



इरकॉन इंटरनेशनल लिमिटेड

(भारत सरकार का उपक्रम)

IRCON INTERNATIONAL LIMITED

(A Govt. of India Undertaking)

An integrated Engineering and Construction Company



IRCON/SECY/STEX/124

13th July, 2020

BSE Limited Listing Dept./ Dept of Corporate Services Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001 Scrip code/ ID: 541956 / IRCON	National Stock Exchange of India Limited Listing Department Exchange Plaza, Plot no. C/I, G Block Bandra –Kurla Complex, Bandra (East) Mumbai – 400 051 Scrip Code: IRCON
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Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sub: Intimation of Investor Presentation - Q4 & FY20

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the copy of Investor Presentation on fourth quarter & Financial Year ended on 31st March, 2020.

Please take note of above information on record.

Thanking you,

Yours faithfully,

For Ircon International Limited

(Ritu Arora)

Company Secretary & Compliance Officer

Membership No.: FCS 5270





Ircon International Limited

Investors Presentation – Q4 & FY20





**Financial
Highlights**

**Performance
Indicators**

Financials

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Highlights

**Covid – 19
Impact**

Financial Highlights

FY20 Financial Highlights (Standalone)

Operating Revenue

- **Rs. 5202.45 crore**
- Growth of 17.8% Y-o-Y

Core EBITDA

- **Rs. 476.54 crore**
- Growth of 26.1 % Y-o-Y

Core EBITDA Margin

- **9.16 %**
- Growth of 60 Bps Y-o-Y

PAT

- **Rs. 489.78 crore**
- Growth of 10.1 % Y-o-Y

PAT Margins

- **9.00 %**
- De-growth of 50 bps Y-o-Y

Basic EPS

- **Rs. 52.08 per share**

Q4FY20 Financial Highlights (Standalone)

Operating Revenue

- **Rs. 1788.32 crore**
- Growth of 58% Q-o-Q

Core EBITDA

- **Rs. 129.53 crore**
- Growth of 10.6% Q-o-Q

Core EBITDA Margin

- **7.24%**
- De-growth of 3.1%

PAT

- **Rs. 122.42 crore**
- De-growth of 11.6% Q-o-Q

PAT Margins

- **6.69%**
- De-Growth of 42.5% Q-o-Q

Basic EPS

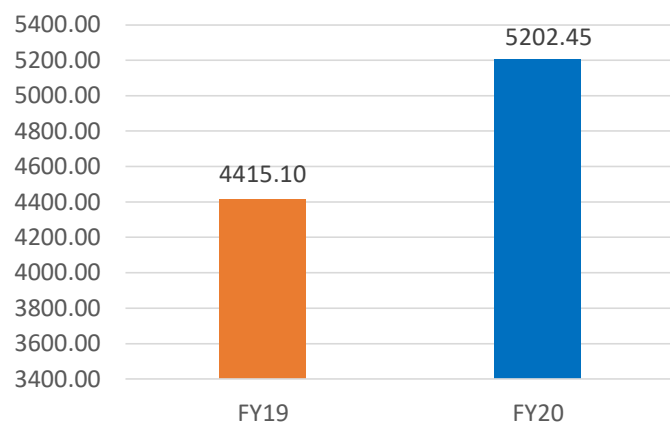
- **Rs. 13.02 per share**

Performance Indicators

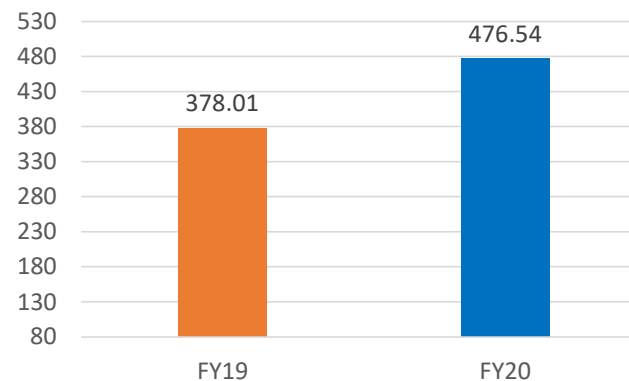
Performance Indicators – FY20 (Standalone)



