

HCC/ SEC/ 2019

November 15, 2019

BSE Limited The Corporate Relationship Dept, 1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.	National Stock Exchange of India Ltd Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051.
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Sub: Analyst/Institutional Investors Meeting

Further to our letter dated November 13, 2019 and pursuant to Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the copy of the presentation made before the meeting of the Analyst Institutional Investors held on November 14, 2019.

Thanking you,

Yours truly

For Hindustan Construction Company Limited



Ajay Singh
Company Secretary

Enclosed : As above.

Hindustan Construction Co Ltd

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Hindustan Construction Co Ltd

Investor / Analyst Presentation

Q2 FY 2019-20

Presentation Flow

HCC	-	Key Highlights & Financial Results
HCC E&C	-	Updates
HCC Infrastructure	-	Updates
Steiner AG	-	Updates

Key Highlights: Q2 FY 2019-20

- Turnover was Rs.988 crore in Q2 FY20 vs. Rs.984 crore in Q2 FY19
- EBITDA margin (excluding Other Income) was 18.9% in Q2 FY20 vs. 19.3% in Q2 FY19
- During the quarter, DGNP Aircraft Carrier Dry Dock in Mumbai was inaugurated by Hon'ble Defence Minister, while Munirka Flyover in New Delhi was inaugurated by Hon'ble Chief Minister
- Company is L1 on NHPC's 2,000 MW Lower Subansiri Hydro Electric Power Project. HCC bid Rs.1,922 crore
- Company has filed a Writ Petition before Hon'ble Supreme Court praying that dues payable under Arbitration Awards – which have the force of decrees – be released
 - Arguments concluded on November 7 and judgment has been reserved
 - Size and structure of monetization transaction may undergo change depending on the judgment

Claims & Awards status as on Sep 30, 2019

Rs Cr

Post Arbitration Award Stage			
High Court Single Judge (S/34)	High Court Division Bench (S/37)	Supreme Court (SLP)	Total
5,328	359	732	6,419

Award Status as on Sep 30, 2019

(Rs. Crore)

Total Awards as on Sep 30, 2019	6,419
Less: Collected through Court against BG	1,001
Less: Collected through CCEA mechanism (75%) against BG	1,531
Balance to be Collected	3,891

BGs provided here exceed this amount by Rs.747 cr

Financial Performance : Q2 FY20 (y-o-y & q-o-q)

Results are in accordance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs

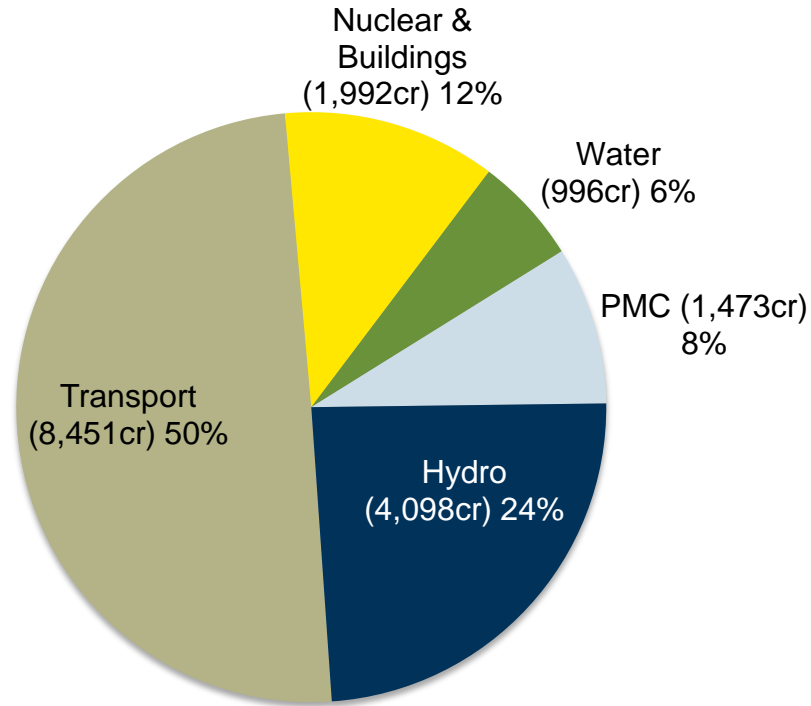
	Q2 FY20	Q2 FY19	y-o-y	Q1 FY20
	Rs. cr	Rs. cr	%	Rs. cr
Total Income	988	984	0%	838
Construction Cost (incl. material) / Other expenses	689	705	(2%)	558
Employee Cost	112	100	12%	95
EBITDA (excluding Other Income)	187	190	(1%)	179
EBITDA margins (%) (excluding Other Income)	18.9%	19.3%		21.5%
Finance Cost	184	155		172
Depreciation	30	40		31
Profit / (Loss) Before Tax	(17)	6		(18)
Exceptional items	-	(2,011)		-
Profit / (Loss) Before Tax after Exceptional items	(17)	(2,006)		(18)
Tax	(149)	(480)		(3)
Profit / (Loss) After Tax	(165)	(1,525)		(15)
Other comprehensive income after tax	(8)	(0)		(3)
Total Comprehensive Income (after Tax)	(174)	(1,526)		(18)



