



# **PNC Infratech Limited**

**Result Update Presentation – Q3 & 9M FY20** 

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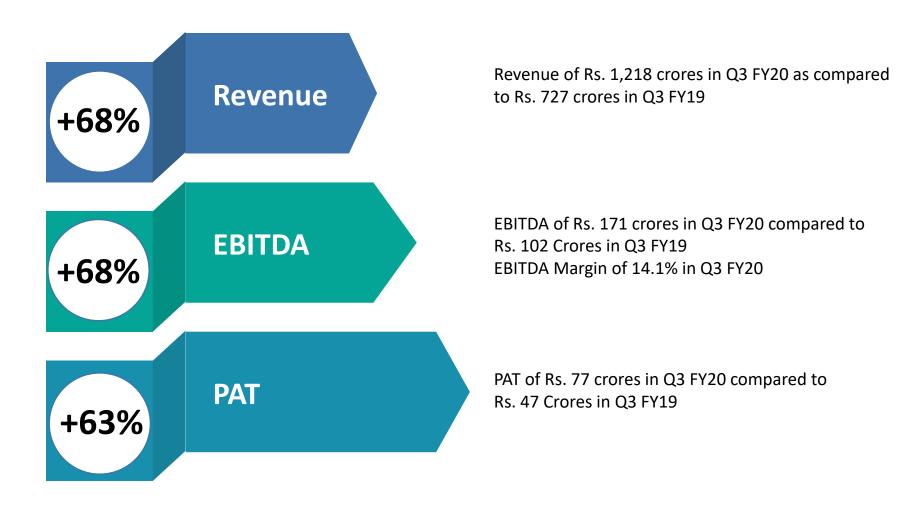


**Key Highlights & Financials** 

PNC infratech

# Key Highlights for Q<sub>3</sub> FY<sub>2</sub>o





# Key Highlights for 9M FY20





Revenue of Rs. 3,720 crores in 9M FY20 as compared to Rs. 2,021 crores in 9M FY19



EBITDA of Rs. 608 crores in 9M FY20

EBITDA Margin of 16.3% in 9M FY20

compared to Rs. 306 Crores in 9M FY19



### **PAT**

PAT of Rs. 384 crores in 9M FY20 compared to Rs. 185 Crores in 9M FY19



### Orderbook

Remaining value of contracts under execution as on December 31, 2019



## **Net Working Capital**

Net Working Capital Days of 56 Days as on December 31, 2019

## Key Highlights: Early Completion Bonus





Raebareli

### **Aligarh - Moradabad Highway Project**

- ✓ Received 'Provisional Completion Certificate' (PCC) for Aligarh -Moradabad Highway Project executed by the Company on EPC mode
- ✓ PCC received on 13th May 2019
- ✓ Company has become entitled for early completion bonus @ 0.03% of the Contract Price (Rs. 644.5 crore) for each day of early completion
- ✓ Project completed 73 days ahead of the scheduled completion

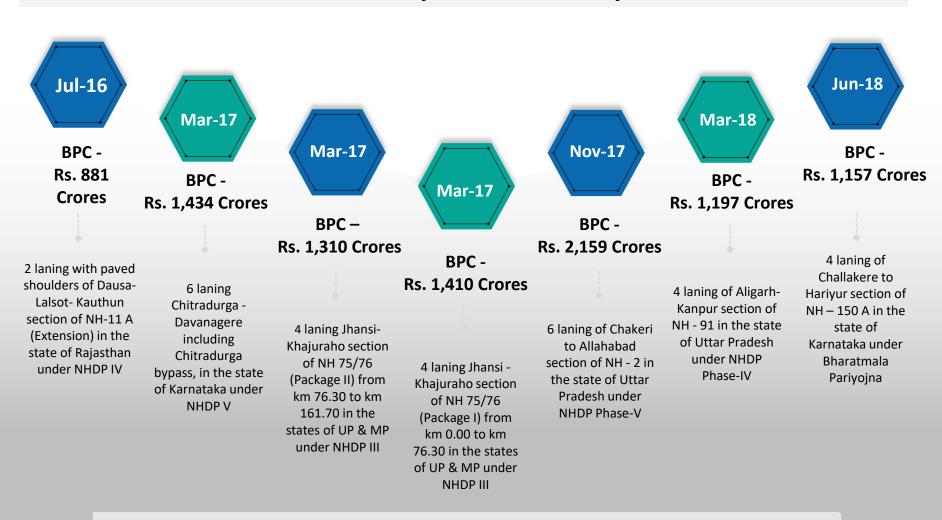
### Raebareli - Jaunpur BOT (Annuity) Project

