



IRB InvIT Fund

**Results Update**

Q2 / H1 FY2018

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# Consolidated Financial Results

Rs. In Mn

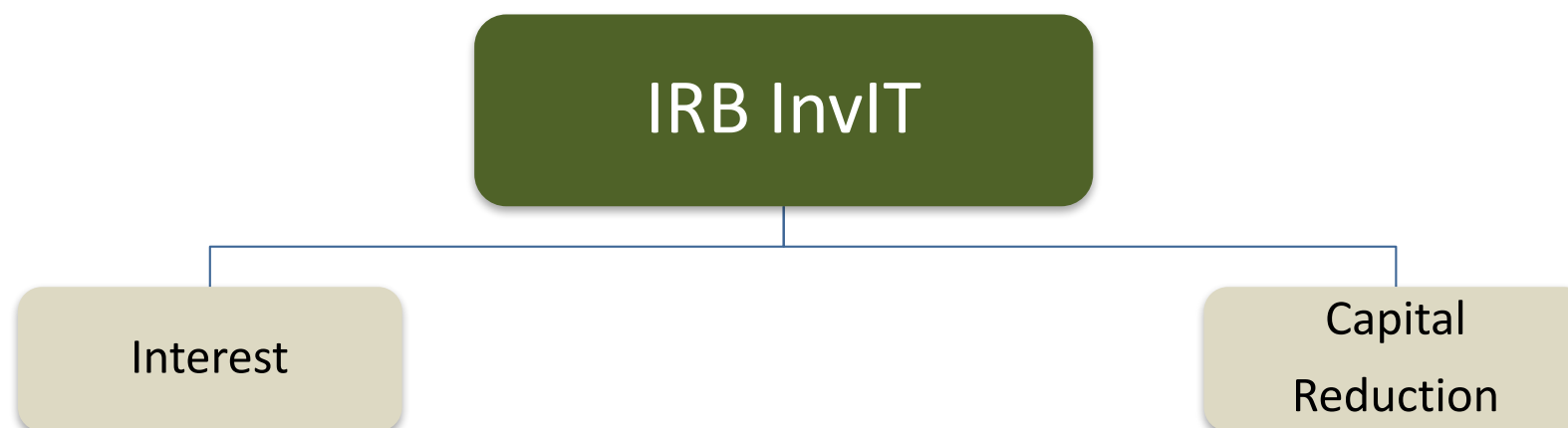
Particulars	H1FY18	%	Q2FY18	%
Revenue from Operation	3,977.5	99.1	2,483.7	99.0
Other Income	35.6	0.9	24.1	1.0
<b>Total Income</b>	<b>4,013.1</b>	<b>100.00</b>	<b>2,507.8</b>	<b>100.0</b>
Direct and Indirect Expenses	716.6	17.9	441.9	17.6
<b>Earnings before interest, tax and depreciation</b>	<b>3,296.5</b>	<b>82.1</b>	<b>2,065.9</b>	<b>82.4</b>
Financial Expenses	234.5	5.8	105.4	4.2
Depreciation and Amortisation	2,070.1	51.6	1,281.6	51.1
<b>Profit Before Tax</b>	<b>991.9</b>	<b>24.7</b>	<b>678.8</b>	<b>27.1</b>
Total Tax Expenses	(1.3)	(0.3)	0.0	0.0
<b>Profit after Tax</b>	<b>993.2</b>	<b>24.8</b>	<b>678.8</b>	<b>27.1</b>
<b>Cash Profit</b>	<b>3,063.3</b>	<b>76.3</b>	<b>1,960.4</b>	<b>78.2</b>
<b>Earning per Unit ( in Rs. Per Unit)</b>	<b>1.7</b>		<b>1.2</b>	

- **Total Revenue** For H1FY18 stood at Rs. 4013.1 Mn and for Q2FY18 Rs. 2,507.8 Mn
- **EBITDA** stands at Margin of 82.1% amounting to Rs. 3,296.5 Mn for H1 FY18 and 82.4% amounting to Rs. 2,063.8 Mn for Q2FY18
- **PAT** for H1FY18 stood at 991.9 Mn with margin of 24.7% and For Q2FY18 Rs 678.8 Mn with margin of 27.1%
- **NDCF** of over Rs 3 bn for H1FY18, meets committed payout despite quarter performance impacted by GST rollout

