

Investor Presentation

Q2FY 24

Date : November 09, 2023



This presentation contains certain forward looking statements concerning NCC's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage operations, government policies and actions with respect to investments, fiscal deficits, regulations, geopolitical risks and Covid 19 pandemic, interest and other fiscal costs generally prevailing in the economy etc. Past performance of the company may not be indicative of future performance. 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.

ESIC Hospital, Gulbarga



Airport Agartala, Tripura



AIIMS, Guwahati, Assam



Nagpur Metro Rail



Agra–Lucknow Expressway, UP



Chandni Chowk Flyover, Pune



SVAB, ISRO, Sriharikota, Andhra Pradesh



Seabird Project, Karwar, Karnataka



Water Supply Project, Angul, Odisha



Nagpur Metro Rail (Double Decker)



Housing Project, Bhubaneswar



Rubber Dam on Falgu River, Gaya, Bihar



AIIMS, Bilaspur, Himachal Pradesh



Airport Agartala, Tripura



Makara Dhokra, WCL (Mining)



Pune Metro Rail



Nagpur-Mumbai Expressway



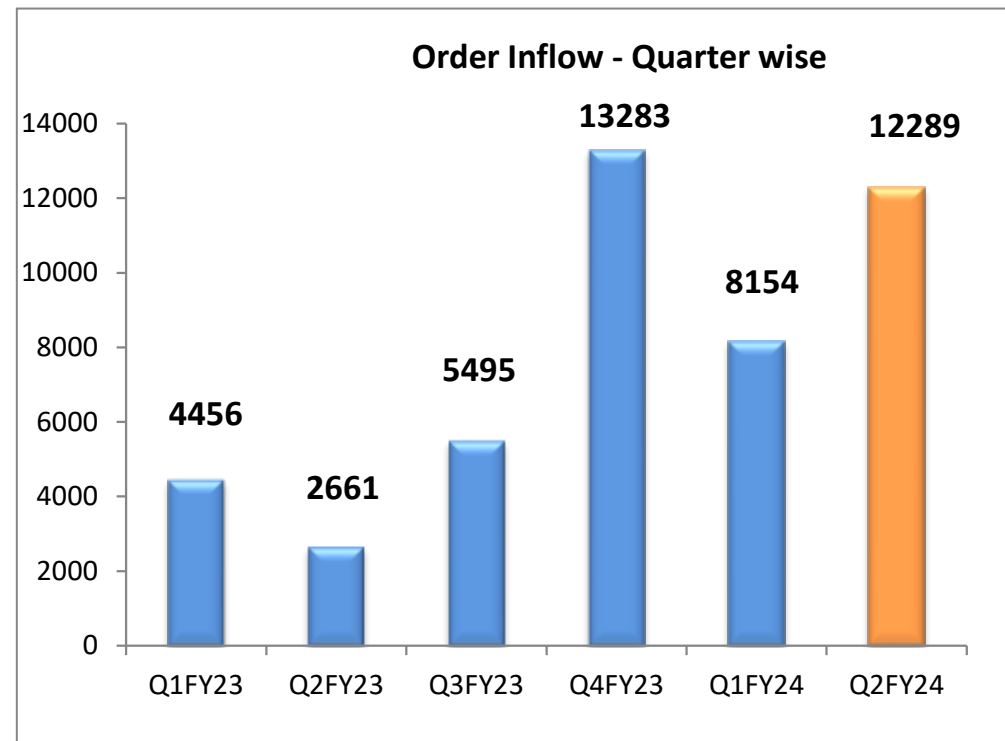
SICPAC Auditorium, Shillong, Meghalaya



S.No	Particulars	Q2FY24 Revenue Mix %
1	Construction	
	i) NCC Limited.....	90.79%
	ii) Pachhwara Coal Mining Private Limited.....	7.15%
2	Real Estate	
	i) NCC Urban Infrastructure Limited.....	1.91%
3	Others	
	i) BOT Roads	0.15%
	Total	100.00%

Particulars	
✓ Reported highest ever Turnover in 2 nd Quarter	Rs.4283 crs
✓ Significant order inflow in 2 nd quarter	Rs. 12289 crs
✓ Recorded lowest debt in 2nd quarter of the last 10 years	Rs. 1470 crs
✓ Robust Order Book stands at highest ever	Rs.61796 crs

