



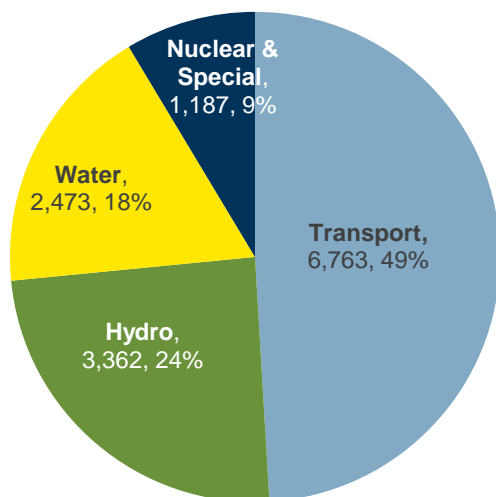
**Hindustan Construction Co Ltd**

# **Investor / Analyst Presentation**

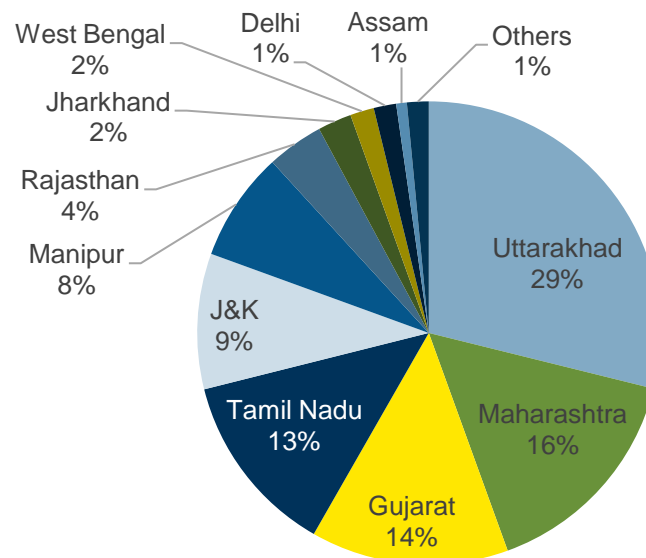
**Q2 FY23**

# Order Backlog Q1 FY23 – ₹13,784 Cr

## Business line wise break-up



## Geographical break-up



Balanced portfolio having geographical spread across the country

## Key Highlights: Q2 FY23

1. Consolidated Group revenue at ₹2,499 Cr in Q2 FY23 vs ₹2,776 Cr in Q2 FY22
2. Consolidated Profit of ₹319 Cr in Q2 FY23 vs Profit of ₹139 Cr in Q2 FY22
3. Standalone E&C Turnover: ₹1,249 Cr in Q2 FY23 vs. ₹932 Cr in Q2 FY22
4. EBITDA margin (excluding Other Income): 18% in Q2 FY23 vs. 5% in Q2 FY22
5. Standalone Profit of ₹313 Cr in Q2 FY23 compared to Loss of ₹159 Cr in Q2 FY22
6. Strong operational performance and earnings during the quarter due to improved operational efficiencies through a leaner and efficient organizational structure
7. BFHL completion and stake sale process on track
8. Debt carve-out resolution plan completed

