

- Awarded a contract in North South East West Corridor from NHAI under NHDP Phase I in 1999
- Awarded the comprehensive maintenance of the Ring Road and Outer Ring Road in Delhi in 2005

## ***Integrated Business Model***

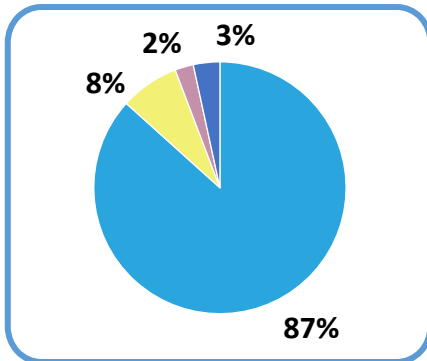
- An experienced team and a fleet of owned equipment allows to integrate the business model
- Various divisions for RMC, quarrying, BOT projects, etc



# Order Book

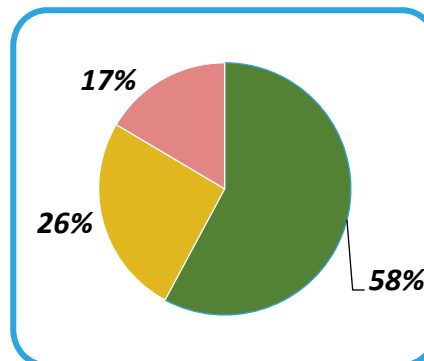
## Segments

- **Roads & Highways**
  - Construction
  - Operations & Maintenance
- **Housing & Buildings**
- **Railways incl. Metro**
- **Others**



## Geographies

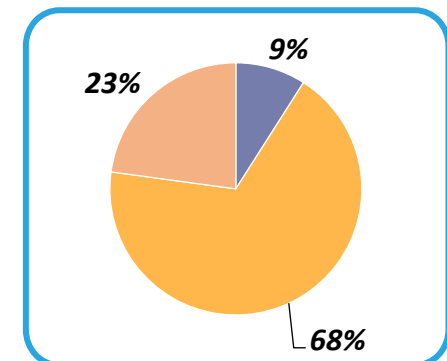
- **North & West**
  - New Delhi / Haryana/ UP/UK#
  - Rajasthan
- **Central**
  - Madhya Pradesh
- **East (incl. others)**
  - Bihar/Assam/Chattisgarh
  - West Bengal / Others



# Uttarakhand

## Clientele

- **NHAI & MORTH**
- **State Projects**
- **Others**



**Total Orders in hand ~Rs. 69,031 mln**



# Recent Order Wins

Project	Type	Contract Value (Rs. Million)
Four Laning of Gagalheri-Saharanpur-Yamunanagar (UP/Haryana Border) section of NH-73 in the State of Uttar Pradesh under NHDP-IV	DBOT Hybrid Annuity Mode	11,840
Four Laning of Chutmalpur-Ganeshpur Section on NH-72A & Roorkee – Chutmalpur-Gagalheri Section on NH-73 in the state of Uttarakhand and Uttar Pradesh under NHDP-IV	DBOT Hybrid Annuity Mode	9,420
Rehabilitation and upgradation of Goharganj to Bhopal section of NH-12 incl. construction of Obedullaganj bypass in the State of Madhya Pradesh to four – lanes with paved shoulders under NHDP-III	EPC	5,835
Rehabilitation and upgradation from Jabalpur to Hiran River Section of NH-12 to four – lanes with paved shoulders configuration in the State of Madhya Pradesh under NHDP-III	EPC	4,147
Maintenance of Guwahati Bypass on NH-37 from Jalukbari to Koinadhara in the state of Assam	O&M	256
<b>Total</b>		<b>31,498</b>

# Key Projects



**Project:** Four laning of NSEW corridor of Agra Dholpur section of NH-3

**Project:** Maintenance contract of New Delhi Ring Road from PWD



**Project:** Strengthening, widening, up gradation, operation and maintenance of Seoni-Balaghat road MPRDC







**Project:** Widening & strengthening of existing National Highway NH-37 from Guwahati to Sonapur



**Hybrid Annuity Project:** Four Laning of Chutmalpur-Ganeshpur section of NH-72A & Roorkee- Chutmalpur-Gagalheri section on NH-73 in the State of Uttarakhand and Uttar Pradesh under NHDP-IV