- IRB Pathankot Amristar Toll Road acquired on 28<sup>th</sup> Sept 2017 at a valuation of Rs. 15.7 bn post approval from Unit Holders
- Acquisition entirely funded by Debt at InvIT Level amounting to Rs. 15.5 bn from State Bank of India
- Acquisition to be cash neutral for first two years and start contributing meaningfully to NDCF FY20 onwards



# Payout Structure



Interest Paid by SPVs to InvIT (Rs. In Mn)	1,290.0
Cash Payout as Interest by InvIT (Rs. In Mn)	1,276.7
Rs. Per Unit	2.20
Implied Yield (%)	2.16

Cash flows to InvIT as Debt Repayment ( Rs. In Mn)	484.2
Cash Payout towards Buyback ( Rs. In Mn)	459.3
Rs. Per Unit	0.80
Implied Yield (%)	0.78

**Total Payout of Rs. 4.55 / Unit for H1FY 2018 (for 136 days )**

**Rs. 3.00 / Unit for Q2FY2018**

**Implied IRR of 12% on issue price of Rs. 102**

Despite a weak quarter on account of GST rollout, the Fund has met the guided payout and is confident of maintaining or improving it going forward

# BOT Toll Performance

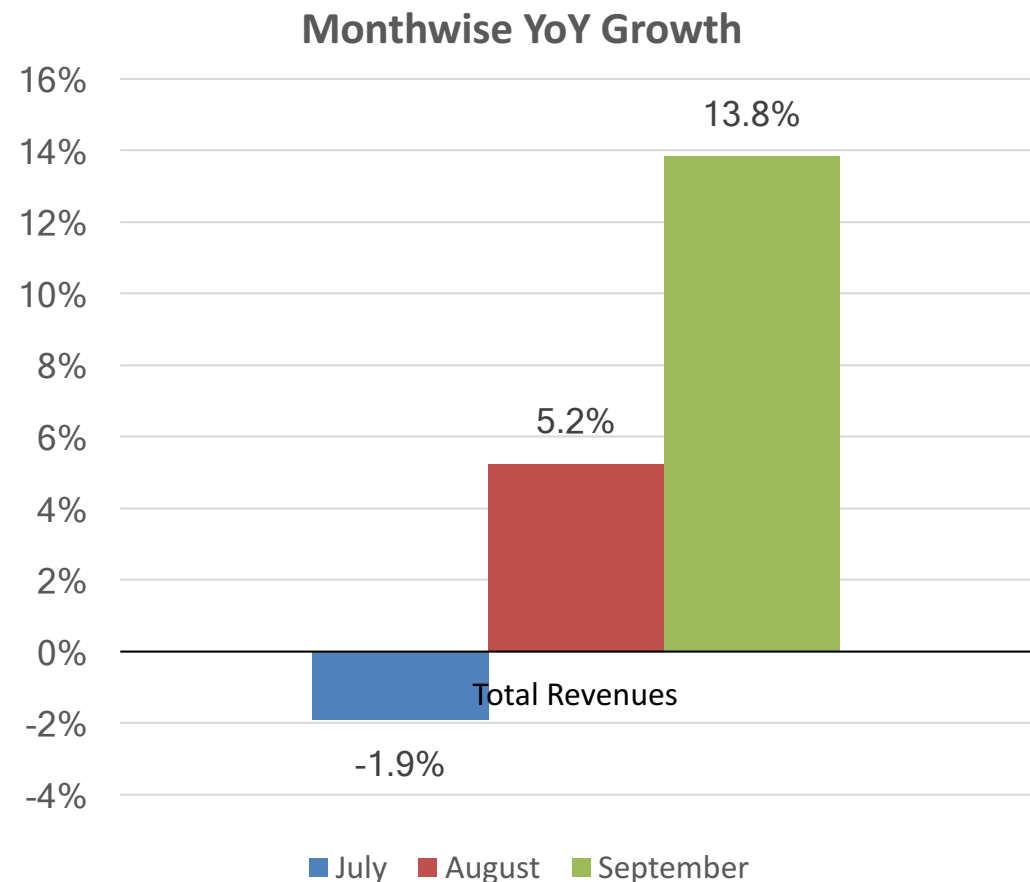
Rs. In Million

Sr. No.	Name of the Project	Total H1 FY 2018 (145 Days)	Total H1 FY 2017 (145 Days)	Y oY	Total Q2 FY 2018	Total Q2 FY 2017	Y oY
1	Surat Dahisar BOT Project <sup>(1)</sup>	2,361	2,451	(3.67%)	1,468	1,484	(1.09%)
2	Tumkur Chitradurga Project	879	814	8.00%	556	498	11.73%
3	Bharuch - Surat BOT Project <sup>(2)</sup>	803	764	5.09%	510	470	8.41%
4	Jaipur Deoli BOT Project	523	466	12.19%	316	268	17.98%
5	Ommalur – Salem – Namakkal <sup>(3)</sup>	323	242	33.72%	206	192	7.53%
6	Talegaon Amravati BOT Project	228	193	18.16%	139	117	19.58%
7	Pathankot Amritsar BOT Project (for 3 Days post acquisition)	11	9	22.22%	11	9	17.17
