

# NCC Limited

## Corporate Presentation

November 2020



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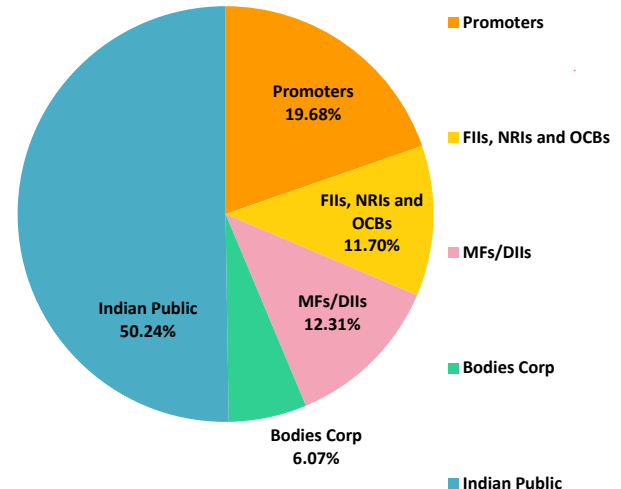
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# COMPANY OVERVIEW

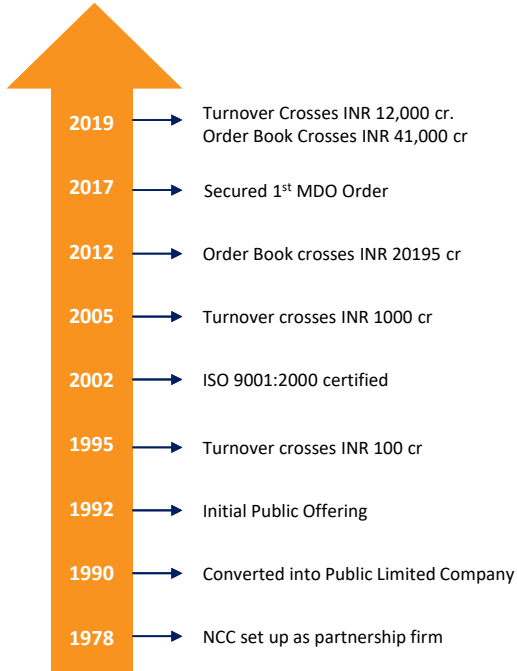
## Overview

- Second **largest Listed construction company** in terms of revenue in India
- **Well diversified order book** with presence across buildings & housing, roads, water & environment, irrigation, electrical, metals, mining and railways
- **Pan India presence** with offices across 13 cities in key states such as Maharashtra, Andhra Pradesh, Telangana, Karnataka, Gujarat, Uttar Pradesh, West Bengal, Tamil Nadu, etc.
- **Experienced Management and skilled workforce** which includes 4742 employees (including 3032 Technical), currently executing around 120 active sites at various locations (As on September, 30, 2020)
- **Order Book of INR 29,362 cr** as on June September 30, 2020. **New orders of INR 5494 crs** received up to September 30, 2020.
- **Market capitalization:** INR 2469.88 Cr as on November 18 , 2020
- **Key projects executed:**
  - Agra Lucknow Expressways – Uttar Pradesh
  - ESI Hospital and Medical College, Gulbarga, Karnataka
  - Outer ring Road, Hyderabad Growth Corridor – Telangana
  - Infrastructure development, Ministry of Defence - Arunachal Pradesh
  - Water Supply Project, Rajkot - Gujarat
- **Major investors** having stake in the Company:
  - Rekha and Rakesh Jhunjhunwala
  - Reliance Capital Trustee
  - Aditya Birla Sun life
  - IDFC Sterling Value Fund

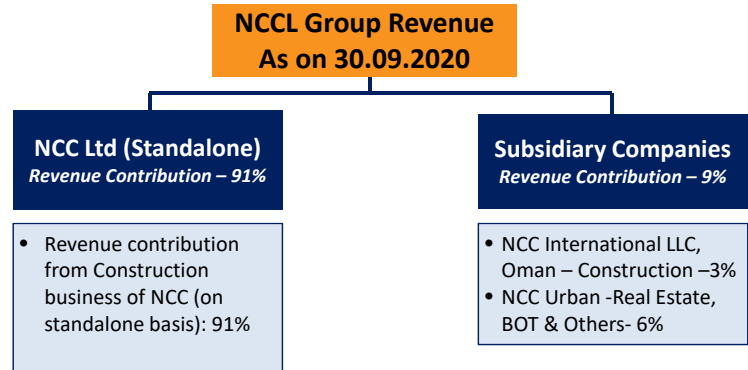
## Shareholding – As on September 30, 2020

