



**Hindustan Construction Co Ltd**

# **Investor / Analyst Presentation**

**Q1 FY2018-19**



# Presentation Flow

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

# Key Financial Highlights: 1Q FY19

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

## ➤ 1Q FY19 Highlights

- Total Income (excluding Other Income) was Rs.933 cr vs. Rs.931 cr in 1Q FY18
  - EBITDA margin (excluding Other Income) was 11.5% vs. 18.3% in 1Q FY18
  - Finance costs at Rs.161 cr vs. Rs.182 cr
  - Net Loss of Rs.20 cr vs. Net Profit of Rs.15 cr
  - Orders received in 1Q FY19: Rs.299 cr (HCC's share)
- Order backlog as on June 30, 2018, at Rs.18,714 cr, excluding L1 contracts worth Rs.1,213 cr (HCC's share)

# Financial Performance : Q1 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

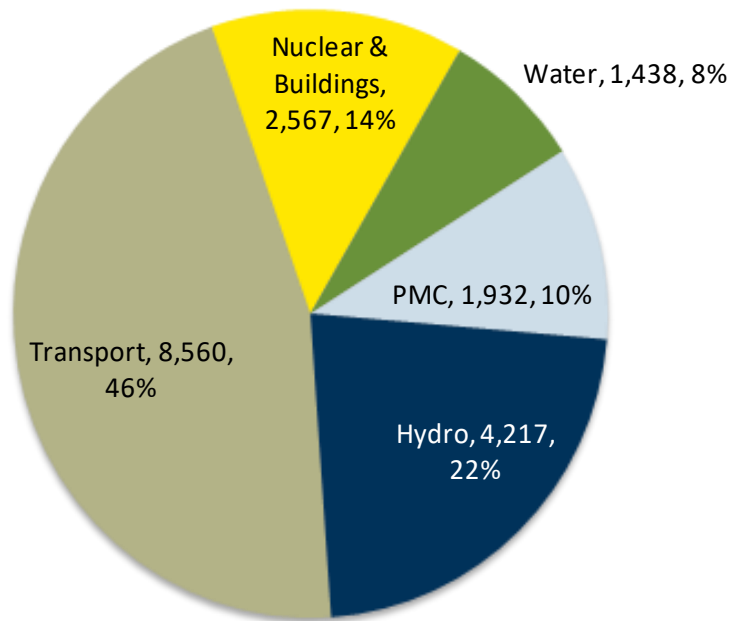
	Q1 FY19	Q1 FY18	y-o-y	Q4 FY18
	Rs. cr	Rs. cr	%	Rs. cr
<b>Total Income</b>	<b>1,001</b>	<b>991</b>	<b>1%</b>	<b>1,511</b>
Construction Cost (incl. material) / other exp.	725	657	10%	1,168
Employee Cost	100	104	-4%	116
<b>EBITDA (excluding Other Income)</b>	<b>107</b>	<b>170</b>	<b>-37%</b>	<b>159</b>
<b><i>EBITDA margins (%) (excluding Other Income)</i></b>	<b>11.5%</b>	<b>18.3%</b>		<b>11.0%</b>
Finance Cost	161	182	-12%	164
Depreciation	39	29	34%	35
Exceptional Item	-	-		-
<b>Profit / (Loss) Before Tax</b>	<b>(29)</b>	<b>19</b>		<b>29</b>
Tax	(9)	5		9
<b>Profit / (Loss) After Tax</b>	<b>(20)</b>	<b>15</b>		<b>20</b>
Other comprehensive income after tax	(8)	1		(15)
<b>Total Comprehensive Income (after Tax)</b>	<b>(28)</b>	<b>15</b>		<b>5</b>



