



**Hindustan Construction Co Ltd**

# **Investor / Analyst Presentation**

**FY2015-16**



# 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: Q4 & 12M FY2015-16

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

- Turnover is at Rs. 1,196.0 Cr v/s Rs. 1,175.1 Cr
- EBITDA margin at 19.81% V/s 17.20%
- PBT without exceptional item Rs .56.3 Cr v/s Rs 36.0 Cr
- Net Profit of Rs. 19.1 Cr v/s Rs. 20.7 Cr

➤ **As compared to 12 months of the previous year (YoY)**

- Current Order backlog up by 25% at Rs. 18,123 Cr excluding L1 contracts worth Rs. 4,930 Cr (v/s last year closing order book Rs. 14,451 Cr)
- Turnover is at Rs. 4,190.9 Cr v/s Rs. 4,301.1 Cr
- EBITDA margin at 19.98% V/s 18.74%
- Net Profit of Rs. 85.0 Cr v/s Rs. 81.7 Cr

# Financial Performance : 12 M FY 2015-16 (YoY)

For the period ended	12M FY16 31 March 2016	12M FY15 31 March 2015	YoY
	Rs. Cr	Rs. Cr	%
<b>Turnover (Including JV)</b>	<b>4,190.9</b>	<b>4,301.1</b>	<b>(2.6)</b>
Other Income & JV Profit/loss	172.9	155.4	
Construction Cost (incl. material) / other exp.	2,883.3	2,992.2	(3.6)
Employee Cost	370.4	361.1	2.6
<b>EBITDA (excluding other income &amp; JV income)</b>	<b>812.4</b>	<b>773.4</b>	
<b>EBITDA Margins</b>	<b>19.98%</b>	<b>18.74%</b>	
Interest	689.9	651.1	6.0
Depreciation	135.9	150.3	(9.6)
Exceptional Item	(26.5)	-	-
<b>Profit / (Loss) Before Tax **</b>	<b>133.1</b>	<b>127.4</b>	<b>4.5</b>
Tax	48.1	45.7	
<b>Profit / (Loss) After Tax</b>	<b>85.0</b>	<b>81.7</b>	<b>4.1</b>

\*\* including Other Income and JV profit

# Financial Performance : Q3 FY 2015-16 (3 mth YoY & QoQ) **HCC**

For the quarter ended	Q4 FY16 31 Mar'16	Q4 FY15 31 Mar'15	Q3 FY16 31 Dec'15	YoY	QoQ
	Rs. Cr	Rs. Cr	Rs. Cr	%	%
<b>Turnover (Including JV)</b>	<b>1,196.0</b>	<b>1,175.1</b>	<b>1,058.0</b>	<b>1.8</b>	<b>13.0</b>
Other Income & JV Profit/loss	29.0	50.2	46.4		
Construction Cost (incl. material) / other exp.	854.1	833.9	711.0	2.4	20.1
Employee Cost	99.4	91.6	92.2	8.5	7.8
<b>EBITDA (excluding other income &amp; JV income)</b>	<b>235.5</b>	<b>192.2</b>	<b>233.4</b>	<b>22.5</b>	<b>0.9</b>
<b>EBITDA Margins</b>	<b>19.81%</b>	<b>17.20%</b>	<b>22.51%</b>		
Interest	176.6	167.7	170.2	5.3	3.8
Depreciation	31.7	38.7	33.4	(18.2)	(5.1)
Exceptional Item	(26.2)	-	(45.5)		
<b>Profit / (Loss) Before Tax **</b>	<b>30.0</b>	<b>36.0</b>	<b>30.7</b>	<b>(16.6)</b>	<b>(2.2)</b>
Tax	10.9	15.3	11.3		
<b>Profit / (Loss) After Tax</b>	<b>19.1</b>	<b>20.7</b>	<b>19.4</b>	<b>(7.3)</b>	<b>(1.2)</b>

\*\* including Other Income and JV profit

# Standalone Balance Sheet Highlights

Rs. Cr	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
Net worth	1,863	1,387
Total Debt (includes working capital limits & FITL)	4,904	5,011
Other current/non current liabilities	3,183	3,227
<b>TOTAL LIABILITIES</b>	<b>9,950</b>	<b>9,626</b>
Non current assets	5,395	4,550
Current assets	4,555	5,076
<b>TOTAL ASSETS</b>	<b>9,950</b>	<b>9,626</b>

