



DILIP BUILDCON LIMITED
INFRASTRUCTURE & BEYOND

Investor Presentation



Safe Harbour

All statements included or incorporated by reference in this presentation, other than statements or characterizations of historical fact, are forward-looking statements. These forward-looking statements are based on our current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by us. Although Dilip Buildcon Limited believes that the expectations reflected in such forward looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Any forward-looking statement speaks only as of the date on which such statement was made, and Dilip Buildcon Limited undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. No assurance can be given that actual results, performance or achievement expressed in, or implied by, forward looking statements within this disclosure will occur, or if they do, that any benefits may be derived from them.

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Overview



Pan India presence[#] **16 states**



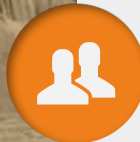
Revenue growth^{**} **CAGR of 38.18%**



Diversified areas **roads, bridges, buildings, dams, canals, water supply & mining**



Largest owner of Construction equipment's[#] **8,213**



Largest employer in construction industry[#] **24,369 employees**



Best project executors **~90% projects before time**



Early completion bonus* **₹2,206 mn**

As of December 2016 * As of June 2016 ** 5 years CAGR



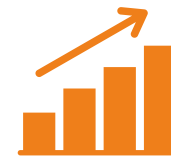
FY16 Key Facts and Figures (₹)



Revenue*
41,007 mn



PAT*
2,199 mn



EBITDA*
8,146 mn



Net worth*
10,925 mn



Order Book*
112.5 bn



~ 54 Projects*
on going in
11 States



Leadership Team



Mr. Dilip Suryavanshi
Chairman and MD

Dilip Suryavanshi is the Chairman and Managing Director of our Company. He holds a bachelors degree in civil engineering from the University of Jabalpur. He has over 32 years of experience in the business of construction. He is currently the President of the Madhya Pradesh Builders Association. As the Managing Director of our Company, he liaises with various departments of the government and also overlooks processes including tendering, bidding and planning the projects.



Mrs. Seema Suryavanshi
Executive Director

Seema Suryavanshi is an Executive Director of our Company. She holds a bachelors degree in arts (honours) from Ranchi Women's College, Ranchi. She has over 17 years of experience in the business of construction. She actively participates in finance, investment and various Company affairs as a co-ordinator between execution and administrative wing of our Company.



Mr. Devendra Jain
Executive Director & CEO

Devendra Jain is an Executive Director and Chief Executive Officer of our Company. He holds a bachelors degree in civil engineering from Vikram University, Ujjain. He has over 17 years of experience in the business of construction. He looks after project implementation along with the quality of work and ensures timely completion of the projects undertaken by our Company.



Mr. Bharat Singh
President



Mr. Rohan Suryavanshi
Head – Strategy & Planning



Mr. Karan Suryavanshi
Head – Business Development



Execution Team



Mr. Nitin Shrivastava
GM – Bidding & Contracts



Mr. Atul Joshi
GM – Structure



Mr. Kumar Raman Shrivastava
SM – Legal



Mr. Pradeep Harel
AGM – Mechanical



Mr. P. Marimuthu
GM – System Admin & Fuel Monitoring



Mr. Kamalakanta Mahakul
GM – HR



Mr. Nitesh Kumar Sharma
AGM – Billing & Planning



Mr. Badal Chandra Sardar
DGM – Survey & Design



Mr. Vaibhav Rawat
CFO



Mr. B B Kameshwara Rao
DGM/Head – QA&QC



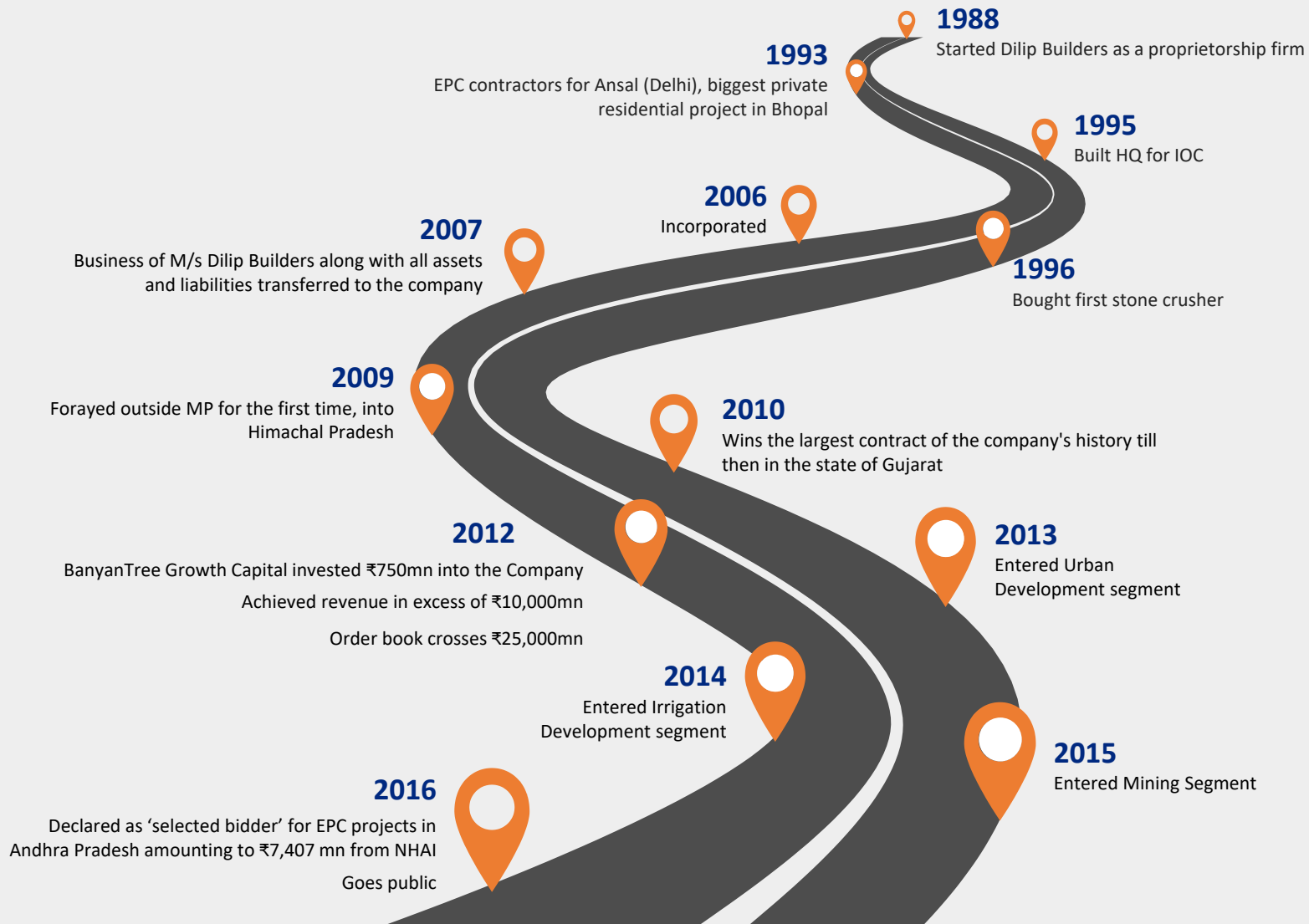
Mr. Raja Ghosh
GM – Finance, Accounts & Taxation