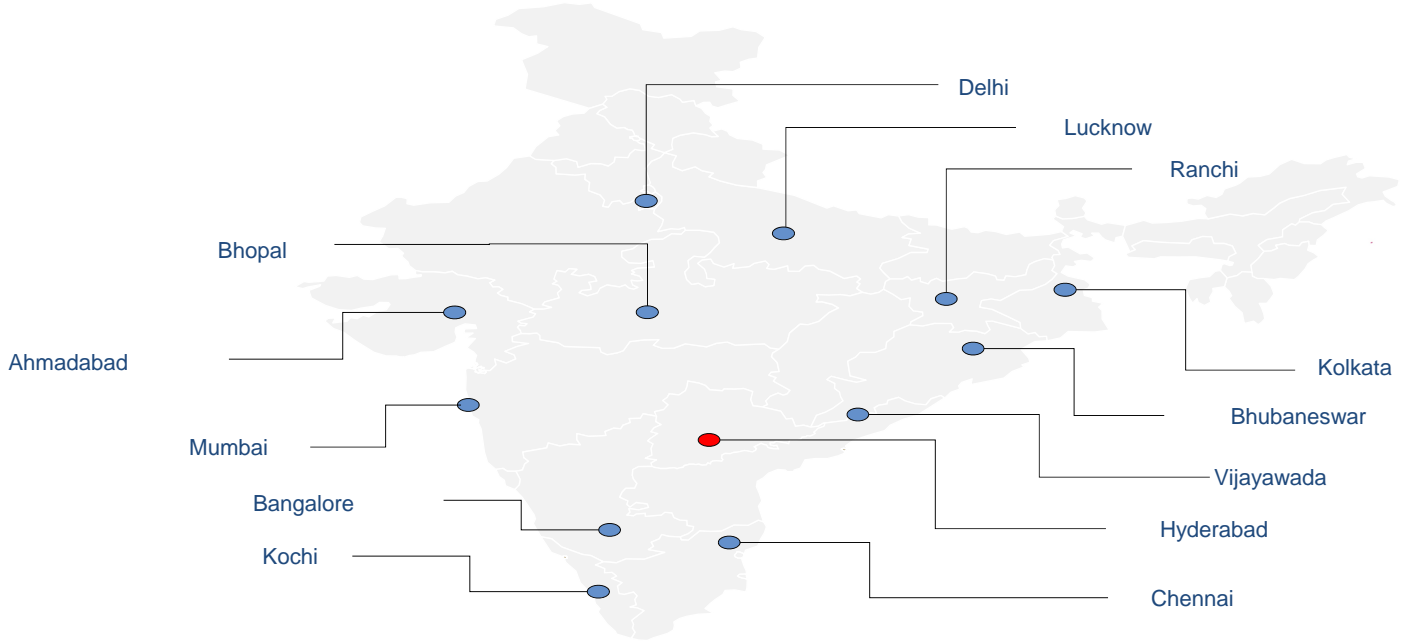


## Key Milestones



## Group Business Structure

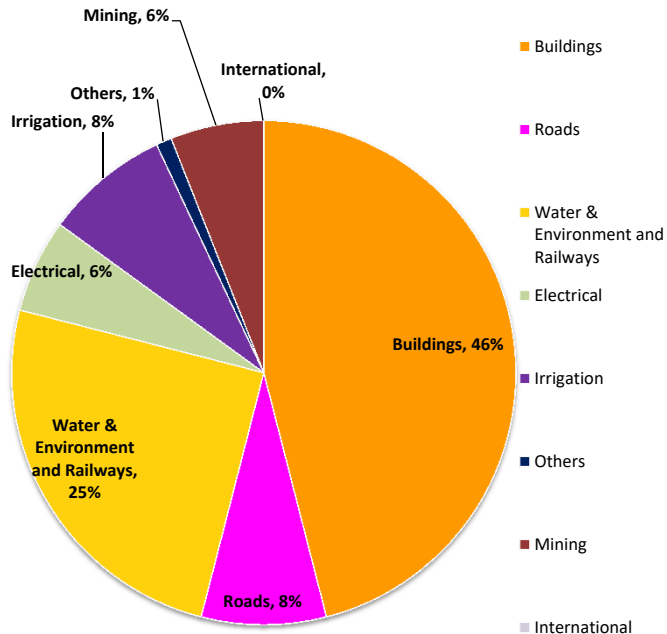




**Regional offices controlled by Directors and / or senior management facilitate efficient and timely decision making**

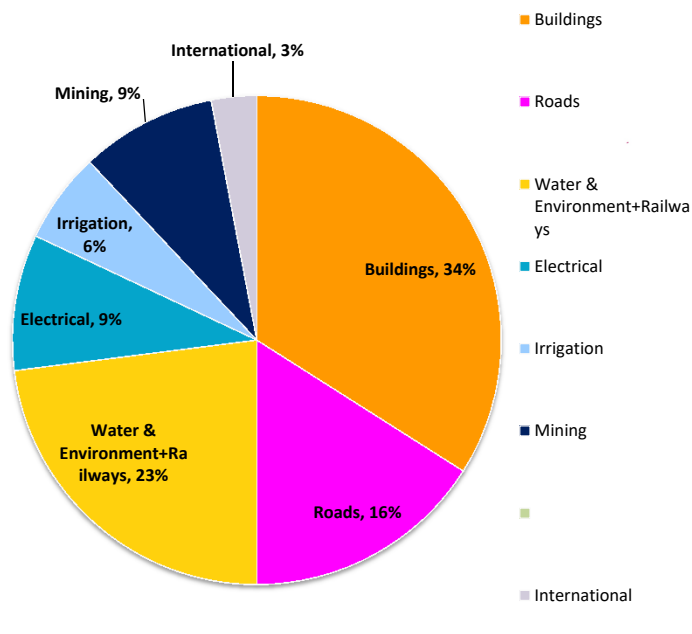
**Total Order Book: Rs. 29,362 Cr**

*(as on September 30, 2020)*



**Total Turnover: Rs. 2,851 Cr**

*(as on September 30, 2020)*





# Division Wise Execution & Order book As on 30.09.2020



## Segment Wise Execution and Order Book as on 30.09.2020

(` in crores)

