



# Kridhan Infra Limited

Building Reliable  
Foundations for Tomorrow



## Business Update Q2 FY16

November 2015

# Disclaimer

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*This presentation contains forward-looking statements which may be identified by their use of words like “plans,” “expects,” “will,” “anticipates,” “believes,” “intends,” “projects,” “estimates” or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements.*

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# About Kridhan Infra

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Piling work at Steel Complex, Maharashtra

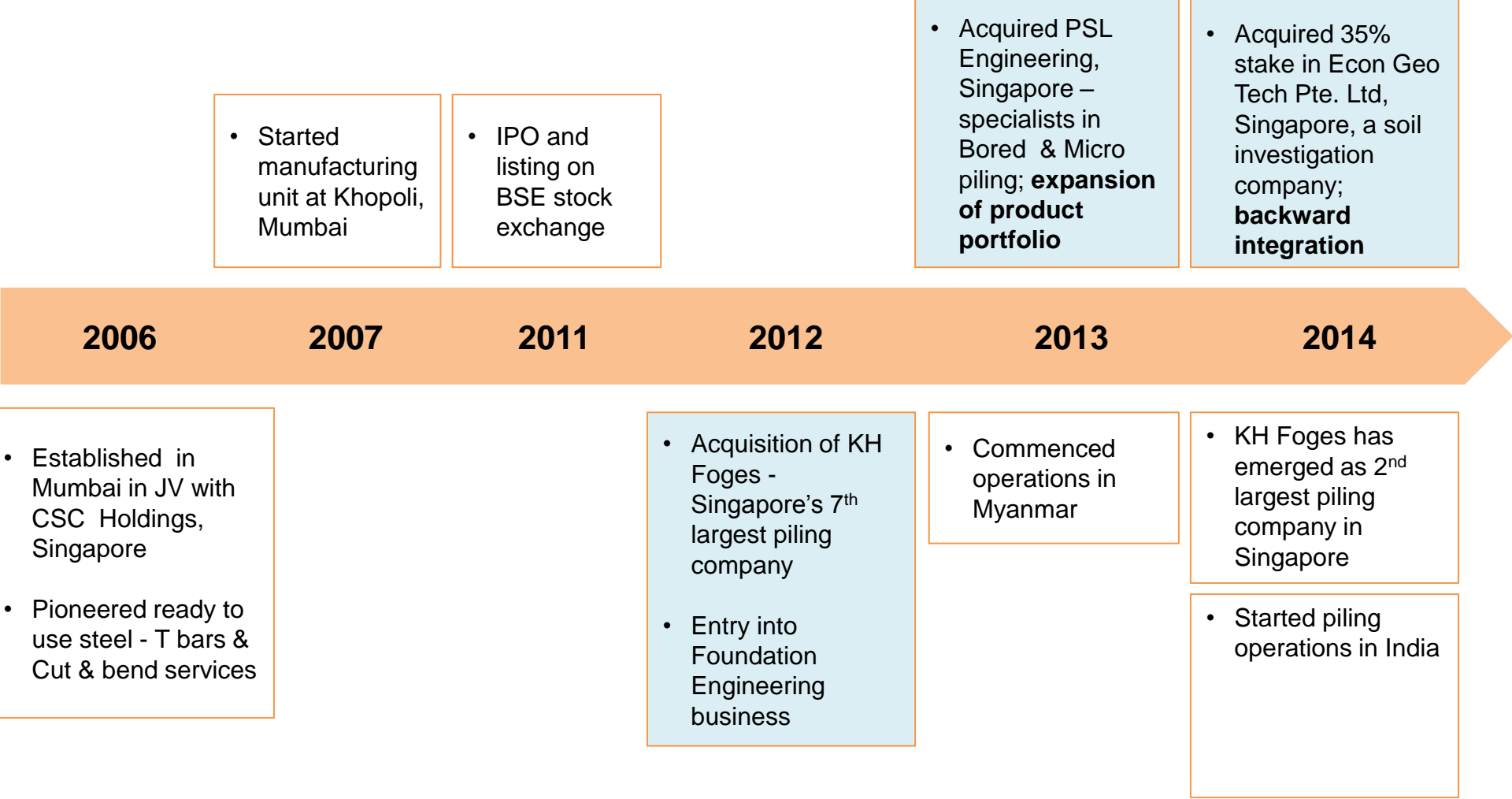


# Kridhan – at a glance

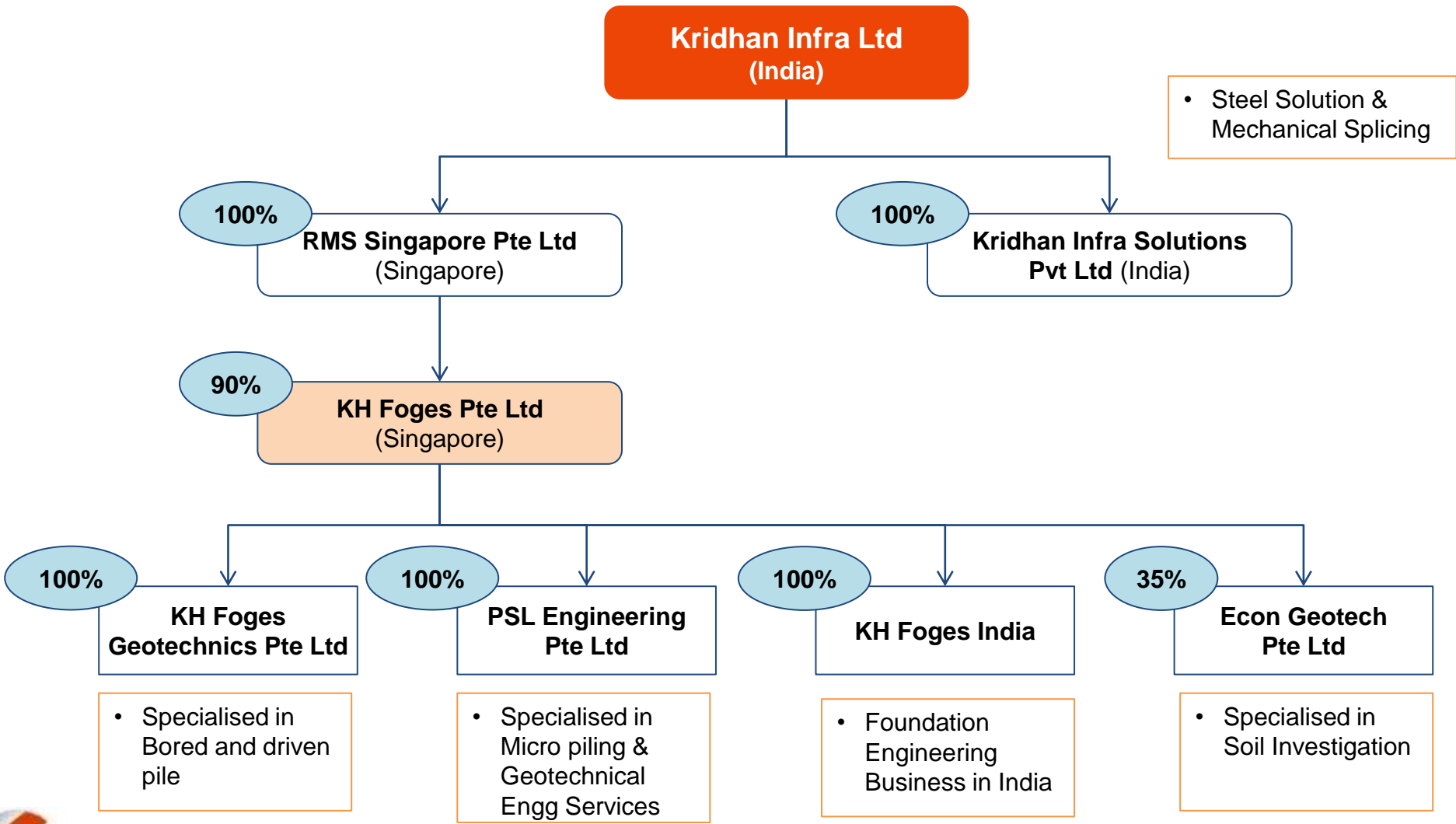
- Leading Foundation Engineering Company - **Singapore's 2<sup>nd</sup> largest Foundation and Geotechnical Engineering company**
- KH Foges, Subsidiary of Kridhan.- Provides timely, quality and high value added services to the Infrastructure, building and construction industry
- Since 2011, expanded its business operations to **Singapore, Myanmar, Malaysia and other SEA Countries**
- Successfully executed more than **250 projects** in Singapore
- Received the prestigious **L6 certification** with the Building and Construction Authority (BCA) of Singapore, **enabling them to tender for unlimited project values in foundation engineering**
- **Pioneered in introducing 'ready to use' steel** for Indian construction industry; ISO 9001:2008 certified company, headquartered in Mumbai



