



DILIP BUILDCON LIMITED
INFRASTRUCTURE & BEYOND

July 05, 2018

To
BSE Limited
Listing Department
P.J Tower, Dalal Street
Mumbai – 400001

Stock Symbol -540047

To
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G
BandraKurla Complex,
Bandra (E), Mumbai – 400051

Stock Symbol –DBL

Sub: -Investor Presentation

Please find attached herewith Investor Presentation and kindly take the same on your record.

For DilipBuildcon Limited


Abhishek Srivastava
Company Secretary



Regd. Office :

Plot No. 5, Inside Govind Narayan Singh Gate,
Chuna Bhatti, Kolar Road, Bhopal - 462 016 (M.P.)
Ph. : 0755-4029999, Fax : 0755-4029998

E-mail : db@dilipbuildcon.co.in, Website : www.dilipbuildcon.com



CIN No. L45201MP2006PLC018689

ISO 9001:2008



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.

Overview



Pan India presence
17 states



Diversified areas of expertise
**Roads, bridges,
buildings, dams, canals,
water supply & mining**



No subcontracting,
**Vertically integrated
aided by use of
technology**



Largest owner of Construction
equipment's
9,998



Largest employer in
construction industry
32,092 employees



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



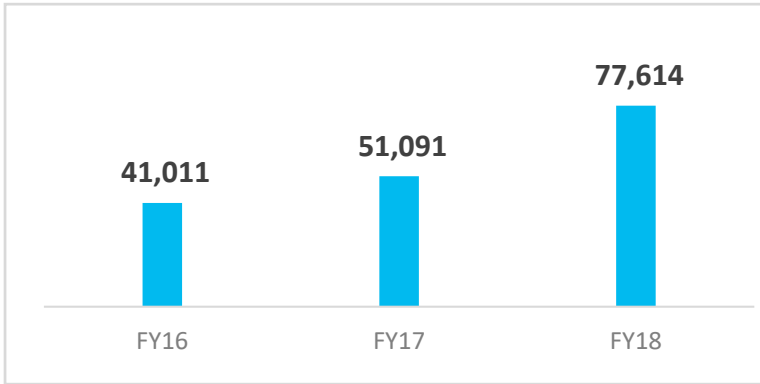
Revenue growth 5 years
CAGR of 32.14%



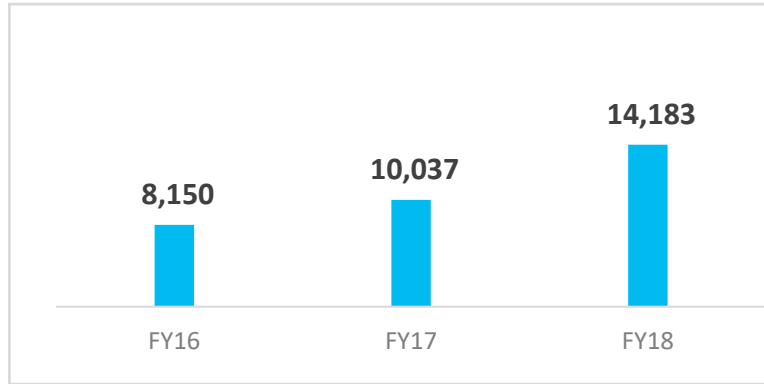
Early completion bonus 2012 to 2018
₹4,047 mn

DBL Growth Story

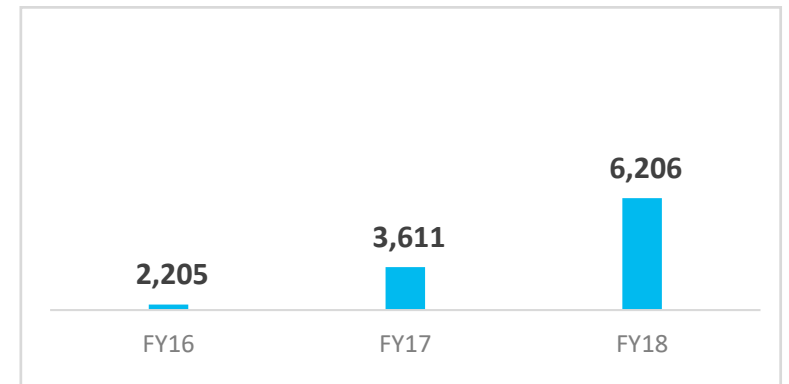
Revenue (₹ mn)