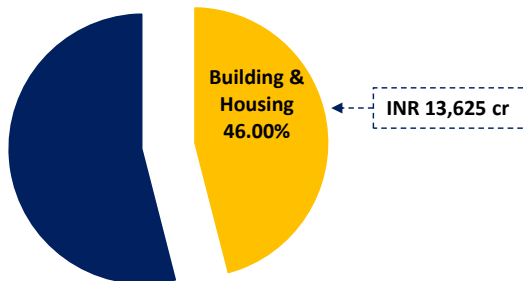
Particulars	Buildings	Roads	W & E & Railways	Electrical	Irrigation	Others	Mining	Internatio nal	TOTAL
<b>Orders on Hand as on 01.04.2020</b>	13241	2644	4660	1711	2054	254	1912	95	26571
	50%	10%	18%	6%	8%	1%	7%	0%	100%
<b>Add: New Orders Received</b>	1361	42	3372	348	518	-1	0	0	5640
	24%	1%	60%	6%	9%	0%	0%	0%	100%
<b>Less: Value of Works Executed</b>	977	466	659	251	170	0	246	81	2851
	34%	16%	23%	9%	6%	0%	9%	3%	100%
<b>Net Balance as on 30.09.2020</b>	13625	2220	7373	1808	2402	253	1666	15	29362
	46%	8%	25%	6%	8%	1%	6%	0%	100%

# **BUSINESS VERTICALS**

Building & Housing	Roads	Water & Environment	Electrical	Irrigation	International
<ul style="list-style-type: none"><li>• Industrial buildings</li><li>• Commercial buildings</li><li>• Housing projects</li><li>• IT Parks</li><li>• Shopping malls</li><li>• Sports complexes</li><li>• Hospitals</li><li>• Bridges, flyovers and elevated corridors</li></ul>	<ul style="list-style-type: none"><li>• Highways</li><li>• Highway realignment and Bypass</li><li>• Carriageway widening and strengthening</li></ul>	<ul style="list-style-type: none"><li>• Water supply projects</li><li>• Water treatment plants</li><li>• Distribution networks</li><li>• Underground drainages</li><li>• Lift irrigation schemes</li></ul>	<ul style="list-style-type: none"><li>• Transmission and distribution lines and sub-stations</li><li>• Project electrification</li><li>• System Improvement Projects</li></ul>	<ul style="list-style-type: none"><li>• Dams &amp; Reservoirs</li><li>• Canals</li><li>• Tunnels</li><li>• Barrages, Spillways and Aqueducts</li></ul>	<ul style="list-style-type: none"><li>• Roads</li><li>• Buildings</li><li>• Water pipelines</li></ul>
<b>Mining</b> <ul style="list-style-type: none"><li>• Overburden removal</li><li>• Coal excavation</li><li>• MDO</li></ul>	<b>Railways</b> <ul style="list-style-type: none"><li>• Track Laying</li><li>• Signaling and Communication</li><li>• Railway Siding</li></ul>	<b>Others</b> <ul style="list-style-type: none"><li>• Power</li><li>• Oil &amp; Gas</li><li>• Metals</li><li>• Others</li></ul>			

Diversified operations across various divisions help mitigate business risks

## Order Book (As on Sep 30, 2020)



## Details of Major Projects Completed

Project Name	Location	Project Value (INR cr)
APTIDCO	2 Locations	1789
NBCC KIDWAI NAGAR	New Delhi	698
NAGPUR METRO	Nagpur	562
SAMAJWADI AWAS YOJANA	Lucknow	377

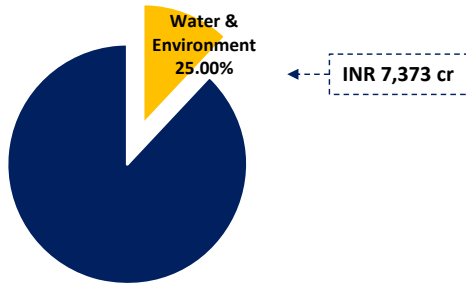
## Key Clientele

Client Name
Uttar Pradesh Housing & Development Board
Airport Authority of India
Nagpur Metro Rail Corporation Ltd.
NBCC Limited
Bangalore Metro Rail Corporation,
Lucknow Development Authority
Indian Institute of Management

## Details of Major Projects Under Execution

Project Name	Location	Project Value (INR cr)
AIIMS (3)	3 Locations	2215
Airport Authority of India	3 Locations	1696
MMRDA Mumbai Metro	Mumbai	1555
Pune Metro Package-1 & 2	Maharashtra	897

## Order Book (As on Sep 30, 2020)



## Details of Major Projects Completed

Project Name	Location	Project Value (INR cr)
SAUNIYOJANA L-3 P-1 & P-2	2 Locations	1247
Water Supply Projects - BILWARA – 1 & 2	Rajasthan	535
Water Supply Projects -BUNGHI-RAJGARH	Rajasthan	140

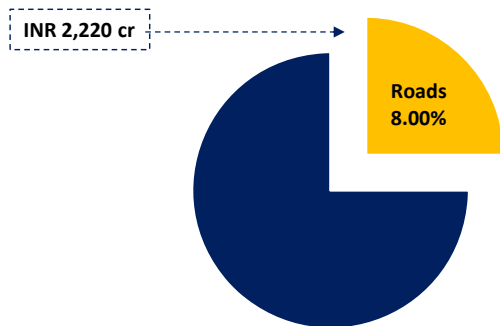
## Key Clientele

Client Name
Gujarat Water Supply and Sewerage Board
Hyderabad Metropolitan Water Supply and Sewerage Board
Govt of Telangana
Public Health Engineering Department, Rajasthan
Public Works Departments, Government of West Bengal

## Details of Major Projects Under Execution

Project Name	Location	Project Value (INR cr)
TDWSP-RR	Ranga Reddy District	1445
Namami Gange & Rural Water Supply Department	Mirzapur & Jhansi	1084
TDWSP-WARANGAL	Warangal	721
SAUNI PKG-6 PH-II L-4	Amreli	681
Rajolibanda Diversion scheme	Kurnool	747

