

# NCC Limited

## Corporate Presentation

August 2021



# DISCLAIMER



No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements" based on the currently held beliefs and assumptions of the management of NCC, which are expressed in good faith and in their opinion reasonable, including those relating to NCC's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance or achievements of NCC or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements, including future changes or developments in NCC's business, its competitive environment and political, economic, legal and social conditions. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. NCC disclaims any obligation to update these forward-looking statements to reflect future events or developments.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities of NCC by any person in any jurisdiction, including India and the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. NCC may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such change or changes. This presentation shall not be copied or disseminated in any manner.

This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of its should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States without registration under the U.S. Securities Act of 1933, as amended, except pursuant to an exemption from registration there from. This presentation is confidential and may not be copied or disseminated, in whole or in part, and in any manner

# Table of Contents



		Page No.
<b>1</b>	<b>Company Overview</b>	<b>4</b>
<b>2</b>	<b>Business Verticals</b>	<b>10</b>
<b>3</b>	<b>Key Investment Highlights</b>	<b>17</b>
<b>4</b>	<b>Company Strategy</b>	<b>29</b>

# COMPANY OVERVIEW

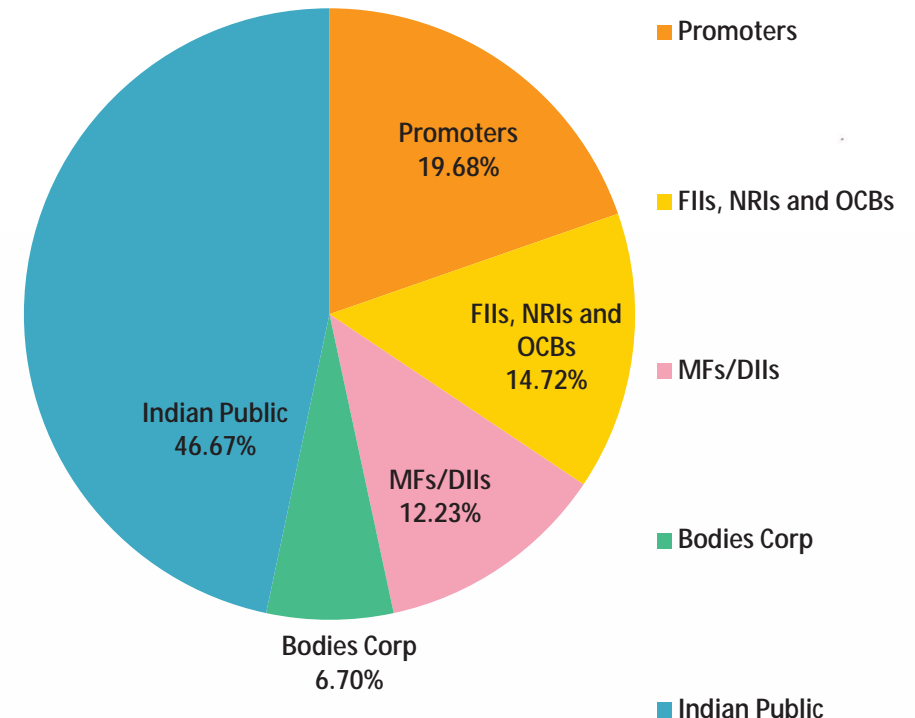
# Company Snapshot (1/5)



## Overview

- One of the 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 5007 employees (including 3311 Technical), currently executing around 120 active sites at various locations (As on June, 30, 2021)
- Order Book of INR 39,087 cr as on June 30, 2021. New orders of INR 3,171 crs received during Q1 FY 22
- Market capitalization: INR 5,372.75 Cr as on August 5, 2021
- 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 Jhunjunwala
  - Nippon Life India Trustee Ltd
  - Aditya Birla Sun life
  - IDFC Sterling Value Fund

Shareholding – As on June 30, 2021



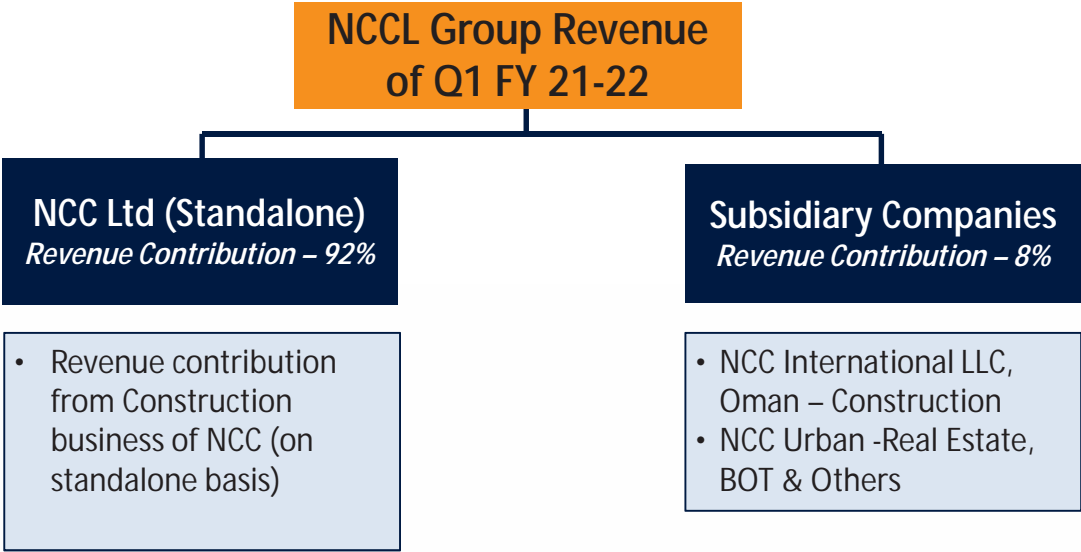
# Company Snapshot (2/5)



