



**Hindustan Construction Co Ltd**

# **Investor / Analyst Presentation**

**Q1 FY2017-18**

# Presentation Flow

- HCC** - **Performance Highlights & Financial Results**
- HCC E&C** - **Updates**
- Steiner AG** - **Updates**
- HCC Infrastructure** - **Updates**
- Lavasa** - **Updates**

# Key Financial Highlights: Q1 FY2017-18

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

➤ **As compared to the same quarter of the previous year (YoY)**

- Income from operations is at Rs. 930.7 Cr v/s Rs. 982.5 Cr
- EBITDA margin at 18.27% v/s 17.57%
- Profit after Tax increased by 33.5% at Rs. 14.5 Cr v/s Rs. 10.9 Cr

➤ **As compared to last year (QoQ)**

- Income from operations is at Rs. 930.7 Cr v/s Rs. 1,358.3 Cr
- EBITDA margin at 18.27% v/s 16.50%
- Profit after Tax of Rs. 14.5 Cr v/s Rs. 20.9 Cr

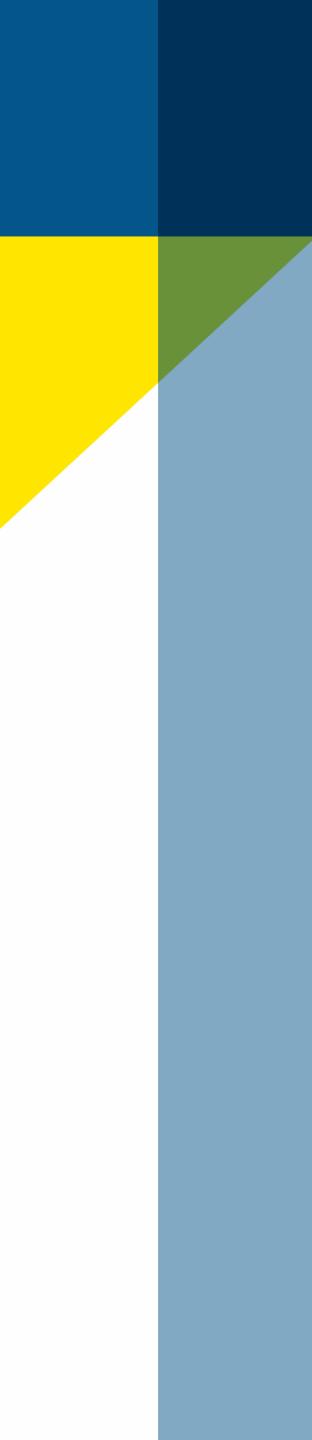
- Interest to Banks / FIs Rs. 85.8 Cr and Interest on OCDs / Others Rs. 96.4 Cr in Q1 FY18
- Order backlog as on 30<sup>th</sup> June, 2017 at Rs. 20,363 Cr excluding L1 contracts worth Rs. 2,804 Cr
- Orders bagged till date Rs. 1,012 Cr

# Financial Performance : Q4 FY 2016-17 (3 mth YoY & QoQ)

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

For the quarter ended	Q1 FY18 30 Jun'17	Q1 FY17 30 Jun'16	Q4 FY17 31 Mar'17	YOY	QOQ
	Rs. Cr	Rs. Cr	Rs. Cr	%	%
<b>Total Income from operations</b>	<b>930.66</b>	<b>982.45</b>	<b>1,358.27</b>	<b>-5.3%</b>	<b>-31.5%</b>
Other Income	60.46	59.38	70.59		
Construction Cost (incl. material) / other exp.	656.83	715.16	1,022.89	-8.2%	-35.8%
Employee Cost	103.83	94.71	111.27	9.6%	-6.7%
<b>EBITDA (excluding other income)</b>	<b>170.00</b>	<b>172.58</b>	<b>224.11</b>	<b>-1.5%</b>	<b>-24.1%</b>
<b>EBITDA Margins</b>	<b>18.27%</b>	<b>17.57%</b>	<b>16.50%</b>		
Interest	182.13	179.65	207.98	1.4%	-12.4%
- To Banks / FIs	85.75	137.71	46.96		
- To OCDs / Others	96.38	41.94	161.02		
Depreciation	28.84	32.76	28.33	-12.0%	1.8%
Exceptional Item	-	-	21.22		
<b>Profit / (Loss) Before Tax **</b>	<b>19.49</b>	<b>19.55</b>	<b>37.17</b>	<b>-0.3%</b>	<b>-47.6%</b>
Tax	4.97	8.67	16.26		
<b>Profit / (Loss) After Tax</b>	<b>14.52</b>	<b>10.88</b>	<b>20.91</b>	<b>33.5%</b>	<b>-30.6%</b>
Other comprehensive income (after tax)	0.78	1.11	21.41		
<b>Total Comprehensive Income (after Tax)</b>	<b>15.30</b>	<b>11.99</b>	<b>42.32</b>	<b>27.6%</b>	<b>-63.8%</b>