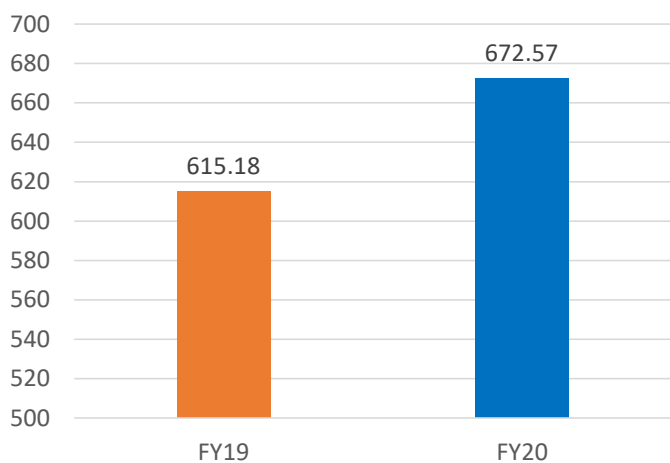
Operating Revenue (Rs.Cr)



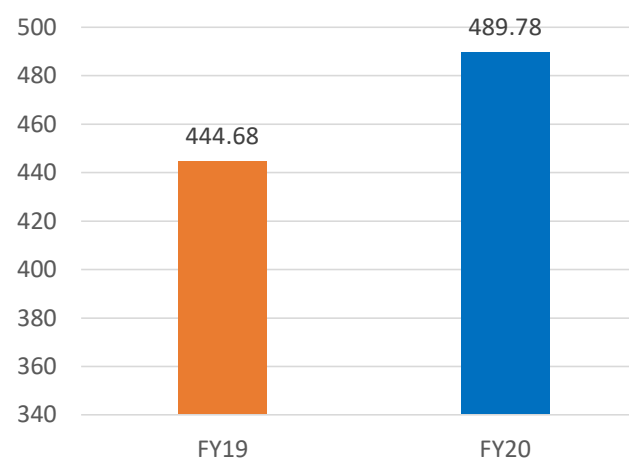
Core EBITDA (Rs.Cr)



Profit Before Tax (Rs.Cr)



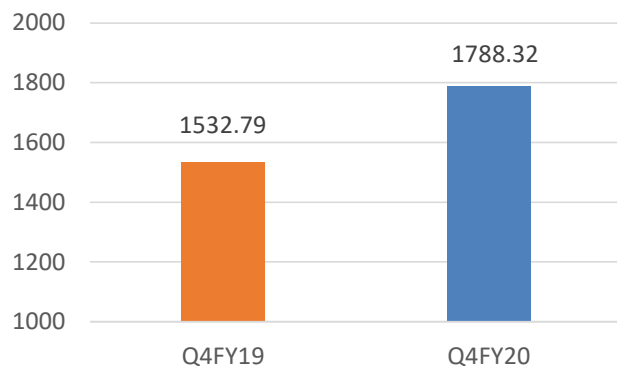
Profit After Tax (Rs.Cr)



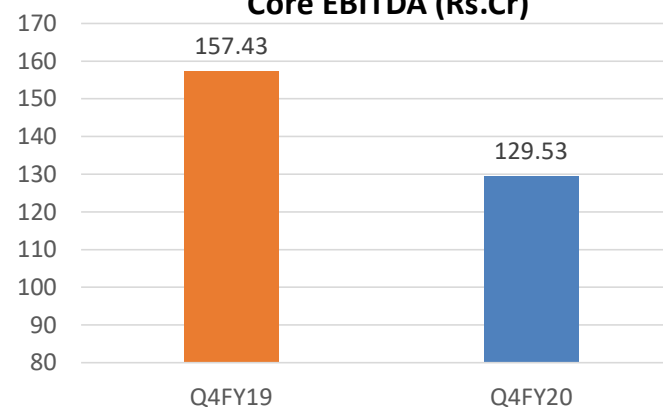
Performance Indicators – Q4FY20 (Standalone)