Mr. Abhishek Shrivastav
Head – CS and Compliance Officer

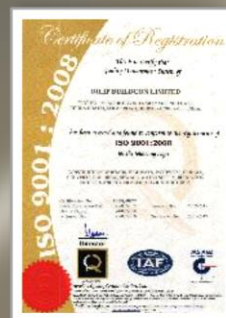
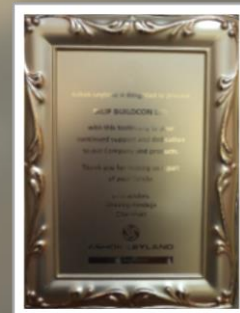


History





Awards, accreditation and accolades





Sustainability

Dilip Buildcon Limited is committed to its stakeholders

Government, investors, shareholders, associates, community, environment, employees and their families – to conduct its business in a responsible manner that creates a sustained positive impact



Animal Welfare & Wild life sanctuary

Ensuring environmental sustainability, conservation of natural resources, ecological balances, prevention and taken care of Animals



Orphanage

Promoting healthcare including preventive health care for orphans



Cultural and social

Promoting culture and Tradition including promoting and preventing traditional languages



Education and Healthcare

Promoting and providing education and promoting health care including preventive healthcare for society

Business Model

Project Selection and Management



Superior Execution



Differentiated Business Model, focusing on roads and government contracts with equipment ownership, skilled manpower, minimal subcontracting and backward integration



Business Division



Roads & Highways

- State & National Highway
- City Roads
- Bridges & Culverts
- Operation & Maintenance



Irrigation

- Dams
- Canals & Tunnels
- Other
- Operation & Maintenance



Urban Development

- Water supply projects
- Buildings
 - Residential
 - Commercial
 - Office



Mining

- Coal Mining



Strategy

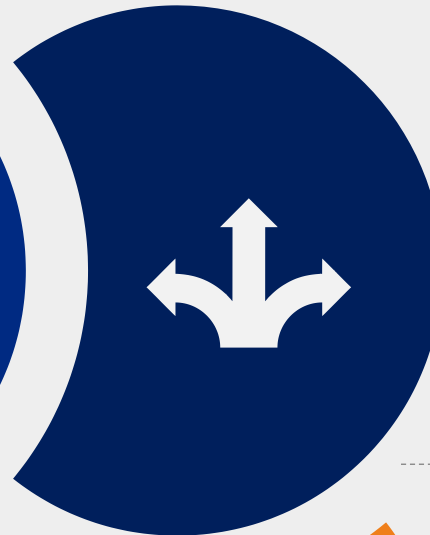
Business Focus

- Focus on road EPC for government clients.
- Investment in equipment bank, process and control.
- Attract and retain talented employees.
- Opportunistically divest BOT assets



De-Risk business through diversification

- Geographical Diversification
- Segment Diversification
- Adhere to geographical clustering strategy
- Smaller project sizes to reduce dependence on single project



Continuing focus on driving operating efficiency

- On time delivery
- Further enhance execution efficiency through innovation
- Strengthen IT systems and other internal processes



Financial Performance

- Profitability through better project selection, timely execution and strict cost control
- Deleverage balance sheet to improve returns
- Focus on cash flow generation



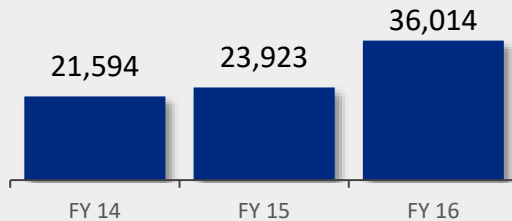


Construction Business

Segment revenues (INR mn)



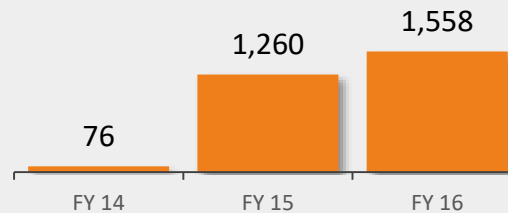
Roads



- Executed 47 projects covering 5,612 lane kms in five states(a), mostly ahead of the schedule
- 64 projects (8,422 lane kms) in 12 states under construction(a)
- Contract value of ₹91,243 mn (84.7% of the total contract value)(a)
- Pre-qualified to bid for ₹12,538 mn of EPC projects and ₹21,402 mn of BOT projects



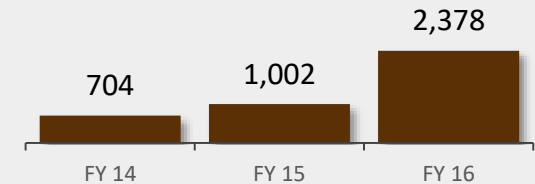
Urban development



- Diversified into this segment in FY13
- Undertake projects using existing equipment in areas close to on-going road projects
- 3 projects in Madhya Pradesh under execution(a)
- Contract value of ₹2,990 mn (2.8% of the total contract value)(a)



Irrigation



- Diversified into this segment in FY14
- Undertake projects using existing equipment in areas close to on-going road projects
- 3 projects in Madhya Pradesh under execution(a)
- Contract value of ₹7,055 mn (6.5% of the total contract value)(a)

Sustained focus on road construction along with calibrated diversification in irrigation and urban development segments

Infrastructure Development Business

Completed BOT Projects as of March 31, 2016

Project	Type	Length (km)	Awarding authority	Annual annuity (₹ mn)	COD
Betul Sarni Junnardeo-Parasia	Annuity + Toll	124	MPRDC	310	12-May-15
Nadiad-Modasa	Annuity	108	R&BD GoG	349	31-Dec-13
Mundi-Sanawad	Annuity + Toll	68	MPRDC	166	15-May-13
Jaora-Piploda	Annuity	88	MPRDC	241	09-May-14
Silwani-Sultanganj	Annuity + Toll	76	MPRDC	190	25-Mar-13
Bankhlafatta-Dogawa	Annuity	65	MPRDC	198	31-Mar-14
Uchera-Nagod	Annuity + Toll	56	MPRDC	169	15-May-14
Sardarpur-Badnawar	Annuity + Toll	43	MPRDC	94	09-Jun-12
Ashoknagar-Vidisha	Annuity + Toll	36	MPRDC	101	26-Jul-14
Sitama-Suwasara	Annuity + Toll	35	MPRDC	74	28-Mar-13
Mandsaur-Sitama	Toll	44	MPRDC	-	05-Feb-09
Tikamgarh (Dhajrai) Jatara-Palera Nowgaon	Annuity + Toll	76	MPRDC	178	26-May-15



Annuity focused portfolio— minimizes traffic risk with assured annual payment



12 projects (1,639 lane kms) - annuity revenue of ₹2,070 mn p.a.