- ✓ Received Rs. 33.73 crore towards the 'Bonus Annuity' by one of its subsidiary company namely PNC Raebareli Highways Private Limited on 8<sup>th</sup> May 2018
- ✓ Project completed 96 days ahead of the scheduled completion

## Financial Closure Achieved for all HAM Projects



## Financial Closure Achieved for All 7 Projects of which 6 Project are Under Construction



**Appointed Date Awaited for Challakere Hariyur Project** 



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Order-book Details

## Robust Order-book of over Rs. 8,600 crores



- Remaining value of contracts under execution of Rs. 8,696 crores as on December 31, 2019.
- The below order is not included in orderbook as on December 31, 2019:
  - ✓ Financial closure achieved and awaiting appointed date for 4 laning of Challakere to Hariyur section of NH 150 A in the state of Karnataka under Bharatmala Pariyojna on HAM for a Bid Project Cost of Rs. 1,157 Crore with a EPC cost of Rs. 935 crores
  - ✓ EPC Project for Construction of NH-56, 4 –lane bypass connecting NH-56 at Km. 17.400 and terminating near Behta Village Road in the state of Uttar Pradesh under NHDP phase -VII on EPC mode (Package-I) for a contract value of Rs. 1,062 Crore. Appointed Date is awaited.

Key EPC Projects Under Construction	Awarding Authority	Remaining Value (Rs. Crores)
Nagpur-Mumbai Expressway	MSRDC	1,568
Chakeri-Allahabad	NHAI	1,386
Purvanchal Expressway, Pkg-V	UPEIDA	1,111
Purvanchal Expressway, Pkg-VI	UPEIDA	745
Aligarh-Kanpur	NHAI	609
Nagina-Kashipur	NHAI	599
Top 6 projects		6,018
Other Projects		2,678
Total Order Book		8,696
Top 6 projects as % to Total Order Book		69%

## **Road EPC projects constitute 99% of order-book**

# **Execution Status of Key Project**



Project	Project Type	Execution Status
Nagina-Kashipur	EPC	Appointed Date received and project is under-construction
Koliwar-Bhojpur	EPC	Appointed Date received and project is under-construction
Bhojpur-Buxar	EPC	Appointed Date received and project is under-construction
Varanasi-Gorakhpur	EPC	Appointed Date received and project is under-construction
Aligarh-Moradabad	EPC	Appointed Date received and project is under-construction
Varanasi-Gorakhpur	EPC	Appointed Date received and project is under-construction
Sansarpur-Gobindpur	EPC	Appointed Date received and project is under-construction
Gobindpur-Mojrapur	EPC	Appointed Date received and project is under-construction
Nagpur-Mumbai Expressway, Pkg-IV	EPC	Appointed Date received and project is under-construction
Lucknow Ring Road	EPC	Appointed Date is awaited
Dausa-Lalsot-Kathun	HAM	Appointed Date received and project is under-construction
Chitradurga-Davanagere	HAM	Appointed Date received and project is under-construction
Jhansi-Khajuraho (Package I)	HAM	Appointed Date received and project is under-construction
Jhansi-Khajuraho (Package II)	HAM	Appointed Date received and project is under-construction
Chakeri to Allahabad	HAM	Appointed Date received and project is under-construction
Aligarh-Kanpur Package-II	HAM	Appointed Date received and project is under-construction
Challakere to Hariyur section	HAM	Financial Closure Achieved, Appointed Date is Awaited