**Hybrid Annuity Project:** Four Laning of Gagalheri-Saharanpur- Yamunanagar (UP/Haryana Border) section of NH-73 in the State of Uttar Pradesh under NHDP-IV

# Dynamic Board of Independent Directors

	Name	Role	Background
	Mr. Anjaneer Kumar Lakhota	CMD	<ul style="list-style-type: none"> <li>A Chartered Accountant having 20 years of experience in the infrastructure industry</li> </ul>
	Mr. Ashwini Kumar Singh	Independent Director	<ul style="list-style-type: none"> <li>Electrical engineer from Jadavpur University , Fellow member of Institute of Engineers, Indian Council of Arbitration, All India Management Association and National HRD</li> <li>20+ years experience in SAIL and Essar Steel</li> </ul>
	Mr. Kumar Singh Baghel	Independent Director	<ul style="list-style-type: none"> <li>Master in English and CAIIB (Part I)</li> <li>Holding a 34+ years experience and retired as a General Manager from the State Bank of Bikaner and Jaipur</li> </ul>
	Mr. Ram Dayal Modi	Independent Director	<ul style="list-style-type: none"> <li>Gold Medalist in MA (Pol. Sc) from the University of Udaipur and was associated with State Bank of Bikaner &amp; Jaipur, State Bank of Patiala and State Bank of Mysore</li> </ul>
	Mr. Bhagwan Singh Duggal	Independent Director	<ul style="list-style-type: none"> <li>Architecture from School of Planning and Architecture-Delhi, Post Graduate Diploma in Housing, Planning &amp; Building, Netherlands</li> <li>Associated with planning and design, modernization &amp; restorations marquee government</li> </ul>
	Ms. Sunita Palita	Independent Director	<ul style="list-style-type: none"> <li>PG in Anthropology from Miranda House, Delhi University and a PG Diploma in Journalism from Indian Institute of Mass Communication, New Delhi</li> <li>Has held academic positions with the World Food Programme and UNICEF on Child Rights Issues</li> </ul>

# Strong Relationships



National Highways  
Authority of India  
(NHAI)



Ministry of road  
Transport & Highways  
(MORTH)



Public Works Department  
(PWD),(ADB & WORLD  
BANK)



Delhi Metro Rail Corporation  
(DMRC)

*.....and Others*

# *MBL: BOT Portfolio*



# Integrated Business Model



# Summary of BOT Projects

**MBL**  
Infrastructures Ltd

Operational
  Under Construction
  Under Implementation

State	Client	Project Length	Concession Period	Project Type	Expected CoD
MP	State Project	114.0	15 yrs	Toll	Operational
MP	State Project	18.3	15 yrs	Toll + Annuity	Operational
MP	State Project	75.6	30 yrs	Toll	March 2017
MP	State Project	46.9	15 yrs	Toll + Annuity	June 2017
Rajasthan	State Project	172.4	16 yrs	Toll	September 2016
UP/Haryana Border	NHAI	51.5	17 yrs	HAM	Agreement signed on 27.05.2016
Uttarakhand & Uttar Pradesh	NHAI	53.3	17 yrs	HAM	Agreement signed on 27.05.2016

