

HCC/ SEC/ 2019

February 8, 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.
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**Subject: Analyst / Institutional Investors Meeting**

Dear Sirs,

Further to our letter dated February 4, 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 February 7, 2019.

Thanking you,

Yours faithfully

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



**Hindustan Construction Co Ltd**

# **Investor / Analyst Presentation**

**Q3 FY2018-19**

# 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: Q3 FY19

## Q3 FY19 Highlights

- ❑ Total Income (excluding Other Income) was Rs.1,102 cr vs. Rs.984 cr in Q3 FY18
- ❑ EBITDA margin (excluding Other Income) was 18.1% vs. 13.3% in Q3 FY18
- ❑ Impact of senioring of Lavasa debt led to higher interest costs y-o-y and q-o-q
- ❑ Infusions of liquidity to buttress growth
  - Rights issue of Rs.497.6 crores
    - Issue was subscribed 110.8%
  - HCC received Rs.303 crores via Courts in 3Q FY19
    - Successful filing of Execution Petitions pursuant to SC judgement in March
      - Funds deposited in Court withdrawn against Bank Guarantees
    - Company is aggressively pursuing balance Receivables through Court process
- ❑ Company settled certain Client Receivables (Rs.215 crores) in 3Q FY19
  - Alternative avenues for monetizing part of the company's Claims and Awards being considered, the proceeds of which would primarily be used for debt reduction and business growth; company has not entered into any binding agreement in this regard

# Financial Performance : Q3 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

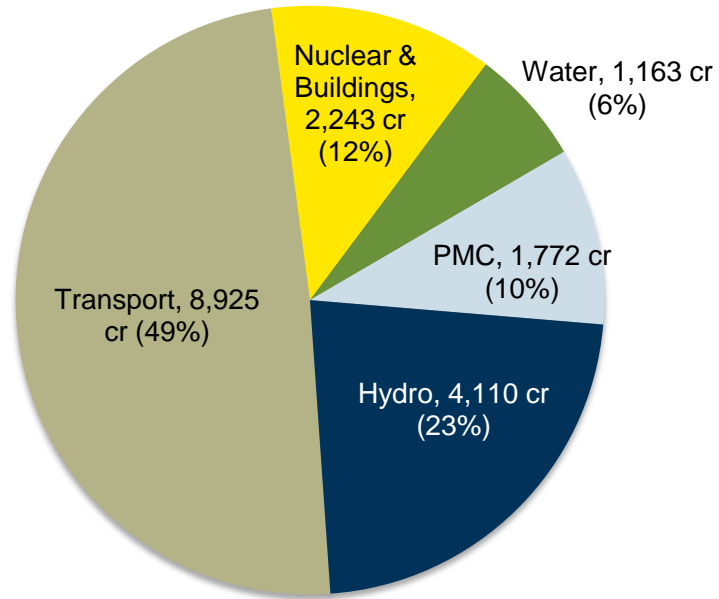
	Q3 FY19	Q3 FY18	y-o-y	Q2 FY19
	Rs. cr	Rs. cr	%	Rs. cr
<b>Income from Operations</b>	<b>1,102</b>	<b>1,231</b>	<b>(10)%</b>	<b>984</b>
Construction Cost (incl. material) / other exp.	807	959	(16)%	694
Employee Cost	96	108	(11)%	100
<b>EBITDA (excluding Other Income)</b>	<b>199</b>	<b>164</b>	<b>21%</b>	<b>190</b>
<b><i>EBITDA margins (%) (excluding Other Income)</i></b>	<b>18.1%</b>	<b>13.3%</b>		<b>19.3%</b>
Finance Cost	173	151	15	155
Depreciation	34	29	17%	40
Exceptional Item (Write-offs)	-	-		(2,011)
<b>Profit / (Loss) Before Tax and Exceptional items</b>	<b>17</b>	<b>46</b>		<b>6</b>
<b>Profit / (Loss) Before Tax after Exceptional items</b>	<b>17</b>	<b>46</b>		<b>(2,006)</b>
Tax	7	15		(480)
<b>Profit / (Loss) After Tax</b>	<b>10</b>	<b>31</b>		<b>(1,525)</b>
Other comprehensive income after tax	4	(1)		(0)
<b>Total Comprehensive Income (after Tax)</b>	<b>14</b>	<b>31</b>		<b>(1,526)</b>