## Key Milestones

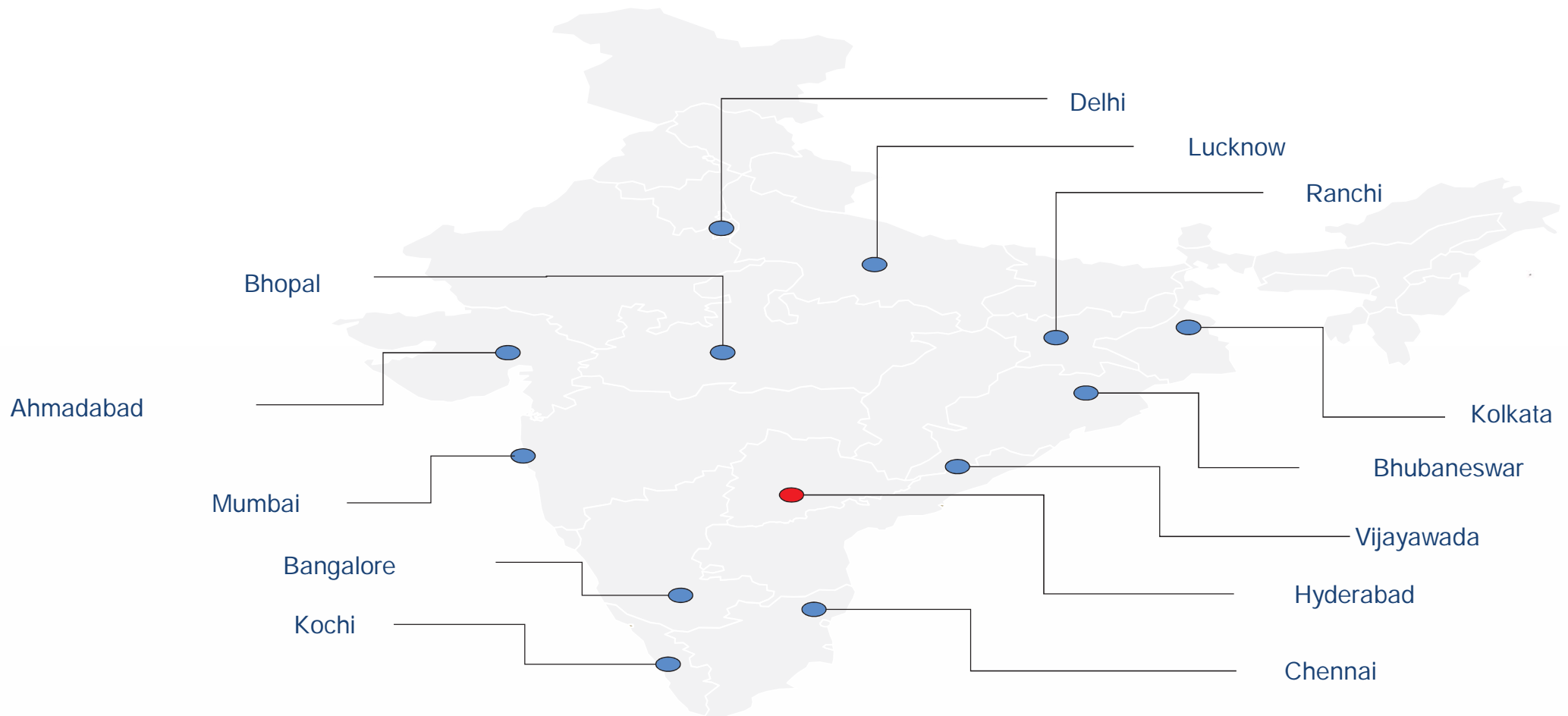


## Group Business Structure



# Company Snapshot (3/5)

## Pan India Presence



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

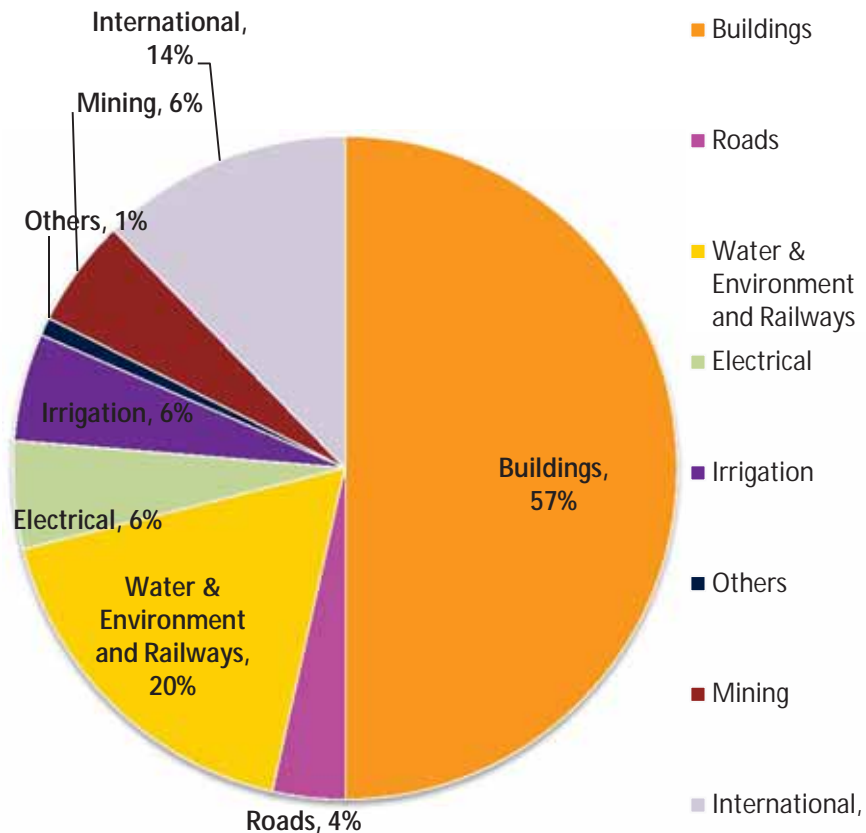
# Company Snapshot (4/5)