# Evolved with successful acquisitions...



# Corporate structure





# Business segments



## Foundation Engineering & Geotechnical Works

- Bored Cast-in-Place Concrete Piles
- Contiguous Bored and Secant Pile Walls
- Driven Piles
- Soldier Piles/King Posts
- Micro Piles and Geotechnical Works



## Steel products & Services

- Stirrups
- Prefabricated Steel Cages
- Steel Couplers
- Reinforced Bars – Cut & Bend

... Foundation Engineering contributes to over 90% of revenues



# Foundation & Geotechnical Engineering business – presence across the value chain

<b>Bored Piling</b>		<ul style="list-style-type: none"><li>▪ Used for construction of large buildings; higher than 10 storeys</li><li>▪ Process is deeper drilling for strong building foundation</li><li>▪ Ideal for very dense and hard ground conditions</li><li>▪ Typically large projects lasting 3-12 months</li><li>▪ Used in Shangri La Myanmar project with healthy margins</li></ul>
<b>Driven Piling</b>		<ul style="list-style-type: none"><li>▪ Uses equipment which typically causes noise and vibrations</li><li>▪ Suitable for projects in relatively less populated locations</li><li>▪ Uses steel bars and cement, mainly for medium sized buildings</li><li>▪ Ideal for very dense and hard ground conditions.</li><li>▪ Used in large projects lasting 3 months</li></ul>
<b>Micro Piling &amp; Soil Improvement</b>		<ul style="list-style-type: none"><li>▪ Used for low-rise buildings such as residential housing, uses cement grouted steel rebar</li><li>▪ Mainly carried out for land which may not be suitable for construction activity (e.g. too much clay); Soil improvement is carried out through addition of sand</li><li>▪ Expertise acquired through acquisition of PSL Engineering</li><li>▪ Expected to be one of the key growth areas for the company</li></ul>
<b>Soil Investigation</b>		<ul style="list-style-type: none"><li>▪ Assess suitability of soil for proposed construction</li><li>▪ Mandatory requirement in Singapore to carry out soil investigation before commencement of any project</li><li>▪ Expertise acquired through acquisition of Econ Geotech Pte Ltd</li><li>▪ Process takes time based on the amount of drill required for samples</li></ul>





# Key competitive advantages

## Established leadership in FE space

- Presence in 5 countries with capacity and global reach to tackle large and demanding projects
- 2nd largest player in FE in Singapore with ~10% market share; executed over 250 projects
- Successful ramp up outside Singapore bagging projects in Malaysia, Myanmar and India

## Strong technical expertise

- Strong engineering capabilities enables the company to offer most cost-effective, complete packaged solutions
- State of the art technology for piling work with an expertise to dig upto 60 – 90 meters
- In-house team of technical experts

## Uniquely positioned to tap Indian market

- One of few players specialized in piling work in India which enables faster execution of projects at higher margins
- Expertise across construction sector and infrastructure projects like Metro Rail, Ports, Industrial Projects, Commercial & Residential Buildings
- Order book of Rs 120 crores

Well placed to tap the growing opportunity in the Indian construction space



# Blue chip customers across entire spectrum of construction

### Transport

KOCHI METRO  
HYDRABAD METRO RAIL  
JAIPUR METRO  
MRT  
दिल्ली मेट्रो रेल कॉर्पोरेशन लिमिटेड  
DELHI METRO RAIL CORPORATION LTD.

