HDIL Creating Value

Microstructures | Megastructures | Infrastructure

Housing Development and Infrastructure Ltd.

Company Overview

- HDIL Group
  - HDIL listed on BSE/NSE in July 2007
  - Over three Decades of expertise in the Real Estate Business
  - Developed over 100 million sq. ft. area
- Company Profile
  - A major player in Mumbai Realty with 90% land Reserves in the Mumbai Metropolitan Region (MMR)
  - Total Land Reserves (including TDR) of *237.75 million sq. ft. (saleable area) as on 31st December, 2010
  - Market Leader in Residential and SRA projects in the Mumbai Metropolitan Region (MMR)
  - Currently executing the largest SRA project for rehabilitation of approx. 85,000 slum dwellers under expansion & modernization of Chhatrapati Shivaji International Airport, Mumbai
  - Approx. 33,000 housing units under construction for MIAL Slum Rehabilitation Project
  - Currently approx 92 million sq. ft. sale area of projects under construction
  - 22 ongoing projects with a combination of Residential, Commercial & SRA
  - Residential Portfolio of approx. 39 million sq.ft
  - More than 13 million sq. ft. of Residential apartments sold

Strong track record of performance, consistent growth and profitability

* Company estimates

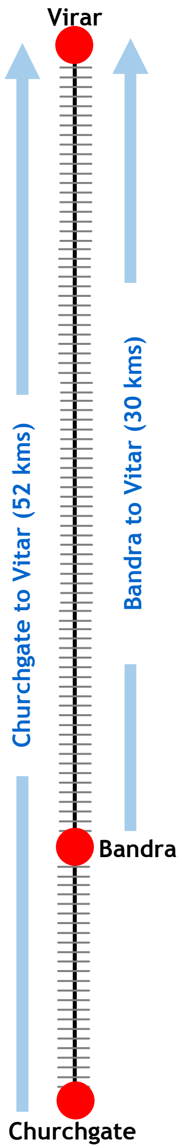
Achievements during Q3 F.Y-11

Best Developer in Commercial Infrastructure by CSI: Mr. Sarang Wadhawan - MD, HDIL

The Leading Developer in Residential and Affordable Housing: Mr. Sarang Wadhawan – MD, HDIL

Largest Player in Mumbai Metropolitan Region (MMR)

HDIL



- Vasai-Virar belt (Part of Thane district) Preferred residential destination, well connected with rail and road network
- Majority of Mumbai's working population resides in this region
- Potential business destination/ district
- HDIL is one of the largest land holders in this area

- Major potential for slum rehabilitation and redevelopment
- Major investment in infrastructure in the region
- Phase I of the MIAL project nearing completion

- Old business district of Mumbai
- Exploring potential options in South Mumbai

Total Land in MMR >200 million sq. ft.

<u>**Ongoing Projects**</u>

Residential:

- Metropolis
- Harmony
- Ghatkopar
- Kurla Premier Phase I
- Kurla Premier Phase II
- Majestic Towers
- Whispering Towers- Phase I
- Whispering Towers- Phase II
- Galaxy Apartments
- Residency Park- Phase I
- Exotica
- Meadows Phase I
- Meadows Phase II
- Kharadi
- Daulat Nagar
- Ekta Nagar
- Paradise City
- Kochi
- Novinon Property (Shahad)

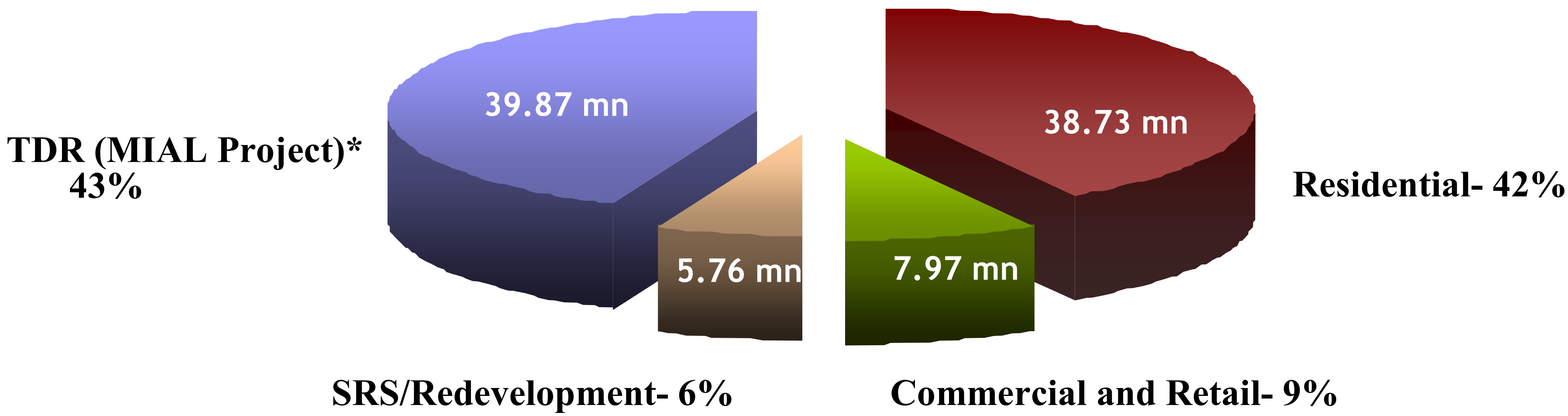
Commercial:

- Metropolis
- Kurla Premier
- Kalamsarry- Phase I
- HDIL Industrial Park

Diversified Project Mix

Ongoing Projects (Saleable Area)