<b>Total</b>		<b>5,128</b>	<b>4,938</b>	<b>3.84%</b>	<b>3,205</b>	<b>3,037</b>	<b>5.55%</b>

1. Toll Rate for Surat Dahisar Project revised from 01.09.2017 . Effective revision is 3.70%
2. Toll Rate for Bharuch Surat Project revised from 01.07.2017 . Effective revision is 6.24%
3. Toll Rate for Ommalur – Salem – Namakkal Project revised from 01.09.2017 . Effective revision is 6.24%
4. Rate revision for all rest project occurred on 01.04.2017. Effective revision is 4.36%

# GST Rollout – the roller-coaster ride

- With GST implementation, July witnessed sharp decline in traffic (continuing the trend from June 2017) – as production was put on hold and destocking and/or warehouse clearing was focused on. Worst hit was the goods corridor along NH-8
- August saw restocking led stabilisation in volumes, as clarity emerged around billing as well as returns filing and production (and subsequent goods movement) restarted.
- On the back of Festive season kicking off in September as well as GST finding acceptance across various segments, traffic volumes bounced back with strong growth momentum.
- Revenue run-rate for September is inline with our growth forecasts and gives us confidence to meet or better the committed yield on InvIT asset portfolio



# InvIT Assets Portfolio

IRB InvIT comprises of seven income generating road projects having length of 4,055 lane Kms with Four of the road projects forming part of Golden quadrilateral and one being part of East-West corridor.

Post acquisition of Pathankot Amritsar Project presence of IRB InvIT now increases to 6 states in India

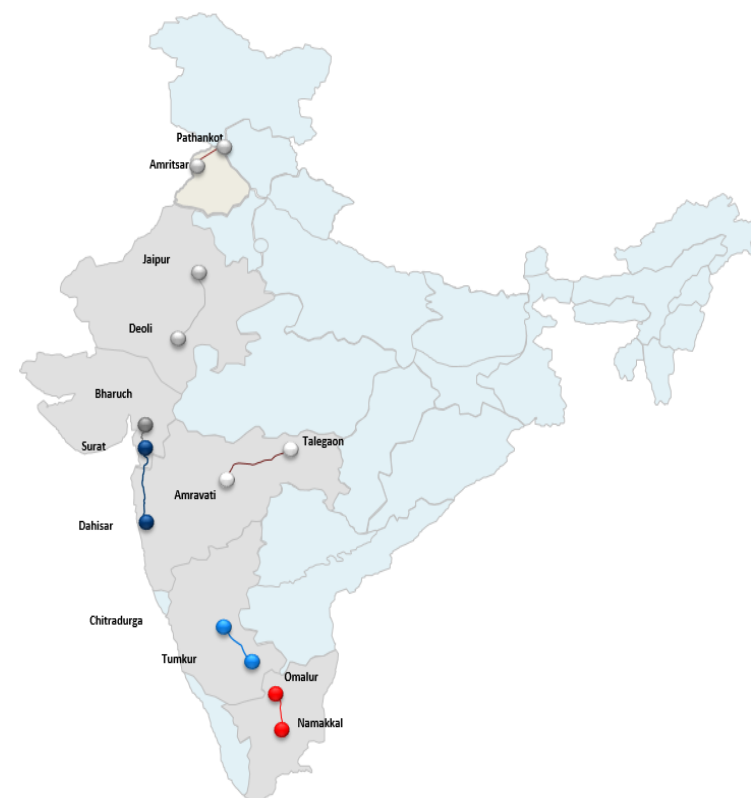
Average residual concession period of around 17 Years