*Seoni-Balaghat-Rajegaon*

100% ▶

*Waraseoni-Lalbarra Road*

100% ▶

*Seoni-Katangji*

100% ▶

*Garra-Waraseoni*

100% ▶

*Bikaner-Suratgarh*

99.98% ▶

*Gagalheri-Saharanpur-Yamunanagar*

100% ▶

*Chutmalpur-Ganeshpur & Roorkee- Chutmalpur-Gagalheri*

100% ▶

*Well funded asset portfolio*



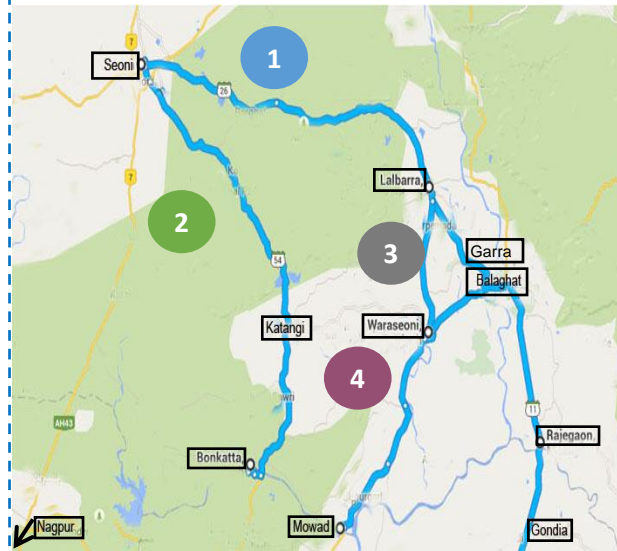
# Interlinked BOT Projects in MP

## 1 Seoni-Balaghat-Rajegaon (Operational)

- SH 26 & 11 connecting Seoni, Balaghat & Rajegaon
