

HCC Standalone Q2 FY24 Net Profit at ₹52.3 crore

₹3,301 crore of debt reduced on consolidated basis via majority sale of SPV

Mumbai: November 09, 2023: HCC E&C reported standalone turnover and EBITDA of ₹1,138.8 crore and ₹163.6 crore, respectively, in Q2 FY24, as against ₹1,249.1 crore and ₹228.2 crore, in Q2 FY23. The Company's order book stood at ₹12,344 crore as of September 30, 2023.

HCC reported consolidated revenue of ₹1,832.6 crore in Q2 FY24 versus ₹2,257 crore in Q2 FY23. The consolidated net profit was at ₹6.4 crore in Q2 FY24 versus net profit of ₹310.3 crore in Q2 FY23. The consolidated figures are not comparable due to the exclusion of the subsidiary, Steiner Construction SA's operations, which per the accounting standard is treated as discontinued given the expected sale of the company in the coming quarter.

Financial highlights – HCC unaudited standalone results

- Turnover of ₹1,138.8 crore in Q2 FY24 versus ₹1,249.1 crore in Q2 FY23
- Net Profit of ₹52.3 crore in Q2 FY24 compared to ₹312.8 crore in Q2 FY23
- EBITDA margins at 14.4% in Q2 FY24 compared to 18.3% in Q2 FY23

The Company has received completion certificates for three projects in Q2 FY24, including Sone Bridge, Bistan Lift Irrigation and Tata Memorial Centre. Five more projects are in advanced stages of completion, including three projects in Jammu & Kashmir viz Anji Khad Bridge, Sawalkot Road tunnel and the railway tunnel T49A where most of the civil work is completed and finishing work is in the final stages. In the Nikachhu hydropower project in Bhutan, water impounding in the dam and trail runs of turbines will commence in the next quarter. In the Delhi Metro DC06 package, all civil work has been completed, and architectural finishing works in the station are nearing completion.

The major hydro projects of Tehri and Vishnugad Pipalkoti in Uttarakhand, the Coastal Road Project and Mumbai Metro Line 3 project, have achieved significant progress.

The Company is now focusing on growth through new order acquisitions. It has bid for projects worth ₹6,000 crore, which are under evaluation. Another ₹8,000 crore worth of bids shall be submitted in the coming quarter. Furthermore, a bid pipeline of ₹15,000 crore has been identified for future growth. During the quarter, the order backlog increased by ~ ₹900 crore through awards of variations in existing jobs.

A majority 51% shares in Prolific Resolution Private Limited (PRPL) have been acquired by an investor, Jadeja Investments Management Pvt Ltd. With this, PRPL has ceased to be a subsidiary of HCC, with effect from September 30, 2023. Consequently, ₹3,301.2 crore of debt has reduced on a consolidated basis.

Performance of HCC subsidiary: Steiner AG

Steiner AG reported revenues of CHF 66.5 million (₹603 crore) in the Q2 FY24 as compared to CHF 145.9 million (₹1,183 crore) in the Q2 FY23 and loss of CHF 0.7 million (₹6.3 crore) in the Q2 FY24 as compared to profit of CHF 6.2 million (₹49 crore) in the Q2 FY23. The quarterly figures exclude CHF 58.83 million (₹540.7 crore) of revenue and CHF 1.02 million (₹9.18 crore) loss for Q2 FY24 for subsidiary, Steiner Construction SA, which is in the process of being divested. The Company secured fresh orders worth CHF 31 million (₹277 crore) in Q2 FY24. The order book stood at CHF 461.3 million (₹4,123 crore) at the end of September 30, 2023.

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 Hydro Power generation and 60% of India's Nuclear Power generation capacities, over 4,036 lane km of Expressways and Highways, more than 360 km of complex Tunnelling and 395 Bridges. Today, HCC Ltd. serves the infrastructure sectors of Transportation, Power and Water. The HCC Group, with a group turnover of ₹9,857 crore, comprises of HCC Ltd., HCC Infrastructure Co. Ltd., and Steiner AG in Switzerland.