

Investor Presentation

Q1FY 24

Date : August 11, 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



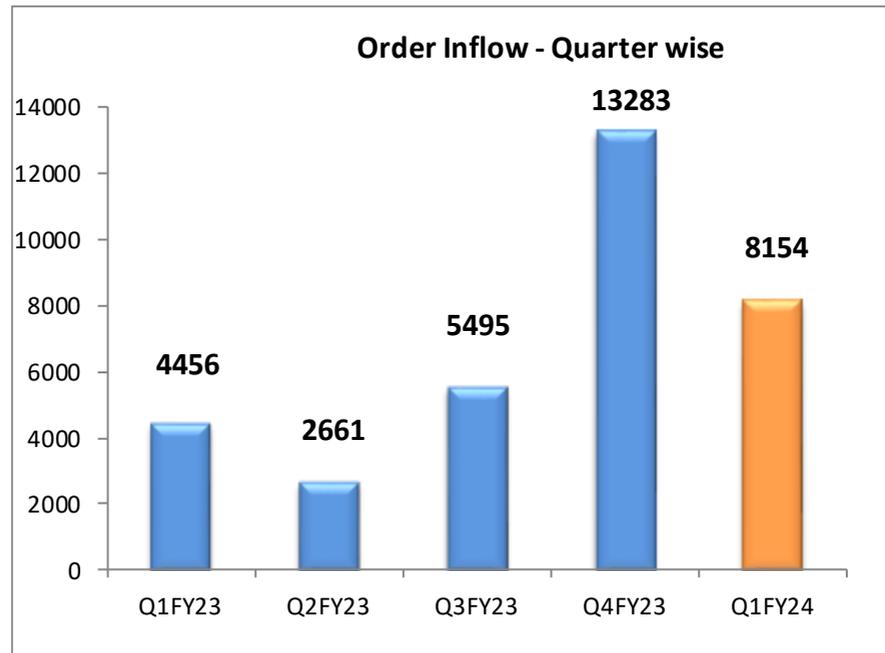
SICPAC Auditorium, Shillong, Meghalaya



S.No	Particulars	Q1FY24 Revenue Mix %
1	Construction	
	i) NCC Limited.....	87.5%
	ii) Pachhwara Coal Mining Private Limited.....	10.6%
2	Real Estate	
	i) NCC Urban Infrastructure Limited.....	1.6%
3	Others	
	i) BOT Roads	0.3%
	Total	100.0%

Particulars	
✓ Reported highest ever Turnover in 1 st Quarter	Rs.3866 crs
✓ Significant order inflow in 1st quarter	Rs. 8154 crs
✓ Reported highest ever gross profit in 1st quarter	Rs.588 crs
✓ Recorded lowest debt in 1st quarter of the last 10 years	Rs.1306 crs
✓ Robust Order Book stands at highest ever	Rs.54110 crs
✓ Secured award for “Excellence in Cost Management - 2022” from The Institute of Cost Accountants of India.	

Particulars	
✓ Phenomenal growth in Order Booking in Q1 on Year on Year by	83%
✓ Significant increase in average size of Q1 new orders	Rs 679 crs
✓ Order book grown from Rs 50244 Crs to.....	Rs.54110 crs