### Residential

LODHA BUILDING A BETTER LIFE  
OBEROI REALTY  
HOUSING & DEVELOPMENT BOARD  
Hong Fok Corporation Limited  
集永成机构有限公司  
Chip Eng Seng Corporation Ltd  
SIM LIAN GROUP LIMITED Creating Space - Creating Homes  
Far East Organization INSPIRING BETTER LIVES

### Leisure

SHANGRI-LA HOTELS AND RESORTS  
Resorts World SENTOSA SINGAPORE

### Commercial

Singapore General Hospital SingHealth  
Khoo Teck Puat Hospital Alexandra Health  
United Engineers (Singapore) Pte Ltd  
NANYANG TECHNOLOGICAL UNIVERSITY  
SINGAPORE POLYTECHNIC  
THE RITZ-CARLTON  
HPC BUILDERS PTE LTD

### Infrastructure

CHANGI airport singapore  
jtc Corporation  
長成控股  
TIONG SENG HOLDINGS LIMITED  
許也弟  
KOH BROS  
LARSEN & TOUBRO Building Cities Building Dreams It's all about imagining  
Gammon LUM CHANG

### Public Works

HOUSING & DEVELOPMENT BOARD  
Land Transport Authority PUB  
MMRDA  
LOGISTICS CONSTRUCTION PTE LTD  
MINISTRY OF HEALTH SINGAPORE



# Growth trajectory

We were (2011)	Action taken	We are (2015)	We will (2018)
<p>Readymade Steel – a steel solutions company with product line of ready to use steel</p>	<p>Faster realisation of changing market scenario</p> <p>Acquisition of KH Foges – Piling Company in Singapore &amp; Related businesses</p> <p>Successfully integrated businesses</p>	<p>Specialist in Foundation &amp; Engineering Business; 2<sup>nd</sup> largest in Singapore</p> <p>Entered Indian Foundation Engineering business</p> <p>Current order book of Rs 120 crore being executed by skilled team of over 50 people</p>	<p>Capitalise on Infrastructure &amp; construction opportunity in India</p> <p>Grow India operation at faster pace</p> <p>Be a leading player in Foundation &amp; Engineering Business in India</p>





# Q2FY16 Highlights



**Metro Station, Singapore**

# Consolidated profitability highlights

Rs Cr	Q2FY16	Q1FY16	Q-o-Q	H1FY16	H1FY15	Y-o-Y
Revenue	135.2	130.2	3.8%	265.4	337.3	-21.3%
<b>Total revenue</b>	<b>135.2</b>	<b>130.2</b>	<b>3.8%</b>	<b>265.4</b>	<b>337.3</b>	<b>-21.3%</b>
Direct expenses	108.1	103.0	4.9%	211.1	291.1	-27.5%
Employee cost	5.4	7.1	-23.9%	12.5	12.0	4.6%
Other costs	3.9	3.4	13.1%	7.3	7.9	-8.2%
<b>Total expenditure</b>	<b>117.4</b>	<b>113.6</b>	<b>3.3%</b>	<b>230.9</b>	<b>310.9</b>	<b>-25.7%</b>
<b>EBITDA</b>	<b>17.8</b>	<b>16.7</b>	<b>7.0%</b>	<b>34.5</b>	<b>26.3</b>	<b>31.0%</b>
<b>EBIDTA margin (%)</b>	<b>13.18%</b>	<b>12.79%</b>		<b>12.99%</b>	<b>7.80%</b>	
Interest	2.8	2.8	0.6%	5.6	5.6	0.5%
Depreciation	8.0	7.7	2.8%	15.7	13.9	12.8%
Other income	1.1	1.4	-20.8%	2.6	10.5	-75.7%
<b>Profit before tax</b>	<b>8.2</b>	<b>7.5</b>	<b>8.4%</b>	<b>15.7</b>	<b>17.3</b>	<b>-9.3%</b>
Tax	1.0	1.1	-11.0%	2.2	2.1	4.2%
<b>Profit after tax</b>	<b>7.2</b>	<b>6.4</b>	<b>11.9%</b>	<b>13.5</b>	<b>15.2</b>	<b>-11.1%</b>
<b>PAT margin (%)</b>	<b>5.3%</b>	<b>4.9%</b>		<b>5.1%</b>	<b>4.5%</b>	
Minority interest	0.7	0.8	-11.9%	1.5	1.7	-14.1%
<b>Consolidated PAT</b>	<b>6.5</b>	<b>5.6</b>	<b>15.2%</b>	<b>12.1</b>	<b>13.5</b>	<b>-10.8%</b>