Particulars	
✓ Phenomenal growth in Order Booking in Q2 on Year on Year by	54%
✓ Significant increase in average size of Q2 new orders	Rs 1229 crs
✓ Order book grown from Rs 54110 Crs to.....	Rs.61796 crs



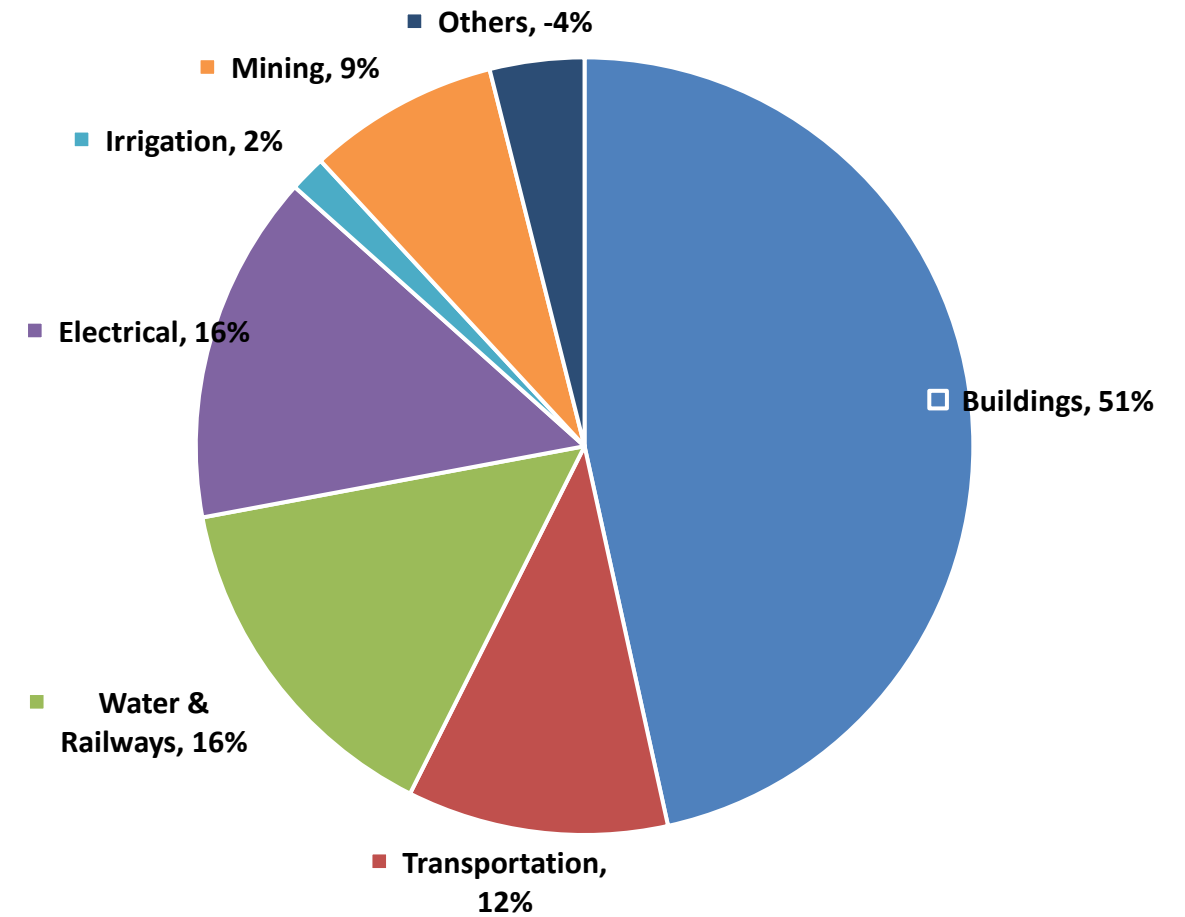
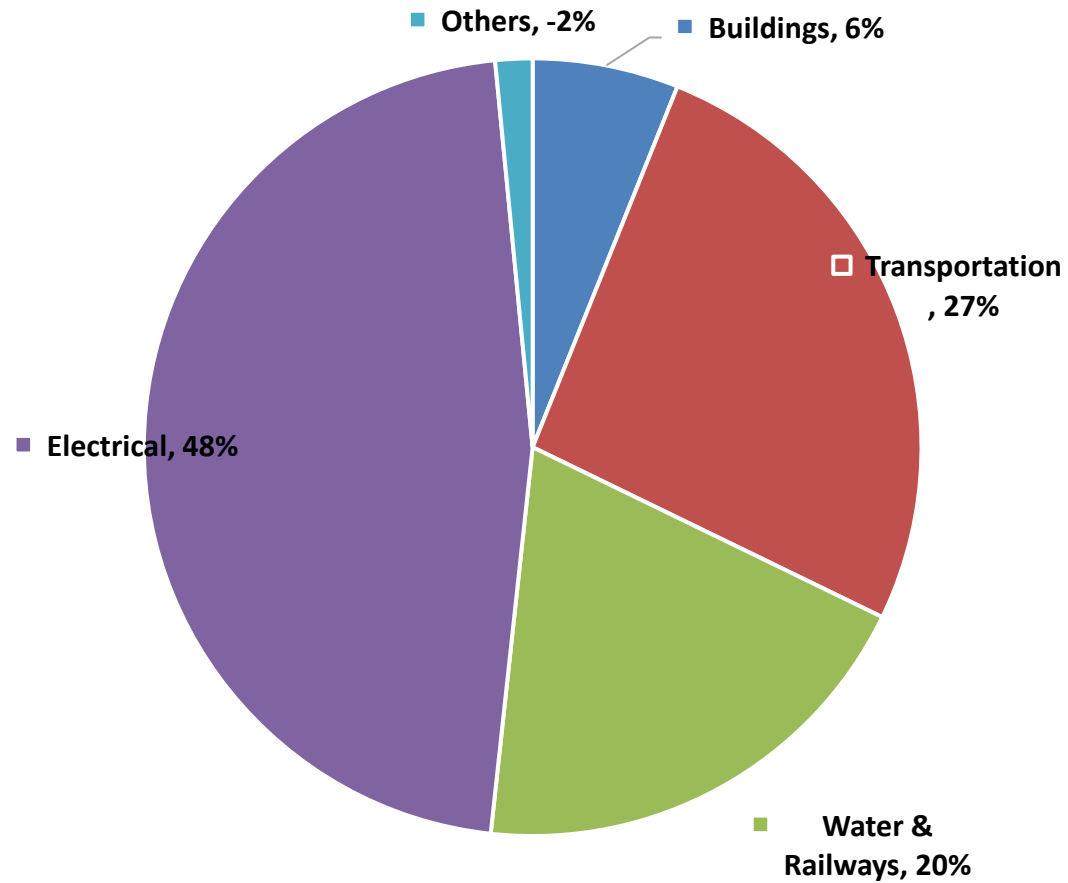
Major Orders Received in Q2 FY24

