

PNC Infratech Limited



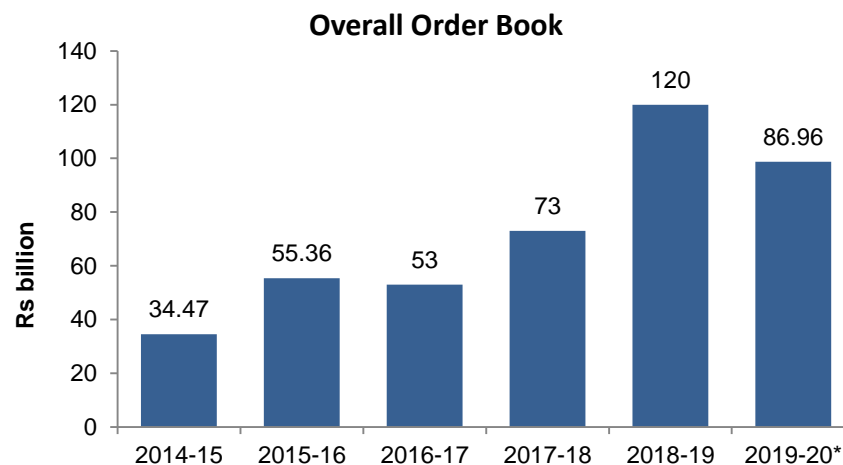
Company Overview

Parameters	Details
Headquarters	Uttar Pradesh
Year of Incorporation	1999
Order Book (As December 2019)	Rs 86.96 billion
Details	<ul style="list-style-type: none"> The company is involved in the construction and development of highways (including BOT and OMT projects), airport runways, bridges and flyovers, dedicated rail freight corridor (track construction), industrial area development and power transmission lines. It was converted into a public listed company in 2015 following a successful initial public offering (IPO). So far, the company has executed 66 major infrastructure projects spread across 13 states, of which 43 are road EPC projects. Equipment worth Rs 10.76 billion held by the company.
Ongoing projects	<ul style="list-style-type: none"> 7 HAM projects and 10 EPC stretches

- As of December 2019, the overall order book of the company stood at Rs 86.96 billion.
- An analysis of the order book reveals that the top six projects contributes to 69% of the order book value, while the remaining 31% is contributed by other projects.

*as of December 2019.

Source: PNC Infratech Limited



Order Book and Financial Performance

Order Book Composition

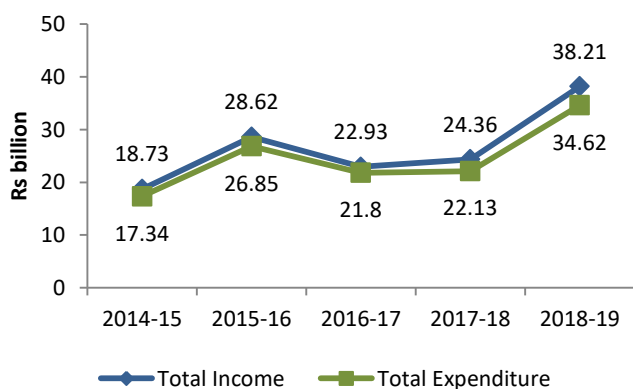
Key EPC Projects Under Implementation	Remaining Value (Rs billion)
Nagpur-Mumbai Expressway	15.68
Chakeri-Allahabad	13.86
Purvanchal Expressway, Package V	11.11
Purvanchal Expressway Package VI	7.45
Aligarh-Kanpur	6.09
Nagina-Kashipur	5.99
Top 6 projects	60.18
Other Projects	26.78
Total	86.96

Road EPC projects constitute 99% of the order book.

Note: The order book does not include the Challakere-Hariyur project and the EPC project entailing construction of NH-56, 4 –lane bypass connecting NH-56 at Km. 17.400 and terminating near Behta Village Road.

Source: PNC Infratech Limited

Total Consolidated Income and Expenditure



*As of December 2019

Source: PNC Infratech Limited

- From 2016-17 to 2018-19, income and expenditure grew from Rs 22.93 billion and Rs 21.8 billion in 2016-17 to Rs 38.21 billion and Rs 34.62 billion in 2018-19 respectively.
- During 2019-20 (as of December 2019), the company registered a total consolidated revenue of Rs 42.56 billion.