- Stretch of 114 kms operational since February, 2008

## 2 Seoni-Katangi – Maharashtra Border (Under Construction)

- Stretch of 75.6 Kms connecting Seoni Katangi upto Maharashtra Border



## 4 Garra – Waraseoni - Maharashtra Border (Under Construction)

- Stretch of 46.9 kms connecting Garra, Waraseoni upto Maharashtra Border

## 3 Waraseoni-Lalbarra Road (Operational)

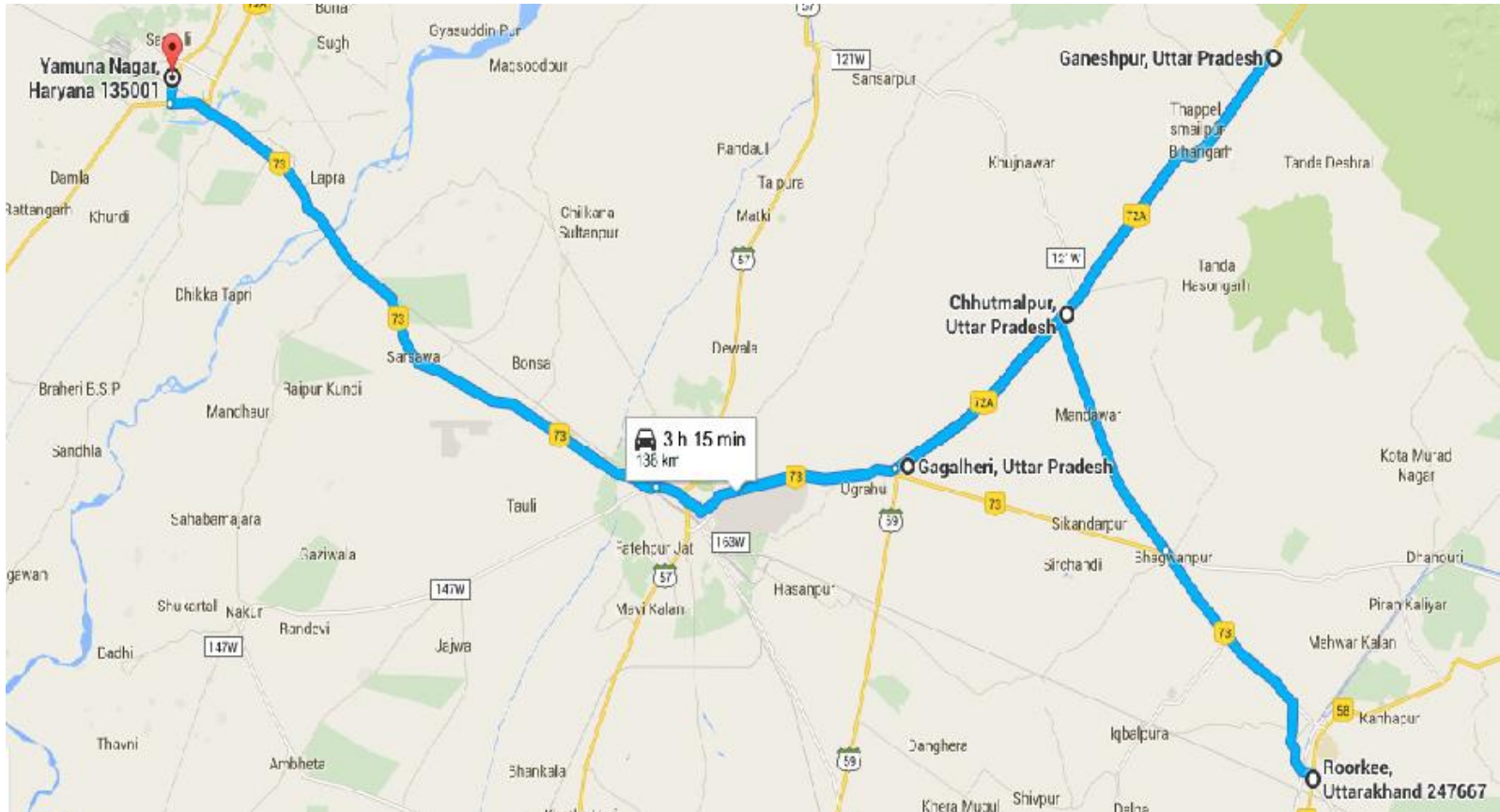
- Connecting Waraseoni and Lalbarra
- Stretch of 18.3 kms, operational since August 2015

