



**Hindustan Construction Co Ltd**

# **Investor / Analyst Presentation FY2012-13**



# 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: FY2012-13

- **As compared to the previous year**
  - Turnover growth is flat at Rs. 3,837.3 Cr v\s Rs. 4,002.8 Cr
  - Net loss reduced to Rs. 137.6 Cr from Rs. 222.2 Cr
  - Fixed expenses (Employee cost and other expenses) lower by Rs. 78.8 Cr
  - Orders secured worth of Rs. 2,478 Cr
- **Group Annual Financials**
  - Group Turnover is at Rs. 8,510.0 Cr v\s Rs. 8,157.6 Cr, up by 4%
  - Net loss reduced to Rs. 483.5 Cr from Rs. 522.1 Cr

# Key Financial Highlights

- No additional borrowing during FY2012-13 (except Funded Interest Term Loan)
- Focus is on deleveraging to bring down interest cost in coming years:
  - a) Monetization of assets underway
  - b) Strengthened claim management process to realise claims quickly
  - c) No further funding of claims; Clients are being made to fund the cost of delays / variations.

# Balance Sheet Highlights

(Rs. Cr)	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
Net worth	1,163	1,295
Total Debt (includes FITL)	4,628	4,457
Other current/non current liabilities	5,064	5,653
<b>TOTAL LIABILITIES</b>	<b>8,529</b>	<b>8,815</b>
Non current assets	3,504	3,661
Current assets	5,025	5,153
<b>TOTAL ASSETS</b>	<b>8,529</b>	<b>8,815</b>

Overall Balance sheet size reduced by Rs. 286 Cr

# Financial Performance Review: 12M FY2012-13

For the year ended 31 <sup>st</sup> March 2013	12M FY2012-13		12M FY2011-12		
	Rs. Cr	% to turnover	Rs. Cr	% to turnover	y-o-y growth %
<b>Turnover</b>	<b>3,837.1</b>	<b>100.0</b>	<b>4,002.8</b>	<b>100.0</b>	<b>(4.1)</b>
Other Income	105.3	2.7	122.8		
Construction Cost (incl. material)	2,949.4	76.9	2,965.7	74.3	(0.5)
Employee Cost / other expenses	504.0	13.1	582.8	14.6	(13.5)
<b>EBITDA</b>	<b>383.4</b>	<b>10.0</b>	<b>443.0</b>	<b>11.1</b>	<b>(13.5)</b>
Interest	529.7	13.8	543.1	13.6	(2.5)
Depreciation	163.4	4.3	162.1	4.1	0.8
Exceptional Item	15.6	0.4	-	-	(109.4)
<b>Profit / (Loss) Before Tax</b>	<b>(193.6)</b>	<b>(5.0)</b>	<b>(318.5)</b>	<b>(8.0)</b>	<b>(39.2)</b>
Tax	(55.9)	(1.5)	(96.2)	(2.4)	(41.9)
<b>Profit / (Loss) After Tax</b>	<b>(137.6)</b>	<b>(3.6)</b>	<b>(222.2)</b>	<b>(5.6)</b>	<b>(38.1)</b>