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## PORTFOLIO OF DEVELOPMENT PROJECTS ON PPP MODE

PNC infratech

# Sizeable Project Portfolio: Operational Projects



Project	% Stake	Authority	State / Stretch	Туре	JV Partners	Kms / Lanes	TPC (Rs. Crs)	Invested Equity (Rs. Crs)	PNC Share of Invested Amount (Rs. Crs)	Grant (Rs. Crs)	Total Debt (Rs. Crs)	Debt as on 31 <sup>st</sup> Dec '19 (Rs. Crs)
Ghaziabad Aligarh (Note 1)	35%*	NHAI	UP / NH-91	Toll	SREI, Galfar	125 / 4	2,019.0	194.0	67.9 / 118.1#	311.0	1,514.0	897
Kanpur Kabrai	100%	NHAI	UP / NH-86	Toll	-	123 / 2	458.5	67.5	67.5	123.0	268.0	166
Gwalior Bhind	100%	MPRDC	MP / NH-92	Toll	-	107.68 / 2	340.3	78.3	78.3	27.0	235.0	175
Bareilly Almora	100%	UPSHA	UP / SH-37	Toll	-	54 / 4	604.5	74.6	74.6	70.0	460.0	419
Rae Bareli Jaunpur	100%	NHAI	UP / NH- 231	Annuity	-	166.40 / 2	837.4	139.6	139.6	0.0	697.8	577
Narela Industrial Area	100%	DSIIDC	Delhi / NA	Annuity	-	33 / -	175.0	35.0	35.0	0.0	140.0	70
Kanpur Ayodhya	100%	NHAI	UP / NH-28	ОМТ	-	217 / 4	         	0.1	0.1	<u>-</u>	<u>-</u>	<del>-</del>
							4,434.7	589.1	463.0 ^	531.0	3,314.8	2,304

## All Projects are Operational

Note 1 - Signed Share Purchase Agreement for sale of 35% stake with Cube Highways and Infrastructure Pte. Ltd. on May 04, 2019

## Asset Monetization Plan



- Execution of Share Purchase Agreement (SPA) for Divestment of Stake in "Ghaziabad Aligarh Road Project"
  - ✓ Signed SPA for sale of 35% stake (includes 19.88% holding with wholly owned subsidiary of PNC Infratech Ltd.) with Cube Highways and Infrastructure Pte. Ltd. on May 04, 2019
  - ✓ Total Enterprise Value (EV) of the entire project is Rs. 1,834 crores subject to
    adjustments of debt and other capital and operational costs at the Closing Date
  - ✓ Likely total cash inflow of over Rs. 300 crores for the Company
  - ✓ Rs. 1,000 crores will reduce from the total exposure for Lenders prospects resulting Bankers will be more comfortable for further funding to PNC Group
  - ✓ Current Status:
    - Approvals from all the lenders have been received
    - NHAI Approval is under process

Proposed disinvestment is expected to augment financial resources for funding present and future projects

## Arbitration Award Received



## **Narela Industrial Estate Project**

- Realized Rs. 145.63 crore towards the final arbitration award published in its favour of PNC Delhi Industrialinfra Private Limited on 17<sup>th</sup> May 2019
  - ✓ PNC Delhi Industrialinfra Private Limited is a wholly owned subsidiary of the Company and is a concessionaire for the project of "Redevelopment & Management of Narela Industrial Estate in Delhi"
  - ✓ The Final Arbitration award was published on 17<sup>th</sup> November 2018
  - ✓ Received total arbitration award of Rs. 188.63 crores
    - Received Rs. 43.0 crores crore as an interim award from Delhi State Industrial & Infrastructure Development Corporation (DSIIDC) in January 2018
    - Received Rs. 145.63 crore from DSIIDC on 17th May 2019
  - ✓ Out of the total amount of Rs. 188.63 crores
    - Rs. 129.0 crore is towards the six outstanding annuities
    - Rs. 59.63 crore is towards interest and other claims

## **Garh Mukteshwar to Moradabad Project**

- Receipt of Rs. 145.27 crore towards an arbitration award on 3rd August 2019
  - ▼ The Arbitration Award was published in September 2018
  - ✓ The Arbitration was for NHAI)s project namely 'widening and strengthening of NH-24 in State of U.P (Garh Mukteshwar to Moradabad)
  - ✓ The arbitration has been accounted in Q2 FY20