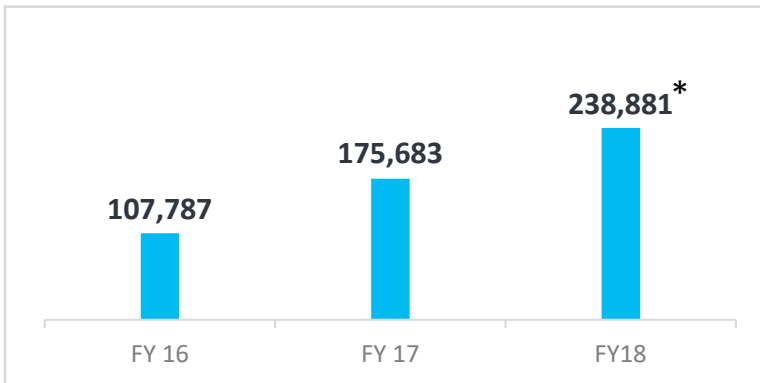
EBITDA (₹ mn)



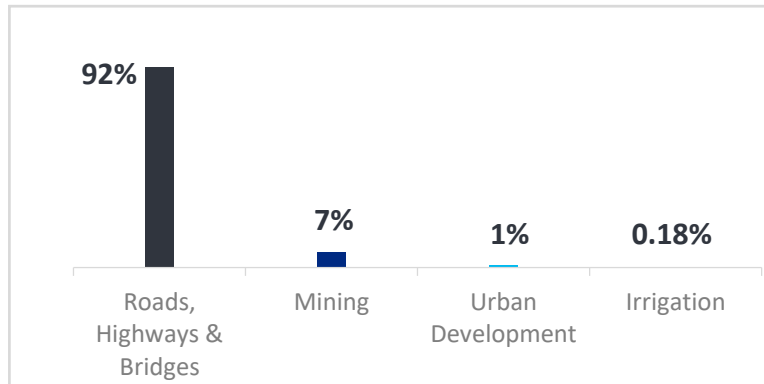
PAT (₹ mn)



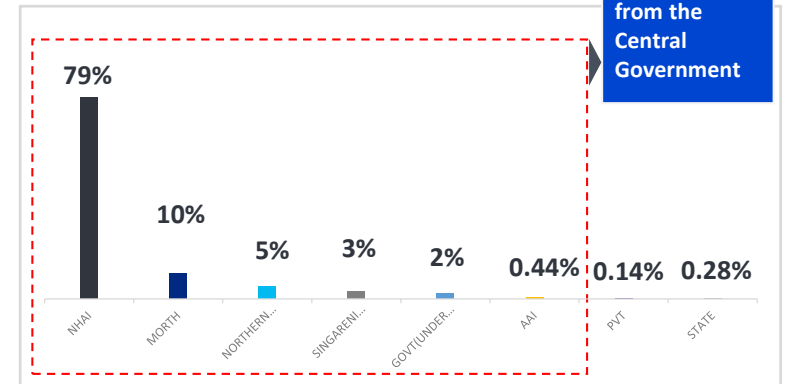
Order Book (₹ mn)



Order Book – By Sector



Order Book – By Client



*Excluding GST

Execution Strategy

Differentiated business model with complete control over execution



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.



Bharat Singh
President

Bharat Singh joined Dilip Builders in 1988, prior to which he had a sole proprietorship concern. He has 32 years work of experience in the field of construction. At DBL he is responsible for administration and management of finance and accounts.



Rohan Suryavanshi
Head – Strategy and Planning

Rohan Suryavanshi joined DBL in 2007. He holds a BA (Hons) in Commerce from the University of Pune and an MBA (Finance and Management) from The Wharton School, University of Pennsylvania. At DBL he is responsible for business strategy, financial planning, business process streamlining, and investor management.