## Order Book (As on Sep 30, 2020)



## Key Clientele

Client Name
National Highways Authority of India
UP Expressways Industrial Development Authority
Capital City Development and Management Corporation, Vijayawada
Amaravati Development Corporation
MSRDC Limited

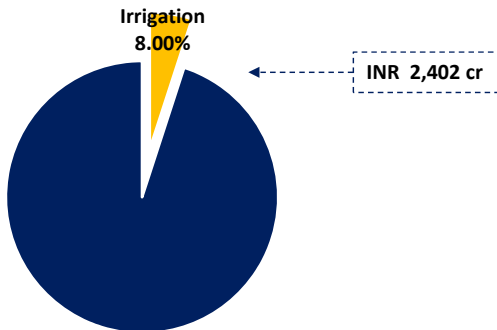
## Details of Major Projects Completed

Project Name	Location	Project Value (INR cr)
Agra Lucknow Expressways	Uttar Pradesh	1560
Outer ring Road Project - package II & III	Hyderabad	761

## Details of Major Projects Under Execution

Project Name	Location	Project Value (INR cr)
Nagpur Mumbai express way	Maharashtra	2850
Madurai Ring Road	Tamilnadu	493
Double Deck Flyover – Chandni Chowk - Chhapra Town	Maharashtra	398
White topping of Roads - Bengaluru	Karnataka	374

## Order Book (As on Sep 30, 2020)



## Key Clientele

Client Name
Sardar Sarovar Narmada Nigam Limited
Water Resources Department, Govt. of Bihar
Water Resources Department, Govt. of Chattisgarh
Govt. of Andhra Pradesh, Water resources department

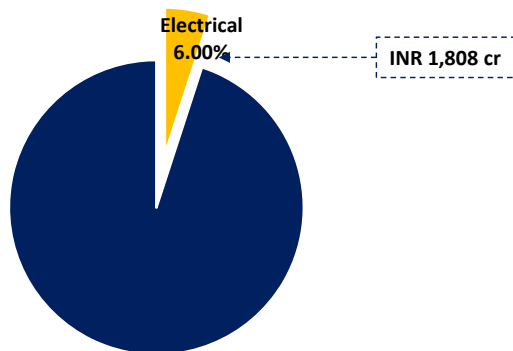
## Details of Major Projects Completed

Project Name	Location	Project Value (INR cr)
Gandak Canal Project	Bihar	543
Sardar Sarovar Narmada Nigam Ltd.	Gujarat	454
Water Resources Dept. Birpur	Bihar	153

## Details of Major Projects Under Execution

Project Name	Location	Project Value (INR cr)
Lift Irrigation Project (PRLIS)	Telangana	1378
Rajolibanda Diversion scheme	Andhra Pradesh	884
Formation of Reservoir project – Baswapur	Telangana	592
Moderanisation of Midpennar South Canal _ Pakage 43 & Pakage 44	Andhra Pradesh	441

## Order Book (As on Sep 30, 2020)



## Key Clientele

Client Name
Purvanchal vidyut Vitran Nigam Limited
Dakshinanchal Vidyut Vitran Nigam Limited
Madhyanchal Vidyut Vitran Nigam Limited
West Bengal State Electricity Distribution Co Ltd
Jharkhand Bijili Vitran Nigam Limited
Power Grid Corpn.of India Ltd

## Details of Major Projects Completed

Project Name	Location	Project Value (INR cr)
TG&D Corpn Ltd, Chennai-Erode	Tamilnadu	254
PVNL- RGGY - Phase II Allahabad	Uttar Pradesh	165
Power Grid Corpn.of India Ltd. TW- 01 & TW-02	Andhra Pradesh	131
MSEDCL – Nashik	Maharashtra	74

## Details of Major Projects Under Execution

Project Name	Location	Project Value (INR cr)
PVVNL, Varanasi- Saubhagya - Mizapur	Uttar Pradesh	490
PVVNL- Saubhagya- Meerut	Uttar Pradesh	380
MVVNL- Saubhagya- Baharchi	Uttar Pradesh	336
DVVNL- Saubhagya- Mathura	Uttar Pradesh	285
Jharkhand Bijili Vitran Nigam Limited, Ranchi	Jharkhand	302
BESCOM, KENGERI	Bangalore	416



# **KEY INVESTMENT HIGHLIGHTS**

1

## Strong Execution Track Record

- More than Four decades of experience in completing numerous construction projects across roads, buildings, bridges, irrigation & mining etc. with timely execution

2

## Diversified Order Book across Industry Segments and Geography

- Robust and regionally diversified order book diversified across 27 states in India with strong counterparties
- Order book of INR 29,362 cr (as on September 30, 2020) and order book to sales ratio of 3x provides strong cash flow visibility for next 3 years

3

## Robust Financials with Strong Credit Rating

- Company has had stable financial performance in terms of margins and return metrics along with low leverage
- India Ratings - "A" and ICRA "A-"

4

## Professional Board with Strong Corporate Governance

- Board comprising of 5 Executive, 1 Non-executive non-independent and 4 Independent directors
- Strong Corporate Governance due to institutional ownership and presence of independent directors in board & various committees

5

## Favorable Industry Dynamics

- Various initiatives such as Bharat Mala, Sagar Mala, Pradhan Mantri Awas Yojna, Namami Gange Programme, Freight Corridors, Industrial Corridors, Smart Cities, etc. to provide additional impetus to Construction industry

## Details of Major Projects Completed

Project Name	Location	Project Cost (INR crs)	Year of completion
TDWSP – Ranga Reddy	Telangana	1516	2019-20
Agra Lucknow Expressways	Uttar Pradesh	1560	2017-18
ESIC Hospital & Medical College	Karnataka	1073	2014-15
IISCO Steel plant Blast furnace	West Bengal	784	2014-15