Project	Lane Kms	Commencement of toll collection	End of concession period	Trust's equity interest upon the listing of the Units
Surat – Dahisar NH 8 (ISDTPL)	1,434	Feb-09	Jan-22	100%
Tumkur – Chitradurga NH 4 (ITCTPL)	684	Jun-11	Jun-37	100%
Bharuch – Surat NH 8 (IDAAIPL)	390	Sep-09	Jan-22	100%
Jaipur – Deoli NH 12 <sup>(1)</sup> (IJDTPL)	595	Sep-13 <sup>(1)</sup>	Sep-37	100%
Omalur – Salem – Namakkal NH 7 (MITPL)	275	Aug-09	Aug-26	100%
Talegaon – Amravati NH 6 (ITATPL) <sup>(2)</sup>	267	Apr-13	Jan-37	100%
Pathankot – Amritsar NH 15 (IPATRPL)	410	Nov-14	Jan -35	100%

## Notes:

(1) Toll collection for partial length of 119.75 km began on September 27, 2013 and toll collection for the stretch of 25.22 km began on May 20, 2014. A final completion certificate was issued on April 1, 2016.

(2) Toll collection for partial length of 45.31 km began on April 24, 2013 and toll collection for the stretch of 63.70 km began on April 1, 2015.



**Notes:** Map is for illustrative purposes only, is not to scale and is subject to change at any time



# Overview - Pathankot Amritsar BOT Project

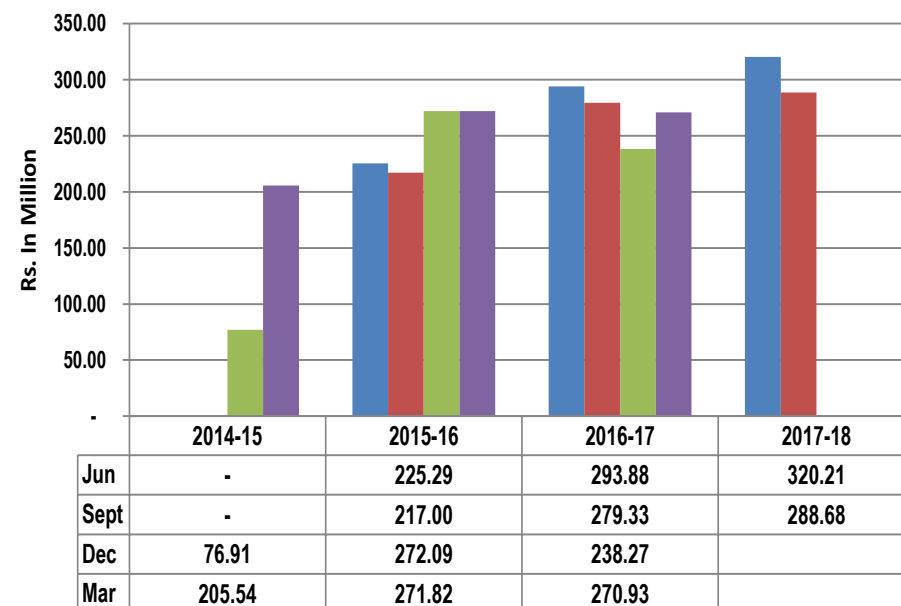
- 2 to 4 lane widening of 102.42 Km section of NH 15 between Pathankot and Amritsar in Punjab: DBFOT for a 20 yr concession period
- 2 toll plazas operated by IPATRPL, exists on the project road

