

HCC/ SEC/ 2019

May 10, 2019

<b>BSE Limited</b> The Corporate Relationship Dept, 1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.	<b>National Stock Exchange of India Ltd</b> Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051.
---	--

**Subject: Analyst / Institutional Investors Meeting**

Dear Sirs,

Further to our letter dated May 09, 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 May 10, 2019.

Thanking you,

Yours faithfully

for **Hindustan Construction Company Limited**  
**Ajay Singh**  
**Company Secretary****Hindustan Construction Co Ltd**

Hincon House,  
LBS Marg, Vikhroli (West),  
Mumbai - 400 083, India  
Tel : +91 22 2575 1000 Fax : +91 22 2577 7568  
CIN : L45200MH1926PLC001228



**Hindustan Construction Co Ltd**

# **Investor / Analyst Presentation**

**Q4 & FY 2018-19**

# Presentation Flow

<b>HCC</b>	-	<b>Key Highlights &amp; Financial Results</b>
<b>HCC E&amp;C</b>	-	<b>Updates</b>
<b>HCC Infrastructure</b>	-	<b>Updates</b>
<b>Steiner AG</b>	-	<b>Updates</b>

## Key Highlights: FY19

- Turnover was Rs.4,431 crore in FY19 vs. Rs.4,575 cr in FY18
- EBITDA margin (excluding Other Income) was 12.3% in FY19 vs. 14.1% in FY18
  - Dysfunction in financial system affected margins
- Provisions for exceptional items of Rs.2,400 crore made on impact of Lavasa being admitted into NCLT under IBC, provision for sale of beneficial interests in Awards & Claims, etc.
- Infusions of liquidity in FY19 to buttress growth
  - Collections of Rs.353 crores via Execution Petitions in H2
  - Client settlements of Rs.344 crores in FY19
  - Rights issue of Rs.497 crores in H2
- Path of deleveraging continued throughout FY19
- Core performance of key Subsidiaries remains robust

# Financial Performance : FY 2018-19 (y-o-y)

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

	FY19	FY18	y-o-y
	Rs. cr	Rs. cr	%
<b>Total Income from operations</b>	<b>4,459</b>	<b>4,826</b>	<b>(8%)</b>
Construction Cost (incl. material) / other exp.	3,414	3,493	(2%)
Employee Cost	394	438	(10%)
<b>EBITDA (excluding Other Income)</b>	<b>533</b>	<b>644</b>	<b>(17%)</b>
<b><i>EBITDA margins (excluding Other Income)</i></b>	<b>12.3%</b>	<b>14.1%</b>	
Finance Cost	699	660	
Depreciation	145	123	
<b>Profit / (Loss) Before Tax</b>	<b>(192)</b>	<b>112</b>	
<b>Profit / (Loss) Before Tax after Exceptional items</b>	<b>(2,592)</b>	<b>112</b>	
Tax	(630)	34	
<b>Profit / (Loss) After Tax</b>	<b>(1,962)</b>	<b>78</b>	
Other comprehensive income (after tax)	(9)	(12)	
<b>Total Comprehensive Income (after Tax)</b>	<b>(1,971)</b>	<b>66</b>	

# Financial Performance : Q4 FY 2018-19 (y-o-y & q-o-q)

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

	Q4 FY19	Q4 FY18	y-o-y	Q3 FY19
	Rs. cr	Rs. cr	%	Rs. cr
<b>Total Income</b>	<b>1,348</b>	<b>1,511</b>	<b>(11%)</b>	<b>1,126</b>
Construction Cost (incl. material) / other exp.	1,194	1,167	2%	807
Employee Cost	98	116	(16%)	96
<b>EBITDA (excluding Other Income)</b>	<b>30</b>	<b>159</b>	<b>(81%)</b>	<b>199</b>
<b>EBITDA margins (%) (excluding Other Income)</b>	<b>2.3%</b>	<b>11.1%</b>		<b>18.1%</b>
Finance Cost	209	164		173
Depreciation	32	35		34
Exceptional Item	(389)	-		-
<b>Profit / (Loss) Before Tax</b>	<b>(185)</b>	<b>29</b>		<b>17</b>
<b>Profit / (Loss) Before Tax after Exceptional items</b>	<b>(574)</b>	<b>29</b>		<b>17</b>
Tax	(147)	9		7
<b>Profit / (Loss) After Tax</b>	<b>(428)</b>	<b>20</b>		<b>10</b>
Other comprehensive income after tax	(4)	(15)		4
<b>Total Comprehensive Income (after Tax)</b>	<b>(431)</b>	<b>5</b>		<b>14</b>