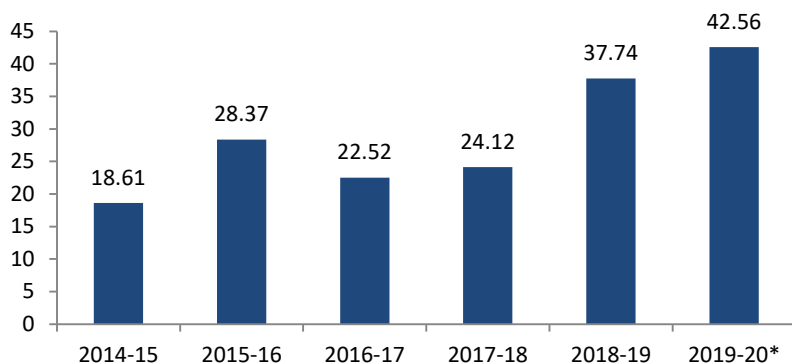
Consolidated Net Profit

Year	Profit (Rs billion)
2014-15	0.91
2015-16	2.09
2016-17	1.18
2017-18	2.43
2018-19	3.52
2019-20*	4.55

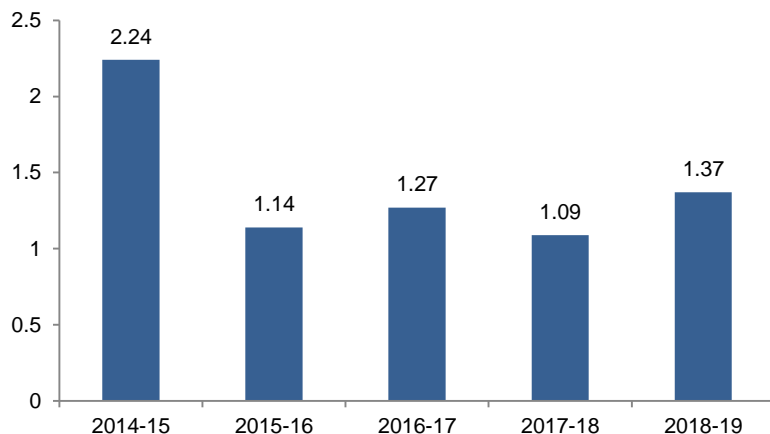
- During the period 2014-19, the net profit has recorded a growth at a CAGR of ~40.24%.

Financial Performance

Trends in Operating Revenue

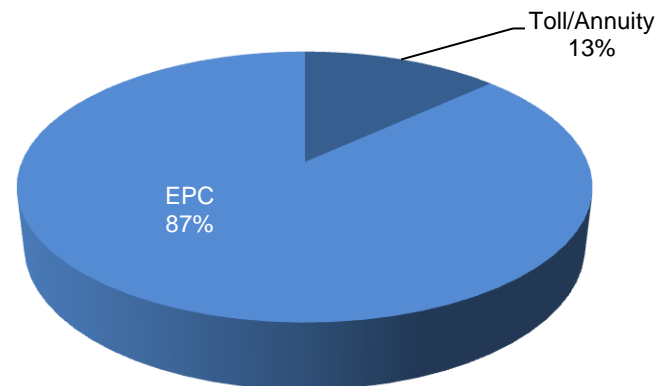


Trends in Debt-Equity Ratio



Source: PNC Infratech Limited

Segment-wise Share in Revenue (9 months of 2019-20)



- After registering an increase in the revenue during 2014-15 and 2015-16, the company has recorded a decline in the year 2016-17 to Rs 22.52 billion.
- The revenue again witnessed an increase of 7% reaching Rs 24.12 billion in 2017-18. The maximum increase was recorded in year 2018-19 i.e. 56% when Rs 37.74 billion was recorded in revenues.
- During 2018-19, the revenue from EPC projects accounts for the largest share of the total revenue, that is 87%. The remaining 13% is contributed by the toll/annuity segment.
- The debt-equity ratio has experienced a downward trend from 2.24 in 2014-15 to less than 2 in the following years.
- However, it still stands at 1.37 as of 2018-19, the highest since 2015-16.

Project Portfolio

Recently Completed Road Projects

Project	State	Mode	Agency	Length (km)	Completion date
Improvement/Augmentation of 146.4 km long Aligarh-Moradabad Section of NH-93 to two lanes with paved shoulders	Uttar Pradesh	EPC	NHAI	14.6	Provisional completion certificate issued on May 15, 2019

Operational PPP Projects of PNC Infratech

Project	Road	State	Mode of Execution	Length (km)	Cost (Rs billion)
Ghaziabad – Aligarh	NH-91	Uttar Pradesh	BOT (Toll)	125.00	20.19
Kanpur – Kabrai	NH-86	Uttar Pradesh	BOT (Toll)	123.00	4.59
Gwalior – Bhind	NH-92	Madhya Pradesh	BOT (Toll)	107.68	3.40
Bareilly – Almora	SH-37	Uttar Pradesh	BOT (Toll)	54.00	6.05
Rae Bareli – Jaunpur	NH-231	Uttar Pradesh	BOT (Annuity)	166.40	8.37
Narela Industrial Area	-	Delhi	BOT (Annuity)	33.00	1.75
Kanpur – Ayodhya	NH-28	Uttar Pradesh	OMT	217.00	-