May evaluate opportunities to divest the assets either wholly or partially



3 BOT Projects (1 toll & 2 annuity) and 3 hybrid annuity projects under execution

Strategy of undertaking annuity projects (no traffic risk) opportunistically in the vicinity of ongoing construction projects and utilizing already mobilized resources for timely completion



Ongoing and completed EPC projects

Project name	Completion date	Project type	Contract price (INR mn)	Outstanding order value (INR mn)	Appointment date	Total length in single lane (km)	Total length of the road (km)
Ahmedabad to Godhra	March-13	Road	7,750	Completed	April-10	473	118
Nagpur-Waingang	June-14	Road	3,510	Completed	August-11	185	46
Amarwara-Narsingpur	June-14	Road	2,600	Completed	April-11	246	123
Gwalior- Bhind	April-13	Road	2,102	Completed	March-11	215	108
Lebad to Manpur	November-11	Road	2,100	Completed	May-10	137	34
Vijayawada-Machilipatnam	January-18	Road	7,407	7,407	January-16	258	65
Mahulia-Baharagora	February-18	Road	6,741	6,741	February-18	286	72
Amritsar-Taran-taran-Hariker section	September-17	Road	5,580	4,797	September-15	184	46
Goa Zuari Cable-Stayed Bridge	February-19	Bridge	5,454	5,454	February-16	n/a	n/a
Mohanpura major multipurpose project	March-18	Irrigation	4,159	4,159	March-14	n/a	n/a



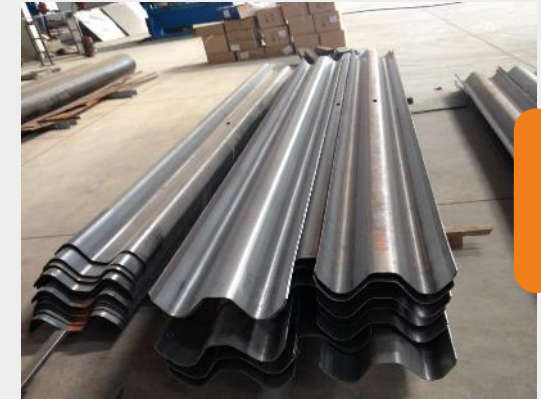
Backward Integration



Pole blank cutting machine
14MTR X 3 MTR Gantry plazma



Electric Pole



Metal Beam Crash Barrier



Bus Shelter



Metal Beam Crash Barrier



**Pipe Rolling Machine pto Ø200 X 8
Mm**

1. Project execution

Excellent execution track record: 100+ projects over the lifetime of the company

Completed over 8000 km's of laning till date



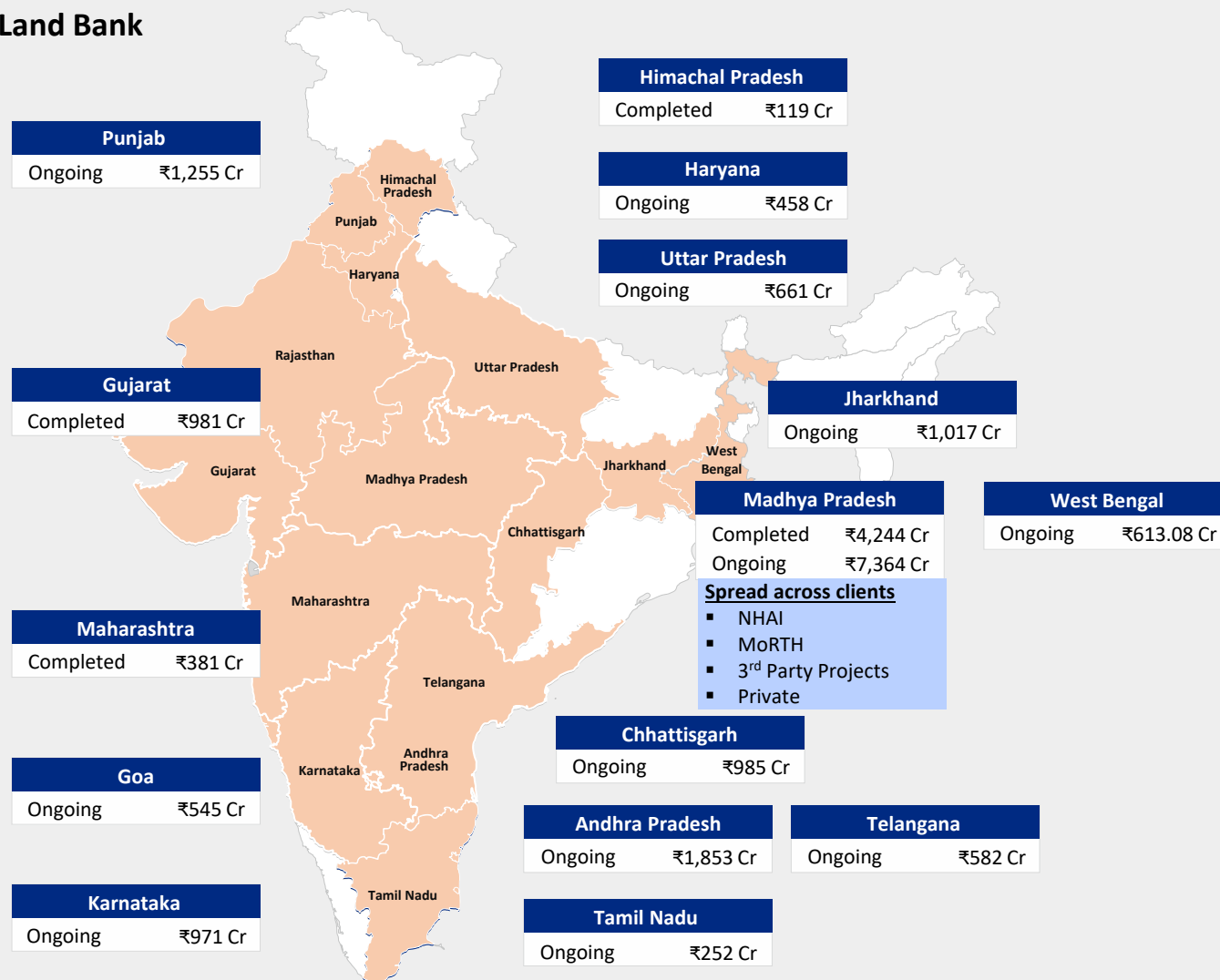
Road projects
aggregating to 5,612
lane kms completed
during last five
financial years
ended March FY16