# Sizeable Project Portfolio: HAM Projects



Project	% Stake	Authority	State / Stretch	Туре	JV Partners	Kms / Lanes	TPC (Rs. Crs)	Invested Equity (Rs. Crs)	PNC Share of Invested Amount (Rs. Crs)	Total Debt (Rs. Crs)	Debt as on 31 <sup>st</sup> Dec '19 (Rs. Crs)
Dausa-Lalsot	100%	NHAI	Raj/ NH11A	Hybrid	-	83.45/ 4/2	820	65	65	371	309
Chitradurga – Davanagere	100%	NHAI	Karnataka / NH 48	Hybrid	-	72.7/6	1,338	55	55	606	308
Jhansi- Khajuraho (Package I)	100%	NHAI	UP & MP / NH 75/76	Hybrid	<u>-</u>	76.3 / 4	1,342	98	98	604	362
Jhansi- Khajuraho (Package II)	100%	NHAI	UP & MP / NH 75/76	Hybrid	-	85.4 / 4	1,262	58	58	590	309
Chakeri- Allahabad	100%	NHAI	UP / NH 2	Hybrid	-	145.1 / 6	2,018	77	77	873	150
Aligarh-Kanpur	100%	NHAI	UP / NH- 91	Hybrid	-	45 / 4	1,104	66	66	500	100
Challakere- Hariyur	100%	NHAI	Karnataka / NH 150 A	Hybrid	-	55.7 / 4	1,013	8	8	440	-
							8,897	427	427	3,984	1,538

Equity Requirement over the next 2-3 years of approximately Rs. 421 Crs for all 7 HAM projects

Financial Closure achieved for all 7 HAM Projects within Stipulated Time





# <u>Annexure I – Summary Financials</u>

# Standalone Profitability Statement – Q3 & 9M



Rs. Crores	Q3 FY20	Q3 FY19	YoY Growth (%)	9M FY20	9M FY19	YoY Growth (%)
REVENUE	1,218.00	727.02	68%	3,719.98	2,021.16	84%
EBITDA	171.21	102.14	68%	608.00	306.16	99%
EBITDA margin	14.1%	14.0%		16.3%	15.1%	
Other Income	14.36	6.81		72.54	30.78	
Depreciation	32.65	24.14		94.02	64.03	
Interest	40.13	18.73		82.76	44.70	
Profit Before Tax	112.79	66.07	71%	503.76	228.22	121%
Total Tax Expenses	35.65	18.73		119.54	43.24	
Current Tax	38.25	18.73		122.96	43.97	
Taxation in respect of earlier years	0.07	0.00		0.07	0.00	
Deferred Tax	-2.68	0.00		-3.49	-0.73	
Profit After Tax	77.14	47.34	63%	384.23	184.98	108%
PAT Margin	6.3%	6.5%		10.3%	9.2%	
Total Other Comprehensive Income, net of tax	(0.24)	(0.10)		(0.71)	(0.30)	
Total Comprehensive income	76.90	47.24	63%	383.52	184.68	108%
Cash Profit (Total Comprehensive Income + Depreciation)	109.55	71.38	53%	477.53	248.71	92%
Cash Profit Margin	9.0%	9.8%		12.8%	12.3%	

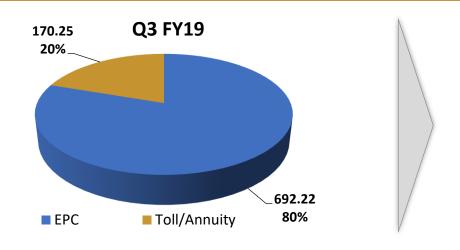
# Consolidated Profitability Statement – Q3 & 9M