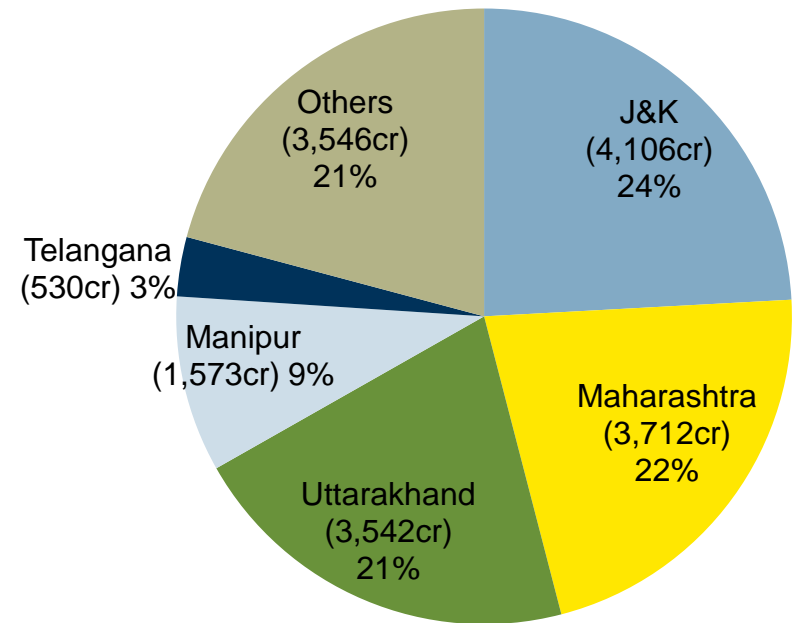
HCC E&C

Order Backlog – Rs.17,009 crore

Order Backlog-Business Line wise Breakup

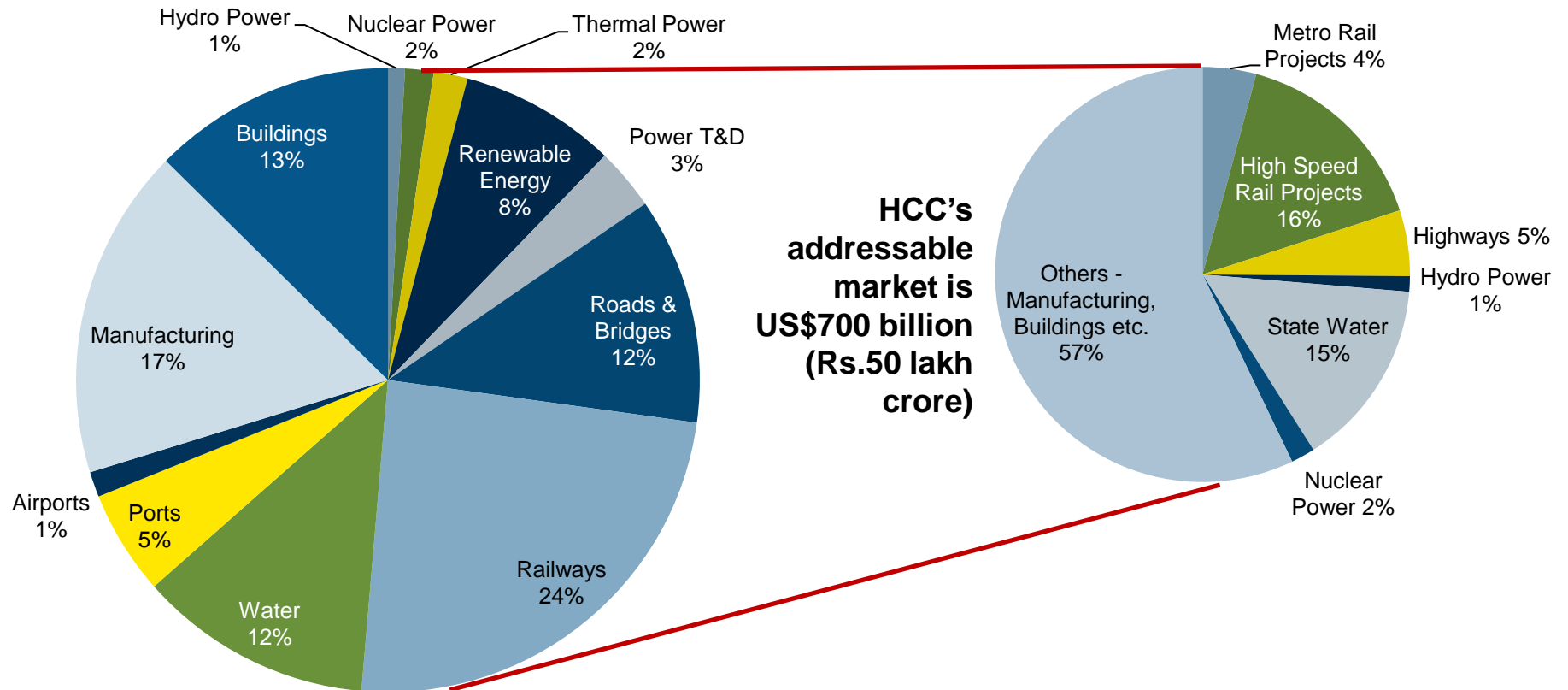


Order Backlog - Geographic Breakup

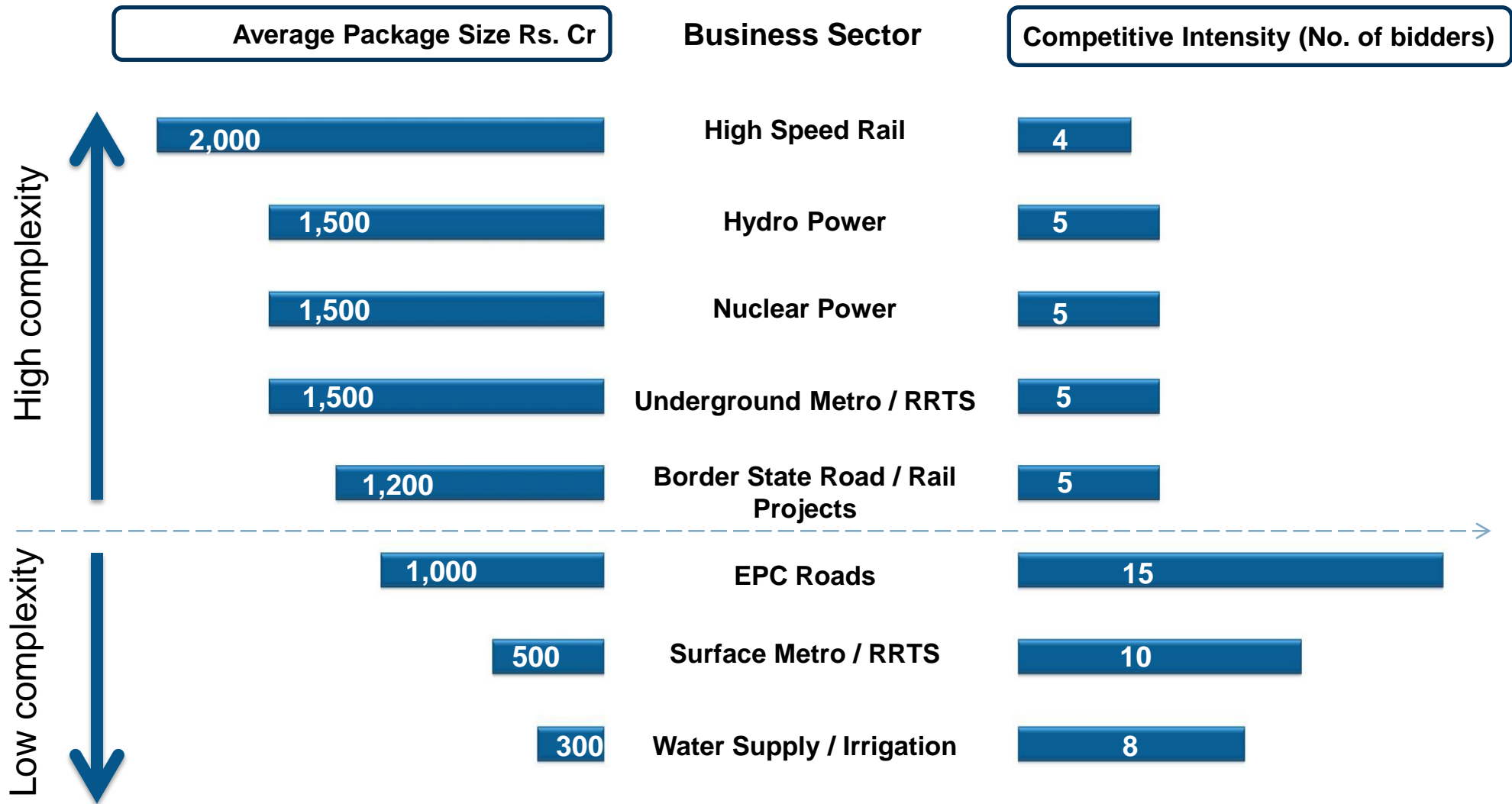


Growth opportunity in Infrastructure is immense

US\$1,400 billion (Rs.100 lakh crore) Infrastructure Development Plan for India (FY18 - 23)