~54 ongoing
projects across
roads (8,422 lane
kms), irrigation,
urban development,
bridges in
11 states

Currently executing
~90% of projects
before time

Pan India Project Execution Capability

Covering 65% of the Land Bank



2. Equipment ownership for better execution

Modern equipment fleet of 8,213 vehicles and other construction equipment

Benefits

- Ensures availability, quick mobilization, control over execution
- Eliminate delays and cost over-runs due to untimely break-downs or non-availability
- Higher execution efficiency

Composition

- 8,213 vehicle and construction equipment's from leading suppliers
- Homogenous fleet to ensure spare parts availability and significant savings in procurement and maintenance

Efficient utilization

- GPS installed on all equipment's for tracking
- Manned by trained full time employees for maximum efficiency
- In-house repair and maintenance to ensure availability

Key equipment suppliers



Paver



Crusher



Soil stabilizer



Excavator



Grader



Slip form paver

3. In-house Execution Team

6 Top Management

10 Senior Management

160 DGM, AGM, Sr. Project Manager, Project Managers, Senior Managers, Functional / Segment Heads

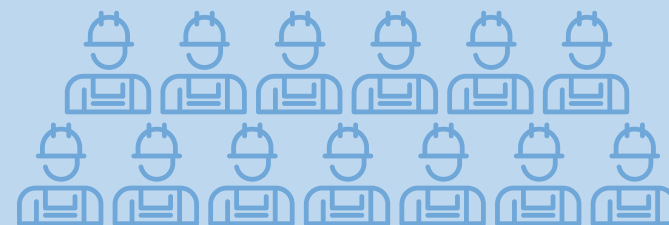
1,434 Engineers , Surveyor, Quantity Surveyor , Managers

5,166 Other Administrative staff (Accountant, Executive, Sr. Executive, Asst Surveyor, Foreman, Supervisor, Store keeper etc.)

14,560 Technicians, Drivers, Machine Operators & Other Support Staff



One of the largest employers in the construction industry in India



24,000+ employees, trained by the original equipment manufacturers

Strong momentum in expansion of roadways

- Value of total roads and bridges infrastructure in India is expected to expand at a CAGR of 13.6 per cent over FY09– 17 to USD19.2 billion
- Projects worth USD32.69 billion was awarded through Public Private Partnership (PPP) mode as on March 2015
- In FY16, road projects worth USD2.21 billion has been awarded under Public Private Partnership (PPP) mode
- As on August 2015, 149 Public Private Partnership projects were under construction and around 112 Public Private Partnership projects were implemented
- Increasing industrial activity, increasing number of two and four wheelers would support the growth in the road transport infrastructure projects

Source: Business Monitor International (BMI), Ministry of External Affairs, TechSci Research
 Notes: CAGR - Compounded Annual Growth Rate,
 FY - Indian Financial Year (April - March), F - Forecast,
 NHDP - National Highway Development Project,
 SARDP-NE: Special Accelerated Road Development Programme for
 the North Eastern Region and LWE - Left Wing Extremism Programme;
 Figures are as per latest data available

Roads/ bridges infrastructure value in India (USD billion)

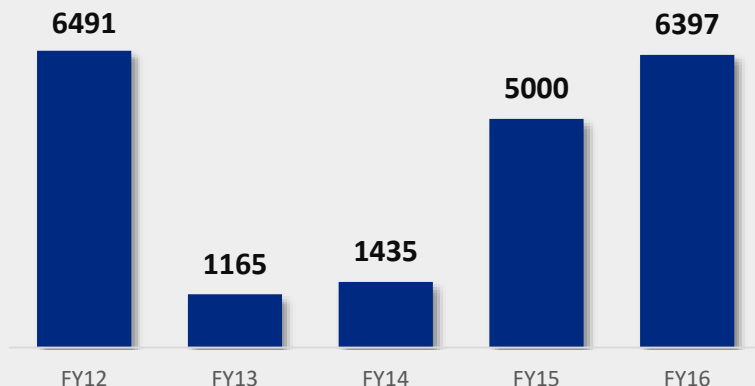


Future prospects remain bright for the road sector (1/2)

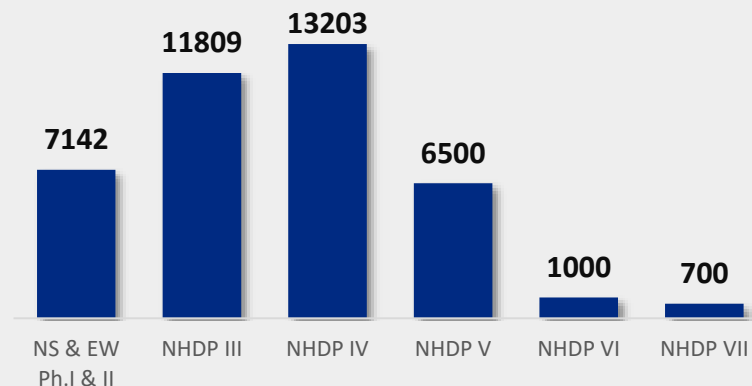


- National Highway Development Project (NHDP) is a seven phase project amounting to USD60 billion. The projects aims to widening, up-gradation, and rehabilitation of 47,054 kilometers of national highways
- Ministry of Road Transport and Highways (MoRTH) aims construction of over 10,000 kilometers of road projects during 2016-17
- NHAI awarded 79 road projects covering 6,397 kilometers in FY16

Projects awarded (in kilometres)



Projects awarded (in kilometres) by NHDP as of 30th June 2016



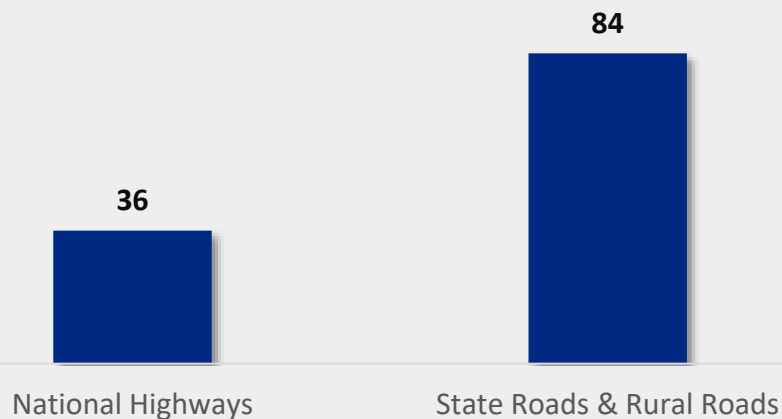
Source: NHAI, MoRTH, TechSci Research

Notes: NHDP stands for National Highways Development Project, FY161 – Data till December 2015