## Details of Major Projects Under Execution

Project Name	Location	Project Cost (INR cr)
Nagpur Mumbai express way	Maharashtra	2850
Housing Project- NBCC,	New Delhi	1949
Water Supply Project	Telangana	1445
Airport Authority of India, Lucknow	Uttar Pradesh	1048
MMRDA – Mumbai	Maharashtra	868
Pune Metro Package-1 & 2	Maharashtra	847

## Ability to Win Large Projects

Demonstrated ability to bid for and win large projects

- Nagpur Mumbai express way, Maharashtra : INR 2850 cr
- Outer ring Road Projects in Amaravathi Capital city, AP: INR 2046 cr (two packages)
- Mumbai Metropolitan Region development Authority, Mumbai: INR 868 cr
- Building Project by NBCC, Nauroji Nagar, New Delhi: INR 1949 cr

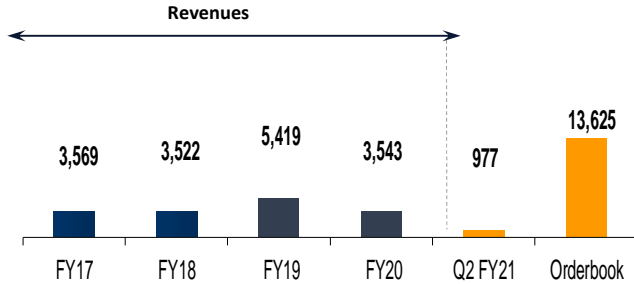
## Key Clientele

Client Name		
Indian Railway	Power Grid	Indian Oil
Coal India	CIDCO	Airport Authority of India
National Aluminum Company	Steel Authority of India	Hyderabad Growth Corridor
National Highways Authority of India	Bharat Heavy Electricals	Maharashtra Airport Development
NTPC	NBCC	Indian Army

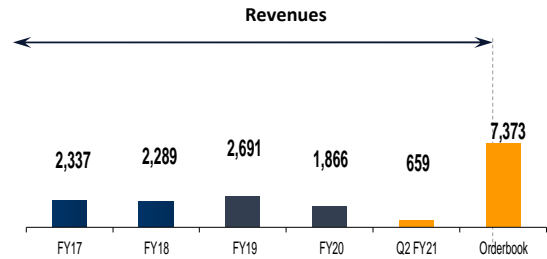
# Divisional Performance as on September 30, 2020



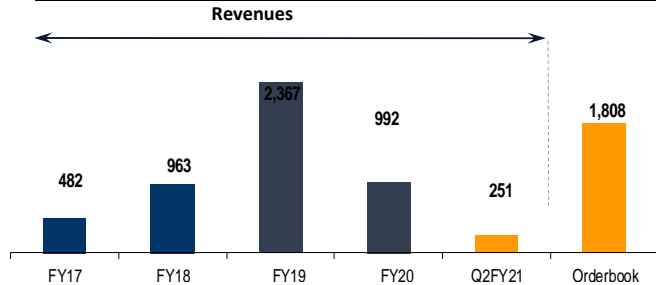
## Buildings & Housing (Rs. Cr)



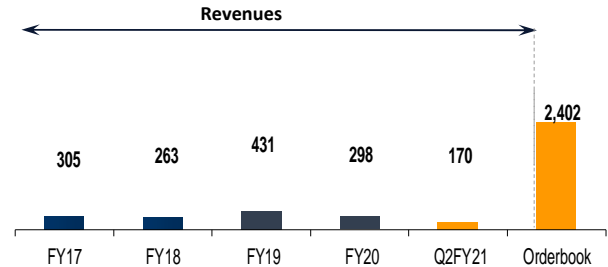
## Water & Environment + Railways (Rs. Cr)



## Electrical (Rs. Cr)



## Irrigation (Rs. Cr)

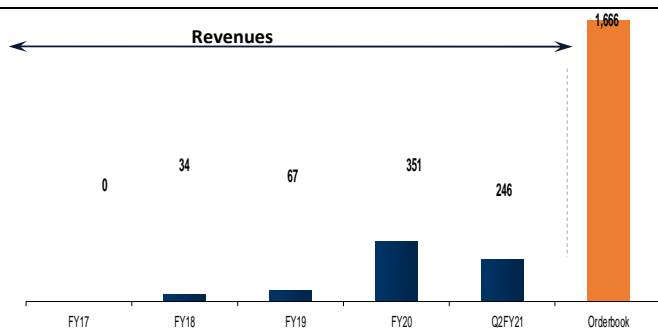


(1) Order book as on Sep 30, 2020

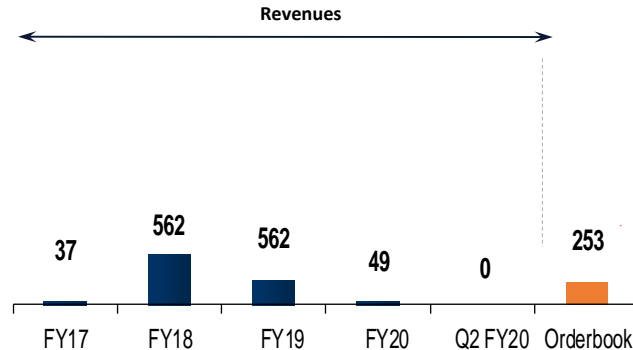
# Divisional Performance as on September 30, 2020