Major Orders Received in Q1 FY24

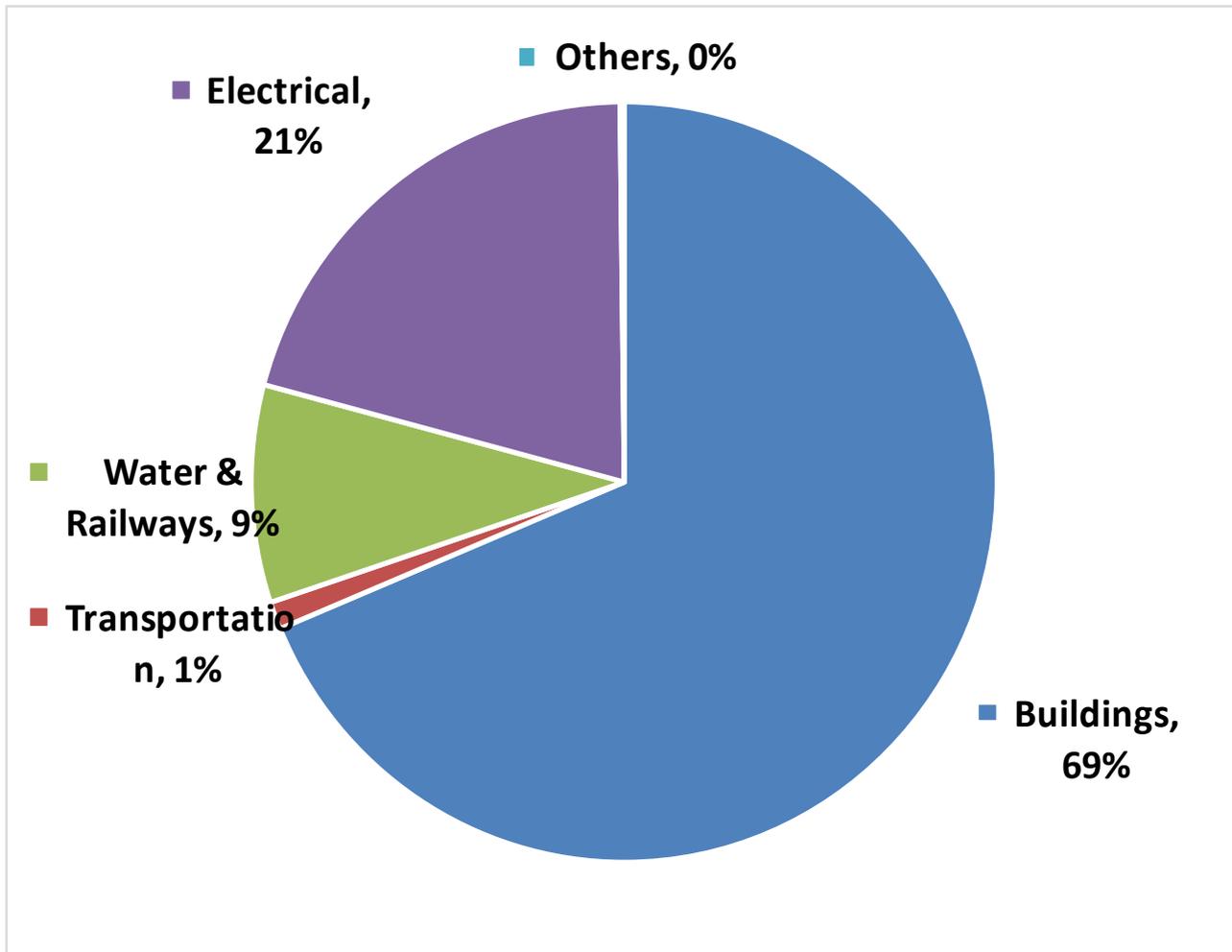


Rs. in Crores

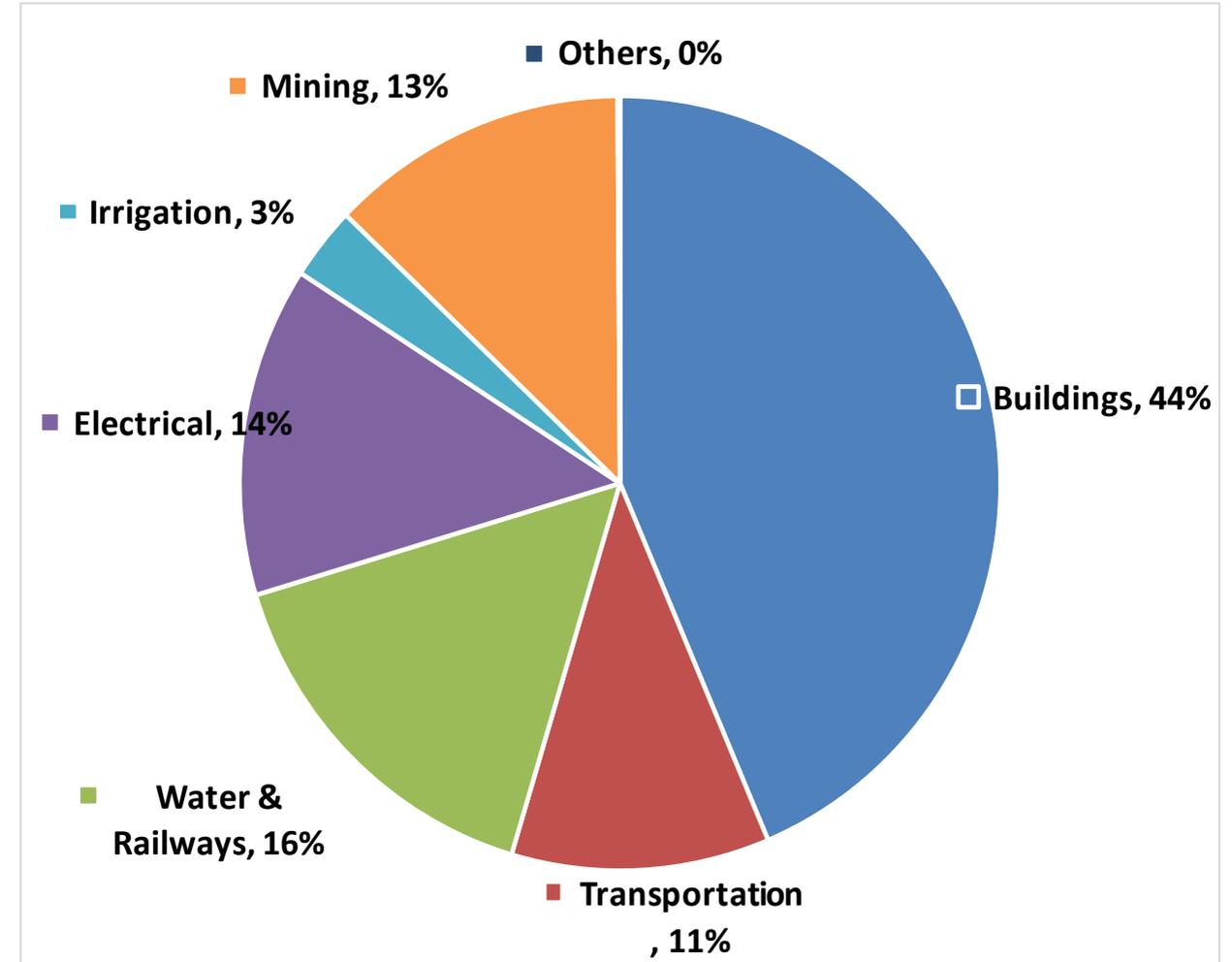
S.No.	Name of the Client	Work Name	Amount
1	Haryana International Horticulture Marketing Corporation Limited, Haryana	Development of India International Horticulture market (IIHM) at Ganaur, District - EPC mode in the State of Haryana.	2199.14
2	State water & Sanitation Mission , Govt of Uttar Pradesh	Rural Piped Water Supply Project under Jal Jeevan Mission	1667.84
3	Navi Mumbai International airport Pvt Ltd	Construction of structures at Airport at Navi Mumbai	1144.07
4	Andhra Pradesh Central Power Distribution Corporation Limited, Vijayawada.	Supply & Installation of plant and Civil Contract for Development of Distribution Infrastructure at Krishna & Guntur districts under RDSS Scheme.	719.53
5	Maharashtra State Electricity Distribution Co.Ltd	Supply & Installation of plant and Civil Contract for Development of Distribution Infrastructure at Ahmednagar & Aurangabad Circles under RDSS Scheme.	538.24
6	Govt. of Jharkhand, Drinking Water & Sanitation Department	Survey, designing and drawing, construction of R.C.C. Intake Well cum Pump House, Water Treatment Plant etc. and 5 years O&M.	419.66