# HCC Post Debt Resolution

	HCC		SPV			HCC		SPV	
	Sept'22	Mar'22	Sept'22	Mar'22		Sept'22	Mar'22	Sept'22	Mar'22
<b>ASSETS</b>					<b>EQUITY AND LIABILITIES</b>				
<b>Non-current assets</b>					<b>Equity</b>				
Property, plant and equipment	330	371	-	-	Equity share capital	151	151	-	-
Financial assets	2,680	1,709	2,966	-	Other equity	476	317	23	(0)
Deferred tax assets (net)	742	742	-	-	<b>Total equity</b>	<b>628</b>	<b>468</b>	<b>23</b>	<b>(0)</b>
Income tax assets (net)	57	47	-	-	<b>Liabilities</b>				
Other non-current assets	64	70	-	-	<b>Non-current liabilities</b>				
<b>Total non-current assets</b>	<b>3,873</b>	<b>2,939</b>	<b>2,966</b>	-	Financial liabilities				
<b>Current assets</b>					Borrowings	1,957	965	2,856	-
Inventories	186	176	-	-	Other financial liabilities	1,481	1,505	86	-
Financial assets	2,335	2,863	10	-	Provisions	28	37	-	-
Unbilled work-in-progress (contract assets)	1,885	2,390	-	-	Other Liabilities			10	-
Other current assets	238	258	-	-	<b>Total non-current liabilities</b>	<b>3,466</b>	<b>2,507</b>	<b>2,941</b>	-
<b>Total current assets</b>	<b>4,643</b>	<b>5,687</b>	<b>10</b>	-	<b>Current liabilities</b>				
Assets held for sale (carve-out)	-	2,642	-	-	Financial liabilities	2,435	3,275	2	-
<b>Total current assets</b>	<b>4,643</b>	<b>8,330</b>	<b>10</b>	-	Other current liabilities	1,716	1,743	1	-
<b>TOTAL ASSETS</b>	<b>8,515</b>	<b>11,268</b>	<b>2,976</b>	-	Provisions	271	333	-	-
					<b>Total</b>	<b>4,421</b>	<b>5,351</b>	<b>3</b>	-
					Liabilities held for sale	-	2,942	-	-
					<b>Total current liabilities</b>	<b>4,421</b>	<b>8,293</b>	<b>3</b>	-
					<b>TOTAL EQ AND LIAB</b>	<b>8,515</b>	<b>11,268</b>	<b>2,966</b>	-

- Annual interest cost accrual to reduce from ~Rs. 950 cr to ~Rs. 400 cr;
- Annual interest income accrual to reduce from ~Rs. 240 cr to ~Rs. 75 cr
- HCC continues to hold awards and claims worth ~Rs. 1,300 cr and ~Rs. 4,000 cr respectively; and
- Net Asset Value of HCC also driven by Steiner AG, Land assets, BOT asset BFHL (definitive sale term signed)

# New Business

## Bids Submitted & Under Evaluation

- Bids worth ~₹6,000 Cr (HCC Share) under evaluation
- Bid submissions worth > ₹17,000 Cr planned for FY23; focus is on high value jobs with limited competition in Urban Infra & Hydro segments

## Business Development Strategy

- Focus on high value jobs in hydro and urban infra space
- Consolidate Order Booking in existing geographies
- Strategic Collaborations to mitigate risks & improve winnability
- Post RP, release of BGs to facilitate normalized order booking