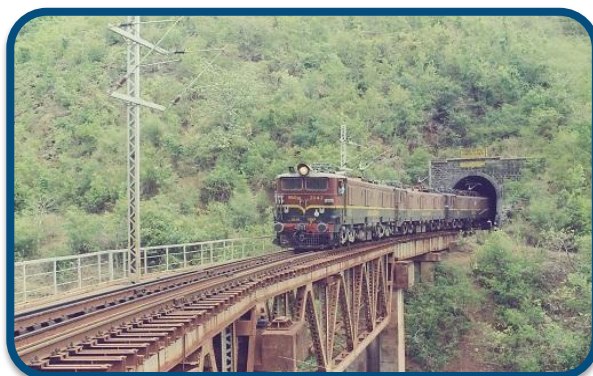
Large package sizes; limited competition for complex jobs ^{HCC}



NE & Border State Connectivity

Metro Rail Projects

High Speed Rail Projects



Project Pipeline
Rs.100,000 Cr

Key Drivers:

1. GOI thrust on improving connectivity in NE India & Border states for strategic reasons
2. Emphasis on connectivity with Myanmar, Bangladesh & China

Types of Projects

Large Bridges
Tunnels
Structure-heavy roads

Project Pipeline
Rs.1,50,000 Cr

Key Drivers:

1. Rapid Urbanisation
2. Increased pollution due to higher vehicular traffic
3. Increased project funding from JICA, ADB

Types of Projects

Underground Metro Tunnels
Surface Metro viaducts

Project Pipeline
Rs.12,00,000 Cr

Key Drivers:

1. To facilitate fast transport of people & goods between different regions of the country

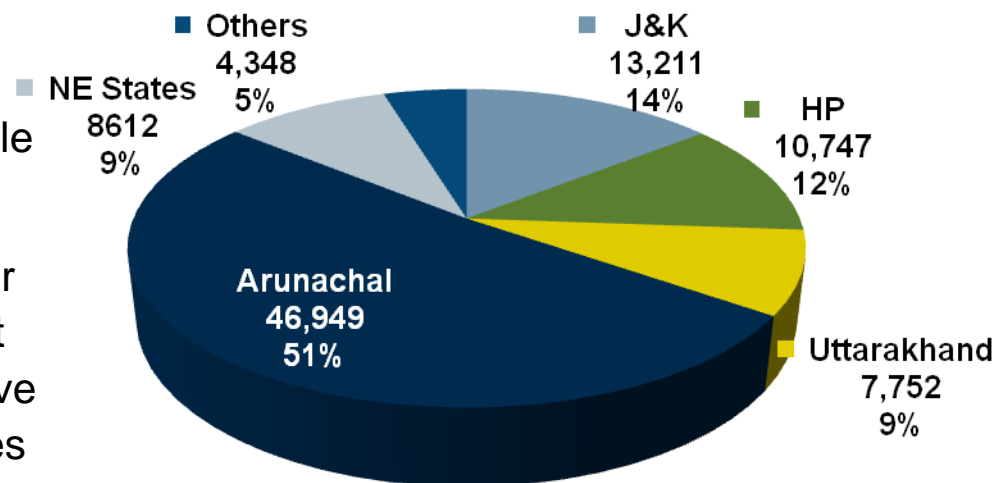
Types of Projects

Tunnels
Bridges

Hydro power is seeing a resurgence

- *New Hydro Electric Policy 2018 – 2028* has brought large Hydropower capacities into the “Renewable Energy” fold
- Hydropower projects poised to become more viable
 - Can now avail “green” funding
- Hydro Power will be vital as peaking power and for grid balancing / stability, given India’s commitment under the Paris Agreement (40% of total cumulative electric power capacity from non-fossil fuel sources by 2030)
- J&K state is a hydro powerhouse
 - Integration under Centre to create enabling environment
- Arunachal has highest hydro potential
 - New policies, including enhanced Budgetary Allocations to Northeastern states, will boost Hydro Power development

**Balance Hydro Potential
91,619 MW**



Project Pipeline	Value Rs. Cr
FY 19-20	14,350
FY 20-21	15,000
FY 21-22	16,900
Total	46,250



HCC Infrastructure / HCC Concessions

- **Baharampore–Farakka–Raiganj (NH-34 Packages 3 & 4)**
 - Baharampore-Farakka (Pkg 3): Average daily revenue was Rs.34.5 lakh in Q2 FY20 and traffic grew by 12% y-o-y
 - Farakka-Raiganj (Pkg 4): Average daily revenue was Rs.32.6 lakh in Q2 FY20 and traffic declined by 9% y-o-y
 - Prolonged monsoons impacted overall collections
 - HCC Concessions has signed definitive documents for sale of FRHL to Cube Highways and Infrastructure II Pte. Ltd.
 - Seven out of nine Lenders have given NOC
 - Final NOC awaited from NHAI



Farakka Raiganj Highway: Toll Plaza at Km 297



Km 341 (Farakka Raiganj Highway)



Steiner AG

- Steiner AG, Headquartered in Zurich, is a leading Real Estate Developer and Total Services Contractor in the Swiss real estate market. Specializes in turnkey development of new buildings and renovation of existing properties
- Closing order backlog as of September 30, 2019, CHF1.25 billion (Rs.8,933 cr)
- Order intake during Q2 FY20 was CHF115.2 million (Rs.813 cr) as against CHF177.0 million (Rs.1,239 cr) in the same quarter last year; company has further secured orders worth CHF468 million (Rs.3,304 cr) where contracts are yet to be signed

Key financials:

As per IGAAP	Q2 FY20	Q2 FY20	Q2 FY19	Q2 FY19
	CHF Million	Rs. Cr	CHF Million	Rs. Cr
Turnover	180.2	1,272	199.0	1,392
PAT/ (Loss)	0.0	0	14.9	104

(for P&L: exchange rate of 1 CHF = Rs.70.60 average for Q2 FY20)

(for P&L: exchange rate of 1 CHF = Rs.69.97 average for Q2 FY19)

(for BS: exchange rate of 1 CHF = Rs.71.40 as of Sep 30, 2019)



НСС