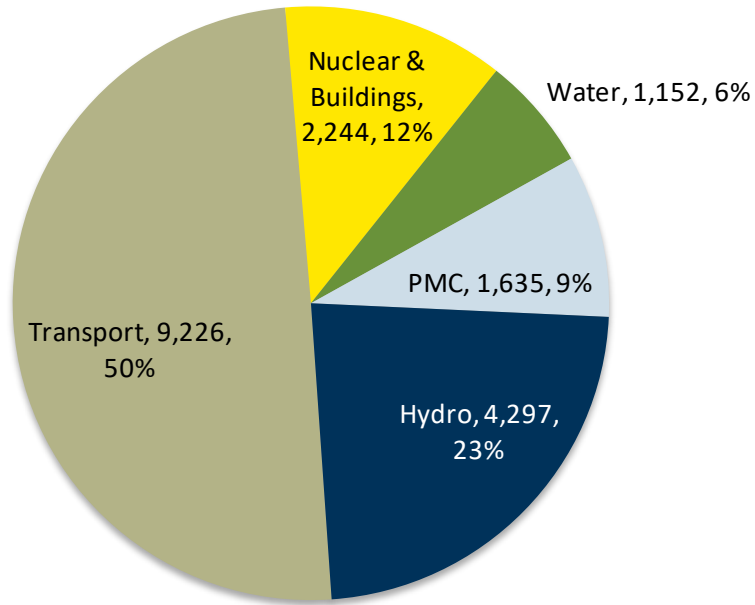


**HCC E&C**

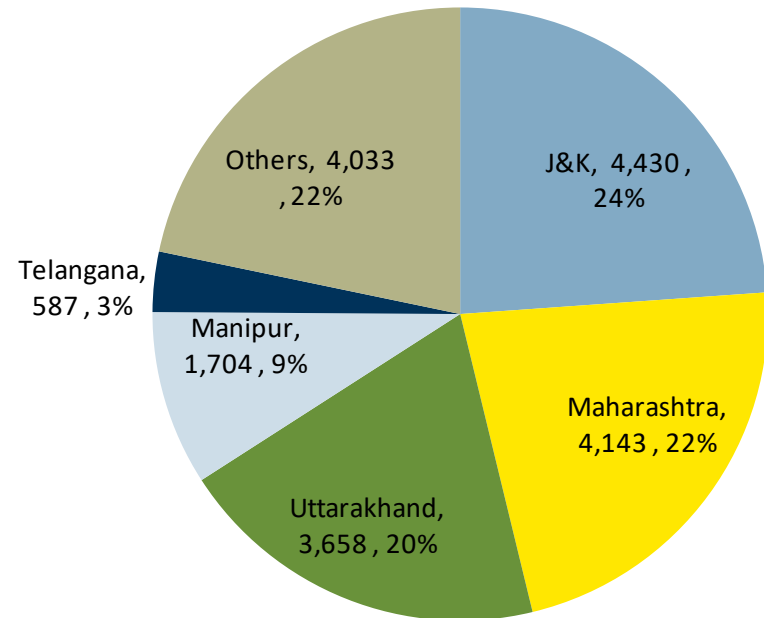


# Order Backlog – Rs.18,554 Cr

Order Backlog-Business Line wise Breakup



Order Backlog - Geographic Breakup

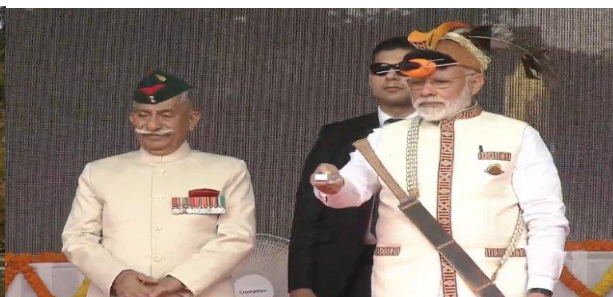
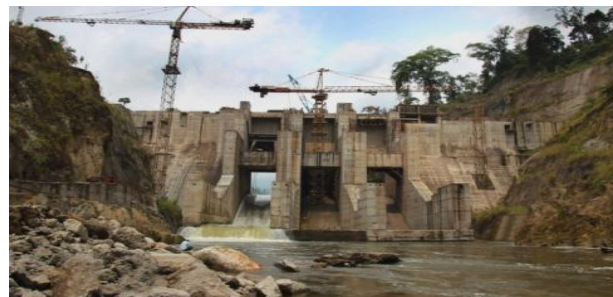