Future prospects remain bright for the road sector (2/2)

- Development of National Highways through PPP is expected to remain the key focus area for the government
- During the period FY15 to FY19, investments through PPP are expected to be over USD31 billion for National Highways and around USD10 billion for state highways
- NHAI gives nod to 9 road projects to in order to replan premium payment

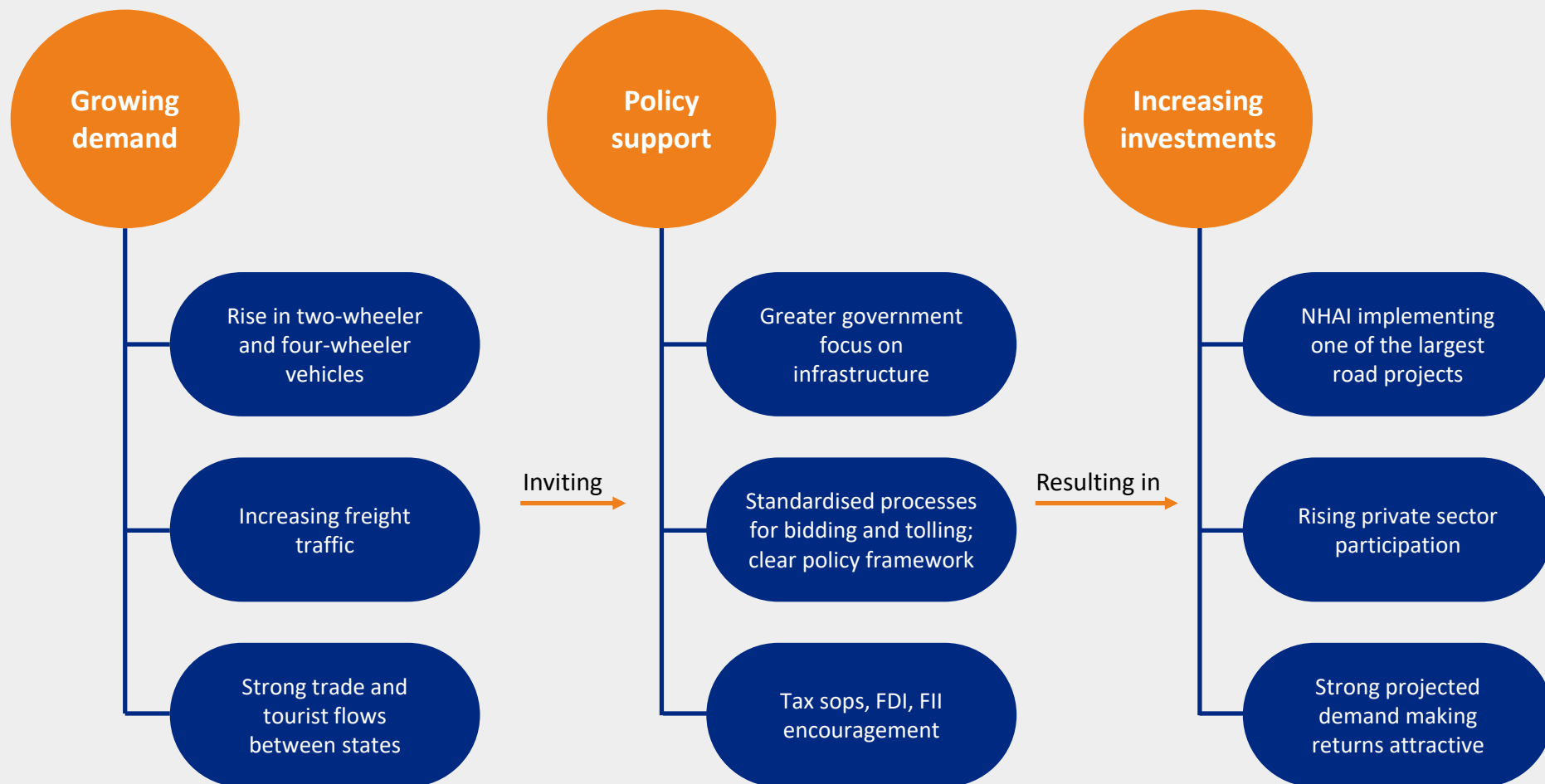
PPP opportunities over the next five years (2014-15 to 2018-19) (USD billion)



Source: NHAI, MoRTH,
Make In India, TechSci Research

Growth Drivers

Strong demand and policy support driving investments



Source: Make in India, TechSci Research

Investment Rationale



Execution track record

High quality execution from pre-bidding to actual construction



Sustainable growth

Strong performance during last 4 years when the economy was bad, demonstrated ability to adapt to changes in the market to sustain growth and profitability



Robust order book

Diversification by entering new segments and expanding geographical presence



In-house Capabilities

Well trained employees and equipment ownership



No dependence on sub-contractors

Vertically integrated business model



Experienced leadership team supported by strong middle management to drive growth going forward

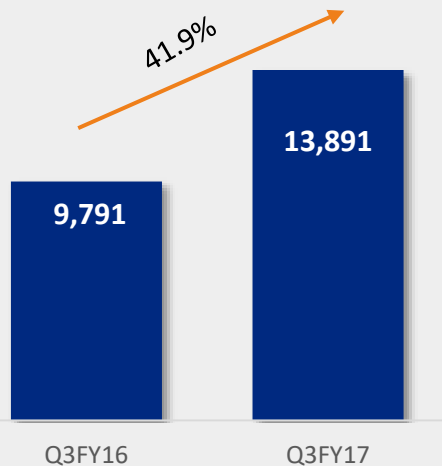


Process and system driven company with high reliance on latest technology

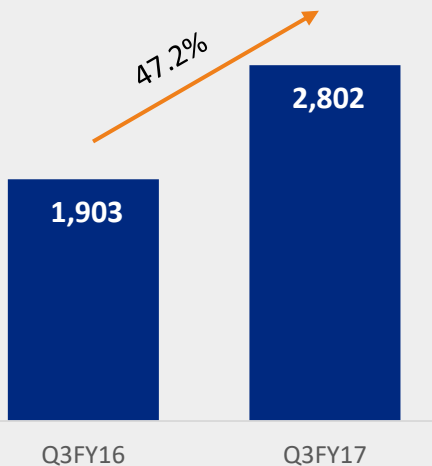


Results Summary – Q3FY17

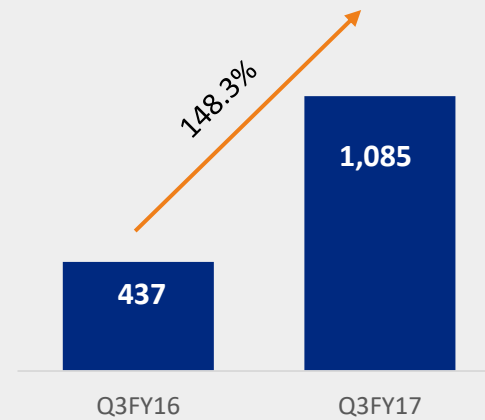
Revenue (₹ mn)