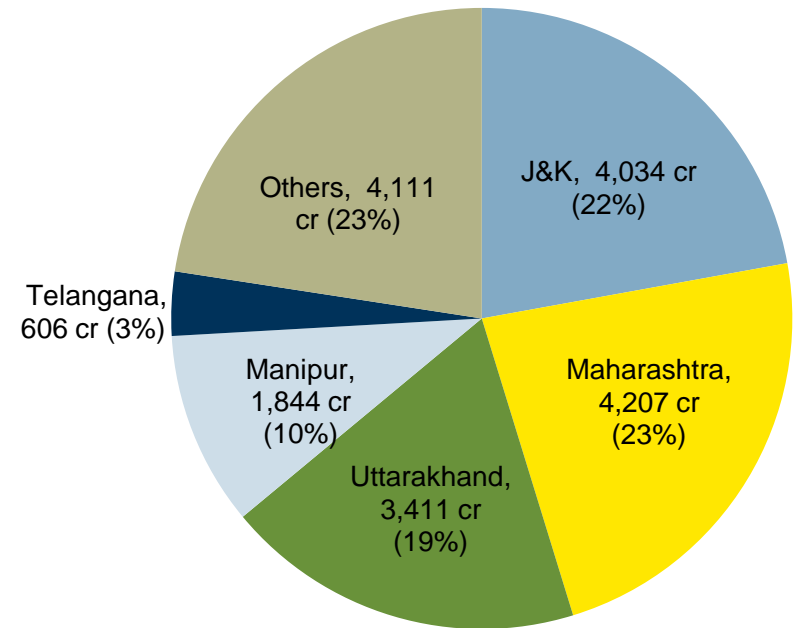
**HCC E&C**

# Order Backlog – Rs 18213 Cr

Order Backlog-Business Line wise Breakup



Order Backlog - Geographic Breakup

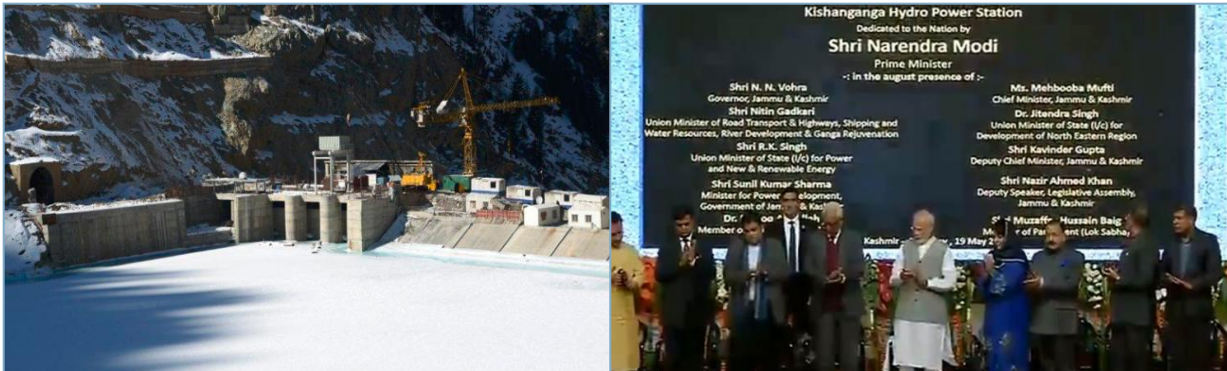




# HCC continues to deliver projects of national importance



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



**Kishanganga Hydro Power Project: 330 MW**

HCC has built  
**>65%**  
Of India's Nuclear Power Plants  
**>25%**  
Of India's Hydro Power Projects  
**>365**  
Bridges  
**>3,800**  
Lane km of  
Expressways/Highways  
**>335**  
km of Tunnels

**Pare Hydro Power Project (2x55 MW):** A run-of-the-river project on the Dikrong river in Arunachal Pradesh. Project commenced commercial operations in May 2018; expected to be inaugurated by the PM in February 2019

# Awards status as on December 31, 2018

Rs Crs

Award status				
Recent Awards	High Court Single Judge (S/34)	High Court Division Bench (S/37)	Supreme Court (SLP)	Total
-	4,291	214	692	5,197

<b>Award Status as on Dec 31, 2018</b>	(Rs. Crore)
Total Awards as on Dec 31, 2018	5,197
Less: Collected through Court against BG	553
Less: Collected through CCEA mechanism (75%)	1,537
<b>Balance to be Collected</b>	<b>3,107</b>



# **HCC Infrastructure / HCC Concessions**

- **Baharampore – Farakka – Raiganj (NH-34 Packages 3 and 4)**

- BFHL and FRHL reported average revenue of Rs.29.4 lakh and Rs.23.1 lakhs per day, respectively, in Q3 FY19
- Traffic declined on both stretches by 5% and 23% y-o-y, respectively, due to temporary diversion of traffic from the highway caused by comprehensive repairs to the Farakka Barrage by the Farakka Barrage Authority
- Prior to the diversion, starting first week of October 2018, traffic growth YTD was 11% at BFHL and 29% at FRHL y-o-y. Both lanes on the Barrage are expected to open again by the first week of April 2019
- FRHL transaction targeted to close in Q4 FY19



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 December 31, 2018, CHF1.25 billion (Rs.8,815 cr)
- Order intake during Q3 FY 2018-19 CHF184 million (Rs.1,305 cr) as against CHF273 million (Rs.1,807 cr) in the same quarter last year; company has further secured orders worth CHF350 million (Rs.2,477 cr) where contracts are yet to be signed
- Cash balance CHF100 million (Rs.704 cr)
- Profits lower y-o-y as certain development projects budgeted for Q3 had materialized in Q2 itself
- Key financials :

As per IGAAP	Q3 FY 2018-19	Q3 FY 2018-19	Q3 FY 2017-18	Q3 FY 2017-18
	CHF Million	Rs. cr	CHF Million	Rs. cr
Turnover	220.7	<b>1,562</b>	222.6	1,477
PAT/ (Loss)	0.4	<b>2.8</b>	1.5	10.0

(for P&L: exchange rate of 1 CHF = Rs 66.33 for quarter ended Dec 31, 2017)  
 (for P&L: exchange rate of 1 CHF = Rs 70.76 for quarter ended Dec 31, 2018)  
 (for BS : exchange rate of 1 CHF = Rs 70.43 for quarter ended Dec 31, 2018)



**НСС**