Segment wise Project Breakup



* Includes proposed TDR for Phase III

22 Ongoing Projects aggregating 92.33 million sq. ft.

Ongoing Projects-Residential

Residential Projects as on 31st December 10

Project	Location	Saleable Area (in sf)
Premier Residency- Phase I	Kurla	1,000,000
Metropolis	Andheri	650,000
Harmony	Oshiwara	43,858
Galaxy	Kurla	475,000
Majestic	Bhandup	1,300,000
Virar Residency	Virar	1,250,000
Meadows Phase I	Goregaon	1,000,000
Exotica	Kurla	700,000
Whispering Towers- Phase I	Mulund	800,000
Paradise City (Phase I and II)	Palghar	5,000,000
Total		**12,218,858**

Total Residential Portfolio of Approx. 39 mn sq.ft

Forthcoming Projects-Residential

Project	Location	Saleable Area (in sf)	Status
Ekta Nagar	Kandivali	1,500,000	Rehabilitation in progress, sales to be launched
Whispering Towers- Phase II	Mulund	800,000	Rehabilitation in progress, sales to be launched
Meadows- Phase II	Goregaon	3,600,000	MHADA Redevelopment in progress, sales to be launched
Daulat Nagar	Santacruz	800,000	Rehabilitation in progress, sales to be launched
Premier Residency- Phase II	Kurla	800,000	Planning and Approval stage, Sales to be launched
Ghatkopar	Ghatkopar	509,457	Planning and Approval stage, Sales to be launched
Kochi	Kochi	6,299,640	Land Aggregation and site infrastructure in progress
Kharadi	Pune	400,000	Construction started
Novinon Property (Shahad)	MMR	5,000,000	Site preparation and infrastructure work in progress
Paradise City (Phase III)	Palghar	6,797,089	Sales to be launched
Total		**26,506,186**	

Total Residential Portfolio of Approx. 39 mn sq.ft

Ongoing Projects- Commercial and Retail

Commercial and Retail Projects as of 31st December 10

Project	Location	Saleable/Lease Area (in sf)
Kurla Premier*	Kurla	2,000,000
Metropolis*	Andheri (West)	1,220,000
Kalamsarry-I.T SEZ (Phase I)***	Kochi	2,500,000
Harmony*	Oshiwara	349,456
HDIL Industrial Park**	Virar	1,500,000
Whispering Towers**	Mulund	400,000
Total		**7,969,456**

*** Pre-leasing commenced**

**** Sale Model**

***** Construction Commenced**

Ongoing Projects- SRA

Slum Rehabilitation Projects as of 31st December 10

Project	Location	Saleable Area (in sf)
MIAL Slum Rehabilitation Project (TDR)*	Mumbai	39,875,000
Meadows (Phase I and II)	Goregaon	1,800,000
Ekta Nagar	Kandivali	950,000
Bandra (East) SRS Scheme I	Bandra-Kurla Complex	1,882,756
Bandra (East) SRS Scheme II	Bandra-Kurla Complex	159,074
Malad (West)	Malad	117,205
Ghatkopar	Ghatkopar	350,000
Daulat Nagar	Santacruz	500,000
Total		**45,634,035**

*** Includes proposed TDR for Phase III**

Focus on Execution

- Approximately 44 million sq.ft of projects under construction
- <u>Major Contractors</u>

Ahluwalia Contracts (India) Limited

VASCON

Simplex Infrastructures Limited

Techno Housing Construction India Pvt Ltd

Pragmatic Infrastructure Limited

Petron Civil Engineering Private Limited

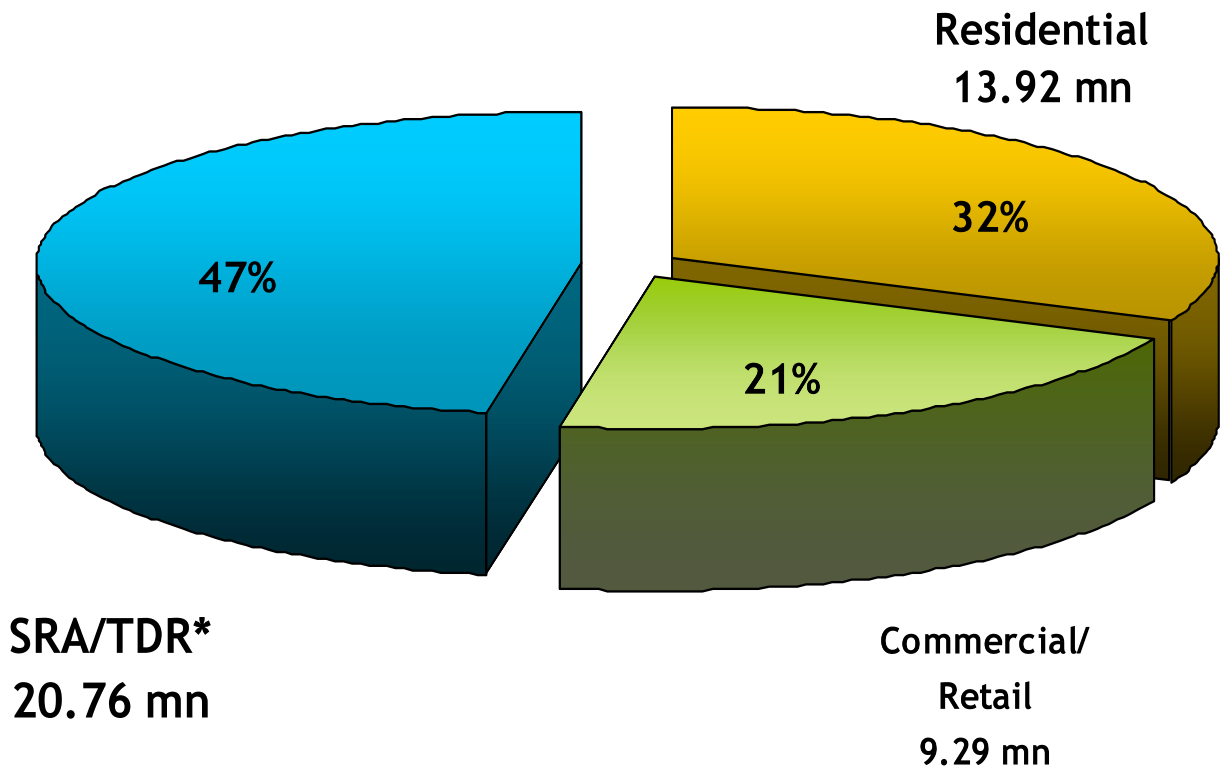
Techno Housing Construction India Private Limited