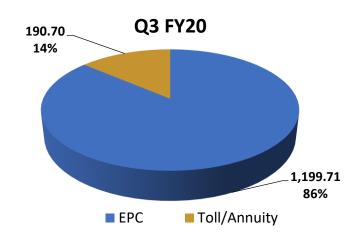


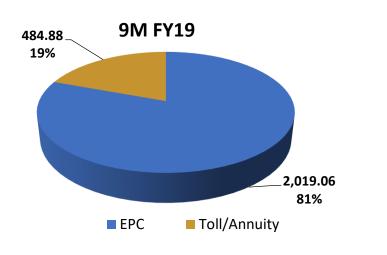
Particulars (Rs. Crores)	Q3 FY20	Q3 FY19	YoY Growth (%)	9M FY20	9M FY19	YoY Growth (%)
REVENUE	1,390.41	862.47	61%	4,255.87	2,503.94	70%
EBITDA	297.41	199.00	49%	1,032.14	687.40	50%
EBITDA margin	21.4%	23.1%		24.3%	27.5%	
Other Income	19.26	5.44		145.51	32.11	
Depreciation	94.85	89.45		275.12	260.24	
Interest	123.57	94.19		321.02	259.66	
Profit Before Tax	98.25	20.80	372%	581.51	199.62	191%
Tax Expenses	33.54	8.53		126.94	16.70	
Current Tax	39.00	16.60		142.71	47.69	
Taxation in respect of earlier years	0.07	-0.77		-3.67	-0.18	
Deferred Tax	-5.53	-7.31		-12.10	-30.80	
Profit After Tax	64.71	12.28	427%	454.58	182.91	149%
PAT Margin	4.7%	1.4%		10.7%	7.3%	
Share in Profit/ (Loss) of Associates accounted for using equity method	2.20	-0.96		4.92	-0.48	
Profit After Tax	66.90	11.32	491%	459.50	182.44	152%
PAT Margin	4.8%	1.3%		10.8%	7.3%	
Total Other Comprehensive Income, net of tax	-0.24	-0.10		-0.71	-0.30	
Total Comprehensive income	66.67	11.22		458.78	182.13	
Cash Profit (Total Comprehensive Income + Depreciation)	161.51	100.67	60%	733.91	442.37	66%
Cash Profit Margin	11.6%	11.7%		17.2%	17.7%	

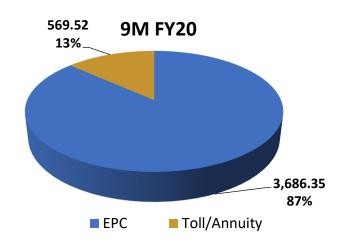
# Segmental Revenue Break-up – Q3 & 9M





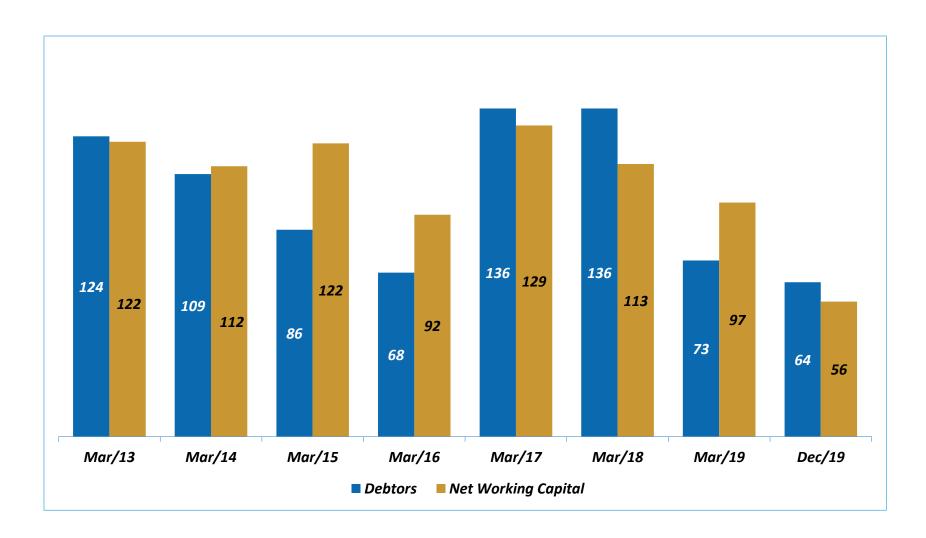






# Net Working Capital Days\*





<sup>\* -</sup> Standalone



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<u>Annexure II – Company Overview</u>

## Introduction



Established track record of timely/early completion of

projects

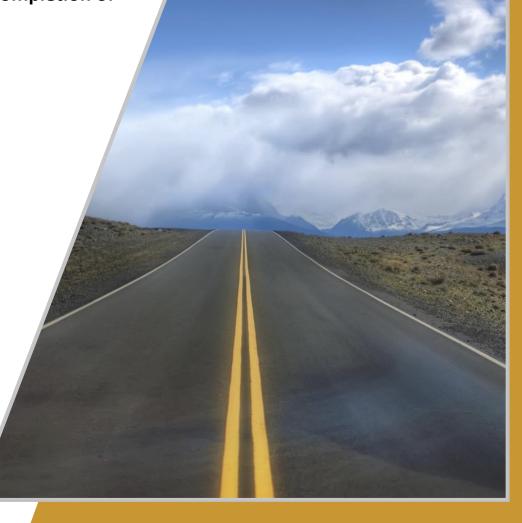
Infrastructure construction, development and management company; expertise in execution of projects including highways, bridges, flyovers, airport runways, industrial areas and transmission lines