Source: PNC Infratech Limited

Project Portfolio

Other Completed Road Projects

Project	State	Client
Development of Sagar Beena Road under Madhya Pradesh Road Sector Development Program Phase I	Madhya Pradesh	MPRDC
Major maintenance of 45 km road at Bareilly – Badaun	Uttar Pradesh	Uttar Pradesh PWD
Construction work under Uttar Pradesh State Road Project (Kasganj – Hathras)	Uttar Pradesh	Uttar Pradesh PWD
Construction work under Uttar Pradesh State Road Project (Eta – Sikohabad)	Uttar Pradesh	Uttar Pradesh PWD
Four laning of Garhmukteshwar – Moradabad section of NH-24 (93 km to 149.25 km) and bridges on NH-87	Uttar Pradesh	NHAI
Improvement of Gurgaon – Nuh – Rajasthan border at SH-13 (7.20 km to 95.89 km)	Haryana	HSRBDCL
Gairatganj – Silwani – Gadarwada (SH-44), NH-12 Junction to Silwani (SH-15) and Bareilly – Pipariya Road (SH-19)	Madhya Pradesh	MPRDC
Goverdhan Parikrama Marg	Uttar Pradesh	Aligarh PWD
Rehabilitation road work of major district road no. 139 Chatta to Gomat (chainage 0 km to 42 km)	Uttar Pradesh	Uttar Pradesh PWD
Construction of ROB and approaches on Ajmer – Beawar Road	Rajasthan	RSRDCL
Four laning of 51 km to 61 km (including Chambal bridge) on Dholpur – Morena section of NH-3 on North-South corridor	Rajasthan, Madhya Pradesh	NHAI
Balance work of new Four lane Agra Bypass connecting 176.80 km of NH-2 to 13.03 km of NH-3	Uttar Pradesh	NHAI

Source: PNC Infratech Limited

Project Portfolio

Other Completed Road Projects

Project	State	Client
Four laning of Agra – Shamshabad Road	Uttar Pradesh	Uttar Pradesh PWD
Four laning of Hamirpur Kapi Road road (SH-91) from 1 m to 22 km	Uttar Pradesh	Uttar Pradesh PWD
Two laning of Lalitpur – Kailgua Road NH-44 to Buragaon Power generation station plant	Uttar Pradesh	Uttar Pradesh PWD
Widening and strengthening from 55 km to 78 km of Pilibhit – Bareilly – Badaun – Mathura – Bhatapur	Uttar Pradesh	Uttar Pradesh PWD
Widening and strengthening of 3.50 km long road in Kannauj	Uttar Pradesh	Uttar Pradesh PWD
Widening and strengthening of 29.30 km road in Farrukhabad	Uttar Pradesh	Uttar Pradesh PWD
Construction of high level bridge at Mahal Road in Jaipur	Rajasthan	JDA
Four laning of Jaora – Nayagaon section from 125.00 km to 252.81 km including bypass	Madhya Pradesh	MPRDC
Four laning of Etawah bypass (307.5 km to 321 km) on NH-2	Uttar Pradesh	NHAI
Development of Phase II of Package-6 for road no. 9, SH-19, Porsa – Mehagon – Mau – Seonda section	Madhya Pradesh	MPRDC
Four laning of Agra – Gwalior section (8 km to 24 km) of NH-3, including construction of major bridge on Khari river (Contract Package NS-4)	Uttar Pradesh	NHAI
Four laning of Agra – Gwalior section (24 km to 41 km) of NH-3, including construction of ROB (Contract Package NS-19)	Uttar Pradesh	NHAI
Short-term improvement and maintenance of Panipat – Jalandhar section (96 km to 372.86 km) on NH-1, including collection of user fee charges	Punjab	NHAI

Source: PNC Infratech Limited

Project Portfolio

Awarded Projects (in last 12-15 months)

Agency	Length (km)	Mode	Scope of work	Contract value (Rs billion)	Date
NHAI	53.95	HAM	Four-laning of Meerut - Nazibabad section of NH-119 (New NH-34) from design chainage Km 11+500 (Meerut) to 39.250 (Behsuma) and from km 79.500 (Bijnor) to 105.700 (Jalalabad)	14.12	May 2020-lowest bidder
NHAI	59.75	HAM	Four laning of Jagdishpur - Faizabad Section from km 47.g30 (Design Chainage km 47.800) to km 107.680 (Design Chainage km 108.020) of NH-330A	15.30	March 9, 2020
NHAI	58	HAM	Four- laning of Aligarh- Kanpur Section from Km 356.000 (Design chainage Km. 373.085) to Km.414.000 (Design chainage Km.433.728), Package - V, Mitrasen - Kanpur section of NH- 91	20.52	March 9, 2020
NHAI	70	HAM	Four Laning of Unnao-Lalganj section of NH 232 A from km 0.000 to 70.000	16.02	February 27, 2020
NHAI	31.7	EPC	Construction of 31.7 km long four lane bypass connecting NH-56 at km 17.40 and terminating near Behta village road under NHDP Phase-VII	10.62	August 29, 2019
PWD	63.65	EPC	Widening and strengthening of 63.65 km long Lakhimpur to Dudhawa National Park state highway (Two Lane with Paved Shoulders)	1.86	February 16, 2019