# Bikaner-Suratgarh Project



*Map showing project road matrix*

# Hybrid Annuity Model (HAM) Projects

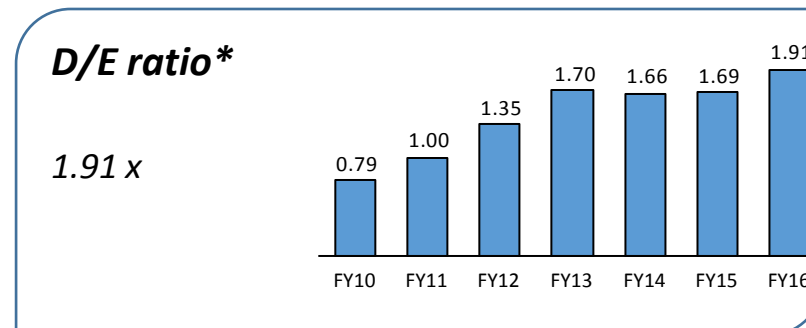
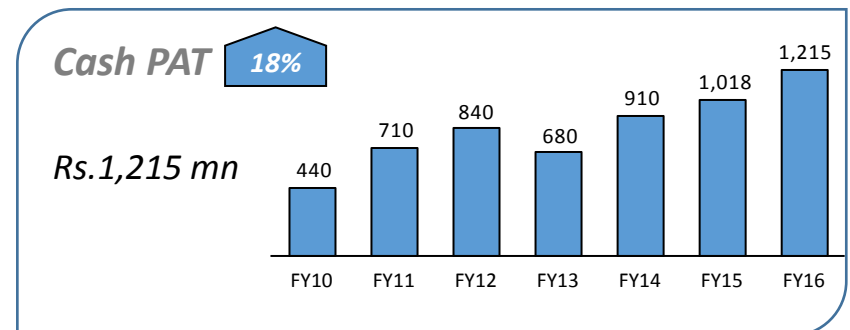
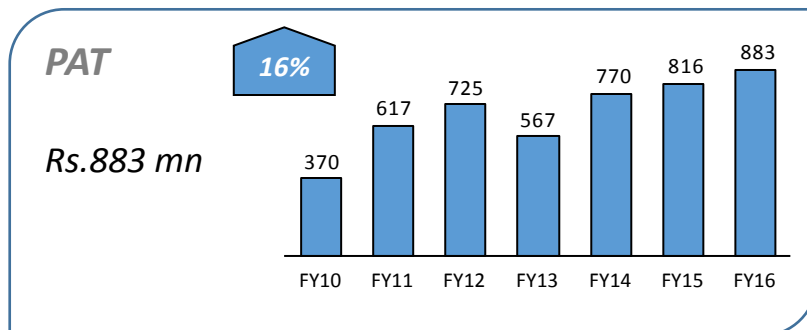
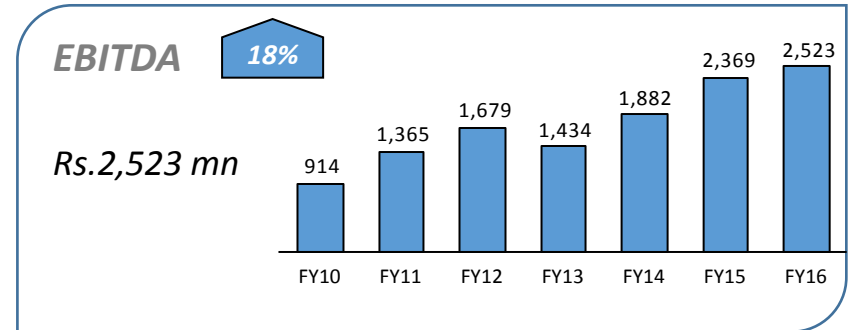
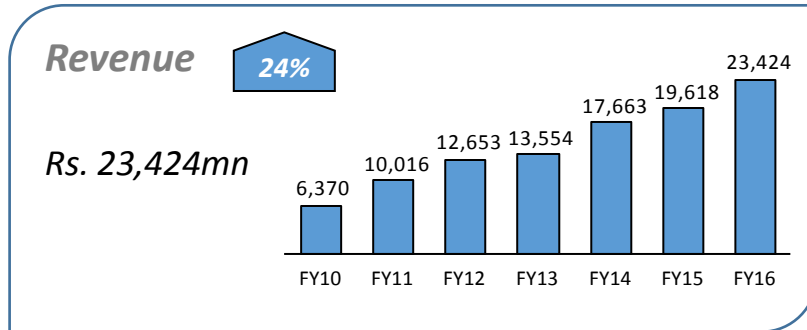