Executed 66 major infrastructure projects spread across 13 states, of which 43 are road EPC projects; currently executing 19 projects

Large fleet of sophisticated equipment and professionally qualified & experienced employee base

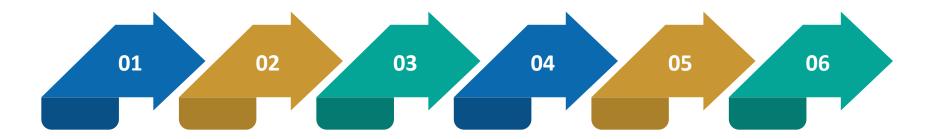
Operating 6 BOT & 1 OMT project, comprising of both toll & annuity assets; Total 7 HAM projects comprising - 6 HAM project under-construction, for balance 1 projects Financial Closure is achieved and Appointed date is awaited

Strong credit rating of CARE AA- for Long Term, CARE A1+ for Short Term Loans, "Stable" outlook



## **Business Overview**





# Roads & Highways EPC

Completed 43 infrastructure road projects on EPC basis

# Roads & Highways BOT / OMT/ HAM

Operating 6 BOT & 1 OMT project, comprising of both toll & annuity assets; Total 7 HAM projects comprising - 6 HAM project under-construction, for balance 1 projects Financial Closure is achieved and Appointed date is awaited

## **Airport Runways**

Executed 20 airport runway projects across India & received 'Super Special' class certification from Military Engineering Services

### Industrial Area Development

Completed first of its kind BOT annuity project - area redevelopment and management of Industrial Estate of Narela, New Delhi for Delhi State Industrial & Infrastructure Development Corporation (DSIIDC)

### Dedicated Freight Corridor / Railways

Design,
procurement and
construction of
track and track
related works on
Mughalsarai Sonnagar section of
Dedicated Eastern
Freight Corridor on
EPC basis – under
execution

### Power Transmission

Set up power transmission lines of approximately 350 km of 132/220 kilovolt lines on a turn-key basis

## Corporate Structure





# Integrated Business Model



- Ownership of a fleet of modern equipment enables quick mobilization besides ensuring continuous availability of critical equipment
- Reduces costs and facilitates timely completion of projects through enhanced control

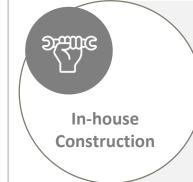


In-house Design & Engineering

 Controls the entire process from conceptualization to commissioning of a given project which helps in providing customized solutions as per clients' specific requirements

 Own / Leasing of Quarries helps in securing of raw material and project completion within scheduled time & budget





 Ensuring timely completion of projects, reducing reliance on third parties and lowering costs

# **Enhanced Execution Capability**



### Man and Machine added to execute more projects

- Strengthening of In-house execution team with induction of engineers with strong technical knowledge
- Investments in Machinery over the years to augment and upgrade the execution capabilities

### **Strong Credit Rating**

- Long term bank facilities "CARE AA- (Double A Minus)"
- Short term bank facilities "CARE A1+ (A One plus)"
- "Stable" outlook