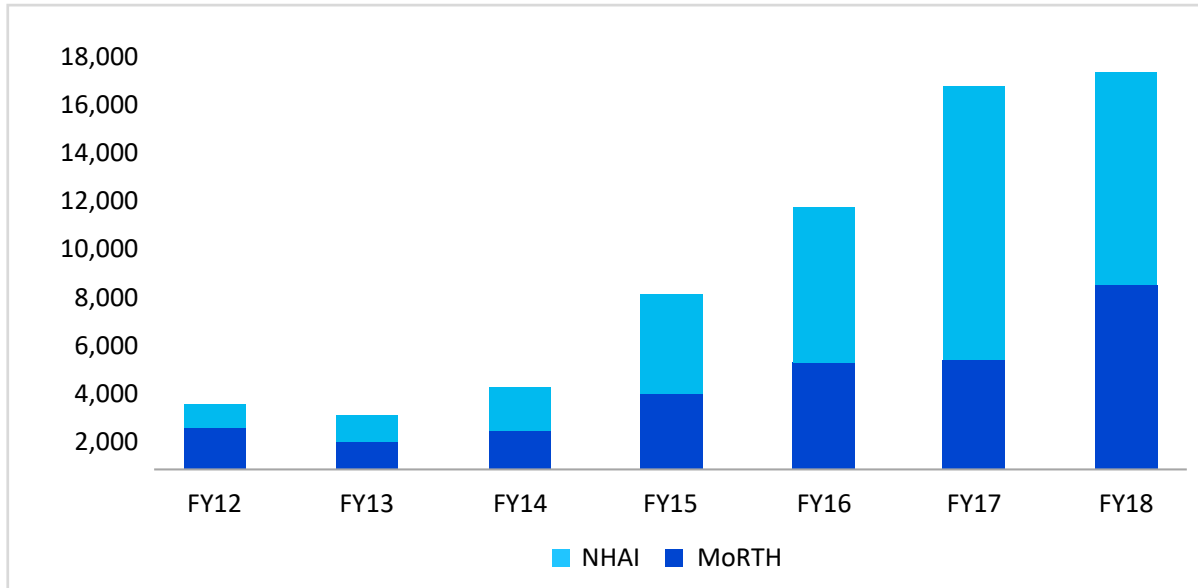


Karan Suryavanshi
Head – Business Development

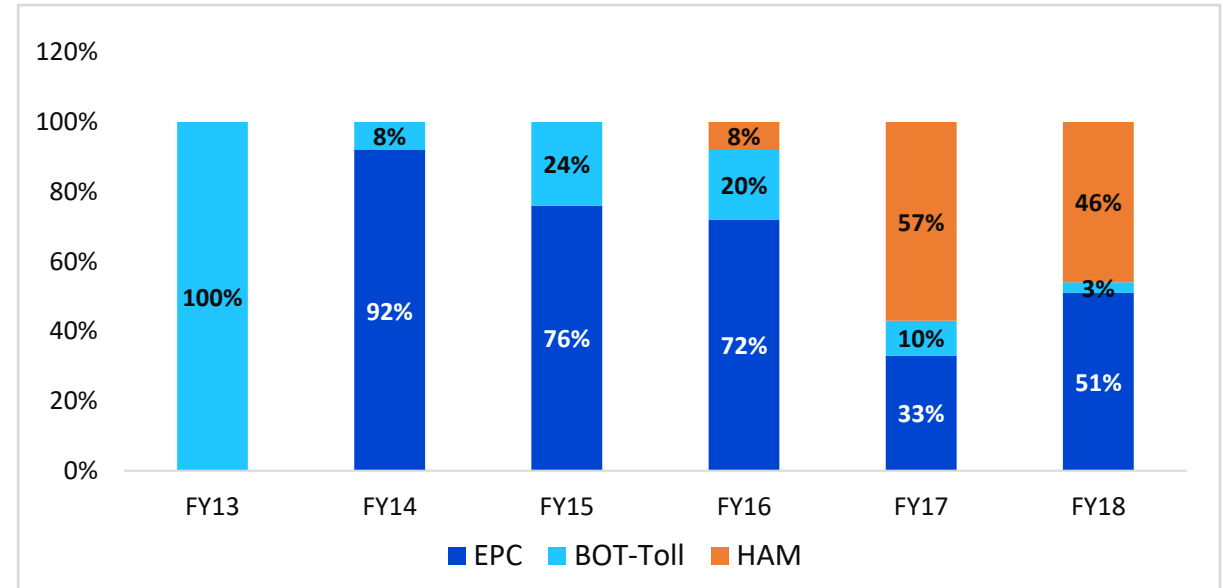
Karan Suryavanshi joined DBL in 2010. He holds a bachelor's degree in business administration from Symbiosis Centre for Management Studies. At DBL, he is responsible for planning, liaising with the government, sales, marketing, business development, and management functions.