			Rs. in Crores
S.No.	Name of the Client	Work Name	Amount
1	State Water & Sanitation Mission (NGRWSD), Govt. of Uttanpradesh	Survey, Design, Drawings, DPR and Construciton of multy group of villages water supply scheme Agra Package-I, (Surface water) including commissioning and O&M for 10 years	1635.05
2	Govt. of India , Central Public Works Department	Design and Construction of Centre comprising of earthquake resistant 280 bedded multispecialty Hospital for AIIMS Rishikesh. Uttarkhand in EPC Mode.	283.92
3	Bangalore Eelectricity Supply Company Limited	Upgradation of Distribution Automation System (DAS) in Bengaluru City.	318.61
4	North Bihar Power Distribution Company Ltd	Design of Advance Metering Infrastructure (AMI) system with supply , Installation and commissioning under DBFOOT modal.	2324.25
5	Maharashtra State Electricity Distribution Company Limited	Supply of Plant and Installation including Civil Contract for "Development of Distribution Infrastructure at Aurangabad.	173.19
6	State Water & Sanitation Mission (NGRSD), Govt. of Uttarpradesh	Survey, Design, drawings, DPR, and Construction of Firozabad Pkg-1, Multi Group of Villages Water Supply Schemes (Surface Water) including commissioning and O&M for 10 years .	819.20
7	Brihanmumbai Muncipal Corporation ,Mumbai (JKumar NCC Pvt. Limited)	Design Construction and operation of twin tunnel from city Goregaon to Khindipada (Amarnagar) mulund.(M/s NCC -J.Kumar (JV) Order value Rs 6301.08 Crores, NCC Share 51%. O&M for 10 years	3213.55
8	Maharashtra State Electricity Distribution Co. Ltd.	Design of Advance Metering Infrastructure (AMI) system with supply , Installation and commissioning under DBFOOT modal. Awarded to SPVs	5755.58
9	Scope Diff. and O&M		-2234.35
	Total		12289.00