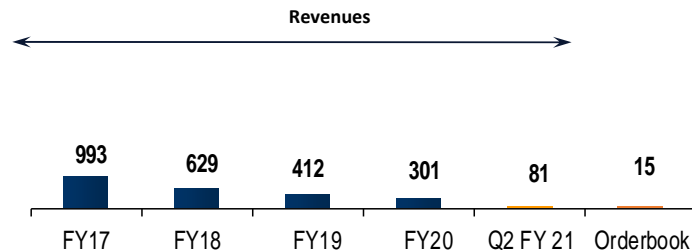
## Mining (R.S. Cr)



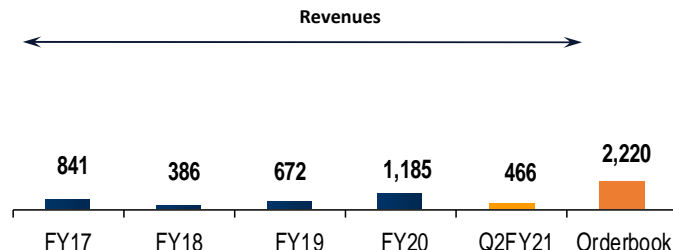
## Others (R.S. Cr)



## International (R.S. Cr)



## Roads (R.S. Cr)

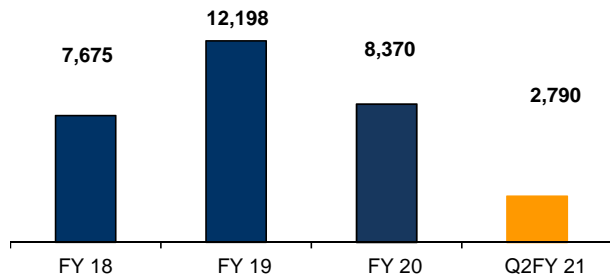


(2) Order book as on June 30, 2020

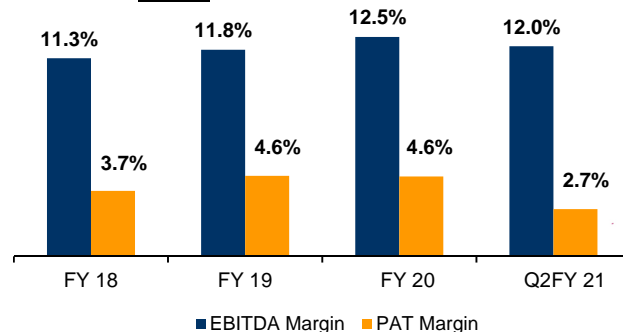
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# Standalone Financials

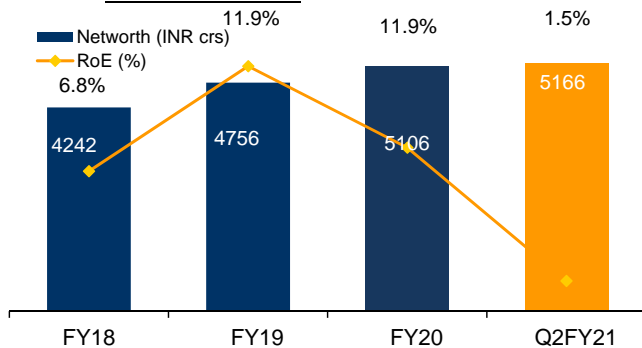
## Revenue (INR Cr)



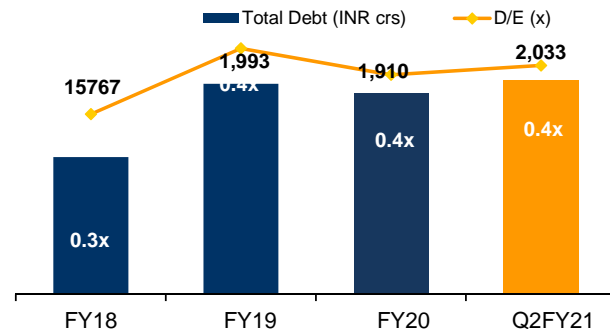
## Margins



## Return on Equity



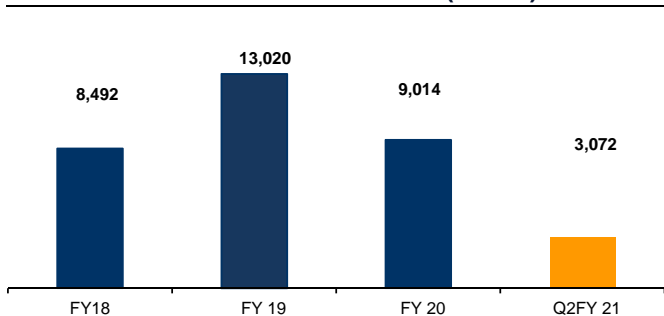
## Leverage



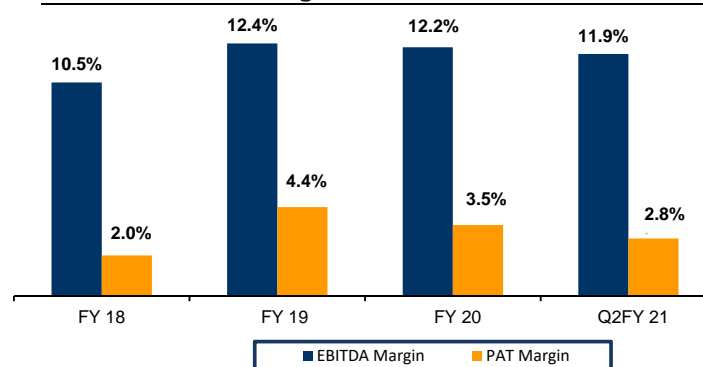
Note:

- All figures are derived from standalone financials
- EBITDA Margin: EBITDA / Operating Revenue; PAT Margin = PAT / Total Revenue;
- RoE = PAT / Net Worth