Composition of Order Inflow & Order Execution in Q1FY24

Order Inflow : Rs 8154 crs

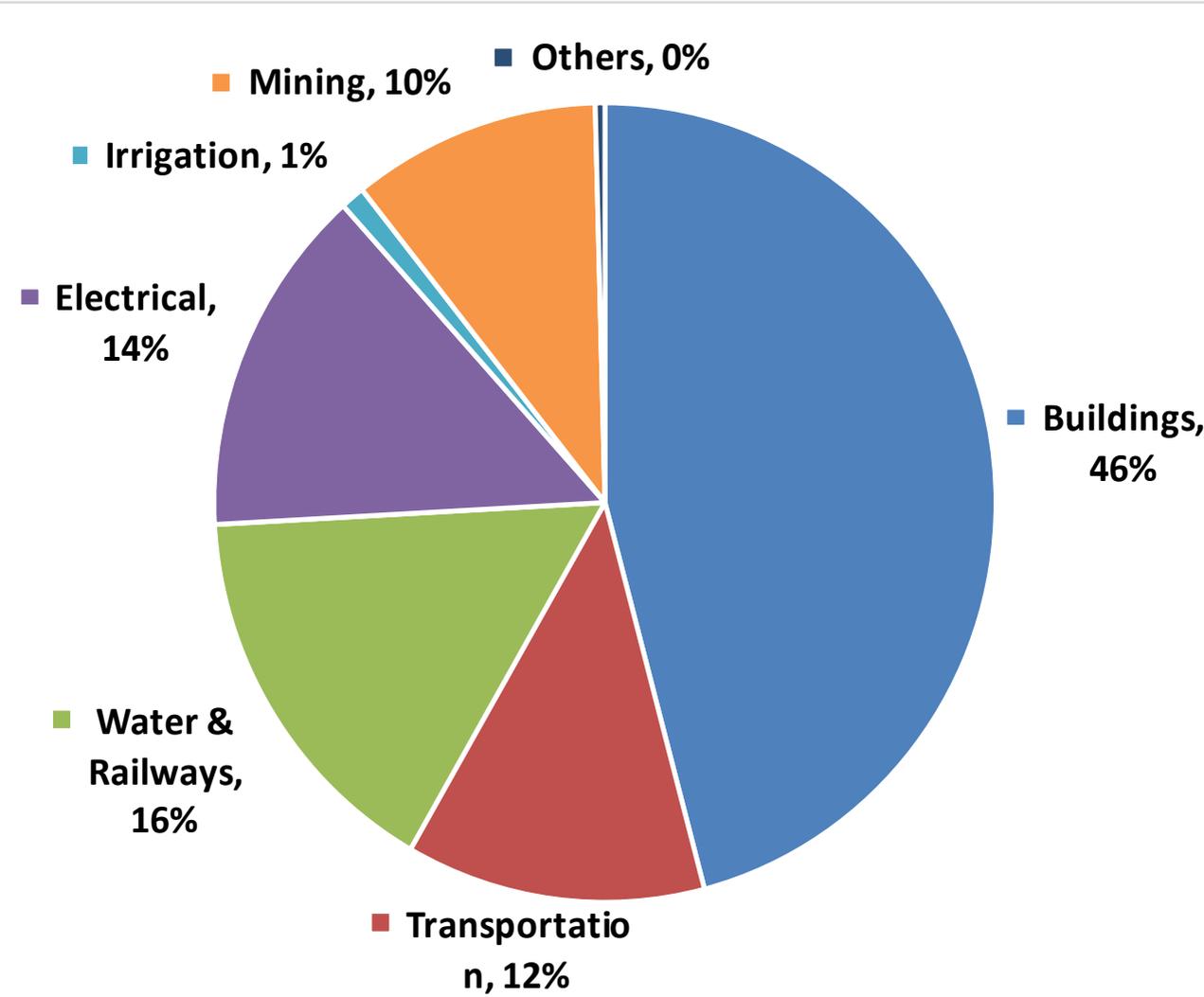


Order Execution : Rs 4287 crs

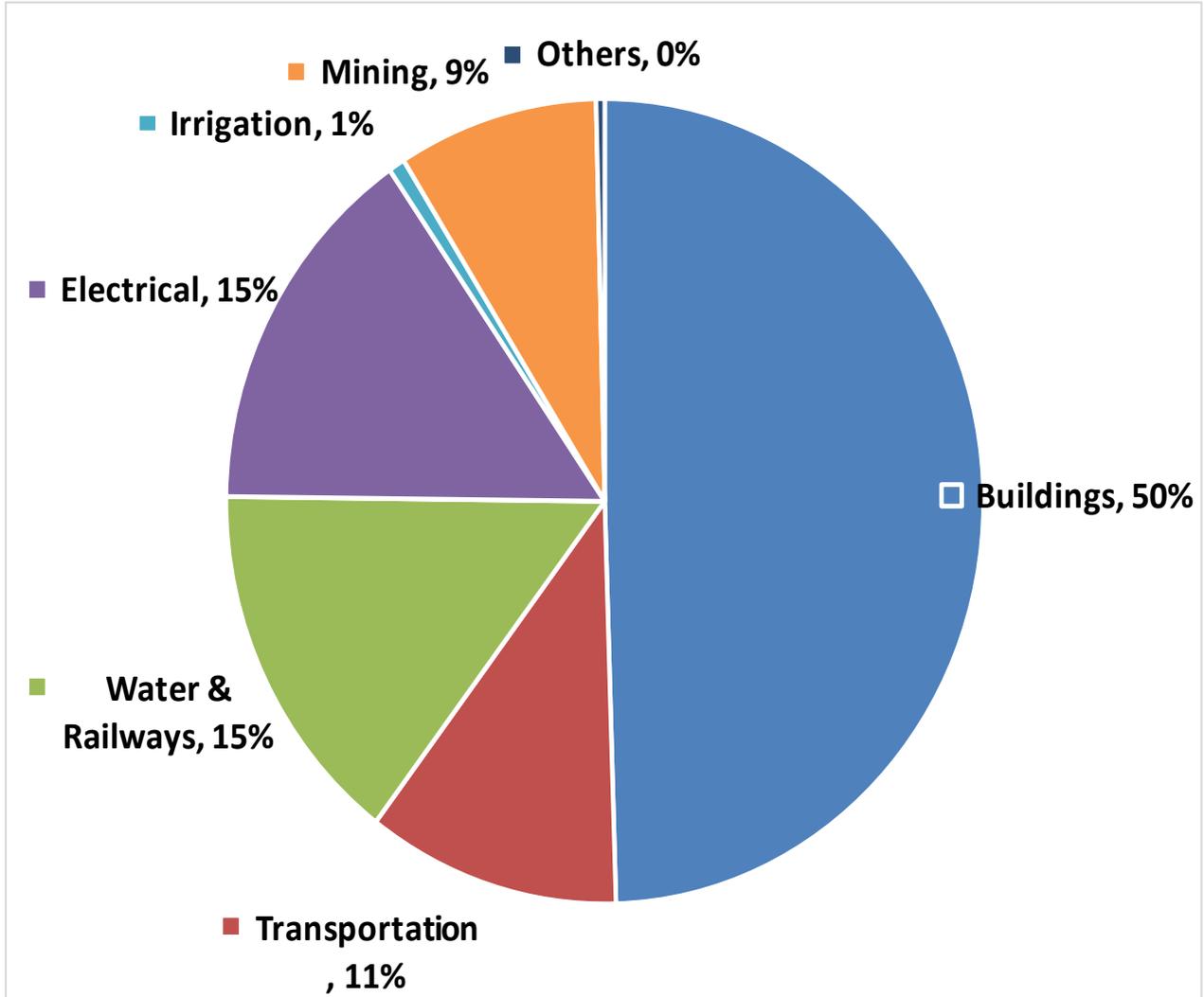


Order Book Composition division-wise

Order Book as on 31.03.2023 Rs 50244 crs



Order as on 30.06.2023 Rs 54110 crs



for the 1st Quarter ended 30-06-2023

Rs. Crores

Particulars	Q1		Change YoY	Growth
	FY24	FY23		
Revenue	3866	2990	876	29%
Gross Profit	588	465	124	27%
EBITDA	381	281	99	35%
PAT	162	120	42	35%