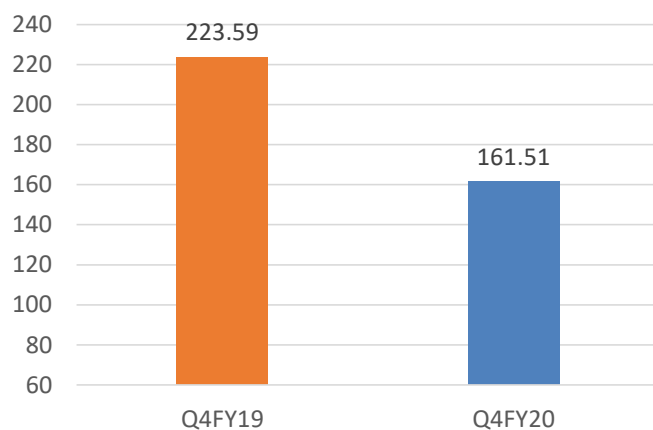
Operating Revenue (Rs.Cr)



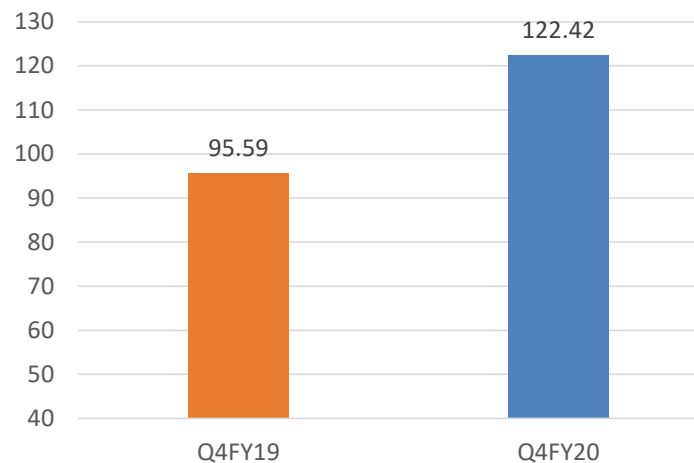
Core EBITDA (Rs.Cr)



Profit Before Tax (Rs.Cr)



Profit After Tax (Rs.Cr)



Financials

FY20 INCOME STATEMENT (IND-AS) (Standalone)



INCOME STATEMENT (INR Cr)	FY20	FY19	Y-o-Y
Operating Revenue	5202.45	4415.10	17.8%
Total Expenses (Excl. Depreciation & Finance Cost)	4725.91	4037.09	17.1%
Core EBITDA	476.54	378.01	26.1%
Core EBITDA Margins (%)	9.16%	8.56%	60 bps
Depreciation	15.93	11.70	36.2%
Finance Cost	27.31	15.57	75.4%
Other Income	239.27	264.44	(9.5%)
Profit Before Tax	672.57	615.18	9.3%
Tax	182.79	170.50	7.2%
Profit After Tax	489.78	444.68	10.1%
PAT Margin (%)	9.00%	9.50%	(50 bps)
Other Comprehensive Income	(2.95)	(7.79)	62.1%
Total Comprehensive Income	486.83	436.89	11.4%
EPS Diluted (INR)	52.08	47.28	10.2%

Q4FY20 INCOME STATEMENT (IND-AS) (Standalone)