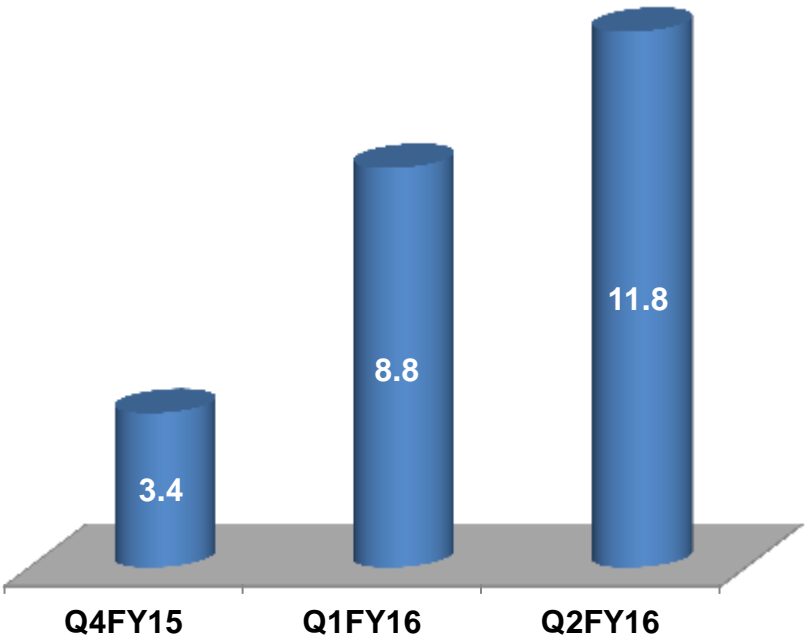
- Strategy to expand in high growth economies including India, Myanmar, Indonesia and other South East Asian Economies
- Focus on profitable growth – EBITDA margins up year-on-year as well as sequentially
- Steadily expanding Indian Foundation Engineering business – reflecting QoQ growth in revenues



# Consistent growth in Indian Foundation Engineering business

Rs Crores

## Foundation Engineering India Revenues



## Current order book of Rs 120 crores in India

- **Foundation engineering & piling order book in India stands at Rs 120 crore**
- Strategy to focus on growing infrastructure opportunities in India including Metros, Ports, River projects as well as Industrial projects
- Recently received foundation engineering and piling orders of bridges in prestigious Western Dedicated Freight Corridor Project (DFC)



