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## Highlights 2021-22

- Consolidated Group revenue at ₹10,670 crore; standalone revenue of ₹4,666 crore in FY22 vs ₹2,590 crore in FY21
- EBITDA margin (excluding Other Income): 16.9% in FY22 vs. 11.6% in FY21
- Secured three fresh orders worth ₹3,100 crore (HCC share: ₹1,558 crore); Order backlog of ₹15,967 crore
- Two project completion certificates were received, including Bhama Askhed Water Supply Scheme (Maharashtra) and Bogibeel Rail-cum-Road Bridge (Assam)
- Three Project's Defects liability period (DLP) completion certificates were received, including Teesta Low Dam (West Bengal), Sawrakuddu HEP (Himachal Pradesh) and Sainj HEP (Himachal Pradesh)
- Debt carve-out resolution plan with lenders is in the final stages
- HCC Concessions Ltd (HCON) executed binding terms to sell Baharampore-Farakka Highways Ltd to Cube Highways and Infrastructure V Pte Ltd, at an enterprise value of ₹1,279 crore.

# HCC'S MAJOR PROJECTS

□ Completed projects

● Projects in progress

▲ New projects

★ BOT projects

## ANDHRA PRADESH

- Cavern for Crude Oil Storage, Vishakhapatnam
- Godavari Barrage at Rajahmundry
- Godavari Railway Bridge
- Polavaram - Right Main Canal
- Tata Memorial Centre, Hospital
- Vizag Monolith, West Wall Protection

## ARUNACHAL PRADESH

- Pare Hydro Power Project

## ASSAM

- Bogibeel Rail-cum-Road Bridge
- Brahmaputra Bridge
- NH-37 - Numaligarh to Jorhat Highway
- NH-54 - Maibang to Nirmbanglo Highway

## BIHAR

- Ganga Bridge at Mokameh
- Munger Rail-cum-Road Bridge
- Muzaffarpur Thermal Power Plant
- Sahibganj Manihari Bridge
- Sone Barrage
- Sone Bridge

## CHATTISGARH

- Bhilai Steel Plant

## DELHI

- ★ Delhi Faridabad Elevated Expressway
- DMRC - Airport Metro Express Line
- DMRC - Dwarka to Najafgarh
- DMRC - Janakpuri West to Palam Station
- DMRC - Janakpuri West to RK Ashram Corridor

- DMRC - Netaji Subhash Place to Shalimar Bagh

- DMRC - Vishwa Vidyalaya to ISBT

- Flyover linking existing Munirka flyover to Army RR Hospital

## GOA

- Goa Barge Berth at Marmugoa

## GUJARAT

- Bhadbhut Barrage
- Kachchh Branch Canal
- Kakrapar Atomic Power Project
- Kalol Mehsana Gas Pipeline
- Mehsana to Palanpur Highway
- Saurashtra Branch Canal
- Swarnim Gujarat Kutch Water Grid

## HARYANA

- Hathnikund Barrage
- Panipat Chimney

## HIMACHAL PRADESH

- Chamera Hydro Power Project, Stage I
- Chamera Hydro Power Project, Stage III
- Kashang Hydro Power Project
- Nathpa Jhakri Hydro Power Project
- Sainj Hydro Power Project
- Sawra Kuddu HRT

## JAMMU & KASHMIR

- Access Road Tunnel to Sawalkote Hydro Power Project
- AnjiKhad Cable Stayed bridge
- Tunnel T13
- Kishanganga Hydro Power Project
- Mughal Road
- Pir Panjal Tunnel
- Salal Hydro Power Project
- T49A Tunnel - Dharam-Qazigund
- Uri-II Hydro Power Project

## JHARKHAND

- Chandil Dam

- Grand Trunk Road Improvement Project

## KARNATAKA

- Bangalore Metro Reach 5, Package 3
- Cavern for Crude Oil Storage, Padur
- Yettinahole Project

## KERALA

- Brahmapuram Diesel Power Plant
- Dam across Idamalayar
- Lower Periyar Hydro Power Project
- Sebarigiri Dam
- Wellington Bridge, Cochin

## LADAKH

- Chutak Hydro Power Project
- Nimoo Bazgo Hydro Power Project

## MADHYA PRADESH

- Bistan Lift Irrigation Scheme
- Road Bridge over River Indravati
- Satpura Thermal Power Station
- Tons Hydro Power Project