# Consolidated Financial Highlights

## Profit & Loss Account

Rs. Cr	FY 2015-16	FY 2014-15
Total Income from Operations	8,768	10,353
Profit / (Loss) before Tax	(395)	(305)
Profit / (Loss) After Tax	(318)	(159)

## Balance Sheet

Rs. Cr	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
Net worth (with Minority interest)	905	744
Total Debt (includes working capital limits & FITL)	11,029	11,880
Other current/non current liabilities	6,656	6,405
<b>TOTAL LIABILITIES</b>	<b>18,590</b>	<b>19,029</b>
Non current assets	10,156	10,052
Current assets	8,434	8,977
<b>TOTAL ASSETS</b>	<b>18,590</b>	<b>19,029</b>





**HCC E&C**

# Significant Events

## Major milestones

- Completion of Roller Compacted Concrete (RCC) dam of Teesta IV Low Dam project
- Inauguration of South Wharf of the newly developed dry dock at Mumbai Naval Dockyard
- Inauguration of the Parama Island - Park Circus elevated corridor project in Kolkata by Smt Mamata Banerjee, Chief Minister of West Bengal
- Foundation stone Laying of Ramban Banihal road project on NH44 in Jammu & Kashmir by Honorable Prime Minister, Shri Narendra Modi
- Foundation stone laying ceremony of two road projects in Assam on NH52 and NH37 by Shri Nitin Gadkari, the Union Minister of Road Transport, Highway & Shipping
- Second twin tunnel breakthrough at DMRC CC34 project

**Enhanced brand value by achieving many important milestones during FY2015-16**

## **“Infrastructure Company of the Year Award”**

- to HCC by Construction Week for its outstanding contribution in the Infrastructure sector

## **“Water Project of the Year Award”**

- to HCC’s Dagachhu Hydroelectric Power Project in Bhutan from Construction Week

## **“QCI D.L. Shah Quality Award”**

- to HCC’s Bogibeel Rail-cum-Road Bridge project

## **“Best Concrete Structure of the year Award”**

- To HCC’s Padur Cavern Project from ‘Indian Concrete Institute’

## **"Best Construction Project" from CIDC Vishwakarma Award 2016'**

- to Dagachhu Hydroelectric Power Project under Power category
- to Padur Cavern Project under Infrastructure category

## **CSR Awards to HCC's Water initiatives**

- By the CIDC under "Achievement Award for Social Development & Impact" category
- By the World CSR Congress