- 350 Civil Engineers recruited over a period of one year
- Execution Strengths:

1)	Average Steel Consumption	More than 300 tons per day
2)	Ready Mix Concrete	More than 5000 cubic per day
3)	Cement	Approx. 10000 bags per day
4)	Labors	More than 10,000 labors across all sites

Operating Staff increased by 2 times in the last one year

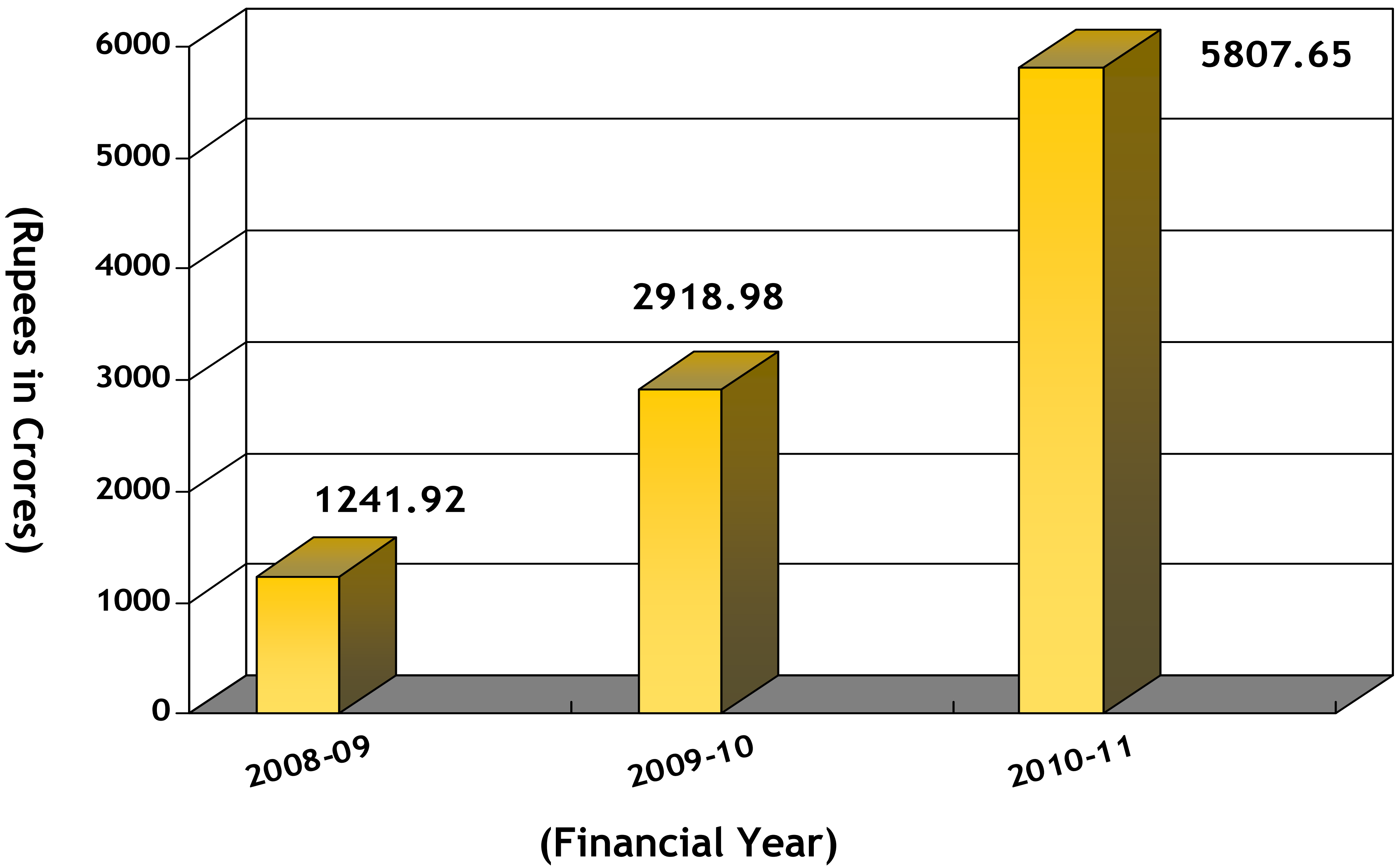
Construction Area- Ongoing Projects



* Includes Phase I and II- 33,000 units

Total Construction Area- 43.97 million sq.ft

Cumulative Estimated Sales (YoY)



Residential Projects- Construction Update

Metropolis

Meadows

Construction Update- Residential Projects

Week 4, December 10

Premiere Residencies- Kurla (W)

Galaxy Apartments- Kurla (E)

Metropolis Residencies- Andheri (W)

Majestic Towers- Nahur (W)

Construction Update- Residential Projects

Week 4, December 10

Harmony- Oshiwara

Residency Park- Virar (W)

Meadows- Goregaon (W)

Whispering Towers- Mulund (W)

Construction Update- Residential Projects

Paradise City- Palghar (W)

Recently Launched in the month of December, 2010

Commercial Projects- Construction Update

Harmony

Metropolis

Construction Update- Commercial Projects

Week 4, December 10

Premiere Residencies- Kurla (W)