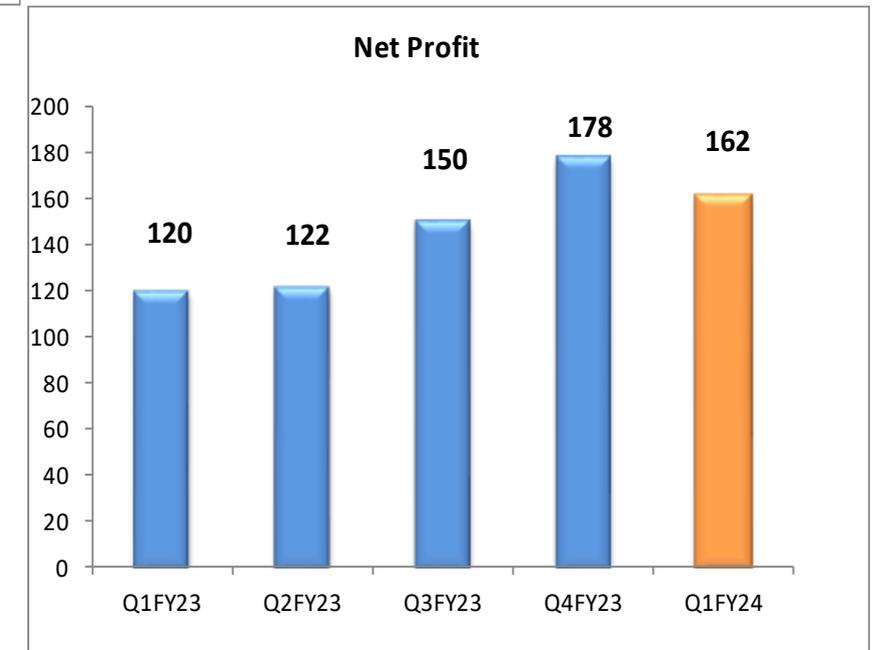
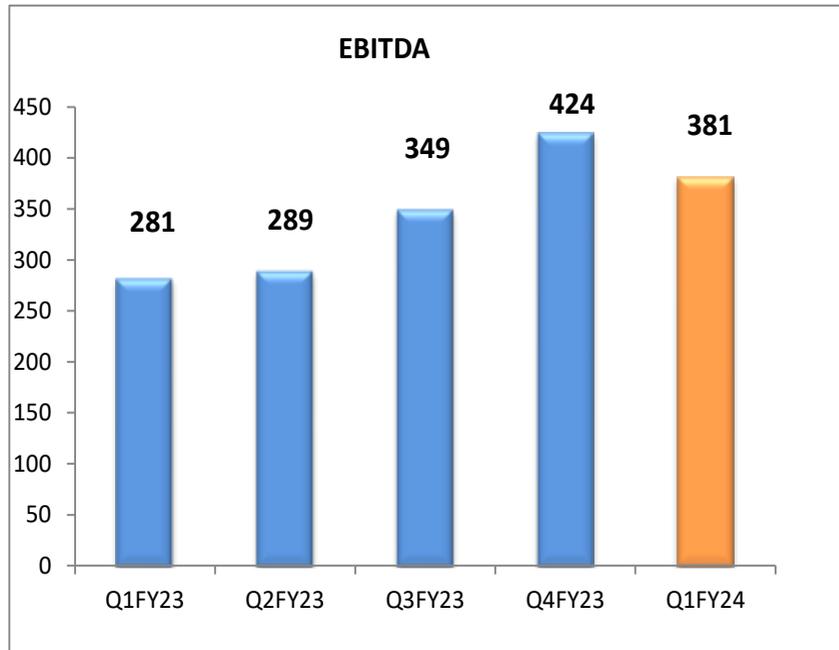
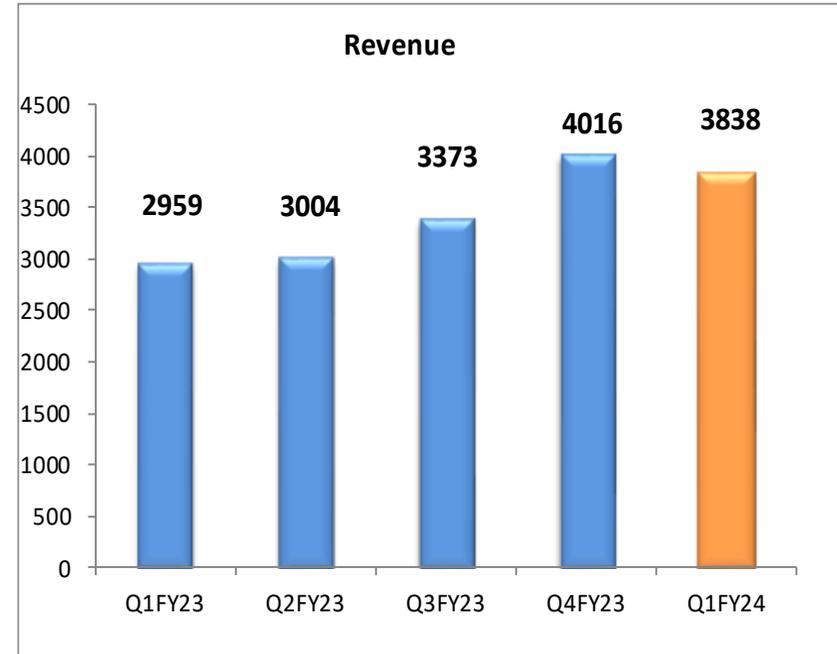
✓ Revenue increased by 29%, primarily driven by Buildings division & Electrical division