INCOME STATEMENT (INR Cr)	Q4-FY20	Q3-FY20	Q-o-Q	Q4-FY19	Y-o-Y
Operating Revenue	1788.32	1132.18	58%	1532.79	16.7%
Total Expenses (<i>Excl.</i> Depreciation & Finance Cost)	1658.79	1015.09	63.4%	1375.36	20.6%
Core EBITDA	129.53	117.09	10.6%	157.43	(17.7%)
Core EBITDA Margins (%)	7.24%	10.34%	(310 <i>bps</i>)	10.27%	(303 <i>bps</i>)
Depreciation	5.87	4.39	33.7%	2.69	118.2%
Finance Cost	4.38	12.28	(64.3%)	4.68	(6.4%)
Other Income	42.23	57.85	(27%)	73.53	(42.6%)
Profit Before Tax	161.51	158.27	2.1%	223.59	(27.8%)
Tax	39.09	19.84	97%	128	(-69.5%)
Profit After Tax	122.42	138.43	(11.6%)	95.59	28.1%
PAT Margin (%)	6.69%	11.63%	(494 <i>bps</i>)	5.95%	74 <i>bps</i>
Other Comprehensive Income	(0.74)	(5.80)	87.2%	(14.30)	94.8%
Total Comprehensive Income	121.68	132.63	(8.3%)	81.29	49.7%
EPS Diluted (INR)	13.02	14.72	(11.6%)	10.16	28.2%