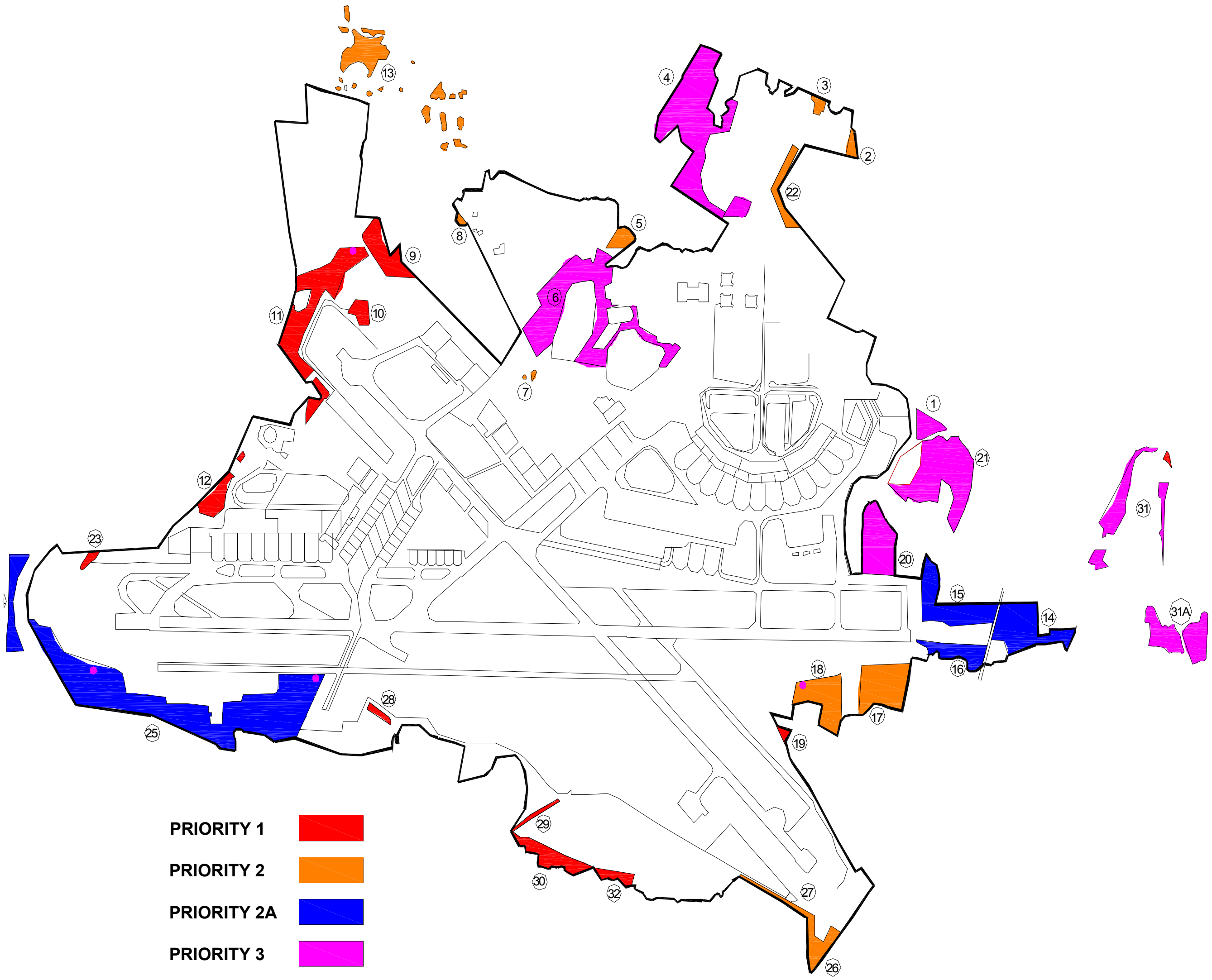
Metropolis- Andheri (W)

Industrial Park- Virar (E)

Harmony- Oshiwara

MIAL Rehabilitation Project: Uplifting face of Mumbai

HDIL



HIGHLIGHTS

- Largest Urban Rehabilitation Scheme in India
- Rehabilitation > 1 million people
- No. of Hutments - 85,000 approx.
- Scale similar to Town Planning & Urban Renewal Scheme
- Vital Public Infrastructure Project.
- Approved FSI of 4
- Airport Modernization & Expansion
- Provide World Class Infrastructure
- Generation of more than 10,000 jobs over next few years

MIAL Project would help in uplifting the face of Mumbai

Progress of MIAL Phase I and Phase II Rehab. Sites

HIGHLIGHTS			
	Premiere (I and II)	Galaxy	Majestic
No. of Families	~22,000	~2000	~2500
Rehab. Area (Sq. ft.)	8 mn.	0.5 mn.	0.7 mn.
Project Start Date	May 08	May 08	Sep 09
Work completd	> 75 %	> 75 %	>25%

HIGHLIGHTS			
	Whispering Towers	Popular Car Bazaar	Mahul
No. of Families	~ 3,000	~2500	~1000
Rehab. Area (Sq. ft.)	1.2 mn	1 mn	0.5 mn
Project Start Date	Oct 10	Nov 10	Nov 10

Approx. 33,000 housing units under construction

MIAL Rehabilitation Project- Phase 1 (Construction Update)

Virar Rental Housing Project

HIGHLIGHTS

- Largest Rental Housing Scheme in MMR since 1947
- Development of 525 acres aggregating to 56 million sq. ft. of built up area - FSI of 4
- Completion in 4 phases by 2015
- Approx. 40,000 rental units of 160 sq. ft. carpet area aggregating to 13 million sq. ft. of built up area to be given to MMRDA free of cost
- HDIL to generate 50 million sq. ft. of saleable area
- Revenue visibility from sale of FSI as well as constructed area
- Development of 4 million sq. ft. of Social Infrastructure
- Environment Management Plan

Executing Largest Rental Housing Scheme in Mumbai Metropolitan Region since 1947 with MMRDA

Investment in Hospitality Projects

Hospitality Project- Juhu, Mumbai

- **Operator**- Hilton
- **Brand**- Conrad
- Management Agreement signed with Hilton hotels for 20 years
- **Hotel Description**-
  - 5 star
  - Approx. 240 rooms
  - One All day dining
  - Three Specialty restaurants
  - Night Club
  - Executive lounge, Lounge Bar
  - Pool
  - Retail segment
  - Spa and Fitness, Banquet and Conference
- **Project Completion Deadline**- 2014