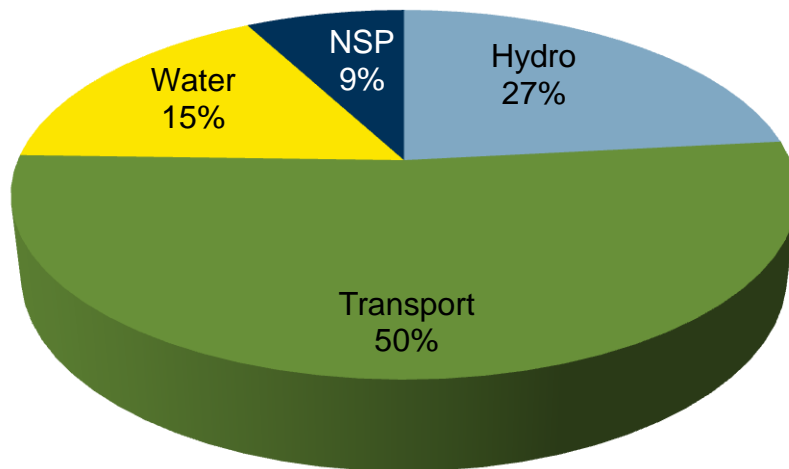
## FY 2015-16 : Orders Won

S. No.	Business Line	Name of Project	Client	HCC Share (Rs Cr)
1	Transportation	Single line BG Tunnel No.12, Assam	NF Railway	772
2	Buildings	Tata Memorial Centre Hospital at Vizag, AP	DAE	153
3	Transportation	4-Lanning of Ramban-Banihal sec of NH 1A, J&K	NHAI	1,783
4	Nuclear	C&S Works at BARC Tarapur, Ph I, Maharashtra	BARC	943
5	Nuclear	DFMF Plant, Tamil Nadu	IGCAR	43
6	Transportation	Kangchup Tamenglong Road, Manipur	PWD, Manipur	813
7	Hydro	Tapovan Vishnugad HEP - Bal. works of HRT	NTPC	634
8	Hydro	Double Lane Tunnel at Sawalkot, J&K	JKSPDC	167
9	Hydro	Nikachhu HEP (118MW), Bhutan	DGPC	456
<b>Total – Orders Won</b>				<b>5,764</b>

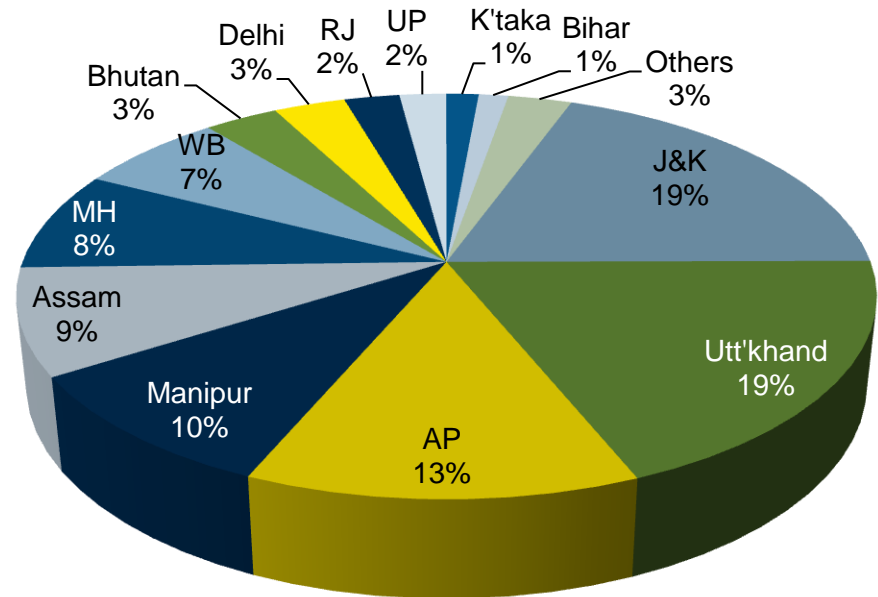
**In addition to order book, Current L1 orders is aggregating to Rs. 4,930 Cr**

# Order Backlog (as on 31-Mar-2016): Rs 18,123 Cr

## Business Line Wise



## Geographical Spread



**Order book to cross Rs. 22,000 crs post conversion of L1 into orders**

**Balanced portfolio having geographical spread across the country**

# Bid Slate as on 31st March 2016

(Rs in Cr)

		Hydro	Transport	Water	NSP & Buildings	Total
<b>A</b>	<b>Price Bids under evaluation</b>	1,425	415	2,450	1,310	<b>5,600</b>
		3	2	2	2	<b>9</b>
<b>B</b>	<b>Bids to Submit where HCC has Pre-Qualified</b>	1909	14,434	3,500	0	<b>19,843</b>
		2	20	7	0	<b>29</b>
<b>C</b>	<b>Pre-qualifications under evaluation</b>	11,350	383	8071	2,249	<b>22,053</b>
		4	2	2	5	<b>13</b>
<b>D</b>	<b>Pre-qualifications to submit</b>	1800	1,100	0	0	<b>2,900</b>
		2	1	0	0	<b>3</b>



## **Steiner updates**

- 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 1,319 million (Rs.9,068 Cr) excluding contracts of CHF 700 million (Rs.4,813 Cr) yet to be signed
- Order intake during Q4 FY 2015-16 CHF 124 million (Rs. 855 Cr)
- Order intake in last 12 months ~ CHF 849 million (Rs. 5,833 Cr)
- Key financials of Steiner AG:
 

(for P&L : exchange rate of 1 CHF = Rs 66.83 as of March 31, 2016)

(for BS : exchange rate of 1 CHF = Rs 68.75 as of March 31, 2016)