EBITDA (₹ mn)



Profit after Tax (₹ mn)



Revenue Breakup

Roads & Bridge



Irrigation



Urban Development



Mining



(₹ mn)

Q3FY17

12,657

724

35

469

Q3FY16

8,673

517

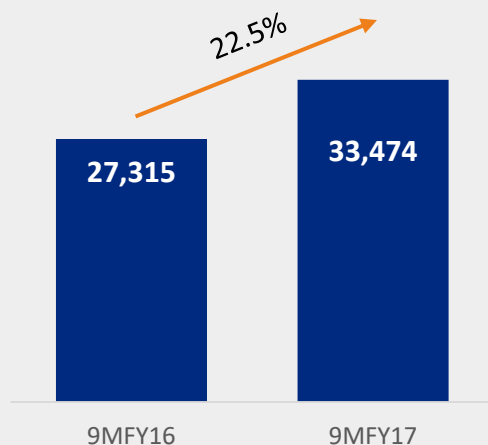
596

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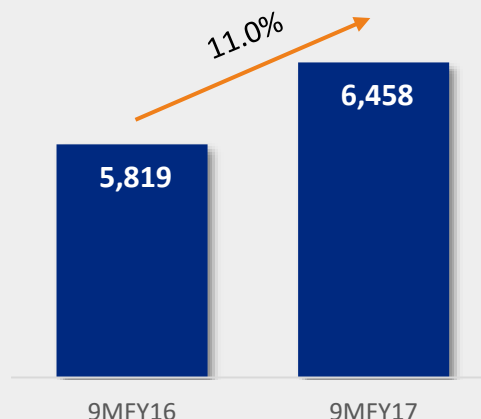


Results Summary – 9MFY17

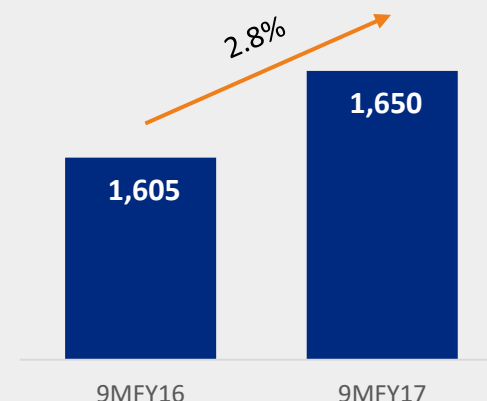
Revenue (₹ mn)



EBITDA (₹ mn)



Profit after Tax (₹ mn)



Revenue Breakup

(₹ mn)

Roads & Bridges



Irrigation



Urban Development



Mining



9MFY17

30,017

2,319

439

690

9MFY16

24,139

1,808

1,341

-



Result Update

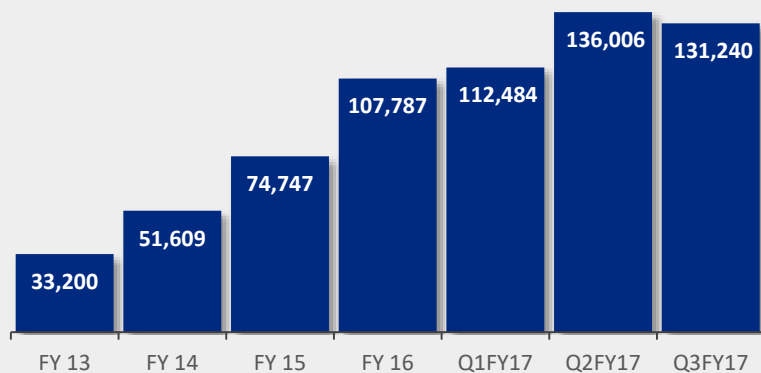
(₹ mn)

Particulars	Q3FY17	Q2FY17	Q3FY16	YoY (%)	9MFY17	9MFY16	YoY (%)
Revenue	13,891	9,163	9,791	41.9%	33,474	27,315	22.5%
Total expenses	11,708	8,147	8,378	39.7%	28,755	22,856	25.8%
EBITDA	2,802	1,591	1,903	47.2%	6,458	5,819	11.0%
EBITDA Margin (%)	20.2%	17.4%	19.4%	80bps	19.3%	21.3%	200bps
Other income	27	36	9	-65.8%	82	27	203.7%
Depreciation	593	539	480	23.5%	1,656	1,333	24.2%
Interest	1,062	959	972	9.3%	3,105	2,760	12.5%
PB exceptional items and Tax	1,147	92	450	154.9%	1,679	1,726	-2.7%
Exceptional items	-	-	-	-	-	-	-
PBT	1,147	92	450	154.9%	1,697	1,726	-1.7%
Tax Expense	61	23	18	239%	45	125	-64%
PAT	1,085	70	437	148%	1,652	1,605	2.93%
PATM (%)	7.81%	0.76%	4.46%	335bps	4.93%	5.88%	95bps
EPS (INR)	7.94	0.51	3.69	115.2	12.96	13.67	-5.2%