Composition of Order Inflow & Order Execution in Q2FY24

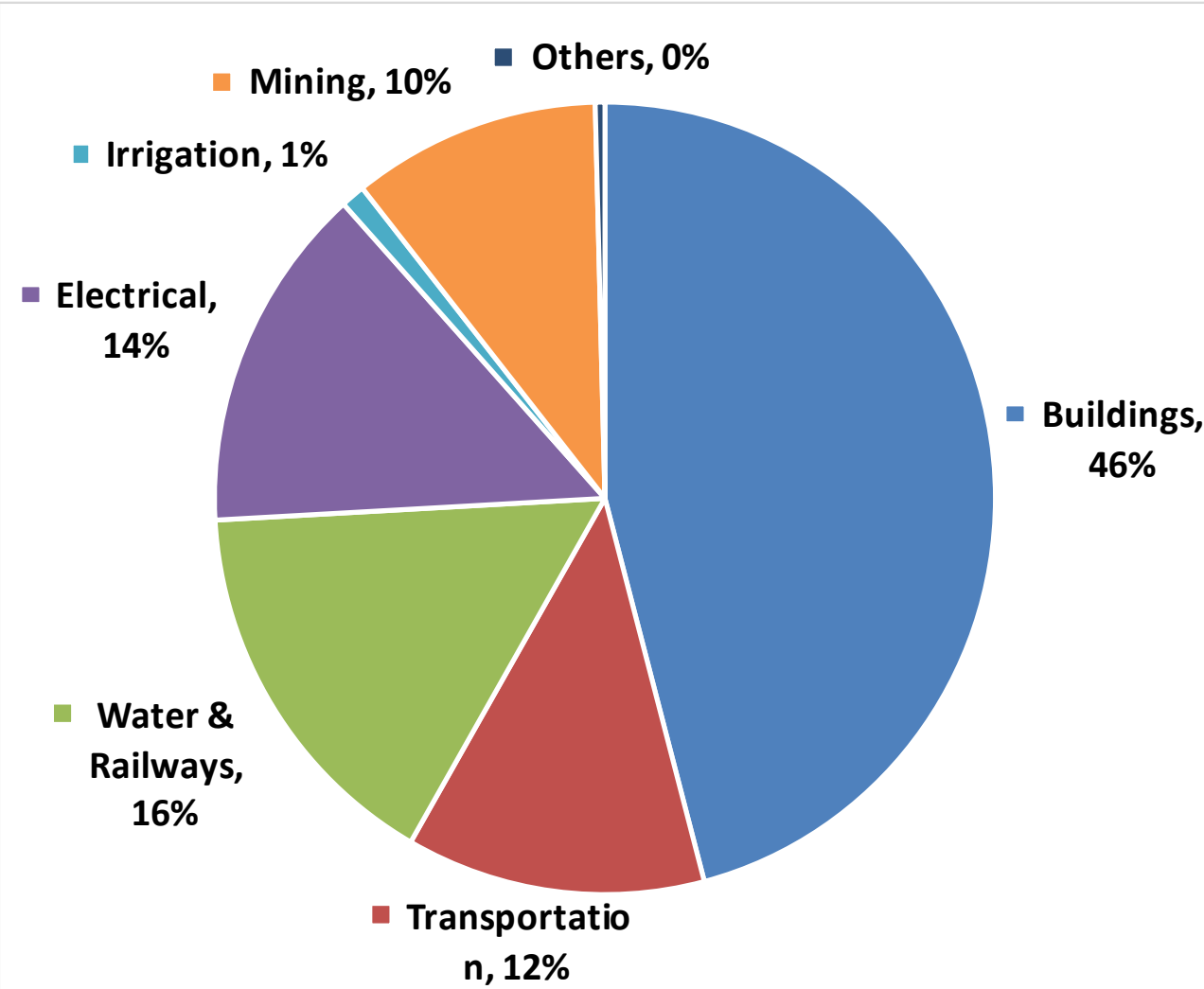
Order Inflow : Rs 12,289 crs

Order Execution : Rs 4604 crs

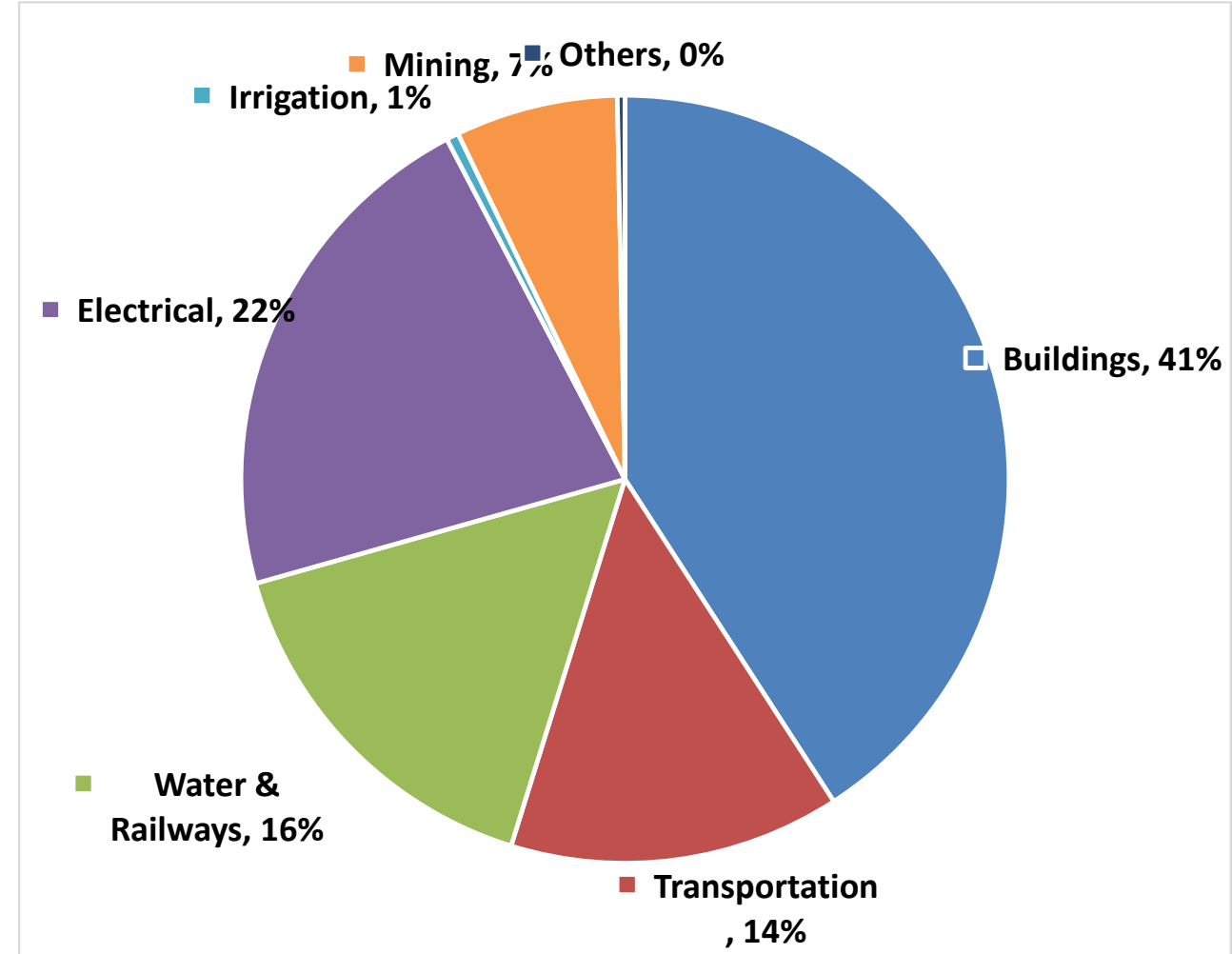


Order Book Composition division-wise

Order Book as on 31.03.2023 Rs 50244 crs



Order as on 30.09.2023 Rs 61796 crs



Operating Performance – Standalone

for the 2nd Quarter ended 30-09-2023

Rs. Crores

Particulars	Q2		Change YoY	Growth
	FY24	FY23		
Revenue	4312	3037	1275	42%
Gross Profit	503	483	20	4%
EBITDA	279	289	-10	-4%
PAT	69	122	-53	-43%