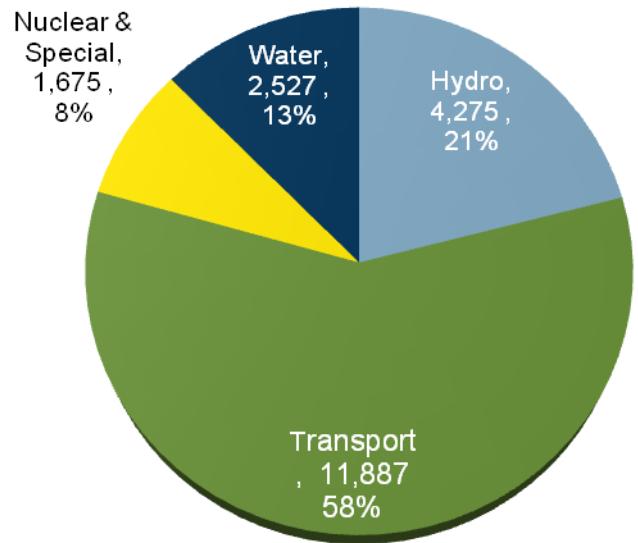
\*Includes other income



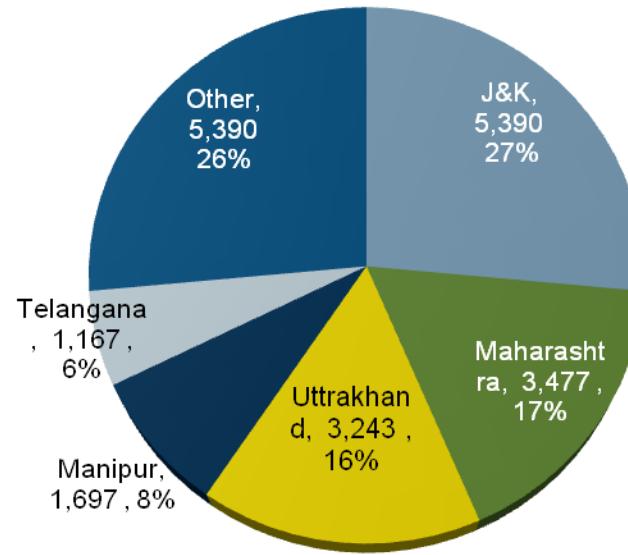
**HCC E&C**

# Order Backlog – Rs 20,363 Cr (Y-on-Y increase of 16%)

Order Backlog - Business Linewise Breakup



Order Backlog - Geographical Breakup



Order book to cross Rs. 23,000 Cr post conversion of L1 into orders

Balanced portfolio having geographical spread across the country

# Q1 FY 2017-18 : Orders Won

(Rs in Cr)				
S. No.	Name of Project	Client	HCC Share (Rs Cr)	Award Quarter
1	Parwan Dam + Tunnel	Water Resource Department , Rajasthan	606	Q1
2	HSR Road - RV Stn. Reach 5 [Pkg 3]	Bangalore Metro Rail Corporation Ltd.	406	Q1
<b>Projects received till Q1</b>			<b>1,012</b>	

**In addition to order book, Current L1 orders is aggregating to Rs. 2,804 Cr**

- Total arbitration awards in favour Rs 3,852Cr as of June 30, 2017
- Further claims worth around Rs 5,762 Cr in arbitration process
- As at June 30, 2017, Company's receivables include Rs. 2,406 Cr on account of arbitration awards in favour of Company
- Received letters of Rs. 1,882 Cr, being 75% of the awards amount
- Rs. 839 Cr collected as per CCEA decision till date