**HCC E&C**



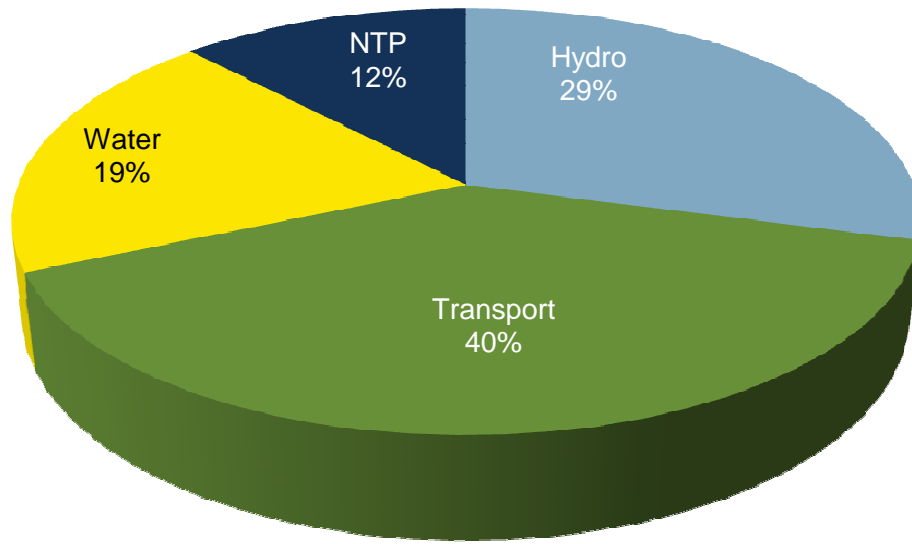
# Significant Events

- Kishanganga HEP: National record of 816m tunneling by TBM in a month & 6.3 km of tunnel executed with an average of over 500m per month
- Nimoo Bazgo HEP (44MW) & Chamera HEP (231MW) completed
- Nimoo Bazgo HEP won CIDC Vishwakarma Best Project Award 2013
- Pir Panjal Railway tunnel (11.3 km) : Trial run conducted

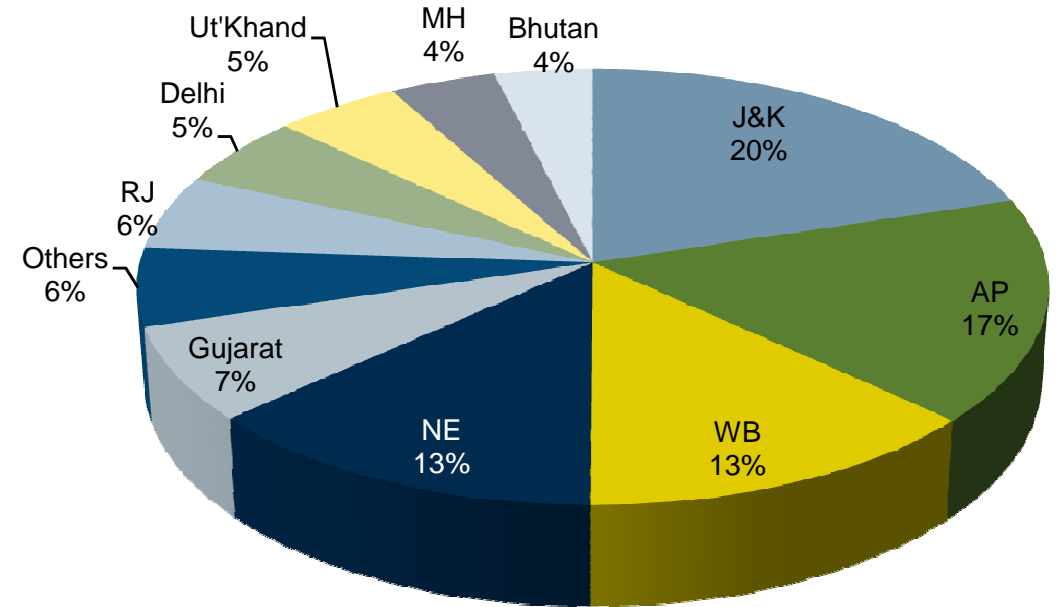


# Order Backlog Rs.14,935 Cr as on March 31, 2013

## Business Line Wise



## Geographical Spread



# Corporate Social Responsibility

- **UN Recognition for HCC's Sustainability Practices**

- The only Indian company to be featured amongst ten global companies
- Case studies in a Climate Report 'Business and Climate Change Adaptation: Toward Resilient Companies and Communities' issued by the UNGC and United Nations' Environment Program at the Rio+20 conferences organized by the United Nations at Brazil in June 2012.



- **HCC wins CSR award for Best Social Investment Strategy**

- HCC was presented with the Award for Best Social Investment Strategy 2011-12 at the World CSR Congress.
- Over the years, HCC has strategically undertaken initiatives that are categorized as Water Sustainability, Disaster Relief, HIV/AIDS Awareness, Community Development and Education.



- In its third subsequent year, HCC's sustainability report received highest accreditation A+ by the Global Reporting Initiative (GRI).