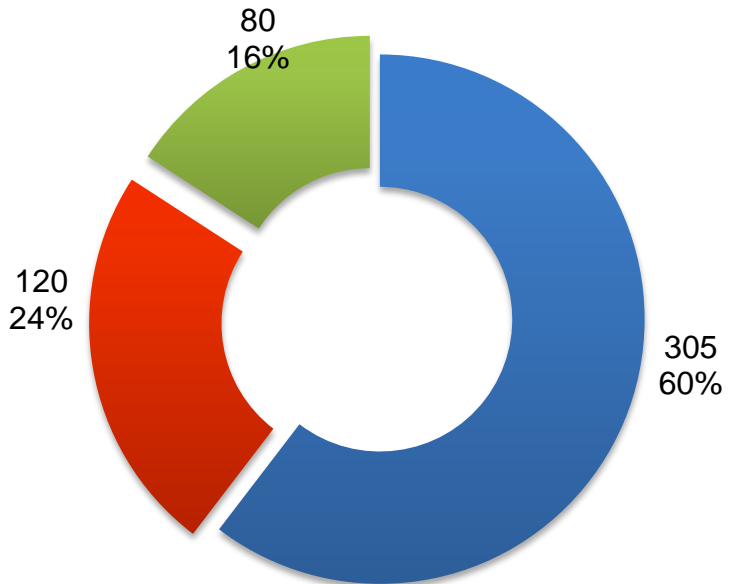


# Current order backlog of Rs. 505 cr

Rs Crores

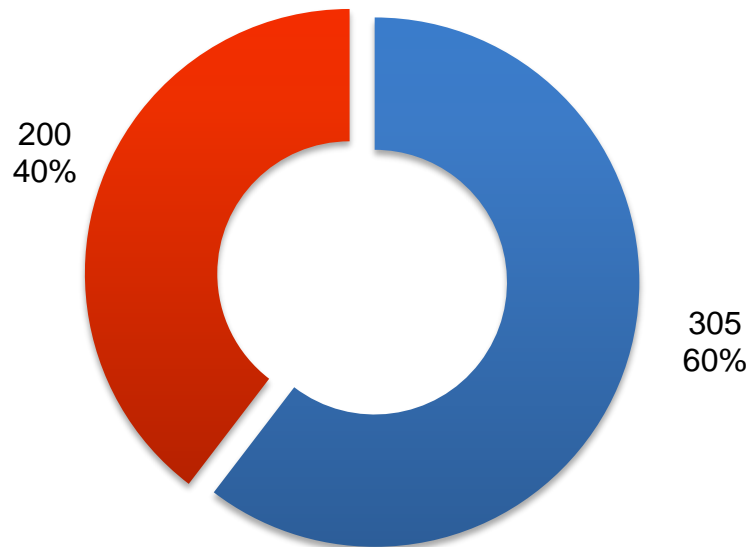
**As per Businesses**

■ FE - Singapore ■ FE - India ■ Steel Solutions



**As per Geographies**

■ Singapore ■ India



# Consolidated balance sheet

Rs Crore	Sept-15	Mar-15
Share capital	14.7	13.6
Réserves & Surplus	162.4	139.4
Share Application Money	1.8	3.9
Minority Interest	15.4	14.5
<b>Non-current liabilities</b>	<b>194.2</b>	<b>108.3</b>
Long term borrowings	62.6	75.7
Defer Tax liabilities	12.0	11.6
Other Long-Term liabilities	19.4	21.1
<b>Current liabilities</b>	<b>94.0</b>	<b>262.0</b>
Short Term Borrowings	102.9	76.1
Trade Payables	83.9	101.9
Other Current liabilities	86.7	84.0
<b>Total Equities &amp; Liabilities</b>	<b>561.8</b>	<b>541.6</b>

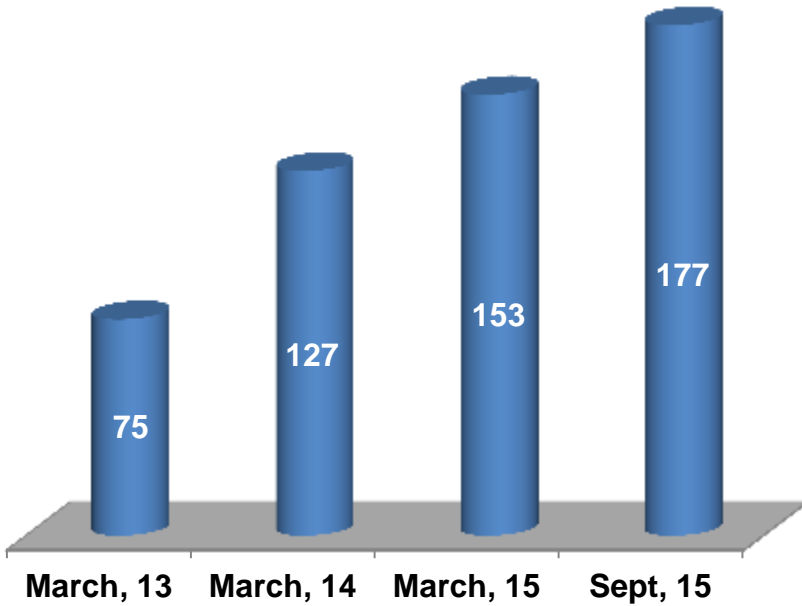
INR Crore	Sept-15	Mar-15
<b>Non-current assets</b>	<b>282.5</b>	<b>286.3</b>
Fixed assets	191.6	193.0
Goodwill on consolidation	22.3	22.5
Non-current Investments	5.7	5.2
Long-term loans & advances	1.3	1.2
Other non-current assets	61.7	64.4
<b>Current assets</b>	<b>279.3</b>	<b>255.3</b>
Inventories	29.5	26.8
Trade receivables	79.0	74.2
Cash & Cash equivalents	13.9	20.0
Short-term loans & Advances	20.8	15.9
Other Current Assets	136.1	118.5
<b>Total Assets</b>	<b>561.8</b>	<b>541.6</b>