# Operations Update - Anjikhad Bridge



Segments launching in progress



# Operations Update - Tehri PSP(4 x 250 MW)



Head Race Tunnel Lining



Machine Hall



# Operations Update - Vishnugad Pipalkoti HEP



Dam Excavation

# Operations Update - Vishnugad Pipalkoti HEP



TBM Adit



TRT Outfall



# Operations Update - Nikachhu HEP

Dam Concrete



Desander



# Operations Update - Railway Tunnel T-49A

## Main Tunnel





# Operations Update - Railway Tunnel T-49A

## Bridge 2



# Operations Update - Railway Tunnel T-49A

## Bridge 3





# Operations Update - Mumbai Metro

CST Station



Girgaon Station



Grant Road Station

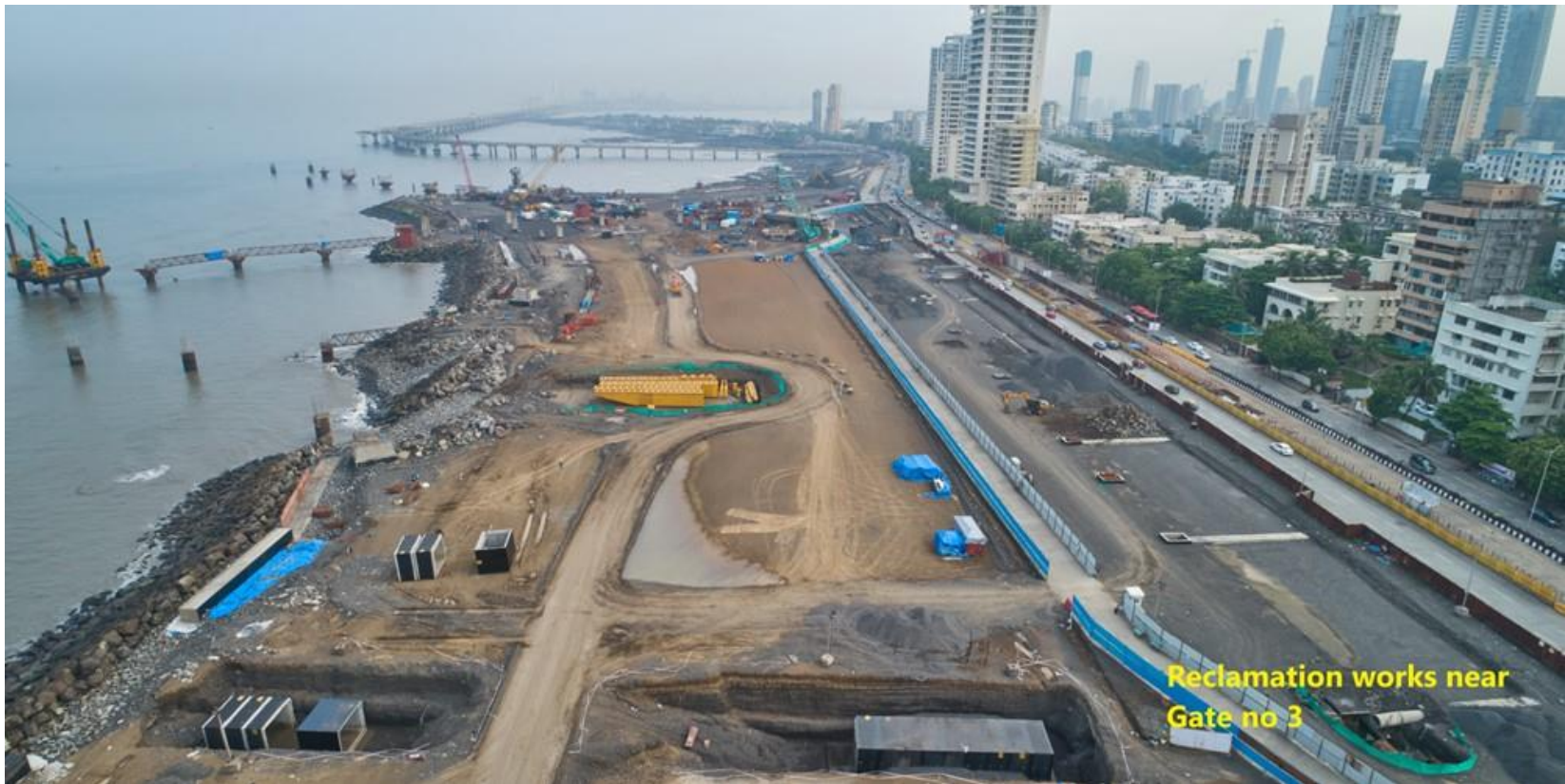


Kalbadevi Station



# Operations Update - Mumbai Coastal Road

## Reclamation works



Seawall construction, Piling works in Main Bridge, Arm Interchanges and Segment casting and erection works in progress.