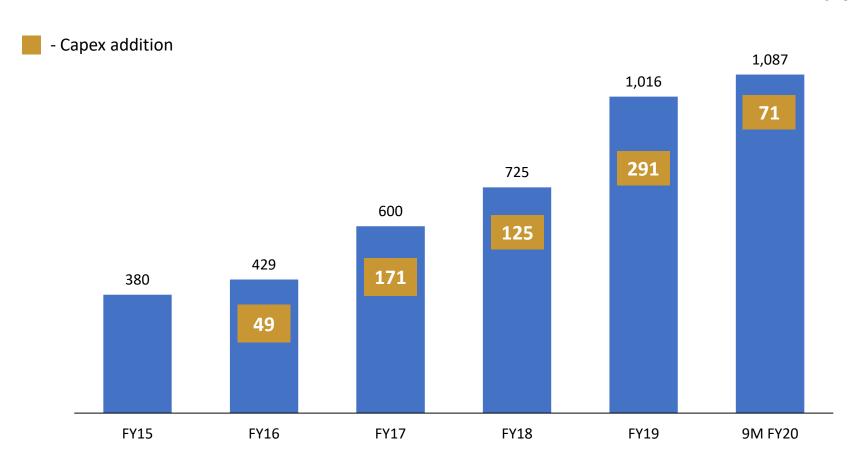
# Enhanced Working Capital Limits\*

- Enhanced Fund Based Limits from Rs. 750 crores to Rs. 1,000 crores which will enable us to execute projects without financial constraints
- Enhanced Non-Fund Based Limits from Rs. 3,350 crores to Rs. 5,000 crores will enable to Bid for higher no. of projects which are larger in size

# Enhanced to augment & upgrade the execution



Rs. Crores

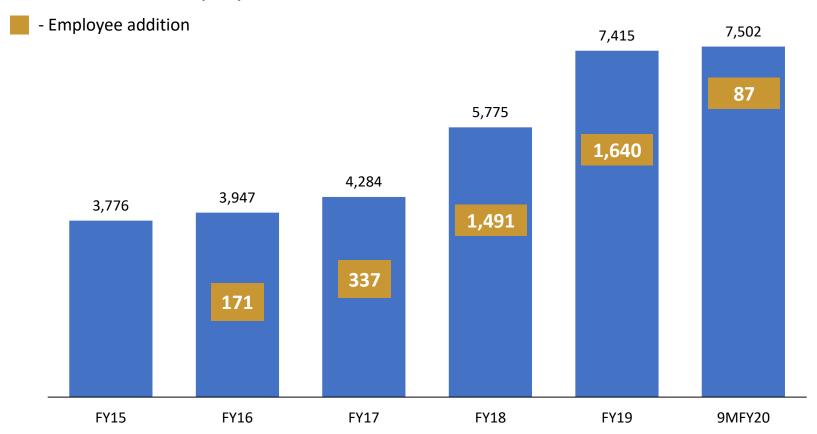


Present Capex will enable us to achieve a Turnover of Rs. 8,000-9,000 crores

# Strengthening of In-house execution team



## Current Total Employees: Over 7,500



Strengthening of In-house execution team with induction of engineers with strong technical knowledge

# Strong Credit Rating



### Reaffirmed

- PNC Infratech Ltd.
  - ✓ Long term bank facilities stands at CARE AA- (Double A Minus)
  - ✓ Short term bank facilities stands at CARE A1+ (A One plus)
- PNC Bareilly Nainital Highways Pvt. Ltd.
  - ✓ Long term bank facilities at CARE BBB; Stable (Triple B; Outlook: Stable)
- PNC Rajasthan Highways Pvt. Ltd.
  - ✓ Long term bank facilities at CARE A-; Stable (Single A Minus; Outlook: Stable
- PNC Raebareli Highways Pvt. Ltd
  - Long term bank facilities (Senior Debt) at CARE AA; Stable [Double AA; Outlook: Stable]
  - ✓ Long term bank facilities (Subordinate Debt) at CARE AA-; Stable[Double AA Minus; Outlook: Stable]
- MP Highways Pvt. Ltd.
  - ✓ Long term bank facilities at CARE A; Stable (Single A; Outlook: Stable)

### Reaffirmed

- PNC Khajuraho Highways Pvt. Ltd.
  - ✓ Long term bank facilities at CARE A-; Stable (Single A Minus; Outlook: Stable)
- PNC Chitradurga Highways Pvt. Ltd.
  - ✓ Long term bank facilities at CARE A-; Stable (Single A Minus; Outlook: Stable)
- PNC Bundelkhand Highways Pvt. Ltd.
  - Reaffirmed CARE A-; Stable (Single A Minus; Outlook: Stable) on long term bank facilities