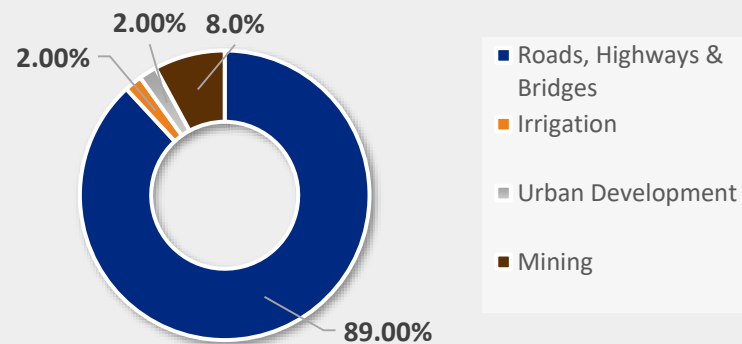


Order Book

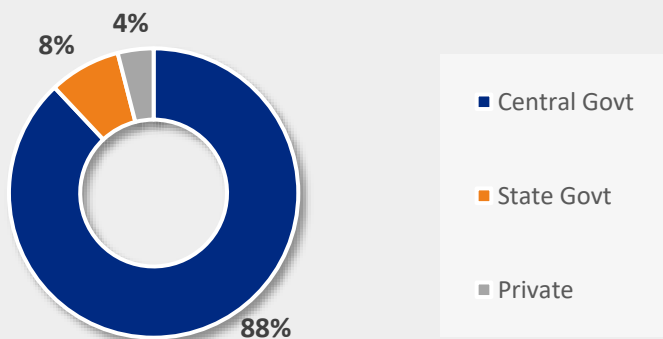
Order Book



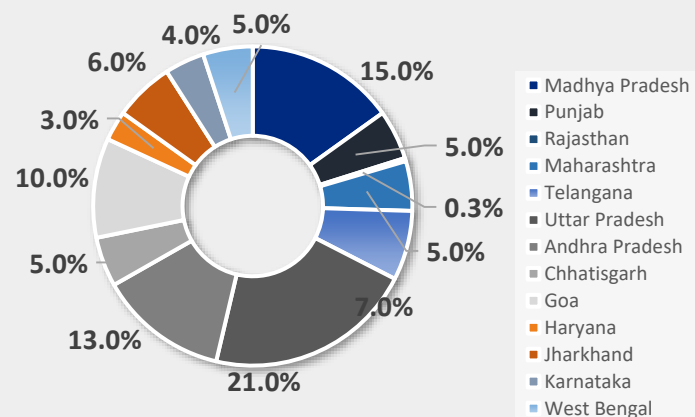
Order Book – By Sector



Order Book – By Client



Order Book – By State





Profit & Loss - Quarterly

(₹ mn)

Particulars	Standalone			Highlights
	Q3FY17	Q3FY16	Y-o-Y	
Revenue from Operations	13,891	9,791	41.9%	<ul style="list-style-type: none"> Revenue grew by 42% Y-o-Y Decrease in finance cost from 9.92% to 7.64% to topline
Other income	27	9	182%	
Total Income	13,918	9,800	42.0%	
Expenses				<ul style="list-style-type: none"> Profit before Tax grew by 155% Y-o-Y Profit after Tax grew by 148% Y-o-Y
Cost of materials consumed	6,372	5,165	23.4%	
Purchases of Stock-in-Trade	-	-	-	
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	3,998	2,235	78.9%	
Employee benefits expense	226	168	34.2%	
Finance costs	1,062	972	9.19%	
Depreciation and amortization expense	593	480	23.5%	
Other expenses	520	330	57.5%	
Total expenses	12,771	9,350	36.6%	
Profit/(loss)before exceptional items and tax	1,147	450	154.9%	
Exceptional items	-	-	-	
Profit Before Tax	1,147	450	154.9%	
Tax expenses	61	18	238.9%	
Net Profit	1,085	437	148.3%	



Balance Sheet - Quarterly

(₹ mn)

Particulars	Standalone		
	Q3FY17	Q2FY17	Q3FY16
ASSETS			
Non-current assets			
Property, plant and equipment	16,112	14,282	13,455
Investment properties	-	-	-
Other Intangible assets	43	45.37	15
Non-current investments	4,507	4,357	2,898
Loans (NC)	-	-	278
Other	1,429	660	412
Other non current Asset	2,195	2,634	2,782
Total Non current Assets	24,285	21,980	19,841
Current assets			
Inventories	16,969	16,620	15,209
Financial assets			
Trade receivables	11,560	9,163	9,952
Cash and cash equivalent	1,321	862	1,425
Loans (C)	1,732	2,872	630
Others (to be specified)	334	226	184
Current tax asset (Net)	769	727	264
Other current assets	6,517	5,857	4,711
Total Current Assets	39,202	36,328	32,374
TOTAL ASSETS	63,487	58,309	52,215



Balance Sheet - Quarterly

(₹ mn)

Particulars	Standalone		
	Q3FY17	Q2FY17	Q3FY16
EQUITY AND LIABILITIES			
Equity			
Equity share capital	1,368	1,367	1,171
Other equity	15,527	14,441	9,177
Total equity	16,895	15,809	10,348
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings (NC)	6,431	5,145	6,996
Provisions (NC)	181	182	72
Deferred tax liabilities	937	912	814
Other non-current liabilities	9,317	7,837	3,594
Total Non current liabilities	16,867	14,078	11,476
Current liabilities			
Financial liabilities			
Borrowings (C)	15,745	15,674	15,696
Trade payable (C)	9,486	8,607	9,672
Other current financial liabilities	4,060	3,621	3,722
Other current liabilities	351	441	1,229
Provisions (c)	84	76	72
Total current liabilities	29,726	28,421	30,391
Total liabilities	46,592	42,499	41,867
TOTAL EQUITY AND IABILITIES	63,487	58,309	52,215



Working Capital

(₹ mn)

Particulars	Standalone		
	Q3FY17	Q2FY17	Q3FY16
Debtors Days	95	86	100
Inventories Days	139	155	152
Total	234	241	252
Less: Creditors Days	78	80	97
Working Capital Days	156	161	155
Inventory			
Stock	14,038	13,619	13,228
WIP	2,931	3,002	1,980
Total	16,969	16,621	15,208



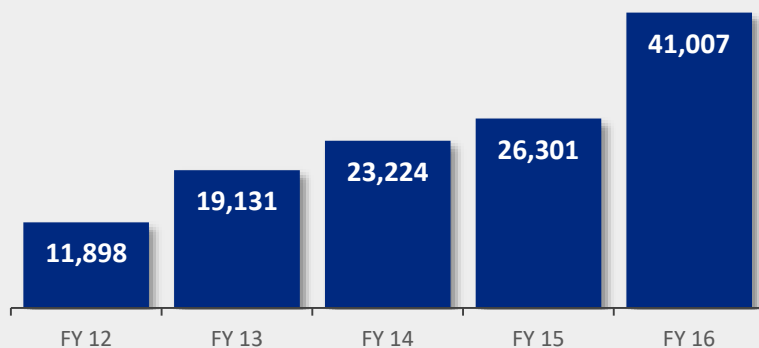
Yearly Standalone Financials (₹ mn)

Particulars	FY12	FY13	FY14	FY15	FY16
Total income (A)^(a)	11,898	19,131	23,224	26,301	41,007
% growth		60.80%	21.40%	13.30%	55.90%
Cost of construction	5,849	8,327	10,813	12,574	20,332
Changes in inventories	3,130	5,227	6,595	6,751	9,838
Employee benefits expense	156	268	291	363	713
Other expenses	122	564	759	898	1,978
Total expenses (B)	9,257	14,387	18,458	20,586	32,861
EBITDA (A – B)	2,641	4,745	4,766	5,716	8,146
% margin	22.20%	24.80%	20.50%	21.70%	19.94%
Net profit after tax	1,080	2,509	1,943	1,458	2,199
% margin	9.10%	13.10%	8.40%	5.50%	5.40%
Networth	2,855	5,352	7,284	8,730	10,925
Total debt ^(b)	5,773	7,901	11,631	21,870	25,138
Trade payables	653	2,493	4,642	8,278	10,232
Net tangible assets	5,327	5,464	6,373	11,875	14,176
Inventories	1,972	3,628	5,219	9,476	15,803
Trade receivables	2,746	6,707	10,583	12,636	12,103
Cash and bank balances	928	521	668	2,342	1,059