Order Book

Order Book as on 31st March 2020



Segmental Order Book

Railways – Rs 29,181.99 Crore

Highways – Rs 1,530.74 Crore

Geographical Basis

Domestic – Rs 29,387.07 Crore

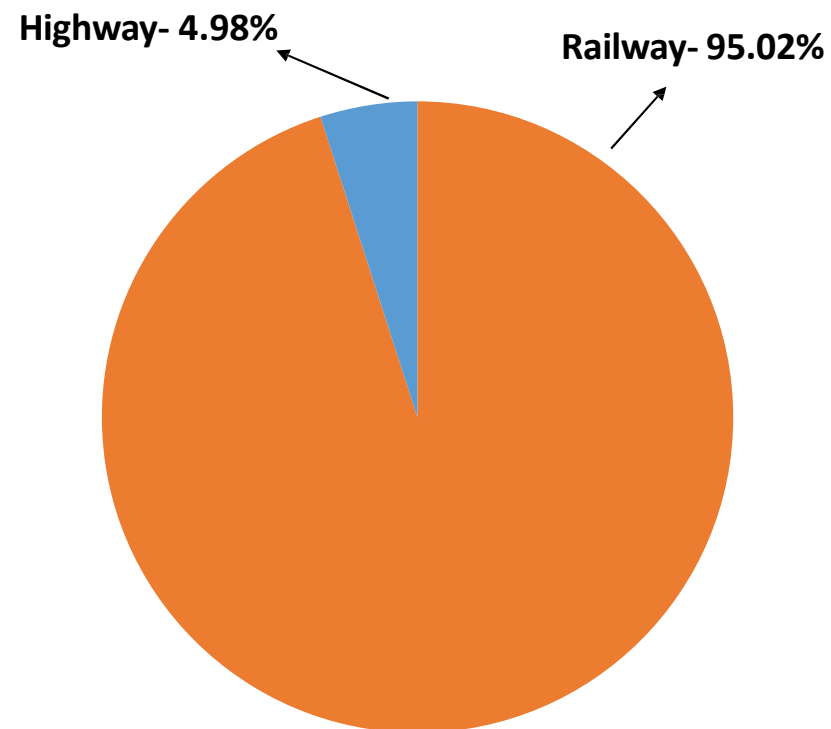
International – Rs 1,325.66 Crore

Break- up of order basis

Nomination- Rs. 26,110.83 Crore

Bidding- Rs. 4,601.90 Crore

SEGMENT ORDER BOOK AS % OF TOTAL ORDER BOOK



Total Order Book: Rs. 30,712.73 Crore

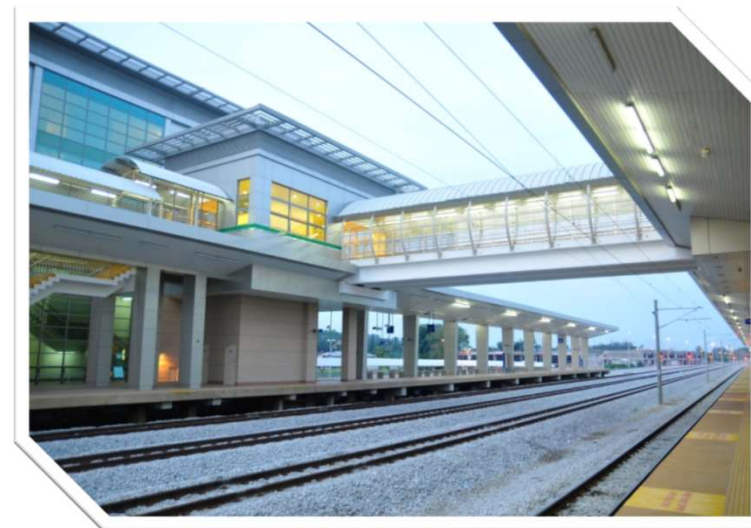
Awards

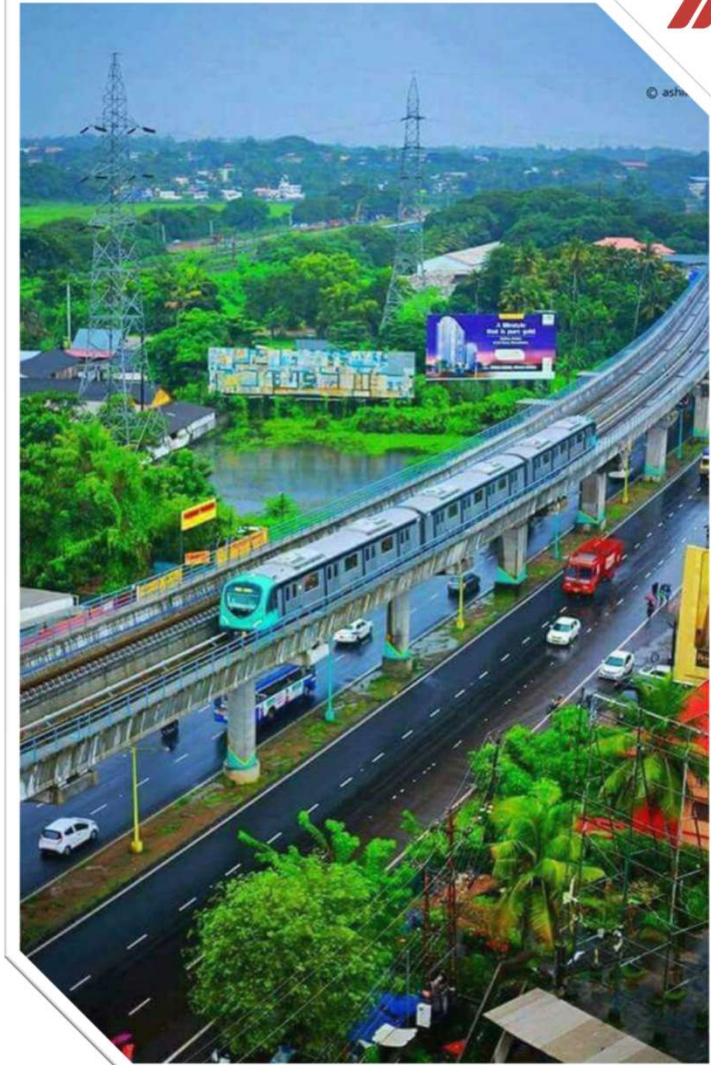
Awards & Accolades received in FY20



Award	Category / Project
7th FICCI Quality Systems Excellence Award for Industry	Good practices in Quality Systems
Institute of Economic Studies (IES) Award, Sri Lanka	Outstanding Global Leadership Award to CMD IRCON
Golden Peacock Award	Risk Management
Golden Peacock Award	Corporate Social Responsibility
7th PSU Governance Now Award	Increasing Geo- Strategic Reach Award
7th PSU Governance Now Award	PSU Leadership Award to CMD IRCON
16th National Awards for Excellence in Cost Management	Cost Management
ET NOW: Stars of the Industry Award	Talent Leadership Award - For Excellence in HR (Organisational Award)
ET NOW: Stars of the Industry Award	CEO with HR orientation Award to CMD IRCON
ET NOW: World HRD Congress Award	Business Leader of the Year Award to CMD IRCON
ET NOW: World HRD Congress Award	National Best Employer Brand Award
SKOCH Order of Merit	Mechanization of Track Laying Process through Automatic NTC Machine
SKOCH Order of Merit	Capacity Building & Training (HRM)
SKOCH Order of Merit	Shivpuri - Guna Highway Project