As per IGAAP	Q4 FY 2015-16	Q4 FY 2015-16	12M FY 2015-16	12M FY 2015-16
	CHF Million	Rs. Cr	CHF Million	Rs. Cr
Turnover	156	1,042	639	4,256
PAT/ (Loss)	(0.3)	(1.7)	(0.9)	(6.5)





## **HCC Infrastructure**

# Business Update

- Baharampore-Farakka (Pkg 3, NH34)
  - Daily toll collection ~Rs.36 lacs with 13% PCU growth in last quarter; FY16 witnessed 7% PCU growth
  - Annual revenue of Rs. 112 crore, 37% increase YoY
  - Baharampore Bypass land entirely procured by NHAI; execution of FCOD stretch underway
- Farakka-Raiganj (Pkg 4, NH34)
  - COD expected by June/July 2016; Final Completion in Q4 FY17
- Raiganj-Dalkhola (Pkg 5, NH34)
  - ~90% land acquired after 6 yr land acquisition delay
  - Entire equity infused; grant application submitted
  - Earthwork, cleaning, grubbing and trench work started in Q4 FY16
  - Scaling up of construction works dependent on adequate support from NHAI & Lenders
- Delhi-Faridabad (NH2)
  - SC order requiring Environment Compensation Charge (discouraging CV traffic into Delhi) & Delhi Govt. Odd/Even policy resulting in material traffic dip and loss of revenue
  - Evaluating various options with lenders to restructure debt or mutually foreclose the project with NHAI due to Force Majeure event



Package 3 Toll Plaza at Km 206



Construction underway at Package 4



# Lavasa Corporation Limited





# Aerial View



Aerial View of Dasve

# Operations – Highlights

- **Labours on ground : ~500 Nos.**
- **Total units ready for possession : ~1118 units**
  - Apartments : ~665 Units
  - Villas : ~ 453 Units
- **Possession given till date : 945 units**

## Updates : Tourism & Awards

- **Footfall:** Footfall during FY 15-16 rose 12% to ~1.07 Mn. Highest footfall achieved 11,00,000 during last calendar year.
- Lavasa bagged 6 prestigious awards in FY 2016.
  - The award for Lavasa as the ‘Smart City of Tourism’.
  - The ‘Best Exhibition and Convention Centre - West India.
  - The third consecutive year, Lavasa has won the PATWA International award for the “Future of Travel”.
  - Best MICE Destination – India Hospitality Awards
  - “Smart City For Education” at ABP News Brand Excellence Award 2015
  - Best City Initiative – Smart Cities Exhibition, Jaipur
- **Shoots:** Prominent commercial shoot included Tata Zest, Volkswagen Vento, South-Kannada film , Apollo Tyres, Maruti CIAZ Ranveer Singh, and Marathi Movie – ‘Friends ‘& ‘Photocopy’.

- **Events:**

- Republic Day Event : Introduced Hot air balloon activity at Lavasa. 30000 footfalls over 4 days.
- Christmas & New Year Event : Live musical and dance performance by renowned artist Sharon Prabhakar
- Freedom 2015 : Event done in collaboration with HT. 35000 footfalls; Celeb DJ entertained the crowd.
- IMFFA : Hosted nomination ceremony of International Marathi Film Festival Awards at LICC.

- **All that Jazz; a leading retailer shall commence operation by 15th May 2016**

- **Guns and glory shooting range to commence operations soon**

- **New shops like Popsicles, Live today ,Kashmir cottage have been signed up**

- **Dasve Hospitality Institute:** In May 2016, Lavasa leased the institute to Expat Properties for running its operations for 10 years
- **Apollo Medicity:** In Nov'16, Apollo Enterprise increased its stake from 37.5% to 51%
- **Sports Academy:** MOU with investor is finalized for development of 4.58 acres Rs. 30 cr sport complex in Dasve. Work started for constructing Multi-purpose stadium for corporate tournaments.
- **Knowledge Vistas Limited:** Signed a term sheet with Befferent Digital Media pvt ltd., due diligence under process
- **SGG:** Deal with Lavasa(LCL) to establish International Boarding School Campus with all related infrastructure facilities is in process





**Thank You**