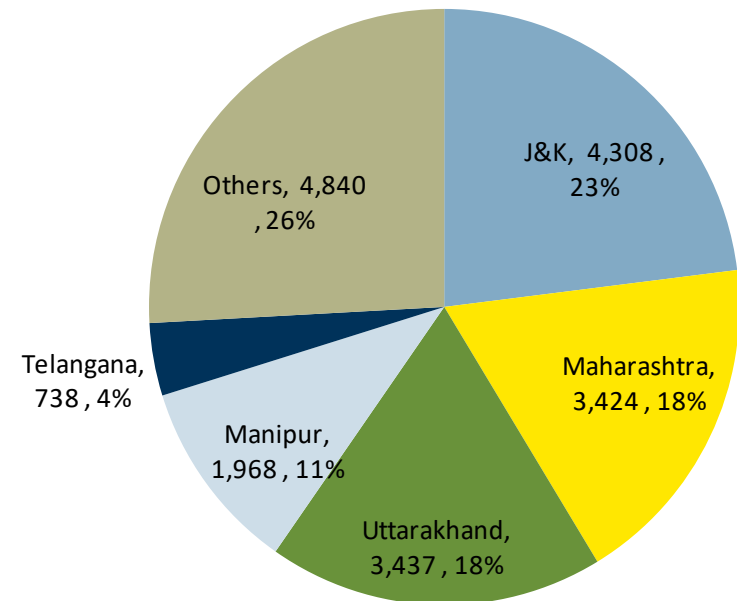
**HCC E&C**

# Order Backlog – Rs 18,714 Cr

## Order Backlog-Business Line wise Breakup



## Order Backlog - Geographic Breakup



## Orders Won: up to June 30, 2018

### Projects awarded in FY19 (up to June 30, 2018): Rs.299 cr

S. No.	Business Line	Name of Project	Client	HCC Share (Rs.Cr)
1	NSP	Rooppur Steam Turbine Bldg., Bangladesh	Joint Stock Company "Atomstroyexport"	299
	<b>Total</b>			<b>299</b>

### L1 projects – Rs. 1,213 cr

S. No.	Business Line	Name of Project	Client	HCC Share (Rs.Cr)
1	Transport	Coastal Road Project – Pkg. 2 (Baroda Palace to Worli End)	Municipal Corporation of Greater Mumbai	1,213
	<b>Total</b>			<b>1,213</b>



Under arbitration	Post-arbitration award stages				
Arbitration tribunal	Recent Arbitration Awards	Lower Court	High Court Single Judge	High Court Division Bench	Supreme Court
Rs.4,891 crores	Total arbitration awards in favour Rs 4,922 crores as of June 30, 2018				

## **HCC Standalone Award Status as on June 30, 2018**

Total Awards as on June 30, 2018	4,922
Less: Collected through Court against BG	199
Less: Collected through CCEA mechanism (75%)	1,537
<b>Balance to be Collected</b>	<b>3,186</b>



**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 June 30, 2018, CHF1,310 million (Rs.9,002 cr)
- Order intake during 1Q FY 2018-19 CHF138 million (Rs.950 cr) as against CHF430 million (Rs.2,960 cr) in the same quarter last year; the company has further secured orders worth CHF435 million (Rs.3,044 crores) where contracts are yet to be signed
- Cash balance CHF116 million (Rs.808 cr)
- Mr. Karsten Hell was appointed as CEO of Steiner AG on 5<sup>th</sup> July 2018. Prior to his appointment as CEO, Mr. Hell was the COO of Steiner AG. He has been with the Company since October 2013.
- Key financials of Steiner AG:

As per IndAs	Q1 FY 2018-19	Q1 FY 2018-19	Q1 FY 2017-18	Q1 FY 2017-18
	CHF Million	Rs. cr	CHF Million	Rs. cr
Turnover	199	1,369	214	1,406
PAT/ (Loss)	3.8	26	7.8	51

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

(for P&L: exchange rate of 1 CHF = Rs 68.72 for quarter ended June 30, 2018)

(for BS : exchange rate of 1 CHF = Rs 69.97 for quarter ended June 30, 2018)





## **HCC Infrastructure / HCC Concessions**

- Baharampore – Farakka – Raiganj – Dalkhola (NH-34 Packages 3, 4, 5)
  - Baharampore-Farakka (Pkg 3): Average daily revenue of Rs.48.8 lakh and traffic growth of 5.4% in Q1 FY19 w.r.t. Q1 FY18
  - Farakka-Raiganj (Pkg 4): Average daily revenue of Rs.39.2 lakh for Q1 FY19 and traffic growth of 17.9% for Q1 FY19 w.r.t. Q1 FY18
  - Raiganj-Dalkhola (Pkg 5): For termination & EOT claim, Arbitration process has started.
  - HCC Concessions is currently in discussion for monetization of its operational BOT assets
- Delhi-Faridabad (NH2)
  - Concessionaire issued Termination Notice Sep 1, 2017, along with demand for termination payment. Arbitration for recovery yet to commence



Farakka Raiganj Highway: Toll Plaza at Km 297



Km 341 (Farakka Raiganj Highway)





## Lavasa Corporation Limited



# Lavasa Corporation - Update

- LCL has submitted its own resolution plan to lenders in line with the RBI's February 12 circular. The plan involves substantial recovery by the lenders given the intrinsic value of Lavasa land

## Operational Highlights

- Footfall at Lavasa in 1Q FY19 was up 1% y-o-y at ~212,000
- Hospitality revenue in 1Q FY19 was down by 15% y-o-y at Rs.8.5 crores
- Overall hotels' average occupancy down 410bps y-o-y in 1Q FY19
- Retail revenue in 1Q FY19 was down 35% y-o-y, while Tourism revenue declined by 34%



**НСС**