Current View

Proposed Elevation

HDIL owns 45% stake in the Hospitality Business

Hospitality Project- Andheri, Mumbai

- **Operator**- Intercontinental Hotel Group
- **Brand**- Crown Plaza
- Business/ Leisure Hotel
- **Hotel Description**-
  - 5 star
  - Approx. 200 rooms
  - One All day dining
  - Three Specialty restaurants
  - Night Club
  - Executive lounge, Lounge Bar
  - Pool
  - Retail segment
  - Spa and Fitness, Banquet and Conference
- **Project Completion Deadline**- 2013

Current View

Proposed Elevation

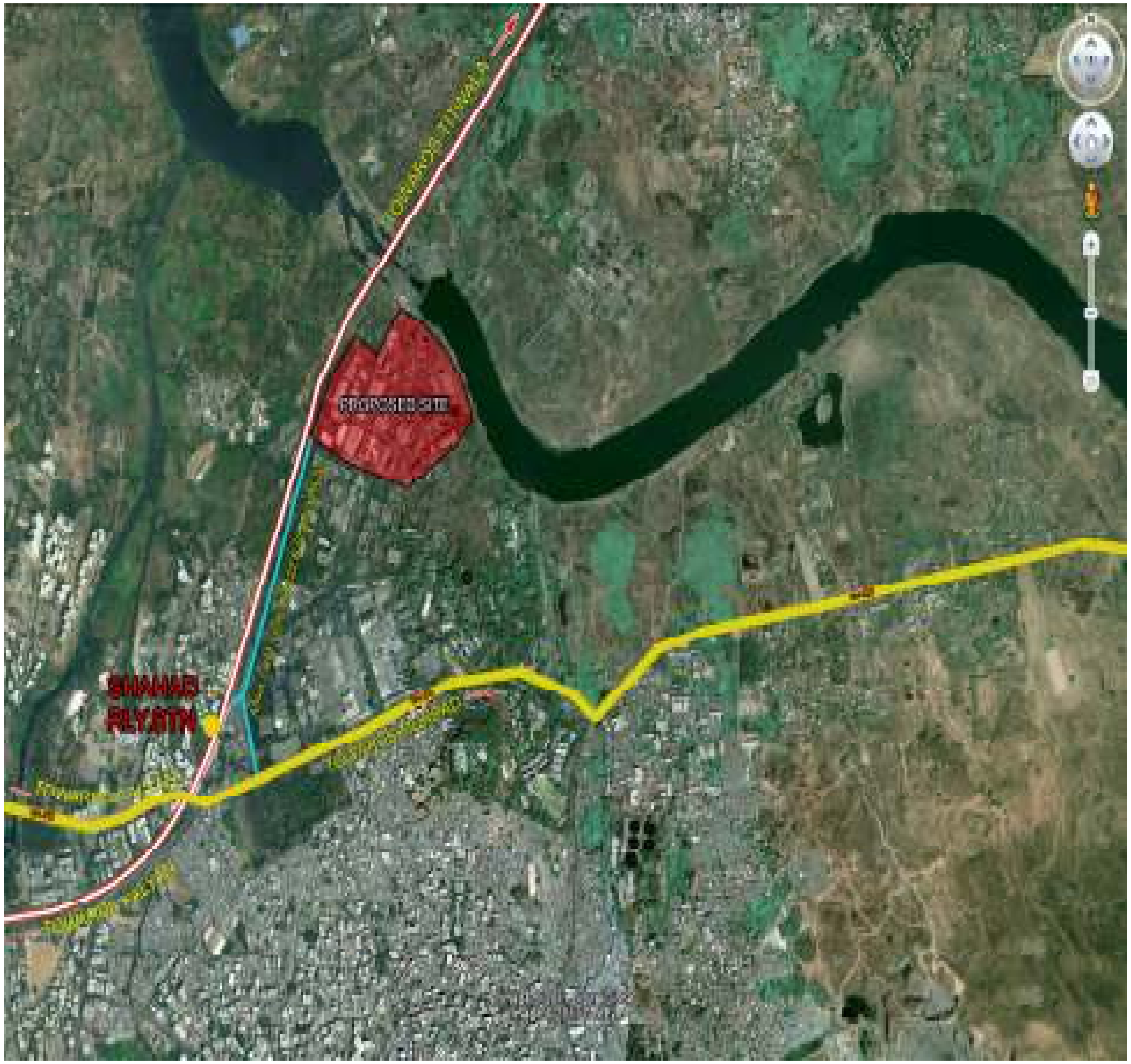
HDIL owns 100% stake in the project (part of Metropolis Commercial project)

Investment in New Projects

SRS Project in Malad (West)