# Assigned / Upgraded

- PNC Triveni Sangam Highways Pvt. Ltd.
  - Assigned CARE A-; Stable (Single A Minus; Outlook: Stable on long term bank facilities
- PNC Aligarh Highways Pvt. Ltd.
  - Assigned CARE A; Stable (Single A; Outlook: Stable on long term bank facilities
- PNC Challakere (Karnataka) Highways
   Private Limited
  - Assigned a provisional rating CARE A, with stable Outlook (Provisional Single A Outlook: Stable) on long term bank facilities
- PNC Delhi Industrialinfra Pvt. Ltd.
  - ✓ <u>Upgraded</u> Long term bank facilities to CARE BBB+; Positive (Triple B Plus; Outlook: Positive)

## **Experienced Promoters**





Mr. Pradeep Kumar Jain

#### **Chairman & Managing Director**

- Over 39 years of experience in the construction, infrastructure sector and allied areas
- Responsible for overall administration and supervision of projects and liaison with agencies



Mr. Naveen Kumar Jain

#### **Promoter**

 Over 30 years of experience in industries such as construction, cold storage, transportation, machineries and transport organization



Mr. Chakresh Kumar Jain

### **Managing Director & CFO**

- Over 29 years of experience in development of infrastructure sector, such as construction of highways, airports, rail over-bridges among others
- Responsible for overall finance, project management and administration



Mr. Yogesh Kumar Jain

### **Managing Director**

- Over 24 years of experience in planning, execution, supervision of work starting from pre-qualification and tendering up to completion and handing over of sites
- Responsible for technical supervision of projects up to completion stage of such projects

## **Board of Directors**





Mr. Pradeep Kumar Jain

CMD



Mr. Chakresh Kumar Jain

Managing Director & CFO



Mr. Yogesh Kumar Jain

Managing Director



Mr. Anil Kumar Rao
Whole-time Director



Mr. Talluri Raghupati Rao
Wholetime Director



Mr. Krishan Kumar Jalan (IAS)

Independent Director



Mr. Gauri Shankar
Independent Director



Mr. Chhotu Ram Sharma

Independent Director



Mr. Ashok Kumar Gupta

Independent Director



Ms. Deepika Mittal

Independent Director

## Clientele

















MPRDC









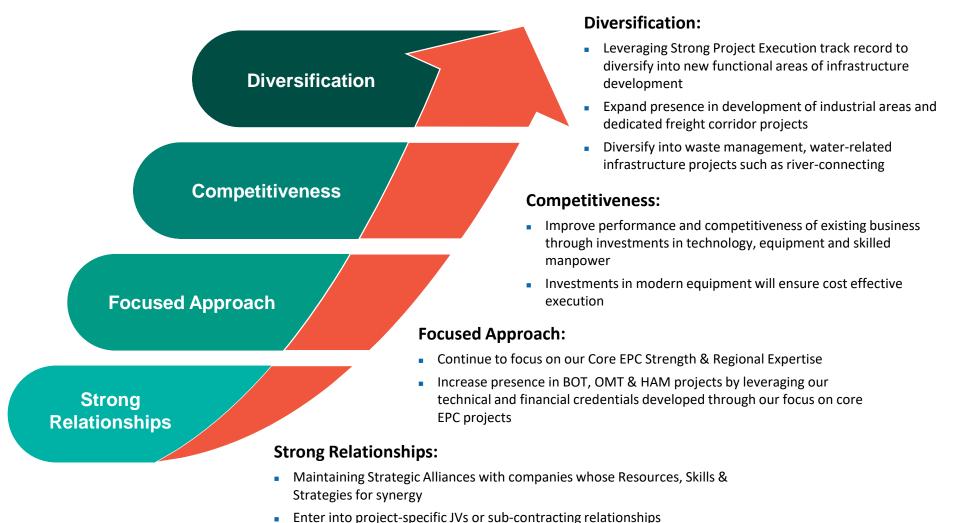
Uttar Pradesh Power Corporation Limited





# **Growth Strategy**







## For further information, please contact:

Company:	Investor Relations Advisors :
PNC Infratech Ltd CIN: L45201DL1999PLC195937	Strategic Growth Advisors Pvt. Ltd. CIN: U74140MH2010PTC204285
Mr. D. K. Maheshwari Vice President - Finance	Mr. Jigar Kavaiya Group Account Head +91-9920602034
dkm@pncinfratech.com	jigar.kavaiya@sgapl.net
www.pncinfratech.com	www.sgapl.net