- ✓ Revenue increased by 42%, primarily driven by Buildings division & Electrical division

for the 2nd Quarter ended 30-09-2023

Rs. Crores

Particulars	Q2		FY23	Change YoY	Growth
	Reported	Excl. Claims			
	FY24	FY24			
Revenue	4312	4511	3037	1475	49%
Gross Profit	503	703	483	219	45%
EBITDA	279	478	289	189	66%
PAT	69	218	122	97	79%

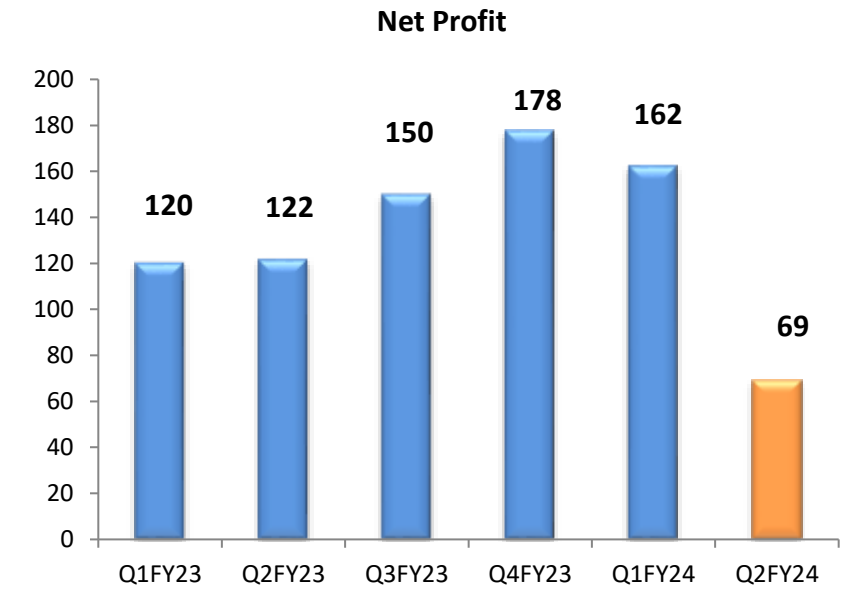
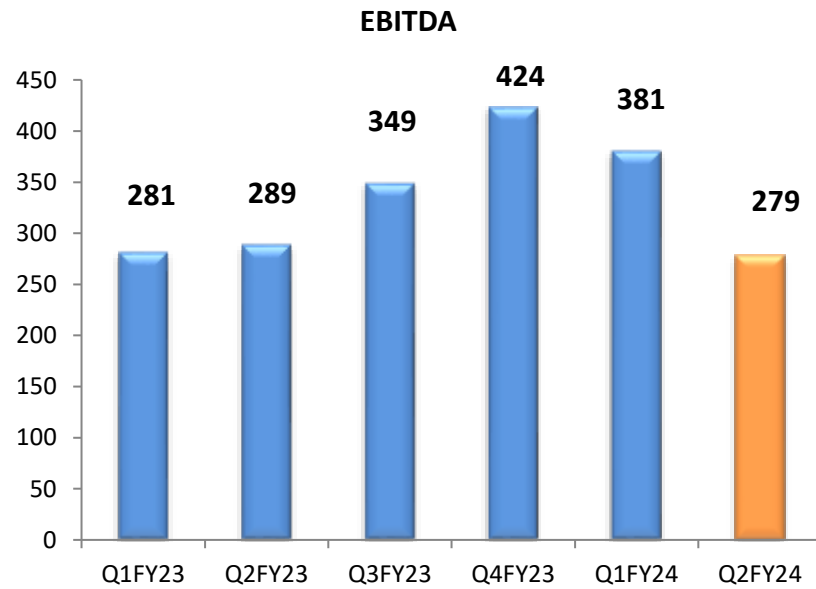
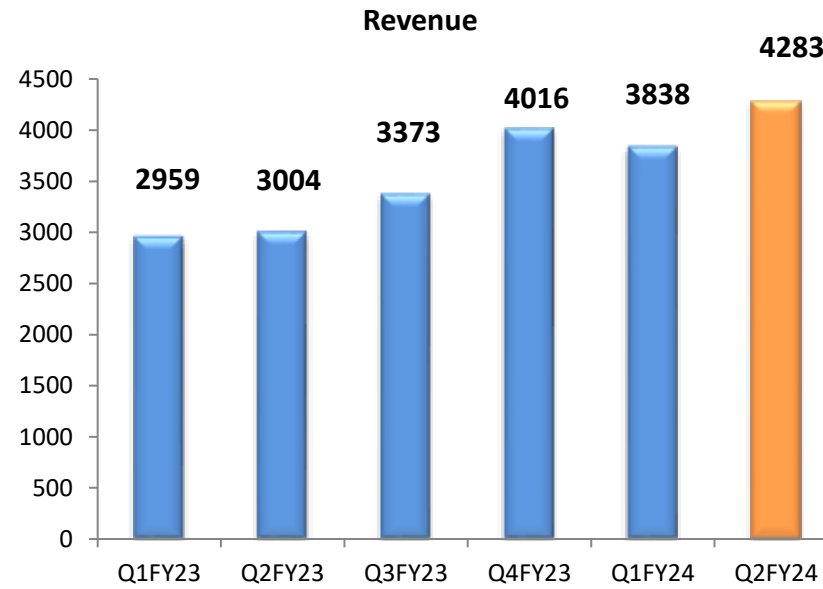
* On claims separate note disclosed in reported results