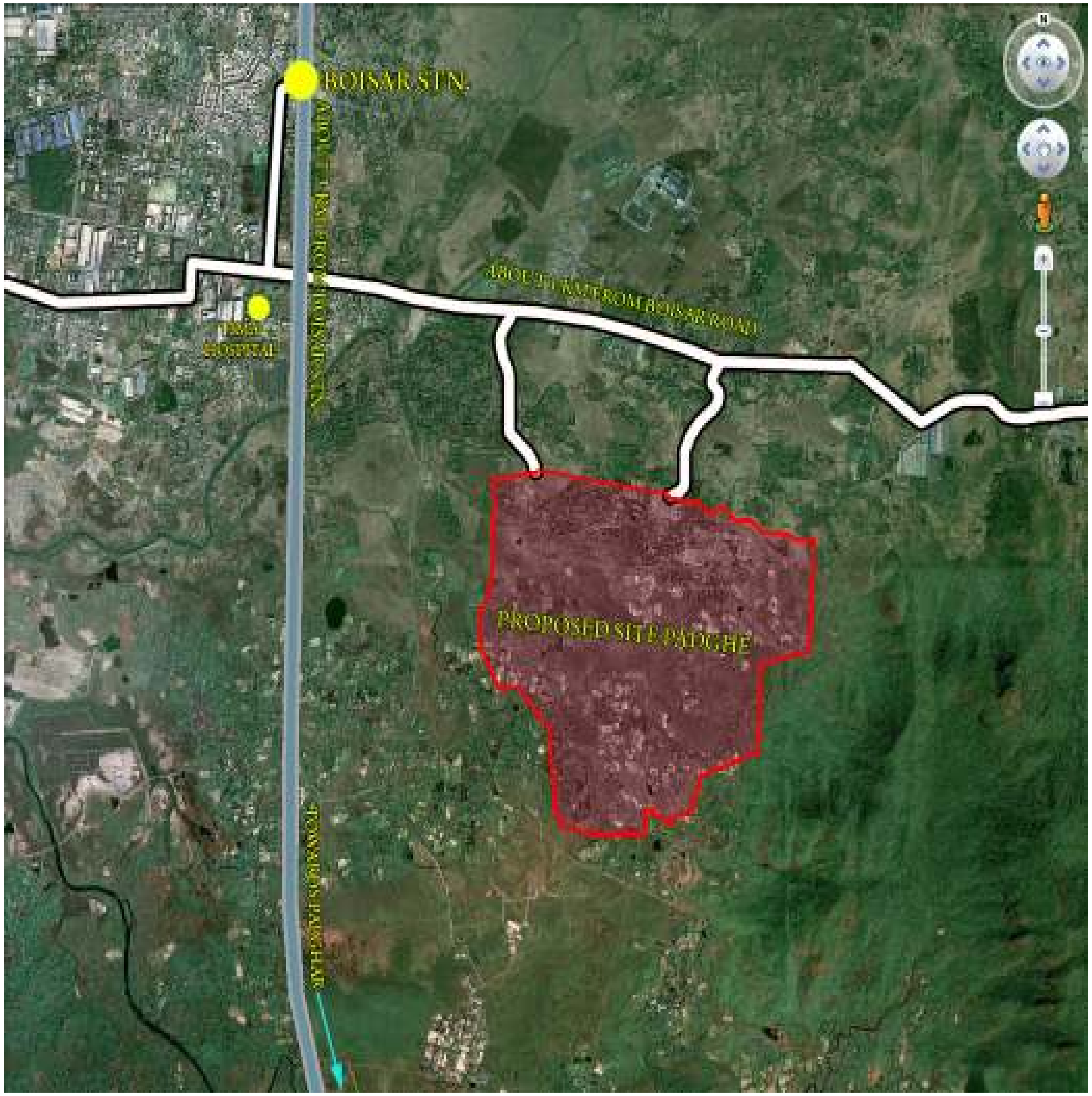
- *HDIL has acquired 69% stake in Lashkaria Constructions*
- *Approx. families to be rehabilitated- 22,773*
- *Total Potential Development- 25 million sq.ft*
- *Approx. investment till date- Rs. 400 crores*
- *Project Status- In Planning and Development stage*

NOVINON PROPERTY (SHAHAD)- Site Image



Project Details	
Novinon Property Locations	Shahad, Tarapur, Baroda
Approx. Saleable Area (Shahad)	50,00,000 sq.ft
Approx. Total Investment	Rs. 314 crores
Status	Planned
Launch	Shahad (part of MMRDA Rental housing Scheme)- in next six months

BOISAR- Site Image



Project Details	
Approx. Area	400 acres
Approx. Investment	Rs. 250 crores
Status	Planned
Launch	In next six months
Model	Affordable Housing, under approval stage

SVP NAGAR (Versova)- Site Image

Project Details	
Approx. Area	70 acres
Approx. Investment	Rs. 200 crores
Societies	98
Status	Planned (MHADA layout), under approval stage

Financial Overview

Housing Development and Infrastructure Limited

Financial Performance/ Ratios

Rs. in crores

Particulars	Quarter ended		Growth %	Quarter ended		Growth %
	12/31/2010	12/31/2009		12/31/2010	9/30/2010	
Turnover (Net)	455.35	408.88	11.37%	455.35	372.65	22.19%
Other Income	28.12	26.59	5.75%	28.12	33.88	-17.00%
Total Income	**483.47**	**435.47**	**11.02%**	**483.47**	**406.53**	**18.93%**
PBT&E	**272.80**	**195.18**	39.77%	**272.80**	**248.31**	9.86%
PBT % to income	56.43%	44.82%		56.43%	61.08%	
EBIDTA	**294.65**	**215.55**	36.70%	**294.65**	**271.41**	8.56%
EBIDTA % to income	60.94%	49.50%		60.94%	66.76%	
PAT	**251.92**	**162.76**	54.78%	**251.92**	**212.86**	18.35%
PAT % to income	52.11%	37.38%		52.11%	52.36%	
Net worth	9,180.56	6,549.91	40.16%	9,180.56	8,928.64	2.82%
Debt***	4,142.30	3,351.25	23.60%	4,142.30	4,133.32	0.22%
Debt Equity ratio	0.45	0.51		0.45	0.46	
EPS -Basic	6.07	4.71		6.18	5.67	
- Diluted	5.94	4.56		6.05	5.60	
Inventories	10,245.37	7,557.75	35.56%	10,245.37	9,236.93	10.92%