## Diversified Order Book - (Consolidated)



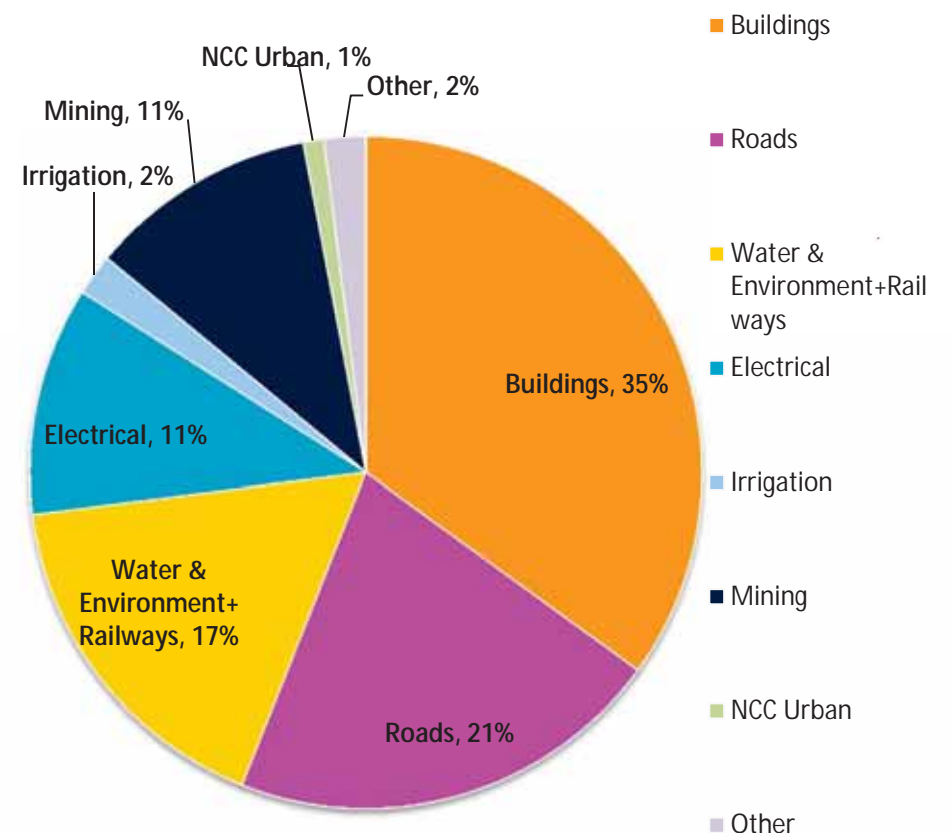
**Total Order Book: Rs. 39,087 Cr**

*(as on June 30, 2021)*



**Total Turnover: Rs. 2,064 Cr**

*(as on June 30, 2021)*





# Company Snapshot (5/5)

## Division Wise Execution & Order book As on 30.06.2021

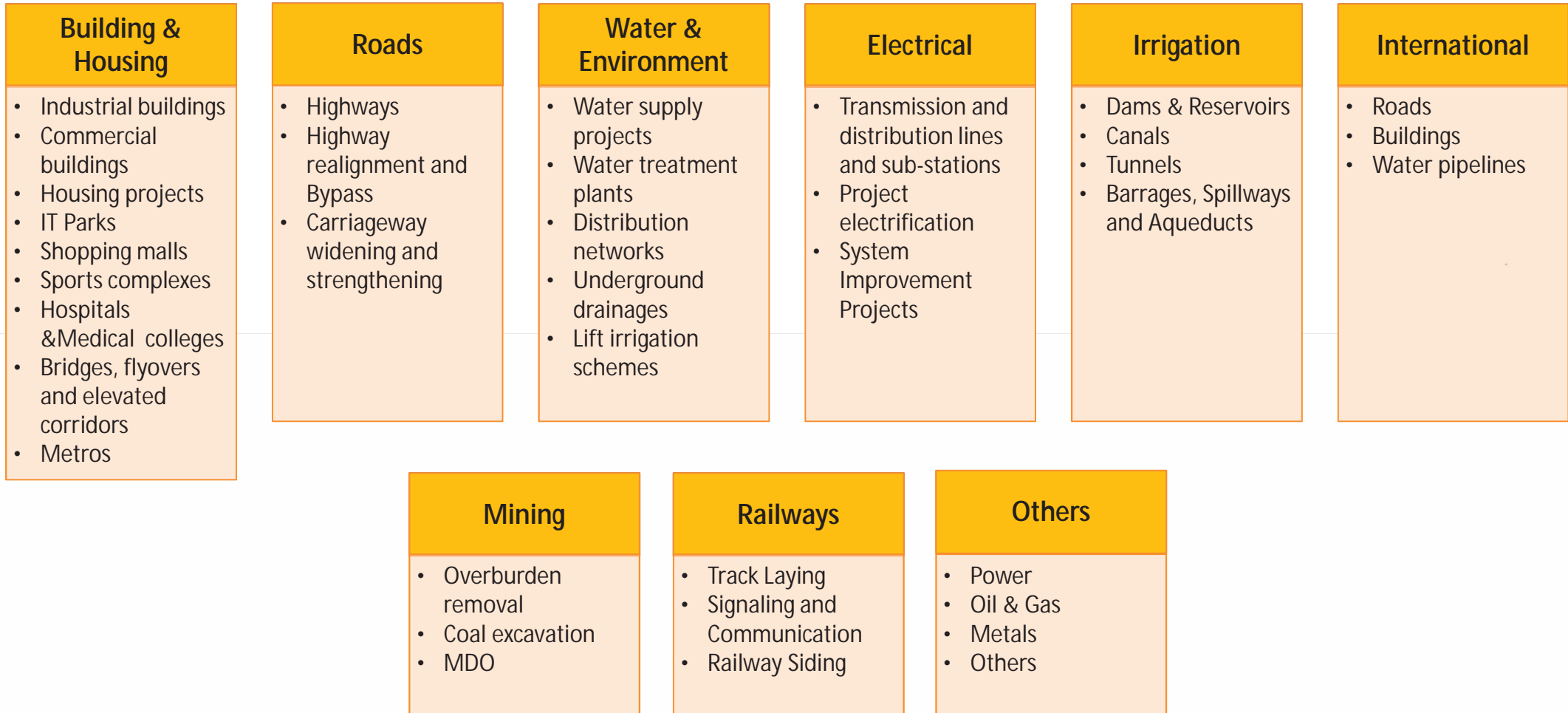


(` in crores)

Particulars	Buildings	Roads	W & E & Railways	Electrical	Irrigation	Others	Mining	International	TOTAL
Orders on Hand as on 01.04.2021	21157	1954	7078	2438	2442	251	2592	17	37929
	56%	5%	19%	6%	6%	1%	7%	0%	100%
Add: New Orders Received	1735	8	1260	0	0	1	166	0	3171
	55%	0%	40%	0%	0%	0%	5%	0%	100%
Less: Value of Works Executed	709	430	358	223	36	23	230	3	2012
	35%	21%	18%	11%	2%	1%	11%	0%	100%
Net Balance as on 30.06.2021	22183	1532	7980	2215	2406	229	2528	14	39087
	57%	4%	20%	6%	6%	1%	6%	0%	100%

