

Press Release

HCC Net Profit at Rs 85 crore in FY 2015-16

Order book at the end of FY2015-16 is 25.4% higher over previous fiscal
EBIDTA margins at 19.98%

Mumbai: April 28, 2016: HCC has registered a Net Profit of Rs 84.97 crore in FY 2015-16, compared to Rs 81.65 crore last year. The Operating Profit grew by 5.1% (Rs 812.4 crore in FY 2015-16 vs Rs 773.3 crore in FY 2014-15). The turnover was at Rs 4190.9 crore compared to Rs 4,301.1 crore, in the previous year.

Financial highlights:

Audited standalone results for the year ended March 31, 2016

- Net Profit of Rs 84.97 crore compared to Rs 81.65 crore
- Profit Before Tax of Rs 159.5 crore compared to Rs 127.3 crore
- Operating Profit up by 5.1% at Rs 812.4 crore compared to Rs 773.3 crore
- EBITDA margins at 19.98% compared to 18.74% in the fourth quarter last year
- Turnover of Rs 4,190.9 crore against Rs 4,301.1 crore last year
- The order book grew by 25.4% at Rs 18,123 crore, excluding L1 contracts worth Rs 3,701 crore

Un-audited standalone results for the quarter ended March 31, 2016

- Net Profit of Rs 19.1 crore compared to Rs 20.6 crore
- Operating Profit up by 22.5% at Rs 235.5 crore compared to Rs 192.2 crore
- EBITDA margins at 19.8% compared to 17.2% in the fourth quarter last year
- Turnover at Rs 1,196 crore compared to Rs 1,175.1 crore

During FY 2015-16, the company secured 9 new orders worth Rs 5,764 crore and is the lowest bidder in projects worth Rs 3,701 crore. The overall operational efficiency and reduction in fixed costs and award of claims have resulted in improved EBITDA margins.

In FY 2015-16, Rs 646 crore worth of arbitration awards were received in favour of the company. So, HCC now have about Rs 3,041 crore of receivables on account of these awards which are being aggressively pursued for early collection.

Commenting on the company's performance, **Ajit Gulabchand, Chairman and Managing Director** said, "HCC has significantly improved its order book, which will help raise our turnover to bring down the interest cost in coming years. Our efforts on bringing operational efficiency and cost management have yielded results with high project EBIT margins over last eight quarters. Budget for fiscal year 2016-17 has earmarked Rs 2.21 lakh crore for infrastructure sector, which will put the industry on the growth trajectory and we are well poised to leverage this opportunity."

Awards and recognitions to HCC in the FY 2015-16

- **"Infrastructure Company of the Year Award"** to HCC by Construction Week for its outstanding contribution in the Infrastructure sector
- 'Construction Week Award' for HCC's Dagachhu Hydroelectric Power Project in Bhutan under the category **"Water Project of the Year"**
- **"QCI D.L. Shah Quality Award"** to HCC's Bogibeel Rail-cum-Road Bridge project
- 'Indian Concrete Institute Award' for HCC's Padur Cavern Project under the category **"Best Concrete Structure of the year"**

- CIDC Vishwakarma Award 2016' to Dagachhu Hydroelectric Power Project under Power category **"Best Construction Project"**
- CIDC Vishwakarma Award 2016' to Padur Cavern Project under Infrastructure category **"Best Construction Project"**
- CIDC Vishwakarma Award 2016' to HCC's Water Sustainability initiatives under the category **"Achievement Award for Social Development & Impact"**
- **Best CSR practices for Water initiatives**, at the 'World CSR Day' conference by the World CSR Congress

Performance of HCC subsidiaries:

Steiner AG: After consolidating its position along with cautious order intake in past, Steiner AG has bounced back by securing orders of CHF 849 million (Rs 5,834 crore) in FY 2015-16. With this the order backlog has reached CHF 1.32 billion (Rs 9,075 crore). In addition to this, the company has secured orders for more than CHF 700 million (Rs 4,812 crore), where the contracts are yet to be signed. The consolidation strategy adopted in the initial years has impacted turnover this year as the company has registered lower revenue of CHF 636.8 million (Rs 4,255 crore) compared to CHF 853.9 million (Rs 5,605 crore) in the previous year. The closing cash balance of CHF 87 million (Rs 599 crore) reflects company's strong liquidity position.

HCC Infrastructure Co Limited: HCC Concessions, the subsidiary of HCC Infrastructure handling highway concessions, closed the sale of its stake in Dhule Palesner Tollway Ltd to the Sadbhav Group for Rs 204 crore and Nirmal BOT Ltd to the IDFC Group for Rs 64 crore. The company attained average daily toll collection of Rs.30 lakhs for its Baharampore-Farakka highway with a 7% y-o-y traffic growth in the last fiscal year and expects COD of Farakka-Raiganj (Pkg 4, NH34) by June 2016. Nearly 90% of land acquisition for Raiganj-Dalkhola (Pkg 5, NH34) has been completed after a delay of six years and the Company is working toward a restart of the project, subject to appropriate support from NHAI and Lenders. The Company has infused its entire equity in the project and is expecting a release of NHAI grant shortly.

Lavasa Corporation Limited (LCL): Lavasa city continues to be a popular tourist destination. The tourist footfall has increased by 12% in FY 2015-16 to 10.70 lakhs. The company had received a major blow when the project received a "stoppage of work" order by the then Union government in 2010 forcing it to face difficult working situation including financial challenges, impacting further development of the townships. Braving the harsh situation, the company, till date, has completed ~1200 residential units. In addition, work on 1.5 million sq ft of residential, commercial and social development is underway in Dasve and 1 million sq ft of residential development is underway in Mugaon. With government strategy of "Ease of Doing Business", we hope to clear many operational hurdles in Lavasa city development which will eventually create more than 90,000 jobs.

About HCC:

HCC is a business group of global scale developing and building responsible infrastructure through next practices. With an engineering heritage of nearly 100 years, HCC has executed a majority of India's landmark infrastructure projects, having constructed 26% of India's Hydel Power generation and over 65% of India's Nuclear Power generation capacities, over 3,600 lane km of Expressways and Highways, more than 300 km of complex Tunneling and over 350 Bridges. Today, HCC Ltd. serves the infrastructure sectors of Transportation, Power and Water. HCC is also developing Lavasa City, a planned hill city and one of India's largest urban development and management initiatives. The HCC Group, with a group turnover of Rs 8,768 crore, comprises of HCC Ltd, HCC Infrastructure Co. Ltd, Lavasa Corporation Ltd and Steiner AG in Switzerland.

For further information:

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