Highest-ever awarding at ~17,000 km in FY18; EPC & HAM to dominate awarding in FY19 as well

Project award and momentum



HAM and EPC contracts loom large



Source: CRISIL Research

FY16 saw the introduction of HAM mode to revive PPP in the sector

NHAI has created new opportunity through innovative HAM model

Particulars	FY 14	FY 15	FY 16	FY 17	FY 18
EPC	92%	76%	72%	33%	51%
BOT/ TOLL	8%	24%	20%	10%	3%
HAM	--	--	8%	57%	46%

Uniqueness of HAM Model:



AAA rated asset class backed by NHAI's credibility

Escalation clause in the project cost

Stable cash flow of annuity payments

Assured O&M payouts by authority

DBL order inflow

Particulars	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19 YTD
BOT / Annuity / HAM	4,015	-	15,788	55,538	102,651	12,017
EPC	33,509	50,523	59,790	57,495	39,737	17,794
Total	37,524	50,523	75,578	113,034	142,389	29,811
BOT / Annuity / HAM	11%	0%	21%	49%	72%	40%
EPC	89%	100%	79%	51%	28%	60%

- Competition intensity in EPC projects – around 10 players
- Competition intensity in HAM projects – around 5 players

Shrem Deal – Largest Road Transaction worth Rs. 10,500 crs

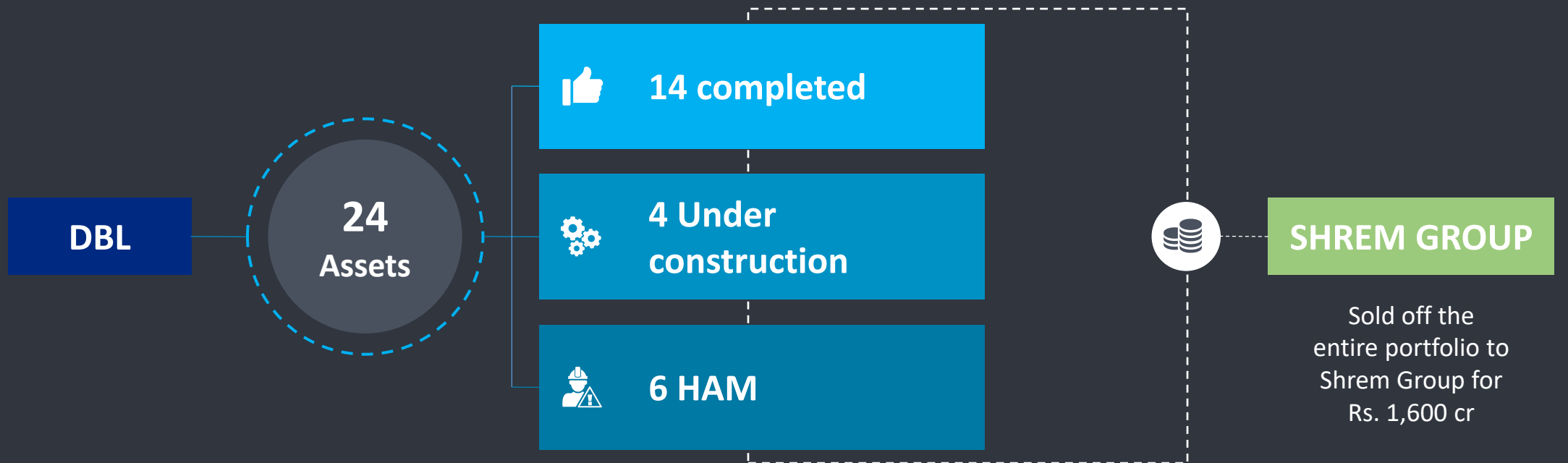


1. Unique Deal – Showcased our ability to not only sell constructed assets but also under construction assets in a challenging market environment.
2. Re-Churn Equity – Was in line with our strategy to churn equity to unlock value
3. EPC order book – Able to get attractive EPC orders
4. O&M Opportunity – Help build strong O&M order book with a revenue visibility of 15 years
5. The transaction created headroom to participate in the recent HAM bids

Shrem Deal – Illustration

Three Parts to the deal:

1. Equity commitments
2. EPC margins
3. O&M opportunity worth Rs. 4,300 crores in next 15 years (Not included in the current order book)



Status of 6 under construction HAM projects sold to Shrem

Sr.No	Project	Payment Milestone (Grant)	Appointed Date	Plan as per CA		Actual Completion		Early Achieved (Days)	% of work done as on 02-07-2018
				Date	Days	Date	Days		
1	Lucknow Sultanpur	3 rd PM, 60% Physical Progress	08-May-17	15-Nov-18	556	18-Jun-18	406	150	62.03%