SPV Name	Lane Kms	Appointed Date	End of Concession	Residual Life (effective 30 <sup>th</sup> Sept 2017)
IRB Pathankot Amritsar Toll Road Private Limited	410	31-Dec-10	Jan -35	17 Yrs, 5 months

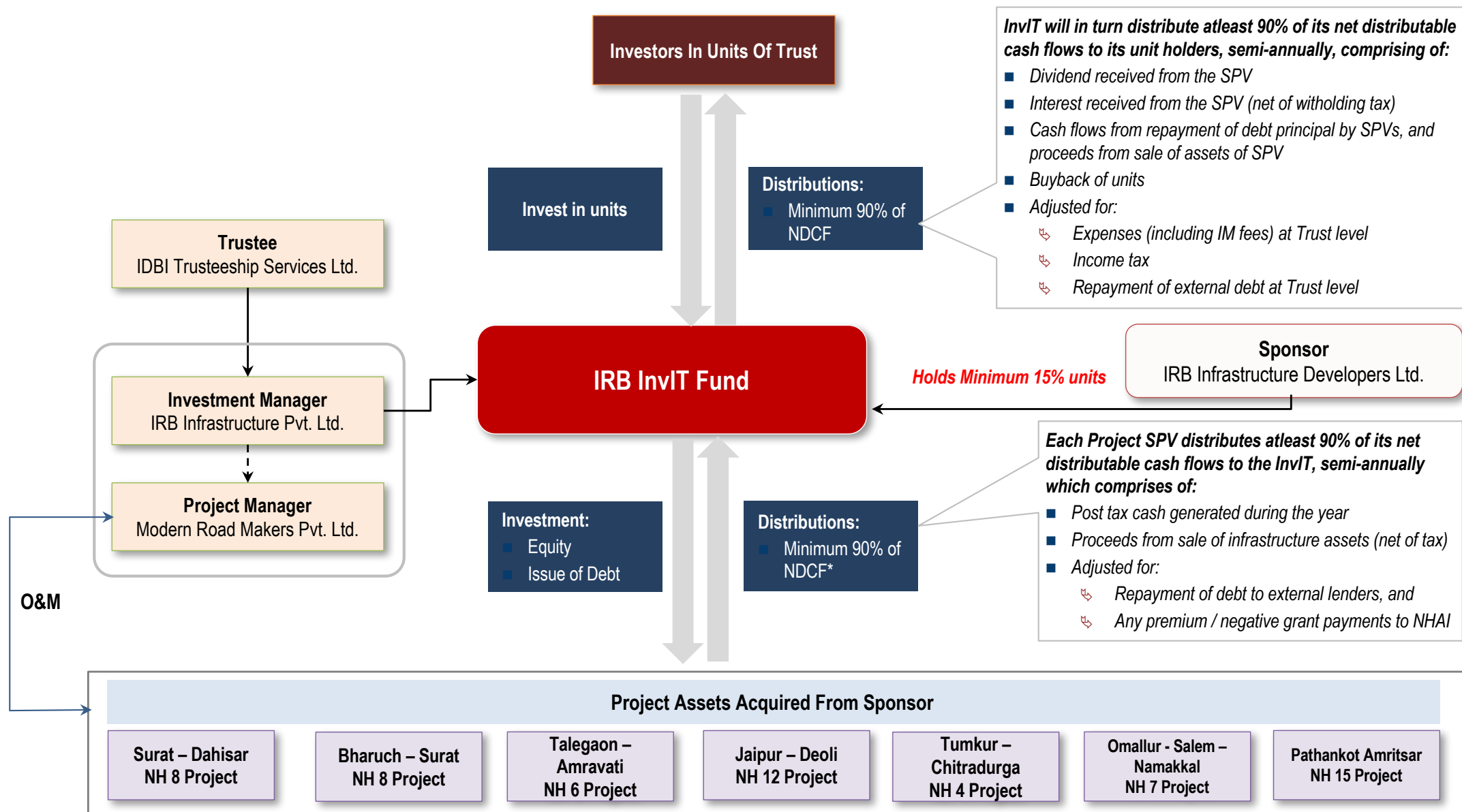
## ■ Location Highlights:

- ↗ NH 15 is a two to four lane National Highway and forms one of the major highways of northwestern India - starting at Pathankot in the state of Punjab and traversing through the states of Punjab, Rajasthan and ending at Samakhiali of Gujarat
- ↗ Important cities and towns enroute are Amritsar, Bhatinda, Ganganagar, Bikaner, Jaisalmer and Barmer. In the state of Punjab, NH 15 passes through the districts of Gurudaspur, Amritsar, Firozpur, Faridkot, Moga, Mukatsar & Bhatinda.
- ↗ The Pathankot - Amritsar NH 15 Project is part of the high-density traffic corridor, catering to various types of traffic, including urban, suburban and regional traffic. The districts of Amritsar and Gurdaspur are known for the traditional industries of silk goods, pashmina shawls, carpet weaving, etc. and the biggest industry in the region is tourism
- ↗ No alternative short or long distance routes with comparable riding quality, cost efficiency and service
- ↗ The project revenues have grown at a CAGR of over 15% since commissioning
- Total Project Cost – Rs. 14.5 Bn
  - ↗ Outstanding Debt as on June 30, 2017 – Rs. 9.0 Bn
  - ↗ Tariff Revision annually: 3% + 40%\*WPI

## Toll Revenue History



# Structure of IRB InvIT Fund



\*Subject to applicable provisions of Companies Act, 2013

# Utilisation of Debt Proceeds

- Availed Term Loan from SBI, amounting to Rs. 15,500 Mn to acquire Pathankot Amritsar BOT Project from IRB Infrastructure Developers Ltd.
- Tenure of the Term Loan is 15 Years and 6 months, with balloon repayment schedule to suit cashflows from the project.
- Rate of Interest 8.15%
- Entire debt of IRB Pathankot Amritsar Project is paid with the proceeds of Loan.
- Fund retains “AAA” rating; with a potential to raise another Rs 45bn of debt without hampering its rating till it can maintain a DSCR of over 2x.
- Improved Capital structure to increase IRR for Unitholders by 50-75bps over the remaining life of the InvIT Fund.

Particulars	Rs. In Mn
Payments to Sponsor Group for equity consideration and repayment of sub debt / unsecured loans	<b>5,440</b>
Repayment of existing Bank debt	<b>9,440</b>
DSRA for new bank loan	<b>500</b>
Amount retained to meet transaction expenses, upfront fees to Lenders and prepayment penalties (if applicable)	<b>120</b>
Total debt drawdown	<b>1,550</b>

# Unit Holding Pattern

## Unit holding Pattern as on September 30, 2017

Category	% Holding
Sponsor(s) / Investment Manager / Project Manager(s) and their associates/related parties	15%
Mutual Funds	9%
Financial Institutions/Banks	0%
Foreign Portfolio Investors	38%
Individuals ( Non- institutional)	13%
Trust (Non Institutional)	2%
Alternative Investment Funds	1%
Non Resident Indian	0%
Body Corporates	21%
Clearing Members	0%
NBFC's registered with RBI	1%
<b>Total</b>	<b>100%</b>

Top 10 Investors ( Non-Sponsors)	%
Government Of Singapore	8.39
BNP Paribas Arbitrage	4.16
India Infoline Finance Limited	3.29
Monetary Authority Of Singapore	3.05
Reliance Capital Trustee Co Ltd A/C-reliance Regular Savings Fund-balanced Option	3.00
Birla Sun Life Trustee Company Private Limited Ac Birla Sun Life Balanced 95 Fund	2.70
IIFL Wealth Finance Limited	2.68
Deutsche Global Infrastructure Fund	2.21
Schroder Asian Asset Income Fund	2.17
Platinum International Fund	2.09
<b>Total</b>	<b>33.74</b>

Thank You