**Bogibeel Bridge: 4.9 km Bridge on Brahmaputra River**



**Kishanganga Hydro Power Project: 330MW**



**Pare Hydro Power Project: 110MW**

HCC has built  
**65%**  
of India's Nuclear Power Plants

**29%**  
of India's Hydro Power Projects

**375**  
Bridges

**3,800**  
Lane km of  
Expressways/Highways

**337**  
km of Tunnels

# E&C Operational Highlights (FY19)

- **Kishanganga Hydro Power Project:** Inaugurated in May 2018 by Prime Minister
- **Bogibeel Bridge:** Inaugurated in December 2018 by Prime Minister
- **Pare HEP:** Inaugurated in February 2019 by Prime Minister
- **Sone Bridge:** Inaugurated in February 2019
- **Kolkata Elevated Corridor:** West-bound arm of bridge inaugurated in February 2019
- **DGNP:** Successfully completed floating and shifting of Caisson Gate 1
- **IGCAR FRFCF:** Training Centre (Green building) inaugurated
- **FRFCF:** Single pour of 8000 cum concrete for raft completed in August 2018

# Claims & Awards status as on March 31, 2019

Rs Crs

Post Arbitration Award Stage			
High Court Single Judge (S/34)	High Court Division Bench (S/37)	Supreme Court (SLP)	Total
4,981	216	700	<b>5,897</b>

<b>Award Status as on Mar 31, 2019</b>	(Rs. Crore)
Total Awards as on Mar 31, 2019	5,897
Less: Collected through Court against BG	553
Less: Collected through CCEA mechanism (75%)	1,537
<b>Balance to be Collected</b>	<b>3,807</b>



# **HCC Infrastructure / HCC Concessions**

- **Baharampore–Farakka–Raiganj (NH-34 Packages 3 and 4)**
  - Farakka Barrage, the connecting bridge over the Ganges between Pkg 3 and Pkg 4, was under repair since October 5, 2018, leading to decline in traffic in 3Q & 4Q FY19
    - Bridge repair was completed on April 1, 2019, and traffic has since resumed
  - Baharampore-Farakka (Pkg 3): Average daily revenue of Rs.33.4 lakh for FY19 and (unadjusted) traffic decline of 5% y-o-y in FY19
    - Baharampore-Farakka (Pkg 3): Average daily revenue in Q4 FY19 of Rs.26.7 lakh and traffic decline of 29% y-o-y as compared to Q4 FY18
  - Farakka-Raiganj (Pkg 4): Average daily revenue of Rs.29.2 lakh for FY19 and (unadjusted) traffic decline of 8% y-o-y in FY19
    - Farakka-Raiganj (Pkg 4): Average daily revenue in Q4 FY19 of Rs.20.7 lakh and traffic decline of 51% y-o-y as compared to Q4 FY18
  - HCC Concessions has signed definitive documents for sale of FRHL to Cube Highways and Infrastructure II Pte. Ltd.



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 March 31, 2019, CHF1.38 billion (Rs.9,654 cr)
- Order intake during FY 2018-19 was CHF830.7 million (Rs.5,896 cr) as against CHF890.3 million (Rs.5,956 cr) in the same quarter last year; company has further secured orders worth CHF361 million (Rs.2,562 cr) where contracts are yet to be signed
- Profits were higher y-o-y on strong operational performance as well as write-backs of certain provisions

## Key financials :

As per IGAAP	FY 2018-19	FY 2018-19	FY 2017-18	FY 2017-18
	CHF Million	Rs. Cr	CHF Million	Rs. Cr
Turnover	830.5	5,894	806.4	5,395
PAT/ (Loss)	24.9	177	9.5	64

(for P&L: exchange rate of 1 CHF = Rs.66.90 average for FY18)

(for P&L: exchange rate of 1 CHF = Rs.70.97 average for FY19)

(for BS : exchange rate of 1 CHF = Rs.69.96 as of March 31, 2019)





**НСС**