## MAHARASHTRA

- Bandra-Worli Sea Link
- BARC - Integrated Nuclear Recycle Plant, Tarapur
- Bhama Askhed Pipeline
- Bhandup Pipeline
- Bhandup Water Treatment Complex
- Bhorghat Tunnel
- DGNP Dry-Dock and Wharves
- Factory Civil Works for Premier Automobiles Limited
- Ghatkopar High Level Tunnel
- Koyna Hydro Power Project Stage I to IV
- Middle Vaitarna Water Pipeline
- Mumbai Coastal Road – Pkg II
- Mumbai Metro Line 3: UGC-02
- Mumbai Metro One

- ☐ Mumbai-Pune Expressway
- ☐ NH-3 MP/Maharashtra Border - Dhule Highway
- ☐ NH-4 - Satara Kolhapur Highway
- ☐ Nhava Sheva WTP Works, Raigadh
- Residential Buildings, Anushaktinagar
- ☐ Trombay Chimney Works
- ☐ Vaitarna Dam
- ☐ Water Supply Tunnel from Bhandup to Charkop, Mumbai
- ☐ Water Tunnel between E Moses Road and Ruparel College, Mumbai
- ☐ Water Tunnel between Sewri and Futka
- ☐ Water Tunnel from Maroshi to Ruparel College, Mumbai

#### MANIPUR

- Imphal Kangchup Tamenglong Road
- Parallel safety tunnel of T-12
- ☐ Railway Tunnel No.1 between Jiribam and Tupul
- ☐ Railway Tunnel No. 3 between Jiribam and Tupul
- ☐ Railway Tunnel No. 10 between Jiribam and Tupul
- ☐ Railway Tunnel No. 12 between Jiribam and Tupul
- Railway Tunnel No. 12 between Tupul and Imphal

#### MIZORAM

- Single Line BG Tunnels Lot 14A and Lot 15A

#### ORISSA

- ☐ Aditya Aluminium Project
- ☐ Dam at Upper Kolab
- ☐ Naraj Barrage, New Cuttack
- ☐ Paradip Port Road

#### PUNJAB

- ☐ 140 m High Chimney at Ropar
- ☐ Rail Coach Factory at Kapurthala

#### RAJASTHAN

- ☐ East-West Corridor Project
- ▲ Nokha Water Supply project

- Parwan Dam & Tunnel
- ☐ Rajasthan Atomic Power Project, Units 1 & 2
- ☐ Rajasthan Atomic Power Project, Units 3 & 4
- ☐ Rajasthan Atomic Power Project, Units 5 & 6
- Rajasthan Atomic Power Project, Units 7 & 8

#### TAMIL NADU

- ☐ Chennai Bypass
- ▲ Chennai Metro Rail - Phase II, Corridor 4 - ECV02
- ▲ Chennai Metro Rail – Phase II, Corridor 4 – ECV03
- ☐ Ennore Port
- Fast Reactor Fuel Cycle Facility, Kalpakkam
- Residential Buildings, Anupuram
- ☐ Kadamparai Pumped Storage Project
- ☐ Kudankulam Nuclear Power Project, Units 1 & 2
- ☐ Lower Mettur Hydro Power Project
- ☐ Navamalai Irrigation Tunnel
- ☐ Tirupur Water Supply Project
- ☐ Upper Nirar Irrigation Tunnel

#### TELANGANA

- ☐ JCR Devadula Lift Irrigation Scheme Phase I
- ☐ JCR Devadula Lift Irrigation Scheme Phase II
- ☐ North-South Corridor NHDP Phase II Package AP-8
- ☐ Pranahita Chevella Lift Irrigation Scheme
- ☐ Ramagundam Thermal Power Project

#### UTTAR PRADESH

- ☐ Allahabad Bypass
- ☐ Gomti Aqueduct
- ☐ Maneri Bhali Hydroelectric Power Project
- ☐ Naini Cable Stayed Bridge
- ☐ Narora Atomic Power Project
- ☐ NH - 28 - Lucknow Muzaffarpur Highway
- ☐ Rihand Dam

- ☐ Sai Aqueduct
- ☐ Sharda and Ghogra Barrages
- ☐ Varanasi Bridge
- ☐ Yamuna Hydro Power Project

#### UTTARAKHAND

- ☐ Dhauliganga Hydro Power Project
- Rishikesh-Karnaprayag New BG line - Pkg 9
- Tapovan Vishnugad Hydro Power Project
- Tehri Pumped Storage Project
- Vishnugad Pipalkoti Hydro Power Project