# **BUSINESS VERTICALS**

# Operating Divisions

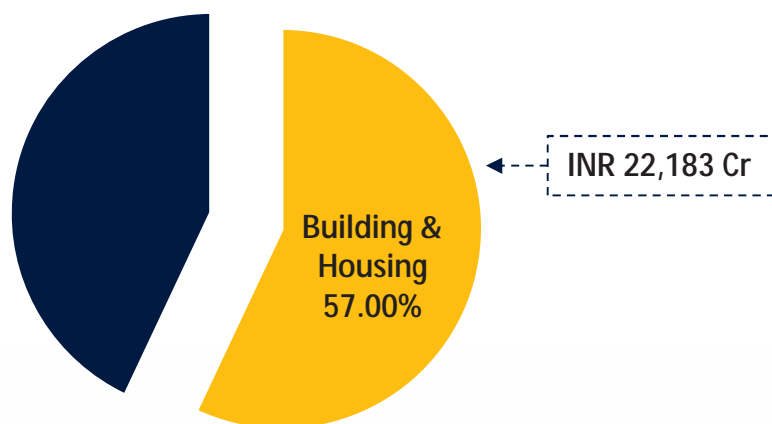


Diversified operations across various divisions help mitigate business risks

# Building & Housing



## Order Book (As on June 30, 2021)



## 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
All India Institute of Medical Sciences (AIIMS)
NBCC Limited
Director General Project Seabird (AOD)
Lucknow Development Authority
Mumbai Metropolitan Region Development Authority (MMRDA)

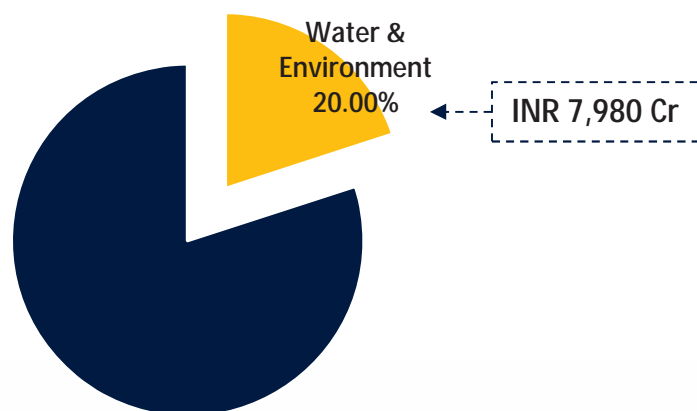
## Details of Major Projects Under Execution

Project Name	Location	Project Value (INR cr)
AIIMS	4 Locations	3717
The Project Seabird, New Delhi (SEABIRD PHASE IIA, KARWAR) (2 Projects)	Karnataka	2442
Airport Authority of India	3 Locations	1693
MMRDA Mumbai Metro	Mumbai	857

# Water & Environment



## Order Book (As on June 30, 2021)



## Details of Major Projects Completed

Project Name	Location	Project Value (INR cr)
SAUNIYOJANA L-3 P-1 & P-2	2 Locations	1247
TDWSP-RR	Ranga Reddy District	1517
Water Supply Projects - BILWARA – 1 & 2	Rajasthan	535

## Key Clientele

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

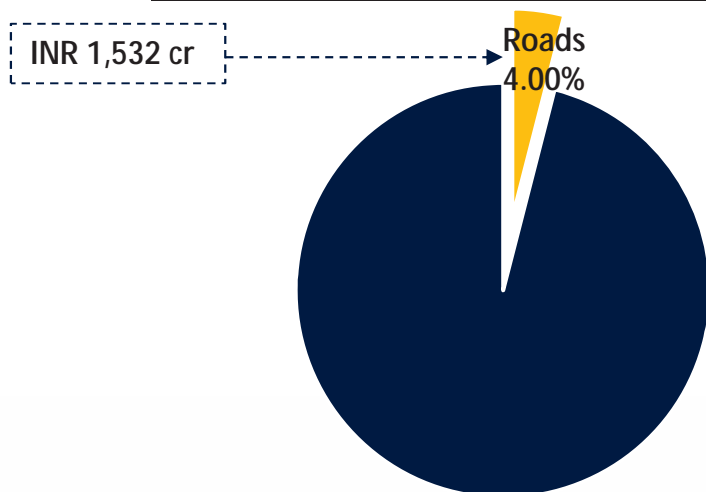
## Details of Major Projects Under Execution

Project Name	Location	Project Value (INR cr)
State water & Sanitation Mission, Govt of UP	10 District of UP	8226
Namami Gange & Rural Water Supply	Mirzapur & Jhansi	1084
TDWSP-WARANGAL	Warangal	721
SAUNI PKG-6 PH-II L-4	Amreli	681

# Roads



## Order Book (As on June 30, 2021)



## Key Clientele

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

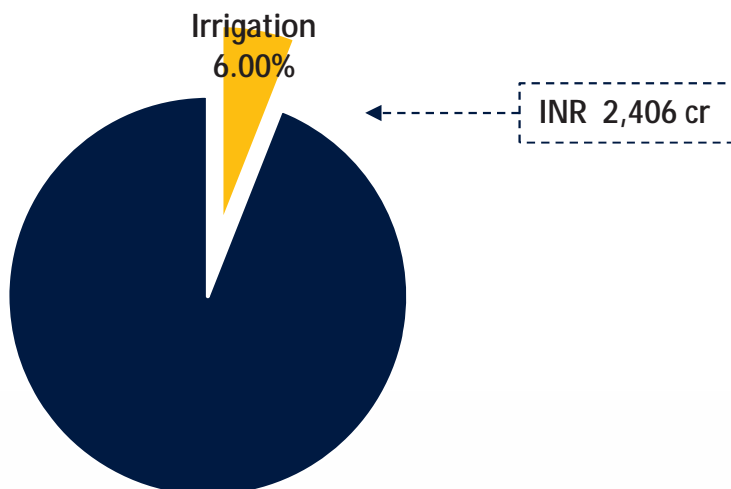
## Details of Major Projects Under Execution