# Kishanganga HEP – Record tunneling of 816 meter in a month





# Nimoo Bazgo HEP, Leh J&K (44 MW)



# Pir Panjal Tunnel – Trial run

HCC





## NH34 – Largest road project under construction at West Bengal







**Steiner AG**

# Highlights

- Closing order backlog at CHF 1.21 billion (Rs. 7,052 Cr) excluding contracts of CHF 200 million (Rs. 1,165 Cr) yet to be signed
- Order inflow during the quarter of CHF 83.8 million (Rs. 488 Cr)
- Order inflow for the year CHF 454.4 million (Rs. 2,648 Cr)
- Steady financial performance with strong liquidity position having CHF 160 million (Rs. 933 Cr) of closing cash balance

As per IGAAP	FY2012-13 (12 mths)	FY2012-13 (12 mths)	FY2011-12 (12 mths)	FY2011-12 (12 mths)
	CHF Million	Rs. Cr	CHF Million	Rs. Cr
Turnover	763.7	4,450.6	729.0	4,248.5
PAT / (Loss)	8.3	48.2	2.9	16.8

(exchange rate of 1 CHF = Rs 58.28 as of March 31, 2013)



## **HCC Infrastructure**

- **Portfolio of ~Rs.7,000 crore, including seven NHAI concessions**
  - Commercial operation & toll collection of West Bengal project (NH34) expected later this year
    - 59% & 47% progress, respectively achieved for Baharampore-Farakka (Pkg 3) & Farakka-Raiganj (Pkg 4)
    - Equity fully invested for Pkg 3 and Pkg 4
  - Dhule Palesner Highway (NH3) operational since February 2011
    - Additional 13km phase of development readied for tolling two years in advance
    - Third consecutive BOT project to be completed well ahead of schedule
  - Debt restructuring completed for Delhi Faridabad Elevated Expressway (NH2)
  - Incorporation of HCC Operations and Maintenance Ltd to provide safe, reliable and world class O&M to road users
    - HCC O&M to initially begin service for HCC Concessions' SPVs
  - Rehabilitation work on Narmada Bridge Project (NH8) well underway



Lavasa Corporation Limited







Aerial View of Dasve



Lavasa International Convention Centre at evening



# Key Building



Dasvino Town & Country Club



Ekaant – the resort



Fortune Select – Dasve



Mercure Lavasa





Lakeside Apartments



Villas



Rental Housing



Public Safety Centre - Dasve



Access Roads



Dasve Dam





Kids Play Area



Lakeshore Water Sports



Nature Trails



Xthrill

- **The construction work commenced, ~5,000 workers on ground**
  - ~410 houses ready for handover
  - ~270 houses handing over completed
  - Mugaon: New phase of residential started
- **Sales Update: Residential sales**
  - ~100 Properties sold during last quarter
  - ~50 Cr collection during last quarter
- **Sales Update: Institutional sales**
  - S K Enterprises: 0.55 acre Plot at 4.5 Cr for SPA resort. This is the highest price/acre achieved
  - Over 100 enquiries generated for Institutional campus after launch of Work Economy marketing campaign
- **Financial Restructuring Comprehensive Scheme – implemented with the consortium lenders.**  
**All dues regularized**

- **2 Accolades by TTF (Travel & Trade Fare) – Most Promising New Destination**
- **“Holiday Inn” by IHG – Development of 150 hotel room in Mugaon**
- **EHL (Ecole Hotelier Lavasa) – Fourth year batch started, 100% students of the 1<sup>st</sup> batch placed with best brands.**
- **New Education tie-ups:**
  - Griffith university Australia
  - TAFE (Queensland Australia)



- **OASE: India's first and tallest Multimedia Fountain commissioned with Rs.20 Cr investment in Dasve lake**
- **Over 7.5 lacs tourist visited Lavasa during last year**
- **Educational Tours: ~10,000 Students visited Lavasa**
- **Hotels: ~70% occupancy in all existing hotels**
- **LICC: ~55% occupancy during year**
- **Lavasa Aerial view in Helicopter: Good response, 22 trips in 4 days**
- **Film Shooting: Shooting of "Mental" starring Salman Khan**
- **Other tourism activities**
  - Fun Filled activities at Promenade archery, angry Birds, etc.
  - Diwali, New Year events etc.
  - Tourism Travel Desks, Radio Wings Cabs Food Kiosk, Viewing Galleries etc.



# Lavasa Highlights

- **Snapshots of the Lavasa Women Drive on 24<sup>th</sup> Feb 2013**
- John Abraham, Prachi Desai, Hazel Keech, Leena Mogre, Diya Mirza flagged off the cars.







Band of Boys Performing



Diwali celebrations



Cyclathon



Ustav Workshop



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**Thank You**

## **Disclaimer**

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This presentation contains certain forward looking statements concerning future business prospects and profitability of HCC, which are subject to a number of risks and uncertainties and actual results could materially differ from those in such forward looking statements, important developments that could affect the company's operations include a downtrend in the infrastructure sector, significant changes in political and economic environment in India, tax laws, labor relations, litigation etc. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.