Ongoing HAM Projects

Project	Road	State	Length (km)	Bid Project Cost (Rs billion)
Dausa – Lalsot – Kauthun	NH-11A	Rajasthan	83.45	8.82
Chitradurga – Davanagere	NH-48	Karnataka	72.7	14.34
Jhansi – Khajuraho (Package II)	NH-75/76	Uttar Pradesh, Madhya Pradesh	76.3	13.10
Jhansi – Khajuraho (Package I)	NH-75/76	Uttar Pradesh, Madhya Pradesh	85.4	14.10
Chakeri – Allahabad	NH-2	Uttar Pradesh	145.1	21.59
Aligarh – Kanpur (Package II)	NH-91	Uttar Pradesh	45	11.97
Challakere – Hariyur	NH-150A	Karnataka	55.7	11.57

Note: Financial closures have been achieved for all seven HAM projects.

Source: PNC Infratech Limited

Project Portfolio

Ongoing EPC Road Projects

Project	State
Nagina - Kashipur	Uttarakhand, Uttar Pradesh
Koliwar – Bhojpur	Bihar
Bhojpur – Buxar	Bihar
Varanasi – Gorakhpur	Uttar Pradesh
Sansarpur – Gobindpur (Purvanchal Expressway (Package-V))	Uttar Pradesh
Gobindpur – Mojrapur (Purvanchal Expressway (Package-VI))	Uttar Pradesh
Sonauli - Gorakhpur	Uttar Pradesh
Nagpur-Mumbai Six Lane Access Controlled Super Communication Expressway (Maharashtra Samruddhi Mahamarg)	Maharashtra
Aligarh-Moradabad	Uttar Pradesh
Lucknow Ring road	Uttar Pradesh

Source: PNC Infratech Limited

Recent Developments

Stake Dilution

- On May 4, 2019, PNC Infratech Limited has signed a share purchase agreement (SPA) with Cube Highways and Infrastructure Pte. Limited for sale of 35% stake held by the company along with its wholly owned subsidiary - PNC Infra Holdings Limited in Ghaziabad Aligarh Expressway Private Limited.
- Ghaziabad Aligarh Expressway Private Limited is the concessionaire for the four-laning of Ghaziabad-Aligarh section of NH-91 BOT (Toll) project in Uttar Pradesh.
- Enterprise value (EV) of the sale is Rs 18.34 billion subject to adjustments of debt and other capital and operational costs at the closing date. The company's share of 35% equity translates to sale consideration of Rs. 2.7 billion. In addition to this the PNC Infratech would recover its outstanding EPC receivables from SPV along with certain closing adjustments, which would likely to result into total cash inflow of over Rs 3.0 billion.

Arbitration Awards

- On August 3, 2019, PNC Infratech received Rs 1.45 billion towards an arbitration award.
- The Arbitration was for NHAI's project namely 'widening and strengthening of NH-24 in Uttar Pradesh (Garh-Mukteshwar to Moradabad).

Source: PNC Infratech Limited

Recent Developments

Financial Closure Achieved by PNC Infratech during 2018-19

Project	SPV	Bid Project Cost (Rs billion)	Date of Achieving Financial Closure	Construction period	Concession period
Development of four laning from km 358.50 to km 414.20, Challakere to Hariyur section of NH-150 A, on HAM	PNC Challakere (Karnataka) Highways Private Limited	11.57	December 2018	730 days	17 years
Four-laning of Aligarh-Kanpur section from 186.00 km to 229 km (Package II - Bhadwas-Kalyanpur)	PNC Aligarh Highways Private Limited	11.97	November 2018	730 days	17 years
Six-laning of Chakeri -Allahabad section NH-2 (from 483.687 km to 628.753 km) under NHDP – Phase V	PNC Triveni Sangam Highways Private Limited	21.59	September 2018	910 days	17.5 years

Bonus Awards

- PNC Raebareli Highways Private Limited (concessionaire), subsidiary of company received Rs 337.3 million towards bonus annuity' on May 8, 2018 for early completion of 'Two-laning of Raebareli to Jaunpur Section of NH-231 BOT-annuity Project from NHAI.

Future Plans

Future Plans and Strategies



Source: PNC Infratech Limited