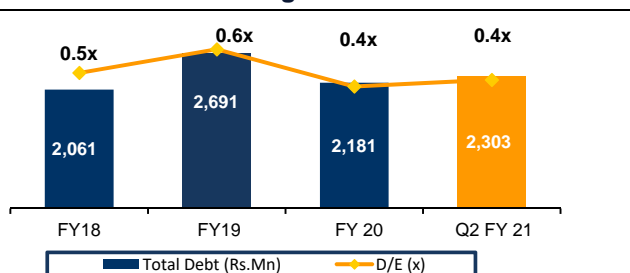
### Consolidated Revenues (Rs. Cr)



### Margins



### Leverage Position



Note:

1. All figures are derived from consolidated financials
2. EBITDA Margin: EBITDA / Operating Revenue;
3. PAT Margin = PAT / Total Revenue;
4. RoE = PAT / Net Worth

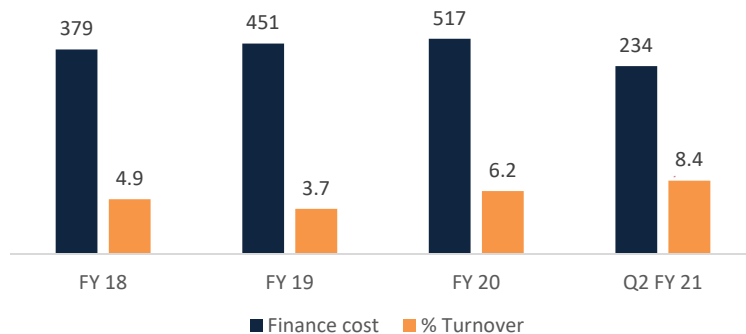
## Finance Cost Comprises of:

- Interest on Working Capital Loans & Cash Credit
- Interest on Term Loans
- Interest on Mobilization Advances
- Commission on Bank Guarantees and Letter of Credits
- Other Financial Charges

## **Working Capital Assistance from Banks (As on September 30, 2020)**

Sl. No.	Particulars	Limit (INR Cr)
1.	Cash Credit & WCDL	2088
2.	Bank Guarantees	8824
3.	Letter of Credit	1000
	TOTAL	11912

## Finance Cost (INR Cr) (Actual / % of Turnover)



## Rating of the Company:

- External rating of the company is India Rating "A" and ICRA "A-"





**Mr Hemant M Nerurkar**  
Chairman & Independent Director

He is a retired corporate executive with 44 years of experience



**Mr A A V Ranga Raju**  
Managing Director

He has experience of 43 years in the construction and infrastructure development and allied fields



**Mr A G K Raju**  
Executive Director

He has 35 years of experience in the construction industry, finance and manufacturing and allied fields



**Mr A S N Raju**  
Wholetime Director

He has experience of 38 years in the construction industry



**Mr A V N Raju**  
Wholetime Director

He has experience of 31 years in the construction industry



**Mr J V Ranga Raju**  
Wholetime Director

He has experience of 33 years in the construction and infrastructure industry



**Mr Utpal Sheth**  
Non-Executive Director

He is an investment analyst with 23 years of work experience



**Ms Renu Challu**  
Independent Director

She is an Associate of the Indian Institute of Bankers and has an experience of 44 years in the banking industry and Corporate Management



**Dr. A. S. Durga Prasad**  
Independent Director

He is an accomplished executive with over 37 years experience in Financial Management and Cost Management in variety of industries

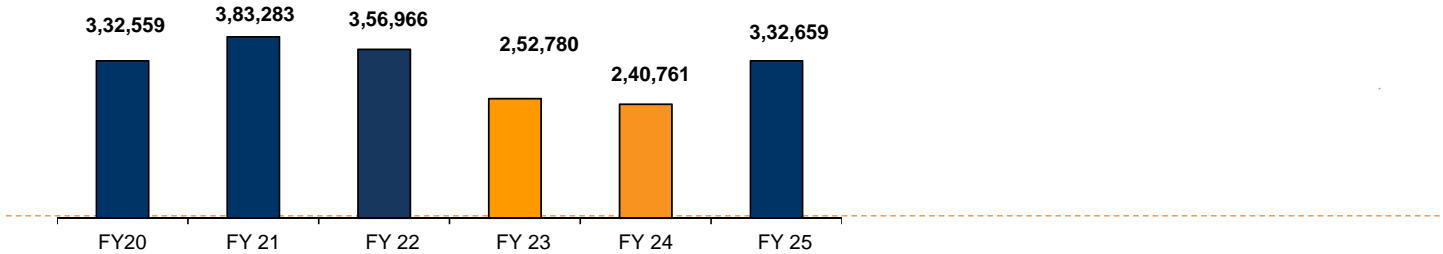


**Mr S Ravi**  
Independent Director

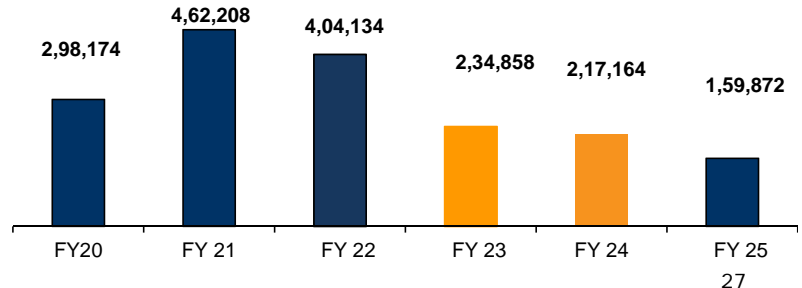
He is a Sr. Advocate, High Court of Judicature at Hyderabad for the State of Telangana and the state of Andhra Pradesh and has experience in Taxation, Corporate Laws and Commercial Laws.