2	Tuljapur Ausa	2 nd PM, 30% Physical Progress	22-Nov-17	27-Dec-18	400	05-Jun-18	195	205	34.67%
3	Wardha Butibori	2 nd PM, 30% Physical Progress	30-Nov-17	05-Jan-19	401	25-Jun-18	207	194	31.64%
4	Yavatmal Wardha	2 nd PM, 30% Physical Progress	05-Feb-18	05-Feb-19	365	02-Jul-18	147	218	30.20%
5	Mahagaon Yavatmal	1 st PM, 10% Physical Progress	28-Feb-18	14-Oct-18	228	02-Jul-18	124	104	10.30%
6	Kalmath Zarap	1 st PM, 20% Physical Progress	01-Feb-18	28-Dec-18	330	15-Jun-18	134	196	21.96%



- Total Equity invested by DBL in 24 Projects is Rs. 11,661 Mn as on 31 Mar'2018.
- DBL doesn't need to make any further investments into these 24 assets
- Shrem has paid to DBL Rs. 5,709 Mn. till 31 Mar'2018 towards the said transaction.
- Shrem Group will further pay Rs 6,102 Mn. to DBL in FY19.
- Direct investment in assets by Shrem : Rs. 316 Mn in FY18 and about Rs 3,900 Mn in FY19
- All the outstanding and future debt in all 24 assets shall be transferred to Shrem Group at the completion of the transaction

SHREM Group

- Shrem Group is a Family Wealth Office, established in 2010 and headquartered in Mumbai
- The Group is managed by two brothers, Mr Nitan Chhatwal and Mr Hitesh Chhatwal
- The group has presence in Infrastructure, Real Estate, hospitality & Finance sectors

Business Interests

Successfully invested and exited from Grand Mercure Goa Shrem Resort and Novotel Goa Shrem Resort Hotel

Successfully invested and exited from Nanavati Hospital (sold to KKR backed Radiant Life Care)

Shrem group has diversified Real Estate Investment Holding across Mumbai, Pune, Goa, Bangalore & Delhi/NCR

Successfully running an NBFC focused on lending to Real Estate and Manufacturing sectors

Shrem group has been investing in Real Estate funds of ASK, Motilal Oswal and IIFL

Recently ventured into the Infrastructure space with acquisition of 24 BOT Road assets across Madhya Pradesh, Uttar Pradesh, Maharashtra, Gujarat, Goa and Karnataka

The group is currently at development stage of a 650-room Luxury Hotel (Fairmont) near International Airport Terminal 2, Mumbai