Projects





Highlights



Major Highlights FY20

- Adjudged the best performing PSU which has commissioned 513 RKM of Railway Electrification work during 2019-20.
- Hajipur - Bachwara Doubling project, section between Bachwara - Mohiuddin Nagar has been commissioned on 13.05.19. Further, 18.69 Km of Mohiuddin Nagar - ShahpurPatoree section is completed and commissioned on 20.03.2020.
- Kiul- Gaya Doubling Project, Manpur- Wazirganj section has been completed and commissioned on 22.12.2019.
- Katni - Singrauli doubling project, Katangi Khurd to Salhana section commissioned on 24.09.2019 and Gondwali to Mahdeiya (7.35km) commissioned on 07.03.2020.
- 44 Km length of Chhattisgarh East Railway Limited Project, from Kharsia to Korichhapar section – was opened to goods traffic on 30th Sep 19. This is the first section of coal connectivity projects developed through PPP mode where goods traffic has been started.
- In J&K Rail project, total 16,139.35 m of Tunnelling has been completed in the financial year 2019-20 and a total of 76.209 Km length of tunnelling work completed on the Project.

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Major Highlights FY20



- The efforts of IRCON have been recognized by the industry which has acknowledged the success of IRCON by awarding it as much as 10 Corporate Excellence awards in the year 2019-20. These awards were in different categories, such as- 7th FICCI Quality Systems, Golden Peacock Award for Risk Management, 7th PSU Governance ET Now Award for increasing geo-strategic reach, Golden Peacock Award for Corporate Social Responsibility, 16th National Awards for Excellence in Cost Management etc.
- IRCON is the only Indian PSU to be ranked in the list of Top 250 international contractors of Engineering News Record (ENR) magazine of USA published in the year 2019.
- IRCON is ranked amongst the Top 500 Indian Companies in Fortune India 500 companies list in December 2019 issue of Fortune India Magazine. The company has also been recognized and ranked under the Top 50 most profitable PSUs in India, the Top 10 best-performing PSUs on the basis of cash efficiency, the Top 10 company on the basis of book value (per share) in February 2019 issue of Fortune India Magazine.
- Successfully completed Majuba Rail Project in South Africa for procurement of plant design, supply and installation of overhead track Equipments, traction sub-stations, auxiliary power supply sub-stations, bulk power supplies switching stations and signalling systems.

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- In FY 2019-20 IRCON has completed following three Electrical Projects
 - RAPDRP - Part B Project under Jammu province (Cluster - I, Jammu Left)
 - RAPDRP - Part B Project under Jammu province (Cluster - II, Jammu Right)
 - R-APDRP Part B Project (Cluster-IV) (Akhnoor, Rajouri, Poonch, Udhampur, Doda, Kishtwar & Bhaderwah)
 - Major portion of Rail Coach Factory, Raebareli Project has been completed
- Ircon has executed 16.139 Kms of Tunnel and 12.714 Km of Lining in FY 2019-20 in the Himalayan geology and has planned for 16Kms of Tunnel and 30 Kms of Lining in next year.
- In ROB Bihar Project IRCON has completed 13 ROB's out of 14 in Phase-I and all 11 ROB's in Phase-II.

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- Completed following railway electrification work in FY 2019-20:
 - 349.7 Tkm in Mathura-Kasganj - Kalyanpur RE Project
 - 241.9 Tkm in Katni Singrauli RE Project.
 - 17.6 Tkm in Katni Singrauli Doubling Project
 - 25.5 Tkm in Kiul Gaya Doubling Project
 - 40.3 Tkm in Hajipur Bachwara Doubling Project
 - 64 Tkm in CERL-I - Kharsia to Dharamjaigarh with a Spur from Gharghoda to Gerepalema.
- In On-going Doubling/ New Lines Projects approx. 250 Kms of Doubling/ New Lines work has been completed as on 31.03.2020
- In Sivok - Rngpo Project work for Tunnel T-1 to T-6 & T-9 to T-14 is in progress.