## Investment Planned Under NIP

### Roads

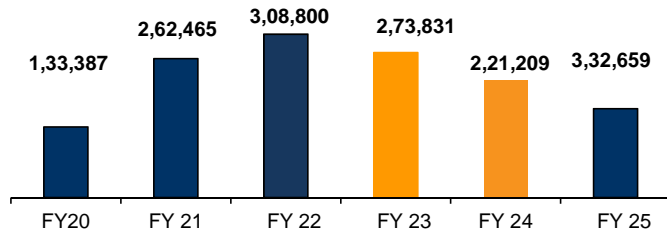


### Urban Infrastructure

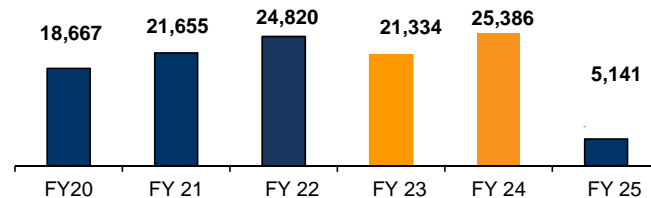


## Investment Planned Under NIP

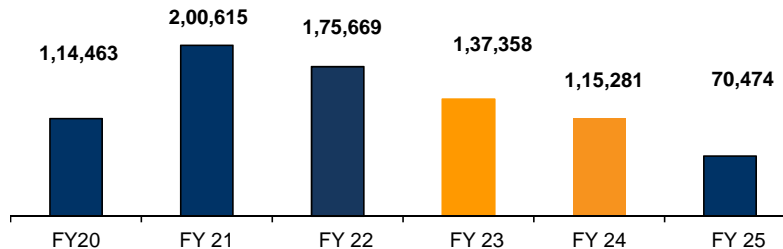
### Railways



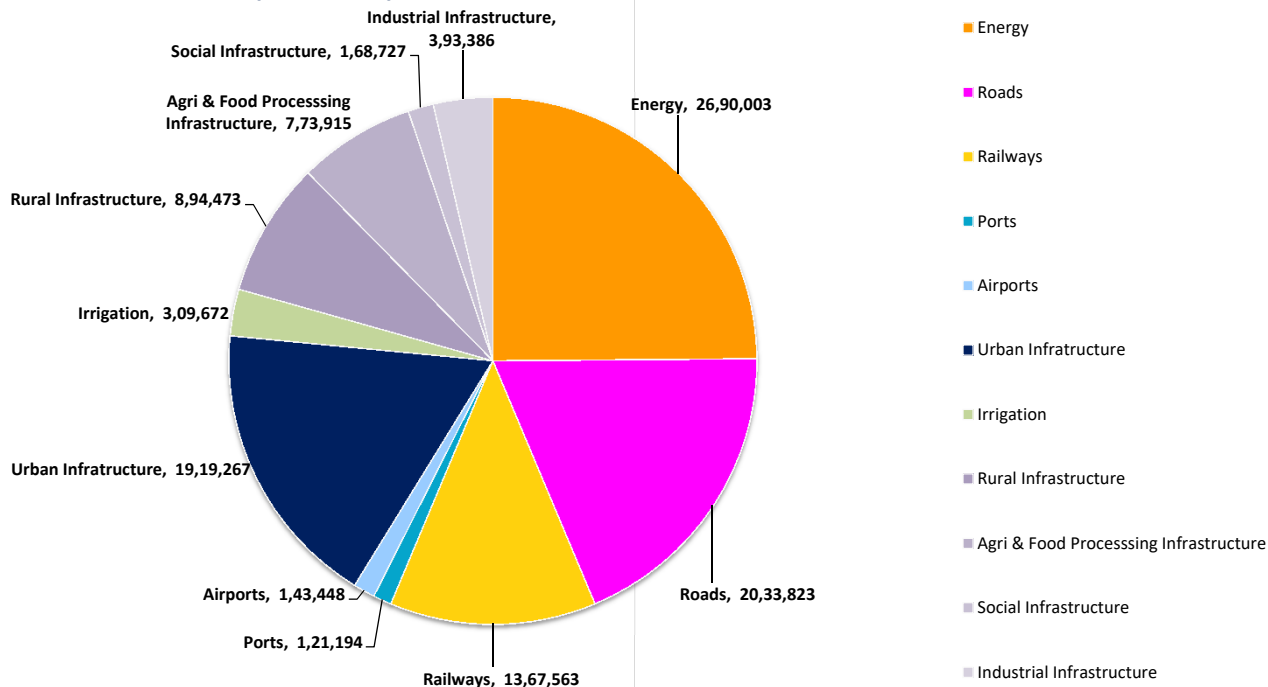
### Airports



### Irrigation



## Sector-Wise Capital Expenditure in Infrastructure



# **COMPANY STRATEGY**

## Asset Light Business Model

- Focus on core competency of the Company i.e. Construction Business (EPC and Item rate contracts) with asset light strategy
- Monetize BOT and Real Estate Assets exposure on a case to case basis
- Limited exposure to selective HAM projects in Roads

## Focus on India

- With impetus of Government on development of Infrastructure and housing for all in India, focus on bidding for construction projects in India
- Exit from middle east construction business

## Improving Operational Efficiency and Return Metrics

- Continuing efforts in improving operational efficiency and reduction of costs
- Focus on superior management and better control of projects by strengthening MIS and Review System
- Sustained efforts on improving EBITDA and Net Profit Margins
- Reduction of Debt and Interest Costs

Thank you