Mr Nitan Chhatwal

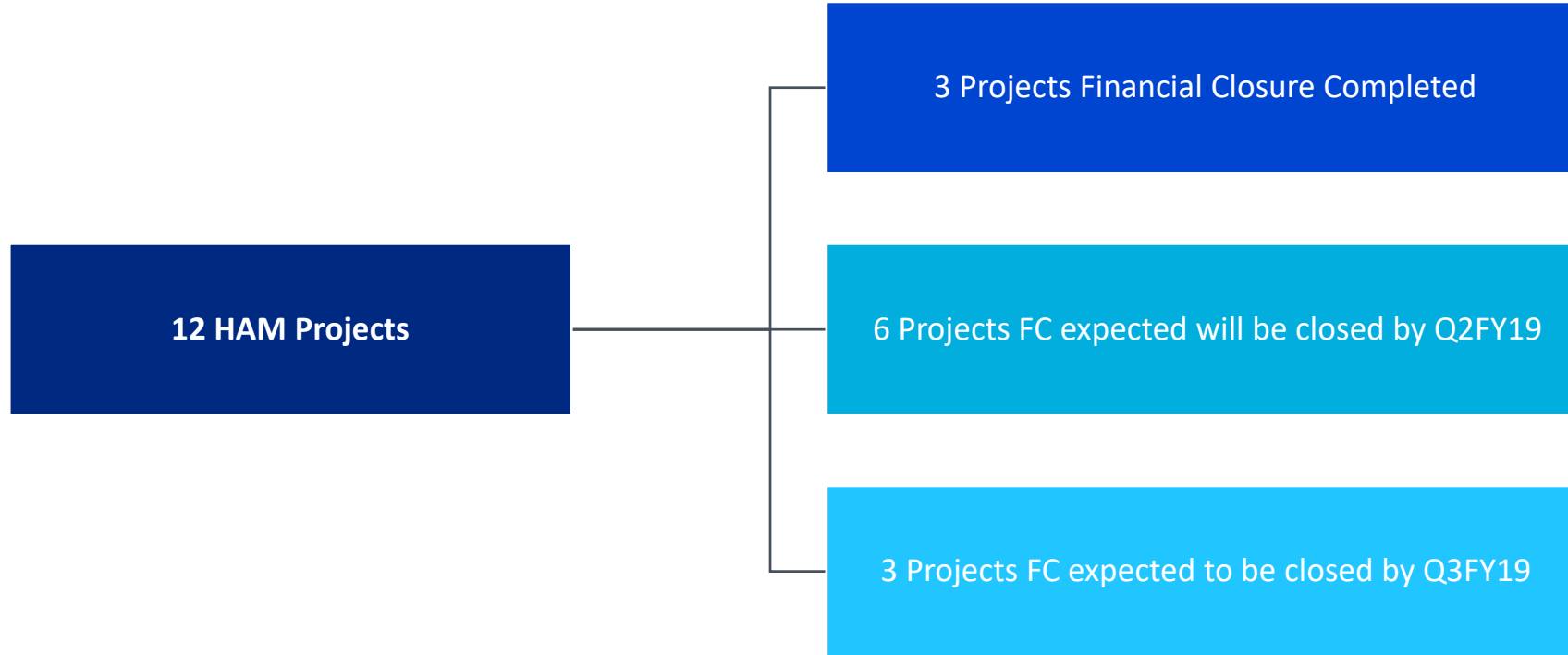
- Has over 30 years of experience in building companies and wealth creation
- As Co-promoter, was pivotal in transforming a small-sized stainless steel company Viraj, into a billion dollar company with exports to over 80 countries.



Mr Hitesh Chhatwal

- Manages the real estate interests of Shrem Group.
- Responsible for managing Project development & Joint development partnerships of Shrem Group
- Handled the Forgings business at Viraj prior to founding Shrem