- 1- Four Laning of Gagalheri-Saharanpur-Yamunanagar (UP/Haryana Border) section of NH-73 in the State of Uttar Pradesh under NHDP-IV DBOT Hybrid Annuity Mode:- Rs. 11,840 Million
- 2- Four - Laning of Chhutmalpur-Ganeshpur Section on NH-72A & Roorkee – Chhutmalpur-Gagalheri Section on NH-73 in the state of Uttarakhand and Uttar Pradesh under NHDP-IV DBOT Hybrid Annuity Mode:- Rs. 9,420 Million

# *MBL: Financial Overview*



# Consolidated Financial Snapshot



\* - Equity Includes Minority Interest

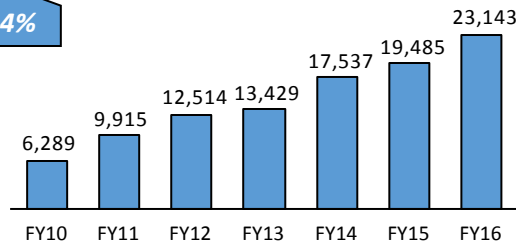
^ - Fixed Assets excludes Assets under development

# Standalone Financial Snapshot

## Revenue

24%

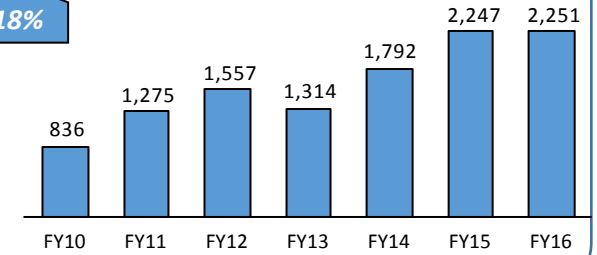
Rs. 23,143mn



## EBITDA

18%

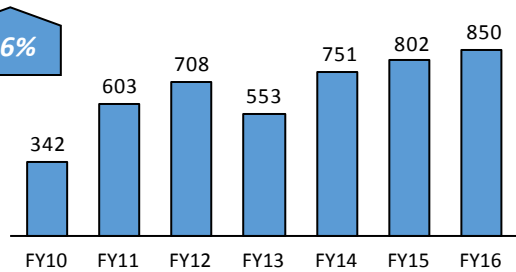
Rs. 2,251 mn



## PAT

16%

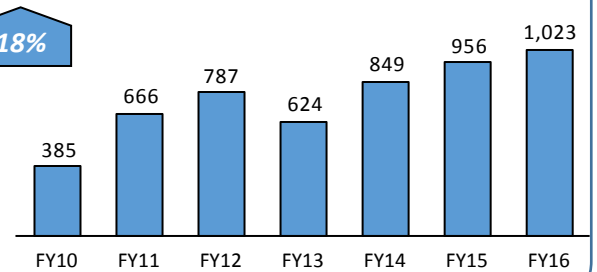
Rs. 850 mn



## Cash PAT

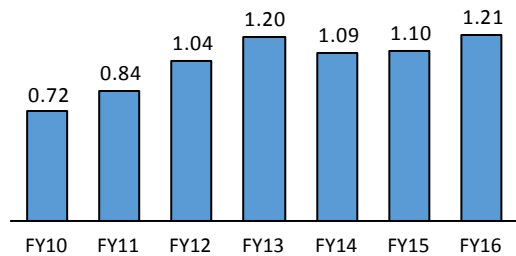
18%

Rs. 1,023 mn



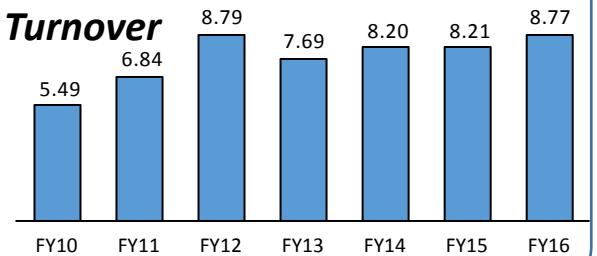
## D/E ratio

1.21 x



## Fixed Asset Turnover

8.77 x



# Annual Profit & Loss Highlights

Rs. mn	FY16			FY15		
	EPC	BOT	Consol.	EPC	BOT	Consol.
<b>REVENUE</b>	<b>23,143</b>	<b>311</b>	<b>23,424</b>	<b>19,485</b>	<b>192</b>	<b>19,618</b>
<b>EBITDA</b>	<b>2,251</b>	<b>273</b>	<b>2,523</b>	<b>2,247</b>	<b>126</b>	<b>2,369</b>
<b>EBITDA margin</b>	<b>9.73%</b>	<b>87.56%</b>	<b>10.77%</b>	<b>11.5%</b>	<b>65.5%</b>	<b>12.08%</b>
Other Income	58	3	62	28	3	31
Interest	1,056	74	1,130	953	58	1,011
Depreciation	172	159	332	154	48	202
<b>PBT</b>	<b>1,080</b>	<b>43</b>	<b>1,123</b>	<b>1,168</b>	<b>23</b>	<b>1,188</b>
Tax	230	10	240	366	5	372
<b>Profit After Tax</b>	<b>850</b>	<b>33</b>	<b>883</b>	<b>802</b>	<b>18</b>	<b>816</b>
<b>PAT Margin</b>	<b>3.67%</b>	<b>10.53%</b>	<b>3.77%</b>	<b>4.1%</b>	<b>9.33%</b>	<b>4.16%</b>
Less: Minority Int. Profit / (Loss)	0	0	0	0	0	0
Add: Associates Profit / (Loss)	0	0	0	0	0	0
<b>PAT after MI &amp; Asso. Profit</b>	<b>850</b>	<b>33</b>	<b>883</b>	<b>802</b>	<b>18</b>	<b>816</b>
<b>Cash Profit</b>	<b>1,023</b>	<b>192</b>	<b>1,215</b>	<b>956</b>	<b>66</b>	<b>1,018</b>