New Projects



- **Sri Lanka Contract:** On an international level, IRCON has been awarded an International Railway Contract worth Approx USD 91.27 Million (equivalent to INR 635 crore) from Sri Lanka Railways under the Ministry of Transport & Civil Aviation, Govt. of Sri Lanka.
- The contract is for upgradation of the Northern Railway line of 128 Km and associated work from Maho – Omanthai in Sri Lanka. IRCON bagged this project through open bidding under LOC scheme of Exim Bank. IRCON has past experience of Railway projects in Sri Lanka and by using its experience of Sri Lankan Railways IRCON is capable of executing this project successfully. Mobilization of resources is in progress including camp establishment and survey work. Tender for sub-contracting has also been initiated.
- We are scouting for projects in foreign countries under the Indian lines of credit/Buyers credit, we expect some of the projects to materialise this year.

Technology Up-gradation



- IRCON has purchased a new NTC machine for DFCC project which is successfully commissioned to improve productivity, safety, efficiency and quality in track laying at DFCC Project. Only two companies have this machine. Ircon has made a capital investment of Rs. 105 Cr for purchase of track machines.
- IRCON has started using e Office at Corporate Office and other project offices from January 2020 to enhance transparency, accountability, data integrity, promote greater collaboration in the work place and effective knowledge management.

COVID – 19 IMPACT

COVID-19 Impact



- As the nature of business performed by the Company falls under the non-essential category, the Company temporarily suspended the operations in all ongoing projects in compliance with the lockdown instructions issued by the Central and State Governments. These nationwide lockdown restrictions had impacted the normal operations of the Company by way of interruption of project execution, supply chain disruptions and unavailability of personnel.
- However, There is no significant impact of COVID-19 pandemic on the financial performance of the Company in FY 2019-20, in terms of revenue and profitability as the Company has recorded its targeted revenue. Though the management expects to have reduction in Revenue and Profitability in the FY 2020-21, the impact of the lockdown disruption will have to be assessed from time to time as we progress during the financial year 2020-21.
- Liquidity is not an issue for the company in such desperate time. We have sufficient financial instruments which can be encashed easily. Furthermore, company has long term loan from IRFC which has back to back arrangement with Ministry of Railways. the Company has strong order book of over INR 30,700 Crore which provides sufficient cash flow visibility.
- Gradually as the situation normalizes, company expects to recover the carrying amount of all its assets.
- The Company has SAP (FI) and digital capabilities in place and all its locations are well networked. The Company has a strong Internal Audit framework in place to ensure operational efficiency, risk management, accuracy and completeness of the accounting records. There has been negligible impact on the internal financing reporting and controlling due to employees continuing to work from home during the shutdown period.



- There are no existing major contracts or agreements where there will be any material & fundamental impact on the company due to non-fulfilment of obligations.
- The situation remains fluid, and as the duration and impact of COVID-19 continues to evolve, it is not possible to estimate the full extent of its impact on our business at this time. The Company will continue to monitor all material changes as the situation evolves.
- With gradual easing of lockdown, below mentioned steps, in line with government directives, are taken to facilitate smooth functioning of company's operations
 - Work from home for projects where ever possible and where labour resources available has commenced.
 - Corporate and all the offices of the company have started functioning since April 21st 2020 with limited manpower and other employees from home.
 - E-office is being encouraged among the officers for faster working, meetings through video conferencing (VC) are being conducted to maintain social distancing.
 - The Company is taking utmost care of its staff and work force like Thermal Screening of all employees and visitors, sanitization, maintenance of social distancing, enforcing wearing of masks and regular cleaning of hands, regular health updates of all the employees and their families, conducting awareness programs regularly for all its employees etc.



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THANK YOU

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