Status of recently won 12 HAM projects



On track to achieve Financial Closures within the scheduled timeline

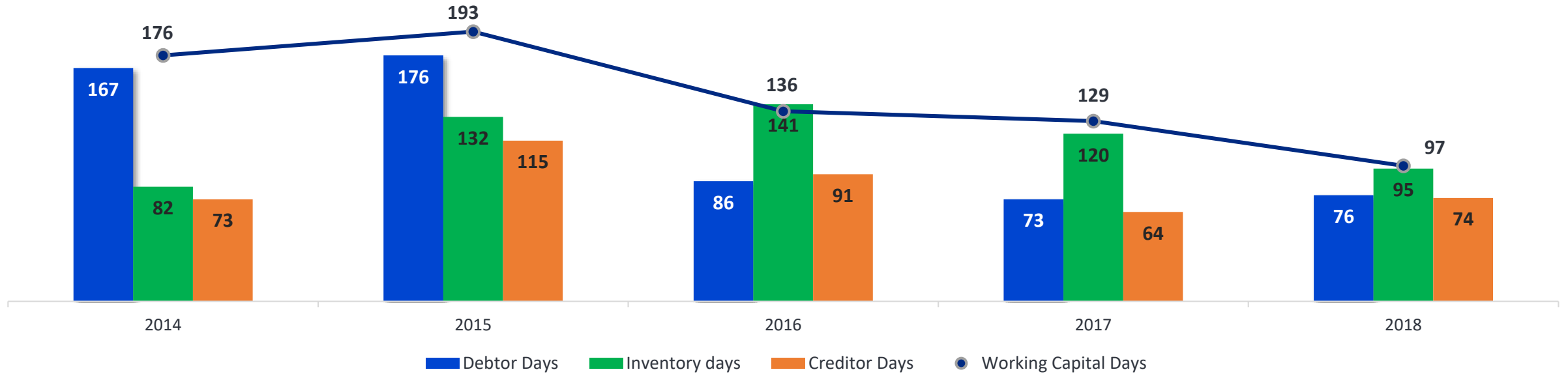
Equity commitment for recently won 12 HAM projects

	REQUIREMENT	Mar-19	Mar-20	Mar-21
INVESTMENT FOR 6 ONGOING HAM PROJECTS SOLD TO SHREM	390	390		
INVESTMENT FOR 12 NEW HAM	1,321	660	330	330
LESS :- FUND DIRECTLY INVEST BY SHREM IN SPV		-390		
LESS :- FUND RECEIVED FROM SHREM IN DBL		-610		
NET INVESTMENT REQUIRED BY DBL		50	330	330

Working Capital Cycle has halved while revenue more than tripled

(₹ mn)

Year	FY14	FY15	FY16	FY17	FY18
Revenue	23,224	26,301	41,011	51,091	77,614



Demonstrated improvement in cash conversion cycle even during high growth phase

Leverage situation is at a healthy position of 1:1

	FY16	FY17	FY18
Net Debt (INR Cr)	2,367	2,421	2,794
Net D/E Ratio (x)	2.08	1.19	1.14
Gross Debt / EBITDA Ratio (x)	2.76	2.22	1.98
Interest Coverage Ratio (x)	2.10	2.38	3.02

DBL's actual cash tax payout is higher

- The company enjoys MAT u/s 115 JB, the reason of the same is company is enjoying the benefit of Section 80-IA (4) of Income Tax Act

(in ₹ Cr)

	FY15	FY16	FY17	FY18
PBT	195	250	360	664
Tax Paid – actual	61	59	84	163
MAT/ Deferred Tax Credit	(12)	(30)	(85)	(120)
Tax Expenses as per P&L	49	29	-1	43
PAT	146	221	361	620

Finance Cost Break-up

Sr.No	Particulars	2017 (Rs. Cr)	2018 (Rs. Cr)
1	Cash Credit + Term Loan + Debentures	308	325
2	Bank Guarantee + Letter of Credit + Bank Charges	108	139
3	Total	416	464