Project Name	Location	Project Value (INR cr)
Nagpur Mumbai express way	Maharashtra	2850
Jabalpur Flyover	Jabalpur City	686
Madurai Ring Road	Tamilnadu	440
Double Deck Flyover – Chandni Chowk - Chhapra Town	Maharashtra	331
White topping of Roads - Bengaluru	Karnataka	267

# Irrigation



## Order Book (As on June 30, 2021)



## 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

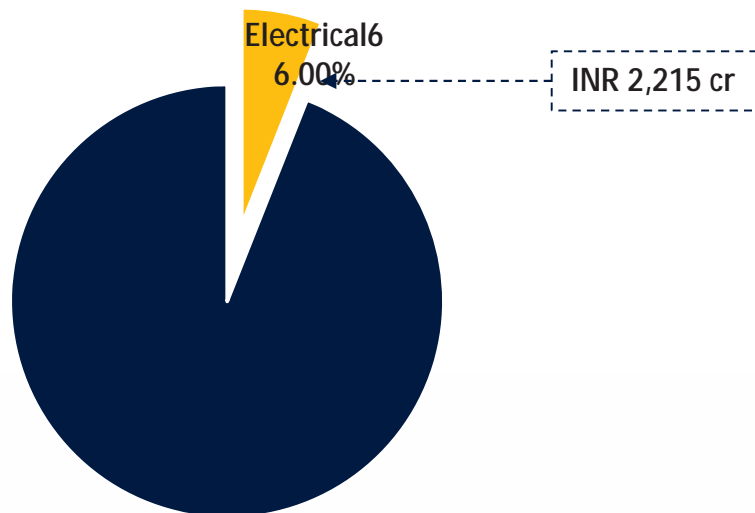
## Details of Major Projects Under Execution

Project Name	Location	Project Value (INR cr)
Lift Irrigation Project (PRLIS)	Telangana	1008
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

# Electrical



## Order Book (As on June 30, 2021)



## 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- Saubhagya- Meerut	Uttar Pradesh	309
Jharkhand Bijili Vitran Nigam Limited, Ranchi	Jharkhand	538
BESCOM, KENGERI, Indiranagar, Jayanagar	Bangalore	610



# KEY INVESTMENT HIGHLIGHTS

# 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 39,087 cr (as on June 30, 2021) and order book to sales ratio of 5x provides strong cash flow visibility for next 5 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" with positive outlook

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

# Strong Track Record



## 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
The Project Seabird, New Delhi (SEABIRD PHASE IIA ,KARWAR)	Karnataka	1127
NBCC India Limited, New Delhi ( ITC – NAUROJI NAGAR)	New Delhi	1560
Pune Metro Package-1 & 2	Maharashtra	1096
NBCC India Limited, New Delhi ( AIIMS BILASPUR)		1063

## Ability to Win Large Projects

Demonstrated ability to bid for and win large projects

- State water & Sanitation Mission, Govt of UP, Lucknow (2 Projects) : INR 5854 Cr
- Nagpur Mumbai express way, Maharashtra : INR 2850 cr
- The Project Seabird, New Delhi (SEABIRD PHASE IIA ,KARWAR) (2 Projects) : INR 2442 Cr
- Outer ring Road Projects in Amaravathi Capital city, AP: INR 2046 cr (two packages)
- Building Project by NBCC, Nauroji Nagar, New Delhi: INR 1652 cr