# Operations Update - Mumbai Coastal Road



Arm-2 - Segment Launching of 1<sup>st</sup> Span



Main Bridge 2-2

# Operations Update - Parwan Dam



# Consolidated Financials: Q2 FY23 (y-o-y & q-o-q)

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

Particular	Q2 FY23 ₹ Cr	Q2 FY22 ₹ Cr	y-o-y %	Q1 FY23 ₹ Cr
Income from Operations	2,498.8	2,775.6	(10%)	2,228.9
Other Income	16.4	59.2	(72%)	14.0
<b>Total Income</b>	<b>2,515.2</b>	<b>2,834.8</b>	<b>(11%)</b>	<b>2,242.9</b>
Construction Cost(incl. material)/ Other Exp.	1,934.7	2,216.6	(13%)	1,927.2
Employees Cost	209.5	235.1	(11%)	215.2
<b>EBITDA (excluding Other Income)</b>	<b>564.1</b>	<b>559.0</b>	<b>(16%)</b>	<b>241.4</b>
<b>EBITDA margin (%) (excluding Other Income)</b>	<b>23%</b>	<b>20%</b>		<b>11%</b>
Finance Cost	247.7	251.5	(2%)	262.9
Depreciation	32.0	33.1	(3%)	32.2
Exceptional items - Gain / (Loss)	223.3	106.1	110%	-
<b>Profit / (Loss ) Before Tax</b>	<b>324.6</b>	<b>197.1</b>	<b>65%</b>	<b>(305.0)</b>
Tax expense	(5.6)	57.9		26.1
<b>Profit / (Loss) After Tax</b>	<b>319.0</b>	<b>139.2</b>	<b>129%</b>	<b>(278.9)</b>
Other comprehensive income / (loss)	<b>(17.2)</b>	(15.4)		24.5
<b>Total Comprehensive Income (after Tax)</b>	<b>301.8</b>	<b>123.8</b>	<b>144%</b>	<b>(254.3)</b>

# HCC Standalone Financials : Q2 FY23 (y-o-y & q-o-q)

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

Particular	Q2 FY23 ₹ Cr	Q2 FY22 ₹ Cr	y-o-y %	Q1 FY23 ₹ Cr
Income from Operations	1,249.1	932.5	34%	972.7
Other Income	18.8	52.1	(64%)	11.4
<b>Total Income</b>	<b>1,267.9</b>	<b>984.6</b>	<b>29%</b>	<b>984.1</b>
Construction Cost(incl. material)/ Other Exp.	942.9	798.1	18%	790.1
Employees Cost	78.0	90.1	(13%)	81.0
<b>EBITDA (excluding Other Income)</b>	<b>228.2</b>	<b>44.4</b>	<b>414%</b>	<b>101.6</b>
<b>EBITDA margin (%) (excluding Other Income)</b>	<b>18.3%</b>	<b>4.8%</b>		<b>10.5%</b>
Finance Cost	136.9	232.5	(41%)	243.1
Depreciation	20.1	22.6	(11%)	20.2
Exceptional items - Gain / (Loss)	223.3	-		-
<b>Profit / (Loss ) Before Tax</b>	<b>313.4</b>	<b>(158.7)</b>	<b>(297%)</b>	<b>(150.3)</b>
Tax expense	0.6	0.6	-	0.5
<b>Profit / (Loss) After Tax</b>	<b>312.8</b>	<b>(159.3)</b>	<b>(296%)</b>	<b>(150.8)</b>
Other comprehensive income / (loss)	2.4	(4.1)	-	(3.4)
<b>Total Comprehensive Income (after Tax)</b>	<b>315.1</b>	<b>(163.4)</b>	<b>(293%)</b>	<b>(154.2)</b>



## HCC Concessions

# Baharampore-Farakka Construction Update

Construction activities in full swing; expected completion by Jul / Aug 2023



Bhagirathi bridge super structure works at Baharampore Bypass

# Concessions Business Update

## 1. BFHL (NH34 Package 3):

### a) Revenue and Traffic

	Q2 FY23
Turnover (₹ Cr)	31.8
Average Daily Collection (₹ lakh)	34.6
PCU growth	21%

- i. *High PCU growth largely due to lower PCUs of Q2 FY22 which were impacted due to COVID restrictions.*
- ii. *On adjusted basis, PCU growth is estimated at 2% in Q2 FY23*

## 2. RDHL (NH34 Package 5): NHA deposited ₹317.6 Cr in court towards EOT award (total RDHL awards ~ ₹935 Cr)

## **Steiner AG**

# Steiner AG Q2 FY23 Highlights

1. 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
2. Closing order backlog as of September 30, 2022: CHF 907 million (₹7,365 Cr)
3. Order intake during Q2 FY23 was CHF 91.7 million (₹747 Cr)

## Key financials

As per IGAAP	Q2 FY23		Q2 FY22	
	CHF Million	₹ Cr	CHF Million	₹ Cr
Turnover	146	1,183	232	1,844
PAT/ (Loss)	6.2	49	28.2	223

## 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, labour 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.