***Cash as on 31/12/2010- Approx. Rs. 351 crores

Net Debt- Rs. 3791.30

Net Debt/Equity- 0.40

Housing Development and Infrastructure Limited

Balance Sheet as at

	Schedule	31-Dec-2010 (Unaudited) (Amount in `)		31-Dec-2009 (Unaudited) (Amount in `)		30-Sep-2010 (Unaudited) (Amount in `)	
SOURCES OF FUNDS							
Shareholders' funds							
Share capital	A	4,150,039,860		3,458,426,760		4,150,039,860	
Reserves and surplus	B	87,655,574,516		62,040,641,933		85,136,374,081	
Share warrant		2,473,400,000	94,279,014,376	2,570,000,000	68,069,068,693	1,833,400,000	91,119,813,941
Loan funds	C						
Secured loans			41,423,032,622		33,512,499,273		41,333,165,199
Deferred tax liability (Net)	D		59,219,948		39,524,824		61,726,208
	Total		**135,761,266,946**		**101,621,092,790**		**132,514,705,348**
APPLICATION OF FUNDS							
Fixed assets	E						
Gross block		1,807,745,265		1,424,760,213		1,846,959,403	
Less : Accumulated depreciation		84,026,196		77,218,188		109,738,132	
Net block		1,723,719,069		1,347,542,025		1,737,221,271	
Capital work-in-progress		35,549,948	1,759,269,017	64,672,723	1,412,214,748	26,510,546	1,763,731,817
Investments	F		8,280,583,823		5,032,201,469		9,431,410,500
Current assets, loans and advances							
Inventories	G	102,453,703,858		75,577,458,237		92,369,320,987	
Sundry debtors	H	3,926,283,650		2,273,975,807		4,507,989,941	
Cash and bank balances	I	1,562,465,708		1,005,755,223		12,037,191,531	
Other current asset	J	162,942,339		22,411,800		22,625,402	
Loans and advances	K	35,122,025,061		23,338,448,484		26,775,783,604	
		143,227,420,616		102,218,049,551		135,712,911,465	
Less : Current liabilities and provisions							
Current liabilities	L	16,719,133,892		7,005,127,852		13,606,877,801	
Provisions	M	786,872,618		36,245,126		786,470,633	
		17,506,006,510		7,041,372,978		14,393,348,434	
Net current assets			125,721,414,106		95,176,676,573		121,319,563,031
			135,761,266,946		**101,621,092,790**		**132,514,705,348**

Housing Development and Infrastructure Limited

Profit and Loss Statement as on

	Schedules	Quarter ended 31-Dec-2010 (Unaudited) (Amount in `)	Quarter ended 31-Dec-2009 (Unaudited) (Amount in `)	Quarter ended 30-Sep-2010 (Unaudited) (Amount in `)
INCOME				
Turnover	N	4,553,461,289	4,088,765,646	3,726,501,470
Other income	O	281,197,385	265,897,812	338,832,362
		4,834,658,674	**4,354,663,458**	**4,065,333,832**
EXPENDITURE				
Variation in stock in trade	P	82,074,781	(926,610,547)	369,231,821
Variation in work-in-progress	Q	(10,166,457,652)	(2,855,444,444)	(5,427,699,793)
Transfer to Investment / Fixed assets		(90,273,244)	(281,438,829)	(31,089,265)
Cost of construction, Land and development expenses	R	10,601,058,170	5,062,338,845	4,893,236,104
Project specific interest	S	1,189,643,835	963,063,518	1,298,874,316
Employees' remuneration and welfare expenses	T	108,636,329	72,924,236	98,161,475
Administrative expenses	U	163,474,665	164,299,990	150,534,266
Interest	S	203,393,928	192,042,064	214,997,770
Depreciation / Amortisation		15,127,988	11,676,435	15,952,117
		2,106,678,800	**2,402,851,268**	**1,582,198,811**
Operating Profit before exceptional items		**2,727,979,874**	**1,951,812,190**	**2,483,135,021**
Less: Exceptional items		44,957,074	-	-
Operating Profit after exceptional items before Tax		**2,683,022,800**	**1,951,812,190**	**2,483,135,021**
Less :Provision for tax		166,000,000	314,600,000	346,300,000
Less:-Provision for wealth tax		328,625	110,541	110,600
Less :Deferred tax liability /(asset)		(2,506,260)	9,479,921	8,154,904
Operating Profit after Tax		2,519,200,435	1,627,621,728	2,128,569,517
Balance brought forward from previous year / quarter		10,310,417,085	8,614,853,173	8,172,499,769
Add/ Less :Excess/ (Short) Provision for taxation no longer required		-	-	9,347,799
Profit available for appropriation		12,829,617,520	10,242,474,901	10,310,417,085
Appropriations :				
Less : Transferred to Debenture Redemption Reserve		-	2,475,000,000	-
Profit Carried to Balance Sheet		**12,829,617,520**	**7,767,474,901**	**10,310,417,085**
Earnings per share - Basic (Amount in `)		**6.07**	**4.71**	**5.67**
- Diluted (Amount in `)		**5.94**	**4.56**	**5.60**
Equity shares of per value Rs. 10/- each				
Number of shares used in computing earnings per share				
Basic		415,003,986	345,842,676	376,888,962
Diluted		423,901,725	356,551,009	382,092,690

Housing Development and Infrastructure Limited
Cash Flow Statement for the period ended

			Quarter ended 31-Dec-2010 (Unaudited) (Amount in `)	
A	**Cash flow from operating activities**			
	Net profit before tax			2,683,022,800
	Adjustments for :			
	(1)	Depreciation	15,127,988	
	(2)	Interest expenses	203,393,928	
	(3)	Profit on sale of units of mutual funds	(14,710,378)	
	(4)	Interest received	(210,418,294)	
	(5)	Dividend received	-	
	(6)	Loss on sale of investments	-	
	(7)	Loss by fire	44,957,074	
	(8)	Loss on sale of fixed assets	-	38,350,318
	Operating profit before working capital changes			2,721,373,118
	Movements in working capital :			
		Decrease / (Increase) in inventory	(10,174,656,115)	
		Decrease / (Increase) in sundry debtors	581,706,291	
		Decrease / (Increase) in other receivables	(8,350,319,656)	
		(Decrease) / Increase in trade and other payables	3,113,474,386	
	Net movement in working capital			(14,829,795,094)
	Cash generated from operations			(12,108,421,976)
	Less : Direct taxes paid (net of refunds) *			167,144,935
	Net cash from operating activities			**(12,275,566,911)**
B	**Cash flows from investing activities**			
	(1)	(Increase) / Decrease in capital work in progress	(38,772,373)	
	(2)	(Increase) / Decrease in investments (net)	1,150,826,677	
	(3)	Interest received	210,418,294	
	(4)	Dividend received	-	
	(5)	Purchase of fixed assets	(62,815,383)	
	(6)	Profit on sale of units of mutual funds	14,710,378	
	(7)	Sale of fixed assets	-	
	Net cash from investing activities			**1,274,367,593**
C	**Cash flows from financing activities**			
	(1)	Proceeds from borrowings	1,285,430,000	
	(2)	Repayment of borrowings	(1,195,562,577)	
	(3)	Proceeds from share warrants	640,000,000	
	(4)	Increase in share capital including share premium	-	
	(5)	Share issue expenses	-	
	(6)	Interest paid	(203,393,928)	
	Net cash used in financing activities			**526,473,495**
	Net increase in cash and cash equivalents (A + B + C)			(10,474,725,823)
	Cash and cash equivalents at the beginning of the year / period			12,037,191,531
	Cash and cash equivalents at the end of the year/period			1,562,465,708