#### WEST BENGAL

- ☐ Elevated Road from Park Circus to E.M. Bypass, Kolkata
- ☐ Farakka Barrage
- ☐ Golden Quadrilateral Road Project - Kolaghat to Kharagpur
- ☐ Haldia Docks Project
- ☐ Kalyani Bridge
- ☐ Kolkata Metro
- ☐ Mahananda Barrage
- ★ NH-34 - Bahrampore - Farakka Highway
- ★ NH-34 - Farakka - Raiganj Highway
- ☐ Purulia Pumped Storage Project
- ☐ Teesta Barrage
- ☐ Teesta Low Dam - Stage IV

#### BHUTAN

- ☐ Dagachhu Hydro Power Project
- ☐ Kurichhu Hydro Power Project
- Nikachhu Hydro Power Project
- Punatsangchhu Hydro Power Project
- ☐ Tala Hydro Power Project



## CHAIRMAN'S LETTER



Dear Shareholder,

India is celebrating 75 years of her Independence. 'Swaraj is my birth right and I shall have it' said Lokmanya Tilak. Independence is that freedom. It is the courage shown by our people to fight for freedom from almost a thousand years of occupation by foreign rulers and invaders. Since independence, the Indian people have used their genius to achieve justice and prosperity and shown their grit and perseverance to overcome unsurmountable difficulties.

Independence comes with a responsibility. A responsibility that requires constant vigilance and sacrifice, so no one can take it away from you again. Freedom as the Gita says gives us the spirit to be 'resolute for the fray.' Prime Minister Modi has led the way in celebrating this independence, so we remain aware of the precious gift that it is and to strengthen our resolve to protect it and teach our young ones to value it.

Let us join this celebration. Jai Hind.

On to matters of business and economy. These past two years, our country and the world have been traumatized by a raging pandemic. Yet, the accomplishments made during these trying times are no less extraordinary. Even as economies are reaching pre-pandemic levels globally, the recurrence of COVID19 waves in many parts of the world continues to be a cause for concern. However, we are better

prepared to march through this new normal.

Following a sharp contraction in the first quarter of 2020-21, the economic momentum progressively picked up, before the second wave struck in April-June 2021. Taking the actual growth rate of (-) 6.6% for 2020-21, 8.9% for 2021-22, and assuming a growth rate of 7.2% for 2022-23, and 7.5% beyond that, the Reserve Bank of India has acknowledged that the country would overcome COVID19 related losses by 2034-35.

Meanwhile, a few structural reforms that have been suggested include, 1) Scaling up R&D activities with an emphasis on innovation and technology; 2) Creating an enabling environment for start-ups and unicorns; 3) Rationalisation of subsidies that promote inefficiencies; 4) Encouraging urban agglomerations by improving the housing and physical infrastructure; 5) The development of a modern supply chain infrastructure; 6) Developing numerous small-scale irrigation projects, as well as using wind energy to lift water from borewells in drought-prone areas; and 8) A strategy to meet the financing requirements for the National Infrastructure Pipeline (NIP).

Recognizing the importance of infrastructure in economic recovery, the Union Government is making a policy push with various programmes, such as NIP, GatiShakti, National Monetisation Plan, and housing schemes, to create an

enabling environment. The total outlay under NIP (FY20-FY25) is to the tune of \$1.4 trillion (₹100 lakh crore). In the Union Budget 2022-23, the proposed infrastructure spend is more than ₹9.75 lakh crore, which is 24.4% higher than FY 2021-22.

The PM GatiShakti National Master Plan encompasses seven engines for economic transformation – roads, railways, airports, ports, mass transport, waterways, and logistics infrastructure. Besides, several programmes have been implemented through various ministries to upgrade infrastructure, such as Bharat Mala, the Regional Connectivity Scheme, Pradhan Mantri Awas Yojana, Atal Mission for Rejuvenation and Urban Transformation, Swachh Bharat, and Jal Jeevan Mission. The National Bank for Financing Infrastructure and Development also helps fund projects.

In a bid to bolster the construction sector and improve contractors' liquidity, MoRTH has extended relief measures offered in 2020 under the Atmanirbhar Bharat Scheme until October 2022. These include monthly payments to contractors for EPC/HAM projects, continuation of performance security at 3%, and release of retention money in proportion to the works executed. The Budget has also proposed allowing the use of surety bonds from insurers as a substitute for bank guarantees in government procurements, which will reduce the margin money/collateral requirement, thereby unshackling the resource constraints in achieving a ₹111 lakh crore infrastructure program in the next 5 years.

Meanwhile, we at HCC have focused on our long-term sustainability initiatives aimed at deleveraging the balance sheet and pruning fixed costs. These include augmenting internal capabilities, managing and mitigating risks, being selective in securing new orders, and resolving contractual issues with clients. Overall, the strategy has focused on innovative cashflow solutions for ongoing projects, contractual closure of closed projects, and liability reduction.