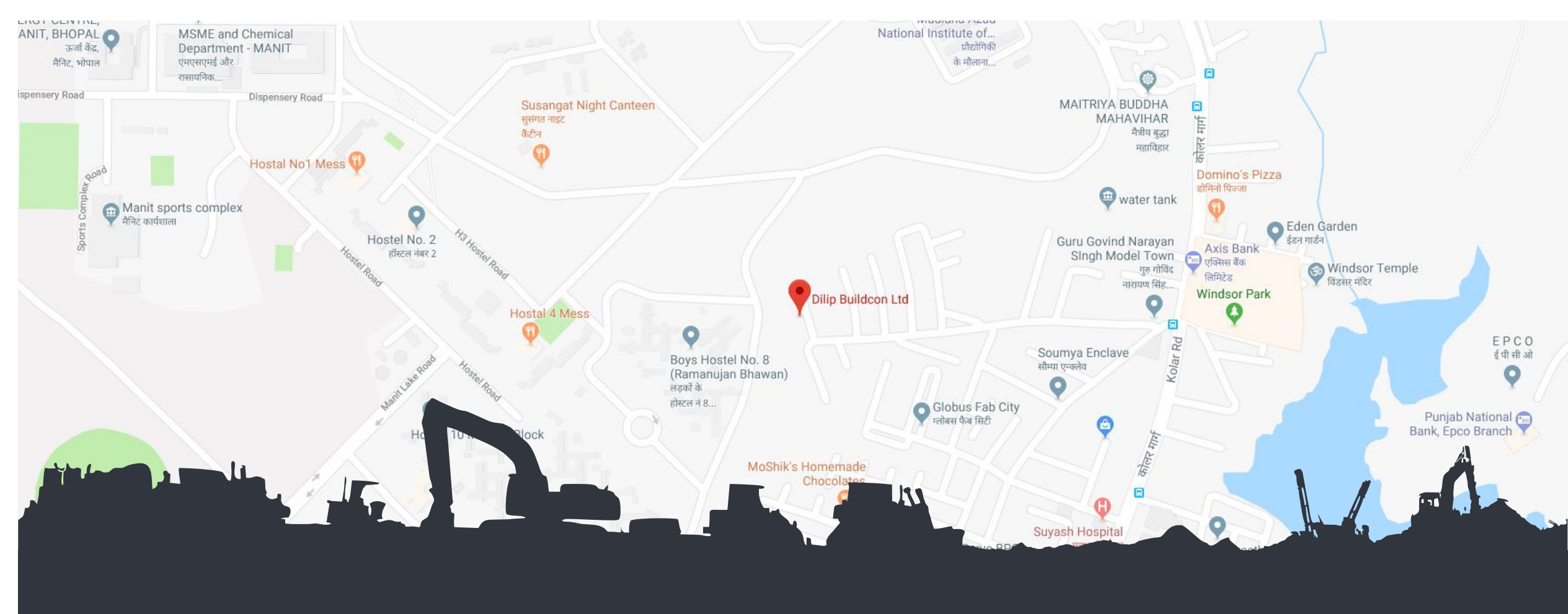
Our Auditors

Our auditor Mukund M. Chitale & Co. is a reputed audit firm and the managing partner Mr. Mukund Chitale

Our auditor serves on the Boards of

- Larsen & Toubro Ltd, Larsen & Toubro Infotech Ltd, L&T General Insurance Company ASREC (India) Ltd
- Shriram Transport Finance Co. Ltd
- ONGC Petro Additions Ltd, ONGC Petrochemicals Ltd, ONGC Mangalore Petrochemicals Ltd
- Atul Ltd.
- ITZ Cash Card Ltd
- Chairman of Principal PNB Asset Management Company Pvt. Ltd.
- Governing Council Member of Banking Codes and Standards Board of India
- Chairman of The Ethics Committee of The Stock Exchange, Mumbai.
- Member of the Advisory Board on Bank, Commercial and Financial Frauds
- The Group for Amalgamation of Urban Co-operative Banks and the Board of Supervision of NABARD.

As filed on exchanges, the auditor has not raised any red flags around the standalone and consolidated books of DBL and also not shown any interest to resign from the services.



Thank You

Dilip Buildcon Limited

- 📍 Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal Madhya Pradesh - 462 016
- ☎ 0755 - 4029999
- 🖨 0755 - 4029998
- ✉ db@dilipbuildcon.co.in
- 📄 U45201MP2006PLC018689

- 📍 S-ANCIAL GLOBAL SOLUTIONS PVT. LTD. (Investor Relations) 215, Shivshakti Industrial Estate, J. R. Boricha Marg, Lower Parel (E), Mumbai - 400 011
- ✉ rahul@s-ancial.com
- ☎ 022 6536 1001