✓ EBIDTA margin increased from 9.51% to 9.92%, primarily due to volume increase.

✓ PAT margin increased from 4.01% to 4.20%.

Operating Performance – Standalone (quarter wise)

Rs. Crores



for the 1st Quarter ended 30-06-2023

Rs. Crores

Particulars	Q1		Change YoY	Growth
	FY24	FY23		
Revenue	4407	3351	1056	32%
Gross Profit	626	501	125	25%
EBITDA	409	308	101	33%
PAT (Equity shareholders)	174	130	44	34%

Rs. in Crores

Name of the Company	1st quarter ended			
	30-06-2023		30-06-2022	
	Turnover	PAT	Turnover	PAT
Sub. Cos. /JCEs/Associate Cos				
Pachhwarra Coal Mining (P) Ltd.	466.2	13.8	265.5	7.9
NCC Urban Infrastructure Limited	74.3	10.1	88.2	9.4
OB Infrastructure Limited	15.0	3.3	13.6	3.5
NCC Infrastructure Holdings Limited	0.1	(0.2)	0.1	(0.2)
NCC International LLC, Oman	1.0	0.0	2.7	0.1
Consolidation Adj./Non-Controlling Interests	(15.8)	(15.8)	(8.8)	(11.1)
Total (A+B)	540.8	11.3	361.2	9.6

✓ Significant increase in the Turnover of Mining MDO Project.

Particulars	₹ Crores		Inc/ (Dec)
	As at 30.06.23	31.03.23	
Assets			
Property, Plant and Equipment	1173	1178	-5
Investment Property & Intangible Assets	227	229	-2
Investments (Current & Non-Current)	875	875	0
Loans (Current & Non-Current)	355	372	-16
Inventories	1246	1078	168
Trade Receivables (Current & Non-Current)	3063	2945	118
Cash & Bank (inc. MM deposits)	804	734	70
Contract Assets (UBR)	3679	3225	454
Other Current & Non-Current Assets	5390	4964	425
Total	16812	15600	1212

✓ **Inventory**

- Increase from Rs.1078 to Rs.1246 crs by 15%, is inline with the Construction activity.