Components of cash and cash equivalents as at	31-Dec-2010
Cash on hand	10,069,847
With banks - on current account	80,814,766
- on deposit account	1,471,581,095
Total	1,562,465,708

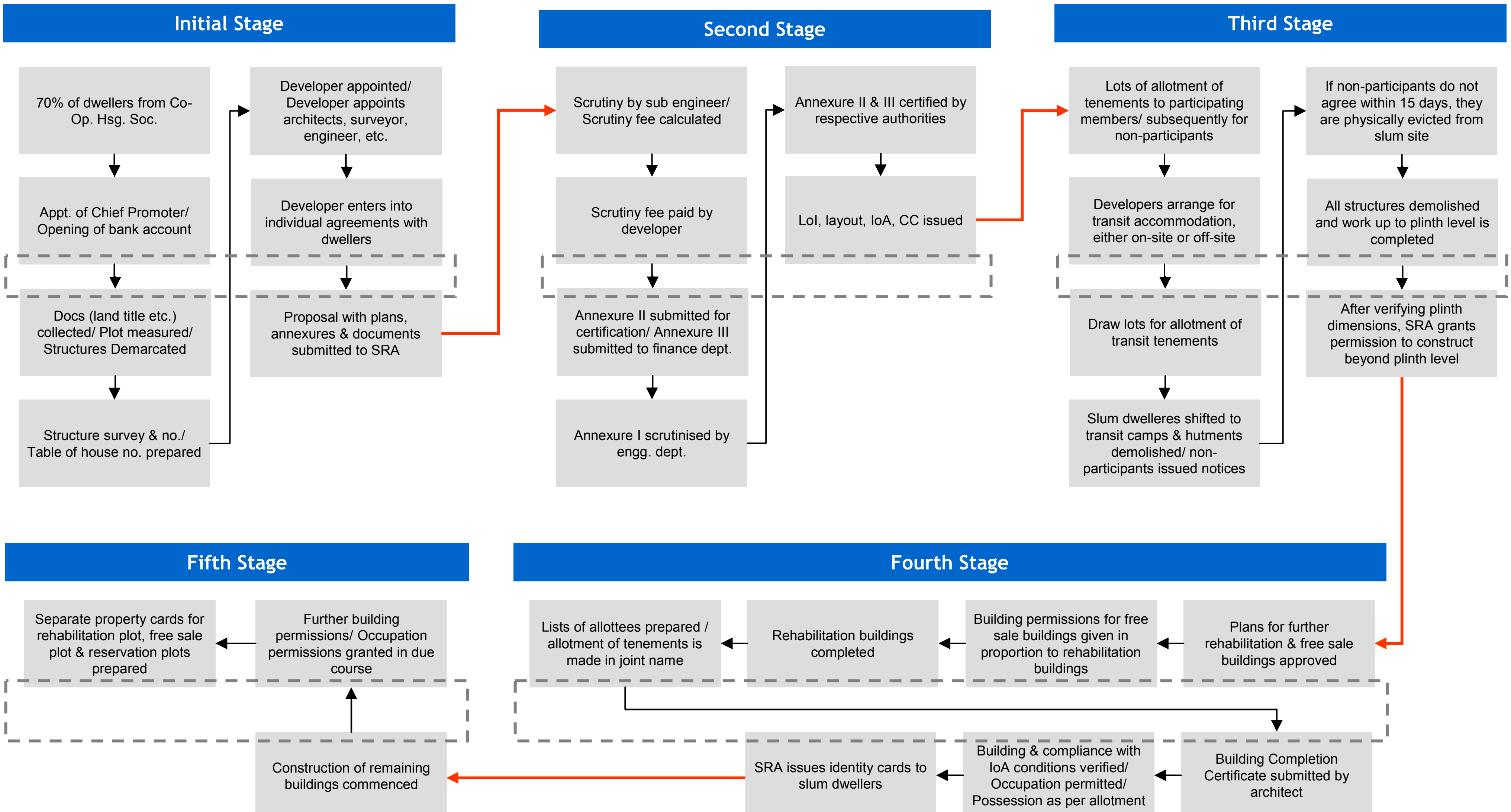
Cash Flow Statement Analysis

	Cash receipts from customers	7,426,277,585
(-)	Construction Cost and Overheads (for approx 44 mn sq.ft)	5,277,807,291
(-)	Project Specific Interest Cost	1,189,643,835
(-)	Employee Cost	85,209,535
(-)	Direct tax paid	167,144,935
	Operating Cash Flow before new investments	706,471,989
(-)	Investments in new projects*	12,982,038,900
	Operating Cash Flow after new investements	(12,275,566,911)

* New projects mainly include Boisar, SVP Nagar, Malvani and Novinon property (Shahad)

Annexure 1: SRS

Slum Rehabilitation Scheme



Source: Slum Rehabilitation Authority

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