# **Steiner updates**

# Steiner AG Highlights



- 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 at CHF 1,652 million (Rs. 11,232 Cr)
- Order intake during Q1 FY 2017-18 CHF 430 million (Rs. 2,925 Cr)
- Cash balance is at CHF 109 million (Rs. 742 Cr)
- In Q1 FY 2017-18 , revenue growth was over 5% on YoY basis
- Key financials of Steiner AG:

As per IGAAP	Q1 FY 2017-18	Q1 FY 2017-18	Q1 FY 2016-17	Q1 FY 2016-17
	CHF Million	Rs. Cr	CHF Million	Rs. Cr
Turnover	213.9	1,405.7	203.3	1,402.1
PAT/ (Loss)	7.8	51.3	4.9	33.8

(for P&L : exchange rate of 1 CHF = Rs 65.72 as of June 30, 2017)

(for BS: exchange rate of 1 CHF = Rs 67.98 as of June 30, 2017)

# **HCC Infrastructure**

# Business Update (Q1: FY 2017- 18)

- Baharampore – Farakka – Raiganj – Dalkhola (NH-34 Packages 3, 4, 5)
  - Farakka-Raiganj (Pkg 4): Average daily revenue of Rs.57.5 lakh for Q1 FY18; ~9% increase over previous quarter
  - Baharampore-Farakka (Pkg 3): Average daily revenue of Rs.47 lakh in Q1 FY18; ~21% increase over previous quarter; ~3% increase over Q1 FY17
  - Arbitration award of Rs.448 Cr for Pkg3 claims (for land delays) received on Jul 21, 2017
  - Arbitration process for Pkg4 for Rs.721 Cr claims (for land delays) expected to be completed by Q4 FY18
  - Raiganj-Dalkhola (Pkg 5): On the issue of termination notice, Concessionaire & lenders are evaluating amicable termination amongst other remedies including project revival and arbitration
- Delhi-Faridabad (NH2)
  - Concessionaire is in process of obtaining NOC from lenders for issuing termination notice, at the same time Arbitration for Rs.397 Cr claims is underway



Farakka Raiganj Highway: Toll Plaza at Km 297



Km 341 (Farakka Raiganj Highway)



# Lavasa Corporation Limited



# Highlights – THLE and Construction

## Tourism and Hospitality:

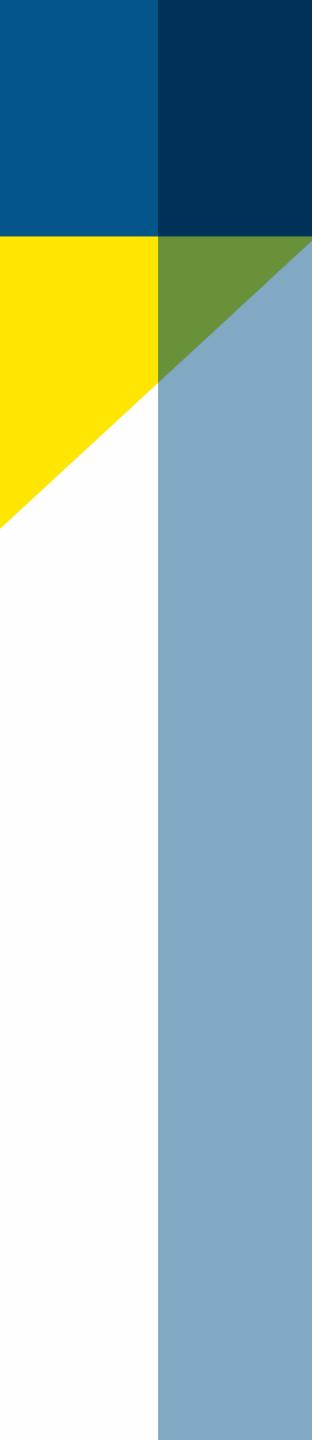
- Footfall in Q1 FY 2017-18 is 210,381
- Hospitality and Tourism Revenue : Rs. 10.38 Cr in Q1
- Average Occupancy of Hotels in Q1, FY 2017-18 is 61%

## Construction:

- Possession in current financial year: 53 Units

# Debt Restructuring

- **Debt Restructuring proposal undertaken by Banks in Sept 2015**
- **Finally JLF proposal has the approval of 53% of lenders by number and 69% by value.**
- **As per RBI Circular, the JLF decision will be binding on all lenders, subject to the exit (by substitution) option available**

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**Thank You**