✓ **Trade Receivables**

- Increased by 3% QoQ as against 30% increase in turnover. The trade receivable days have come down to 82 days from 87 days QoQ.

✓ **Unbilled Revenue**

- Increased by Rs 446 crs from Rs 3671 crs to Rs 3225 crs, it is in line with the volume of activity.

✓ **Gross Block (Capex)**

- Gross block increased only by Rs 27crs crs in the 1st quarter from Rs 2491crs to Rs 2518 crs

✓ **Other Current & Non-Current Assets.**

- Other Current & Non-Current Assets Comprises mainly advance to suppliers & subcontractor, Tax assets and Retention money. Increase is in line with the growth in volume.

Particulars	As at		Inc/ (Dec)
	30.06.23	31.03.23	
₹ Crores			
Equity & Liabilities			
Equity & Other Equity	6484	6322	162
Borrowings (Current & Non-current)	1306	980	327
Trade Payables (Current & Non-current)	5059	4823	237
Mobilisation Advance	3322	2755	567
Other Current & Non-Current Liabilities	640	720	-80
Total	16812	15600	1212

✓ **Debt**

- The debt is increased from Rs.980 crs to Rs.1306 crs by Rs.327 crs Generally, in construction industry, the debt increases in the 1st quarter but the increase in this quarter is below the normal increase.
- However phenomenal decline in debt as compared to corresponding quarter of the previous year.

✓ **Mobilization Advance**

- The mobilization advance is increased from Rs 2755 crs to Rs 3322 crs basing on the strong order acquisition taken place in the last year.

Working Capital - Movement

₹ Crores

Particulars	FY20	FY21	FY22	FY23	Q1FY24
Turnover	8219	7256	9930	13351	3838
% of Growth	-32.0%	-11.7%	36.9%	34.5%	29.8%
Working Capital	3713	3995	3604	3874	4315
% of Increase	7.5%	7.6%	-9.8%	7.5%	11.4%
WC - as % of Turnover	45%	55%	36%	29%	28%
WC DAYS (*)	159	194	140	102	97
*Excl. Cash & MM deposits					

- ✓ Significant reduction in working capital as a % of revenue Year -on- Year
- ✓ Good collections were happened from the clients in last 2 quarters, particularly from the UP Water Projects
- ✓ Recorded lowest working capital days in Q1of FY24

Cash Flow Quarter on Quarter

		₹ Crores	
S.No	Particulars	Q1FY24	Q1FY23
A	Net Cash Flows used in Operating Activities	(123)	(523)
B	Net Cash Flows used in Investing Activities	(37)	(109)
	Free Cash Flows	(160)	(632)
C	Net Cash Flows from Financing Activities	203	478
D	Net increase/(Decrease) in cash and cash equivalents	43	(154)

- ✓ 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	Q1FY24	Q1FY23
A	Net Cash Flows used in Operating Activities	(93)	(452)
B	Net Cash Flows used in Investing Activities	(74)	(100)
	Free Cash Flows	(167)	(552)
C	Net Cash Flows from Financing Activities	177	400
D	Net increase/(Decrease) in cash and cash equivalents	9	(152)

Debt for the Quarter ended June 30, 2023

		₹ Crores	
S.No	Particulars	30.06.23	30.06.22
A	Gross Debt	1,306	1,707
B	Less: Cash and cash Equivalents	271	81
C	Net Debt	1,036	1,626

- ✓ The lowest debt in the 1st Quarter reflects good inflows from the client.
- ✓ A phenomenal Decline in the debt by 57% on Year on Year
- ✓ The net debt as low as Rs 1,036 crs

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 (50:50) 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 Q1 of FY24 and continue its more contribution in the remaining quarters of the year.

Thank you