✓ When we exclude the two claims from operating results the margins are looks like -

- Gross Profit Margin is 15.67% as against 16.09% (YoY)
- EBIDTA margin is 10.66% as against 9.61% (YoY)
- PAT margin is 4.83% as against 4.01% (YoY)

Operating Performance – Standalone (quarter wise)

Rs. Crores



for the 2nd Quarter ended 30-09-2023

Rs. Crores

Particulars	Q2		Change YoY	Growth
	FY24	FY23		
Revenue	4746	3405	1341	39%
Gross Profit	539	518	21	4%
EBITDA	304	310	-6	-2%
PAT (Equity shareholders)	77	131	-54	-41%

Subsidiary Cos & Jointly Controlled Entities for the 2nd quarter ended 30-09-2023 : Operating Performance

Rs. in Crores

S.No	Name of the Company	2nd quarter ended			
		30-09-2023		30-09-2022	
		Turnover	PAT	Turnover	PAT
A Sub. Cos. /JCEs/Associate Cos					
1	Pachhwara Coal Mining (P) Ltd.	337.6	9.9	279.9	8.2
2	NCC Urban Infrastructure Limited	94.5	9.6	81.9	12.5
3	OB Infrastructure Limited	15.2	4.1	13.8	0.0
4	NCC Infrastructure Holdings Limited	0.1	(0.2)	0.1	(0.0)
5	NCC Internationl LLC, Oman	0.7	(0.1)	3.3	(0.5)
B	Consolidation Adj./Non-Controlling Interests	(13.4)	(15.0)	(10.4)	(10.9)
Total (A+B)		434.7	8.4	368.5	9.3

✓ Significant increase in the Turnover of Mining MDO Project.

Working Capital - Movement

Particulars	₹ Crores				
	FY20	FY21	FY22	FY23	H1FY24
Turnover	8219	7256	9930	13351	8121
% of Growth	-32.0%	-11.7%	36.9%	34.5%	36.2%
Working Capital	3713	3995	3604	3874	4426
% of Increase	7.5%	7.6%	-9.8%	7.5%	14.2%
WC - as % of Turnover	45%	55%	36%	29%	27%
WC DAYS (*)	159	194	140	102	94

*Excl. Cash & MM deposits

- ✓ Significant reduction in working capital as a % of revenue Year -on- Year
- ✓ Improved collections from the clients in last 2 quarters.
- ✓ Recorded lowest working capital days in H1 of FY24