# Consolidated Balance Sheet

<i>Rs. mn</i>	<i>Mar-16</i>	<i>Mar-15</i>
<b><i>Shareholder's Fund</i></b>	<b>7,372.99</b>	<b>6,564.87</b>
Share capital	414.55	207.27
Reserves & Surplus	6,958.44	6,357.60
<b><i>Share Application Money</i></b>	<b>-</b>	<b>-</b>
<b><i>Minority Interest</i></b>	<b>0.18</b>	<b>0.18</b>
<b><i>Non-current liabilities</i></b>	<b>6,771.26</b>	<b>5,933.13</b>
Long term borrowings	6,174.42	4,724.98
Other non-current liabilities	596.84	1,208.15
<b><i>Current liabilities</i></b>	<b>12,163.91</b>	<b>9,687.39</b>
Short term borrowings	7,368.90	5,900.06
Other current liabilities	4,795.01	3,787.33
<b><i>TOTAL EQUITIES &amp; LIABILITIES</i></b>	<b>26,308.34</b>	<b>22,185.57</b>
<b><i>Non-current assets</i></b>	<b>11,520.07</b>	<b>8,421.84</b>
Fixed assets	10,685.48	7,578.00
Other Non-current assets	834.59	843.84
<b><i>Current assets</i></b>	<b>14,788.27</b>	<b>13,763.73</b>
Current Investment	-	-
Inventories	7,378.20	8,105.39
Trade receivables	6,118.14	3,950.19
Cash and bank balances	373.11	759.94
Other current assets	918.82	948.21
<b><i>TOTAL ASSETS</i></b>	<b>26,308.34</b>	<b>22,185.57</b>

# *MBL: Way Forward*



# New Avenues – Inland Water Transport

## Memorandum of Understanding



- Piacentini Costruzioni is an Italian company engaged in the construction and civil engineering business with expertise in major and complex maritime works.
- MBL is looking to enter into civil engineering projects for construction of ports, harbour/ marine structures, water supply/ sanitation, bridges, viaducts and elevated structures and has signed an MoU with Piacentini for the same.



## Prospects

- Inland Water Transport (IWT) offers a cost effective, environment friendly and fuel efficient mode, specially for bulk cargo, hazardous goods and over dimensional cargo – so vital for industrial development.
- Currently, inland waterways in India are functioning in an organised manner only in a few areas, such as Goa, Assam, West Bengal and Mumbai, apart from Ganga, Brahmaputra and Champakara and Udyogmandal canals.
- Development of inland waterways can improve vastly the capacity for the transportation of goods.

### Announced Investments in Inland Waterways:

- A project on the river Ganga called 'Jal Marg Vikas' (National Waterways-I) will be developed between Allahabad and Haldia to cover a distance of 1,620 kms, which will enable commercial navigation of at least 1,500 tonne vessels. The project will be completed over a period of six years at an estimated cost of Rs 4,200 crore.

# Differentiating Factors

- Sufficient investments of Rs. 1,879.03 Million in Fixed Assets as on 31<sup>st</sup> March 2016
  - Majority investments in Multiple use equipment along with non-common equipment
  - Optimized mix of critical and non critical equipments
- Well Balanced financial model
  - Low long term gearing
  - Balanced investment in Plant & Machinery, BOT projects & Net Margin for working capital
  - Good tie ups for fund based and non fund based working capital
  - Long term relationship with Banks
- Better Asset Turnover
  - Excellent track record, will enhance margins
- Sub-contracting non-critical work
  - Helps us keep Balance Sheet Asset Light

# Certifications & Awards

## *Certifications*

- ***ISO 9001:2008***
  - In recognition of the Organization's Quality Management System
- ***ISO 14001:2004***
  - In recognition of the Organization's Environment Management System
- ***OHSAS 18001:2007***
  - In recognition of the Organization's Health and Safety Management System

## *Awards*

- ***2nd Fastest Growing Construction Company (Medium Category) in India and India's Top Challenger at the 13<sup>th</sup> Construction World Global Awards***
- ***Winner of India's No. 1 Brand Awards 2016 in India's Best Infrastructures Company Category awarded by International Brand Consulting Corporation, USA***
- ***3rd Fastest Growing Construction Company (Medium Category) at 10th, 11th and 12th Annual Construction World Global Awards***