We also focused on the health and security of our employees. We are 100% vaccinated, which has helped us to maintain the operational momentum. Our projects have made additional efforts to remobilize the required workforce and strengthen supply chain management with improved vendor management.

In a year overshadowed by uncertainty, your company registered the highest growth, compared to the last four years, across key performance parameters. The turnover reached ₹4,666.3 crore, with operating profits of ₹788.9 crore. With strategic bidding of around ₹9,000 crore across key sectors, HCC secured three contracts mainly in the transportation and water sectors. Meanwhile, the total order backlog as of March 31, 2022, was ₹15,967 crore.

Your company has completed two projects this year. One is

of Bhamra Askhed Water Supply Scheme in Maharashtra and the other is Bogibeel Rail-cum-Road Bridge in Assam. The defect liability period of three projects was also completed, i.e. Teesta Low Dam, West Bengal, Sawrakuddu and Sainj HEP's, Himachal Pradesh. Significant progress has been achieved on several projects under construction, including Mumbai Coastal Road Project, Mumbai Metro Line 3, Delhi Metro Rail Corporation's DC06 contract, Railway Tunnel T-49A, T13, T14, Anjikhad Cable-Stayed Bridge in Jammu & Kashmir, Tehri Pumped Storage Plant and Vishnugad Pipalkoti HEP in Uttarakhand, the Fast Reactor Fuel Cycle Facility at Kalpakkam in Tamil Nadu, the Rajasthan Atomic Power Project, the Integrated Nuclear Recycle Plant for Bhabha Atomic Research Centre at Tarapur, Parwan Dam in Rajasthan, and Bistan Lift Irrigation in Madhya Pradesh.

In the meantime, our ongoing reorganization of the debt with lenders has received shareholders' approval at the EGM of June 29, 2021. Certain Covid-related disruptions delayed the plan, which is expected to see implementation in Q2, FY 2022-23. This will significantly deleverage the company, addressing its asset-liability mismatch. Hence, it can focus on the working capital requirements for normalizing operations and securing new orders for growth.

HCC Concessions Ltd., a subsidiary of HCC, has executed binding terms to sell 100% stake of Baharampore-Farakka Highways Limited to Cube Highways at an enterprise value of ₹1,279 crore. The sale when completed in Q2, FY 2022-23 will further strengthen our liquidity and position us for growth.

In terms of sustainability, your company takes a 360-degree view, encompassing its social, economic, governance, and financial aspects. We have been disclosing our sustainability performance through our annual Sustainability Reports, published for the last 12 years, which reflect our progress towards fulfilling our goals of water sustainability, minimizing construction waste, employee health and safety, and promoting community development. These reports adhere to the Global Reporting Initiative framework and are independently verified by a third-party assurance agency.

I thank Team HCC, our customers, vendors, and other stakeholders, for their confidence and trust in these challenging times. I also thank my fellow Board Members for their invaluable contribution and support.

Stay safe. Stay well.

Yours sincerely,



Ajit Gulabchand  
Chairman & Managing Director





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# PROJECTS



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- 1. Mumbai Coastal Road Project:**  
 Mono Pile for bridges was adopted for the first time in India at the Coastal Road project. Mono piles of 3.5 m diameter, one of the largest in road construction, is being constructed. In this methodology the multi-pile system gets replaced with a single pile of larger diameter pile that has substantial time and cost savings.
- 2. Mumbai Metro Line 3 Project:**  
 Overall, 73% of the work has been completed at the Mumbai Metro Line 3 – package UGC02 with the balance work on stations, crossovers,





# UPDATE

3

entry and exit are progressing as per the schedule. The project has received National Safety Award – “Vishwakarma Rashtriya Puskar” on 8<sup>th</sup> March 2022.

3. **DMRC DC-06:** HCC has completed its first tunnel - downline (1.4 km) and the structural work open ramp of DC06 package. TBM works in upline, and station works are progressing as per schedule.
4. **Bangalore Metro:** Construction of Elevated Metro of 6.04 km including viaduct, 5 stations, rail cum road Flyover Bridge and Civil & Architectural Works is nearing completion.



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5. **T-49 Tunnel Breakthrough:** HCC has achieved daylighting of Railway Tunnel T-49A in J&K in February 2022. The lining of the tunnel is nearing completion, and the structures of Bridges 2 and 3 are also completed.
6. **Tehri Pumped Storage:** One of the most challenging projects - Tehri Pumped Storage Plant in Uttarakhand is progressing well in civil and electro-mechanical works. The powerhouse and tailrace tunnel work is nearing completion while other segments of the project are progressing as per schedule.