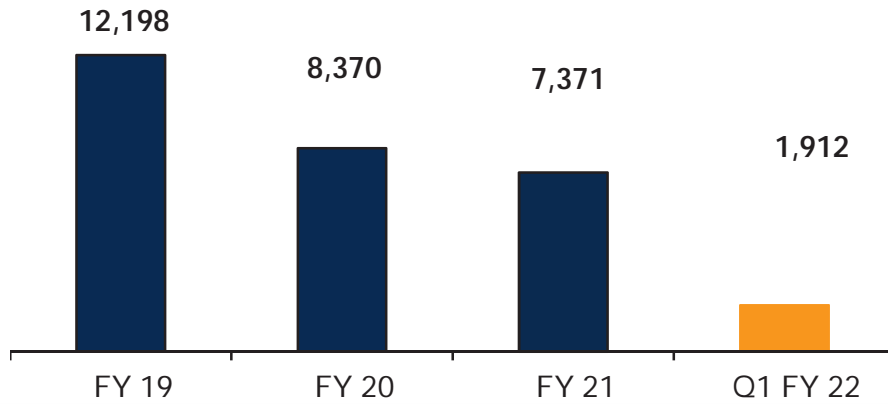
## Key Clientele

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

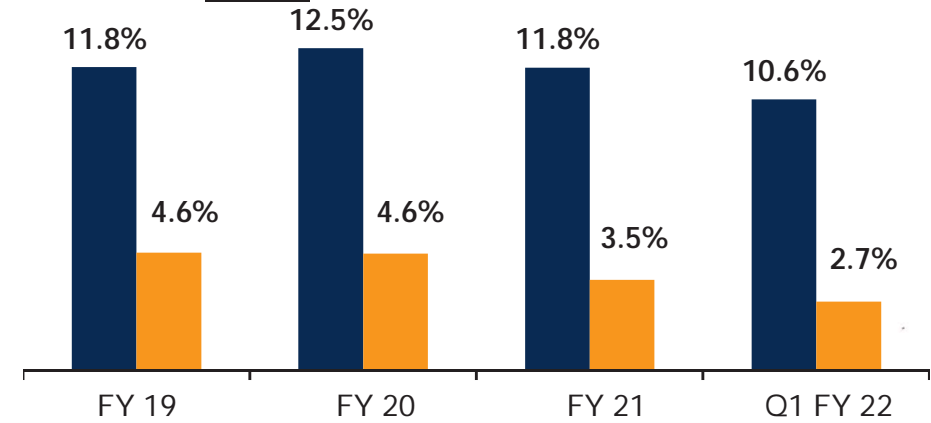
# Robust Financials with Strong Credit Rating (1/3)- Standalone Financials



Revenue (INR Cr)

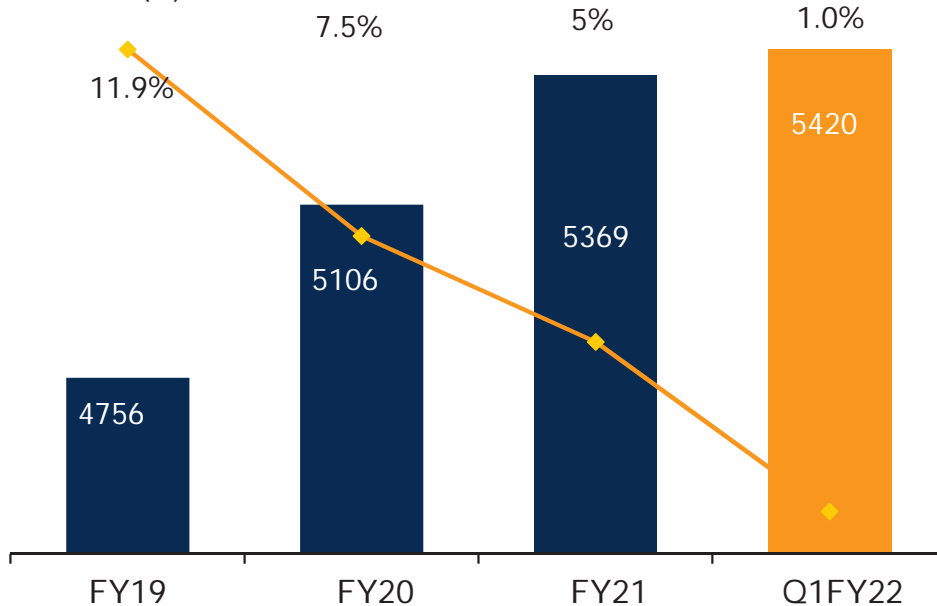


Margins



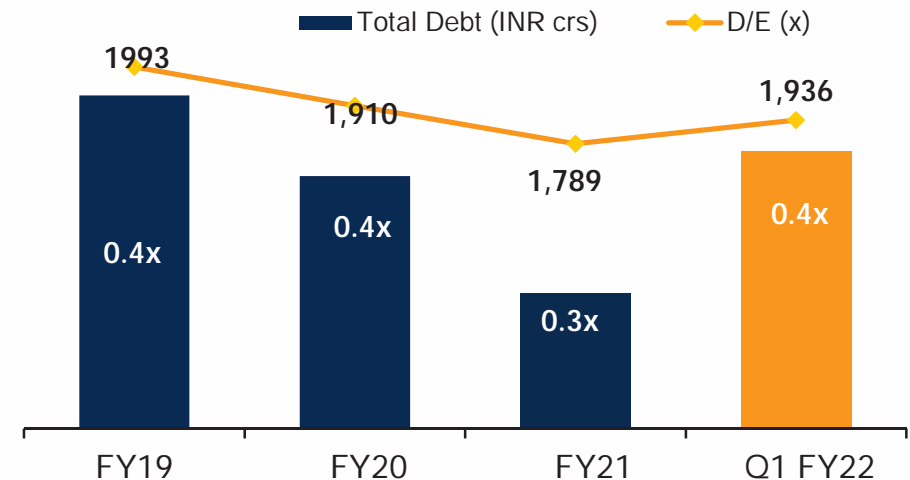
Networth (INR crs)  
RoE (%)