Cash Flow Quarter on Quarter

₹ Crores

S.No	Particulars	Q2FY24	Q2FY23
A	Net Cash Flows used in Operating Activities	161	53
B	Net Cash Flows used in Investing Activities	(80)	(53)
	Free Cash Flows	80	0
C	Net Cash Flows from Financing Activities	(135)	50
D	Net increase/(Decrease) in cash and cash equival	(55)	50

- ✓ Significant improvement in operating cash inflows as compared to same quarter of the previous year.
- ✓ Outflows in Investing Activities declined YoY.
- ✓ Quantum of usage of borrowings have come down significantly.

Cash Flow Quarter on Quarter

₹ Crores

S.No	Particulars	Q2FY24	Q2FY23
A	Net Cash Flows used in Operating Activities	180	107
B	Net Cash Flows used in Investing Activities	(88)	(63)
	Free Cash Flows	92	44
C	Net Cash Flows from Financing Activities	(146)	15
D	Net increase/(Decrease) in cash and cash equival	(54)	59

- ✓ Significant improvement in operating cash inflows as compared to same quarter of the previous year.
- ✓ Outflows in Investing Activities declined YoY.
- ✓ Quantum of usage of borrowings have come down significantly.

Debt for the Quarter ended Sept 30, 2023

		₹ Crores	
S.No	Particulars	30.09.23	30.09.22
A	Gross Debt	1,470	1,985
B	Less: Unencumbered Cash and cash Equivalents	215	131
C	Net Debt	1,255	1,854

- ✓ 2nd Quarter comparing to YoY reflects good inflows from the client.
- ✓ A phenomenal Decline in the debt by 26% on Year on Year
- ✓ The net debt as low as Rs 1,255 crs

- ✓ Highest ever Order book – Rs 61796 Crs
- ✓ Highest ever Q2 Revenue Rs 4283 Crs
 - Q2FY24 revenue has crossed Q4 of previous year – indicating strong growth momentum
- ✓ Strong collection resulting into low Net Working Capital
- ✓ Successfully got prestigious contracts in 2 new high growth areas
 - Smart Metering projects (2 project in Maharashtra and one in Bihar)
 - Tunnelling project using TBM for a road project in JV with partner
- ✓ Arbitration Tribunal has given an award as Rs.198 Crs payable to NCCL
 - With this award, a major uncertainty facing the company is firmly behind us – although company intends to pursue all legal options available to it.
 - Company has given effect to this award on its financials.
- ✓ The Company has received Settlement Agreement of EPC contract of Rs.152 Crs which partially offset the impact of above Arbitration Award. Cash inflow of Rs.152 crs on account of this award is expected in couple of months.
- ✓ Sustainable Business Model, Strong operating margin – driven by top line growth.

Particulars

- ✓ Focusing to enter into the new verticals to clinch major orders as a part of Strategic Plan to maintain 20% growth year-on-year
- ✓ Strengthening in-house abilities in Planning, Engineering, Designing process, Digitalization, Quality, Safety, Governance etc.
- ✓ Keeping debt at low level to maintain adequate head room for growth plans
- ✓ Maintaining an optimum distribution of works across all major states to minimize risk of collection and execution

- ✓ The Company achieved a Revenue CAGR of 17% in the last 3 years and Company planning to continue sustainable growth.
- ✓ The present Order Book containing more escalation projects which insulate against any escalation in the input prices.
- ✓ The favorable mix of interest bearing and non-interest bearing (60:40) mobilization advance orders reduce the interest cost going forward.
- ✓ The Order Book contains more of Central Govt. funding and increased portion of private orders lower the working capital days.
- ✓ The stable economy, strong Balance Sheet of the Banks, Capex plan of the Govt., give further momentum to continue its growth journey.
- ✓ The biggest order in the Order Book “UP Jal Jeevan Water Project” Rs.16,500 crs has picked-up good progress, contributed more revenue in Q2 of FY24 and continue its more contribution in the remaining quarters of the year.

- ✓ Strong bid pipeline and client payments, improves the execution outlook.
- ✓ Easing commodity price volatility to aid margins.
- ✓ Entry into new sectors of infrastructure to drive broad based growth in future.

Thank you