

## Press Release

### **HCC beats all odds to post Net Profit of Rs 80.6 crore**

Company's efficient project management and tight cost control beat stagnancy in infrastructure projects rollout

- Net Profit at Rs 80.6 crore for FY2013-14, against Loss of Rs 137.6 crore in FY2012-13
- Turnover up 7.2% at Rs 4,113.5 crore, compared to Rs 3,837.3 crore FY2012-13
- EBIDTA margins at 15.86%
- Toll collection to start on HCC Infrastructure's NH-34 project
- Steiner AG becomes 100% subsidiary of HCC Group
- Lavasa pares loss from Rs 78 crore to Rs 5.7 crore

**Mumbai: May 02, 2014:** HCC has registered a Net Profit of Rs 80.6 crore for the Financial Year ended 2013-14 compared to a loss of Rs 137.6 crore last year. The turnover is up 7.2% at Rs 4,113 crore compared to Rs 3,837 crore in the previous year.

#### **Financial highlights - HCC audited standalone results**

##### **For the year ended March 31, 2014**

- Turnover up by 7% at Rs 4,113 crore against Rs 3,837 crore last year
- Operating Profit up by 67% at Rs 640 crore compared to Rs 383 crore
- EBIDTA margins at 15.86% compared to 9.99% last year
- Net Profit of Rs 80.6 crore compared to Loss of Rs 137.6 crore
- Current order book at Rs 14,249 crore, excluding L1 contracts worth Rs 1291 crore

##### **For the quarter ended March 31, 2014**

- Turnover up by 20% at Rs 1,184 crore compared to Rs 982 crore in the corresponding quarter last year
- Operating Profit up by 92% at Rs 170 crore compared to Rs 89 crore
- EBIDTA margins at 14.8% compared to 9% in the corresponding quarter last year
- Net Profit of Rs 24.4 crore compared to Loss of Rs 50.3 crore

During the FY 2013-14, the company secured nine new orders worth Rs 3,218 crore. After two years of losses, the company improved its performance quarter by quarter to post a net profit. Efficient project management and tight cost control has helped to improve margins.

Commenting on the company's performance, **Ajit Gulabchand, Chairman and Managing Director** said, "In an uncertain economic scenario, our focus remained on improving the

operational efficiency. The company will continue to implement measures aimed at further improvement in all financial parameters. Inflow of Rs 3,218 crore orders during last six months will help to improve the turnover in the next few quarters.”

#### **Recognitions and Awards:**

- Pir Panjal tunnel project in J&K receives the CIDC Vishwakarma Award 2014 as “Best Project” and the Construction Week Award as the “High Impact Infrastructure Project of the year 2013”
- Nimoo Bazgo Hydroelectric project receives the Dun & Bradstreet Award for ‘Social Impact Project’ of the year 2013
- HCC receives the Civic Award for ‘Social Development’ by the Bombay Chamber of Commerce and Industry
- 'Global Sustainability Leadership Award' for best community action for HCC's community development project - 'Ujjivana'

#### **Performance of HCC subsidiaries:**

**Steiner AG:** In 2013-14, the HCC Group became 100% shareholder of Steiner AG with pre-agreed purchase of remaining 34% stake. The company has registered a revenue of CHF 797.6 million (Rs 5,294.7 crore) in FY 2013-14 compared to CHF 763.7 million (Rs 4,450.8 crore) in the previous year. The net profit stood at CHF 8.15 million (Rs 54.1 crore) compared to CHF 8.3 million (Rs 46.2 crore). The closing cash balance of the company was CHF 144.4 million (Rs 974 crore) reflecting company's steady financial performance with strong liquidity position. During FY2013-14, the company secured fresh orders worth CHF 758 million (Rs 5,107 crore). The order backlog was CHF 1.18 billion (Rs 7,956 crore) at the end of the year. In addition to this, the company has secured orders for more than CHF 300 million (Rs 2,023 crore), where the contracts are yet to be signed. Steiner India, a subsidiary of Steiner AG has posted a turnover of Rs 45 crore.

**Lavasa Corporation Limited (LCL):** LCL has registered a turnover of Rs 179.5 crore with a loss of Rs 5.7 crore compared to a loss of Rs 78 crore in FY2012-13. The company has serviced all interest payments as of March 31, 2014, making Lavasa a standard accounts with all financial institutions and banks. During this year, over 600 residential units have been completed of which over 500 units have already been occupied. With over 5000 workers on ground, the construction work is in full swing in Dasve (around 8 lakh Sq ft Development) and in the second town of Mugaon (around 10 Lakh Sq ft development). Additionally, construction of staff housing of 399 residential units is progressing rapidly. The Novotel hotel construction is nearing completion and is likely to be operational by end of FY 2015. Institutional sales have also received a good response with MoUs signed with Shail Group (for international school), Crest Wood (for corporate guest house) and retail space

leasing with Bata, Baskin & Robbins and Venky's Xpress. Last year, Lavasa witnessed 8 lakh tourists' footfalls, making it one of the most preferred tourist destinations.

**HCC Infrastructure Co Limited:** Significant progress has been made toward the completion of NH-34, the Company's largest and most ambitious PPP (DFBOT) project in West Bengal. The NHAI has approved Commercial Operations for the Rs 1,169 crore Baharampore Farakka Highway (101 km) and toll collection is expected to start next week. The Rs 1,378 crore Farakka Raiganj Highway (102km) is expected to be operational within 6 months having completed 76% of the project till March 2014. With a majority of the HCC Concessions' BOT having achieved maturity, the Company is evaluating financial offers for select assets at both resilient and attractive valuations, despite the prolonged economic slowdown over the past 3 years.