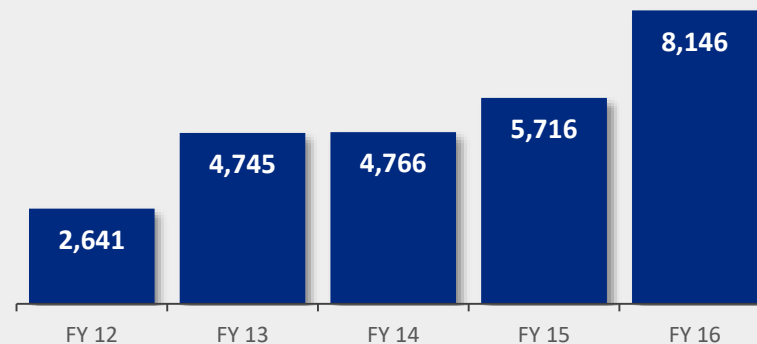


Yearly Financial Highlights

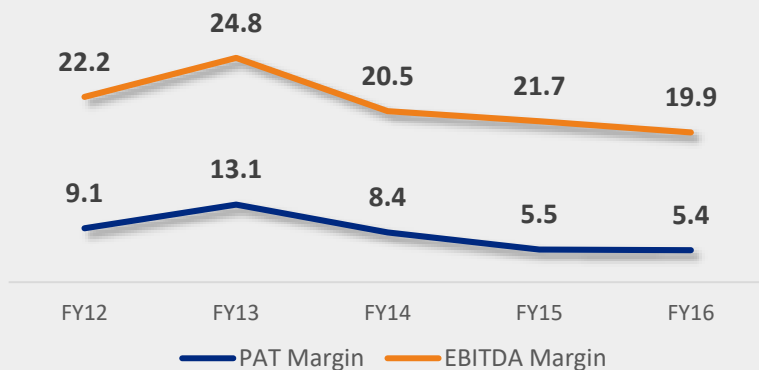
Total income (₹ mn)



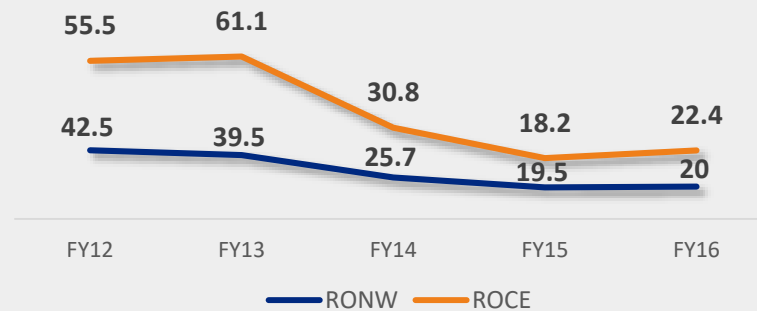
EBITDA (₹ mn)



Margin %



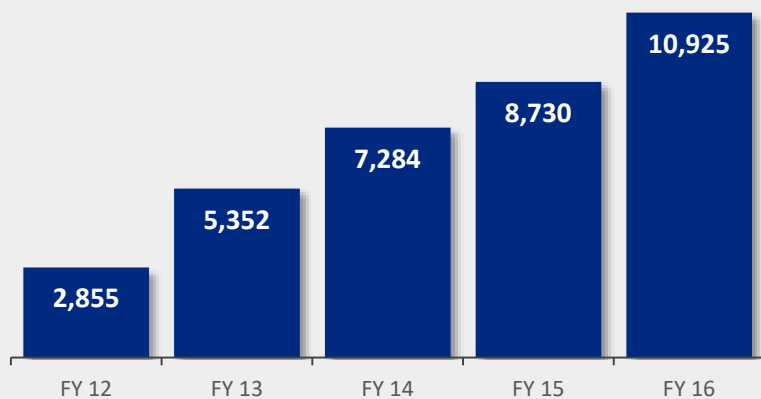
Returns %



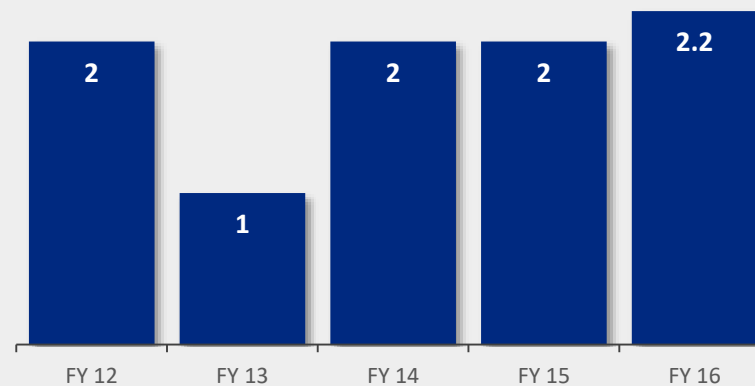


Yearly Financial Highlights

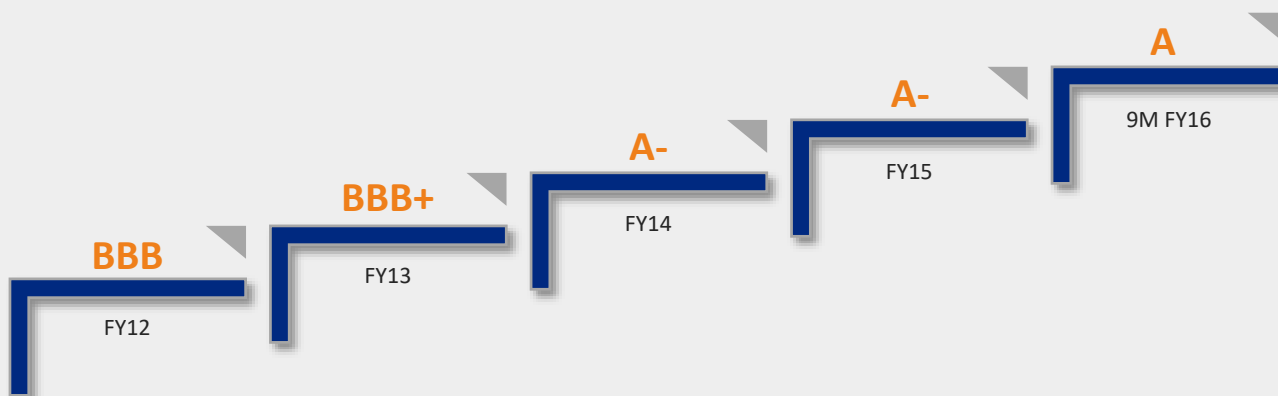
Networth (₹ mn)



Net debt/Equity



Credit Rating for Long-term Borrowings



Thank You

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