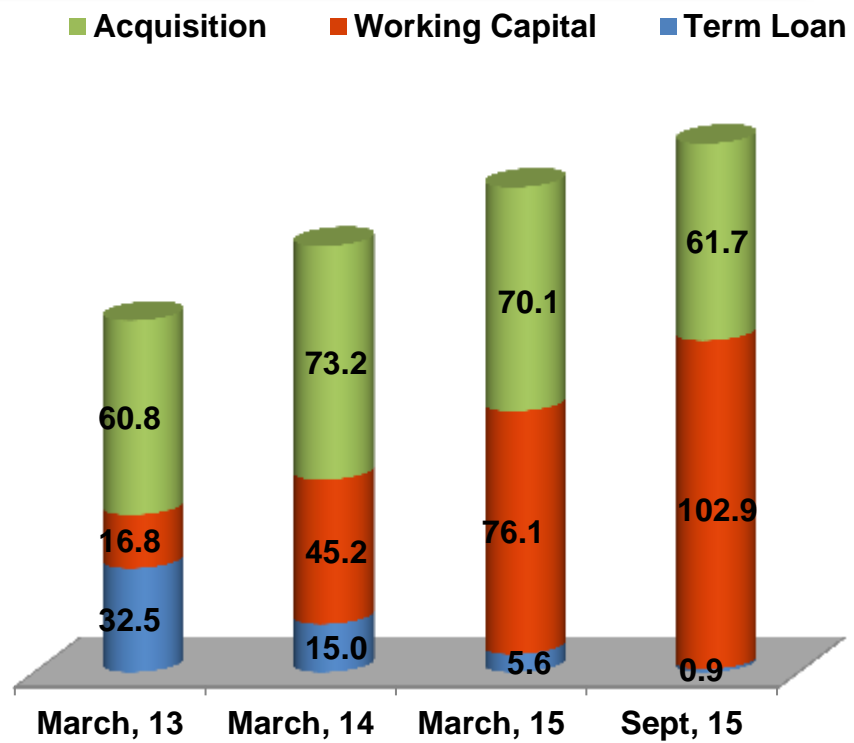
# Balance sheet highlights

Rs Crores

### Networth



### Debt



## Other updates

### MoU with CCCC Tianjin Dredging Co for dredging opportunities

- Signed a Memorandum of Understanding (MoU) with CCCC Tianjin Dredging Co. Environmental Engineering Co. Ltd. (“TDC-ECC”) to work together in Indian market for business opportunities in field of Dredging and all related activities
- CCCC Tianjin Dredging Co., Ltd. (TDC), a wholly-owned subsidiary of China Communications Construction Company Limited (CCCC) - First specialized dredging organization in China
- TDC’s fleet of cutter suction dredgers ranks No.1 in China and highest in World



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## For further information, please contact:

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### Company :

Kridhan Infra Ltd.  
CIN: L27100MH2006PLC160602

Binal Khosla  
[investor@kridhan.com](mailto:investor@kridhan.com)

[www.kridhan.com](http://www.kridhan.com)

### Investor Relations Advisors :

Stellar IR Advisors Pvt. Ltd.  
CIN: U74900MH2014PTC259212

Pooja Dokania  
[dpooja@stellar-ir.com](mailto:dpooja@stellar-ir.com)

[www.stellar-ir.com](http://www.stellar-ir.com)

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