Return on Equity



EBITDA Margin PAT Margin

Leverage

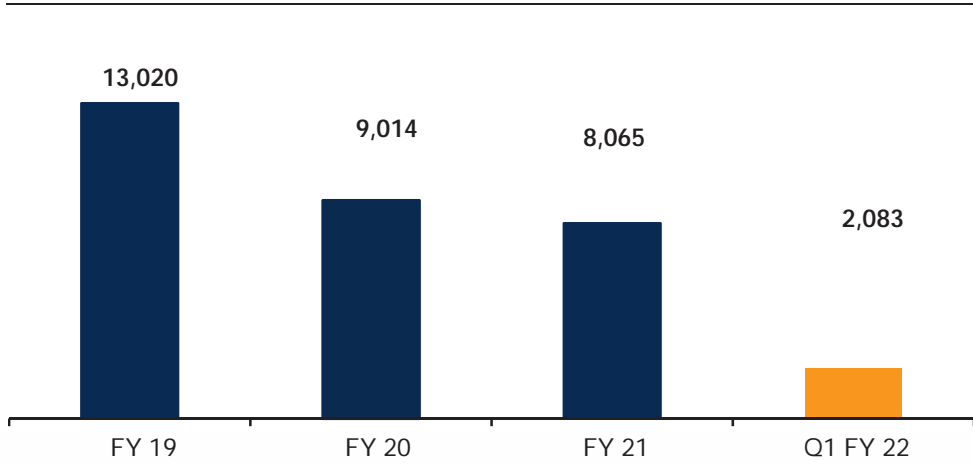


Note:  
 1. All figures are derived from standalone financials  
 2. EBITDA Margin: EBITDA / Operating Revenue; PAT Margin = PAT / Total Revenue;  
 3. RoE = PAT / Net Worth

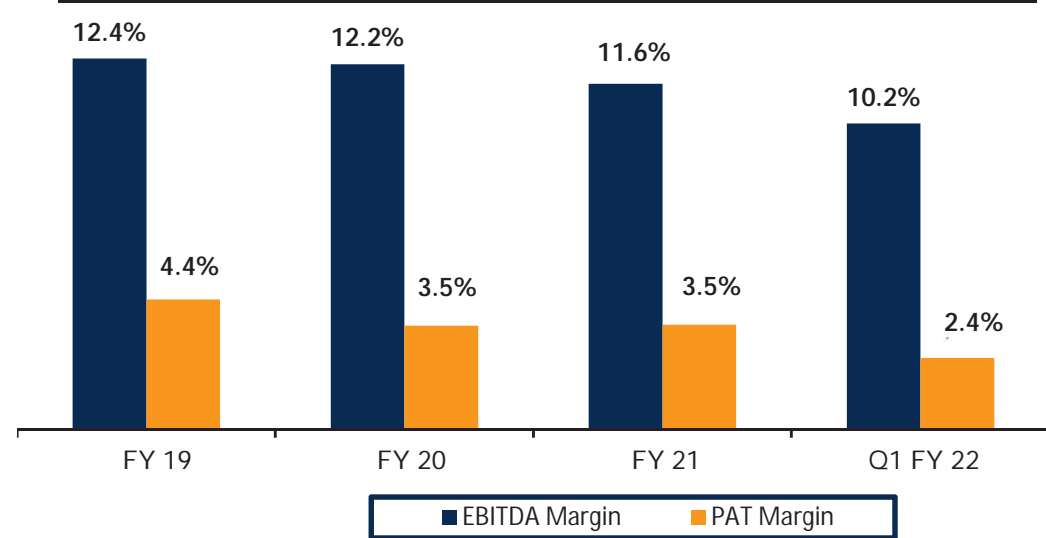
# Robust Financials with Strong Credit Rating (2/3)- Consolidated Financials



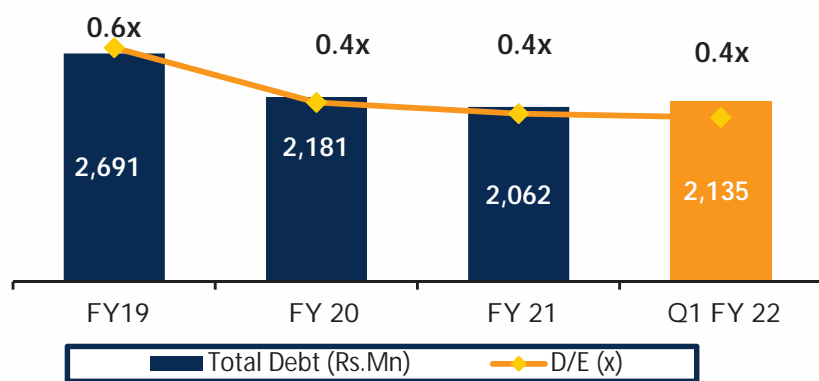
Consolidated Revenues (Rs. Cr)



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

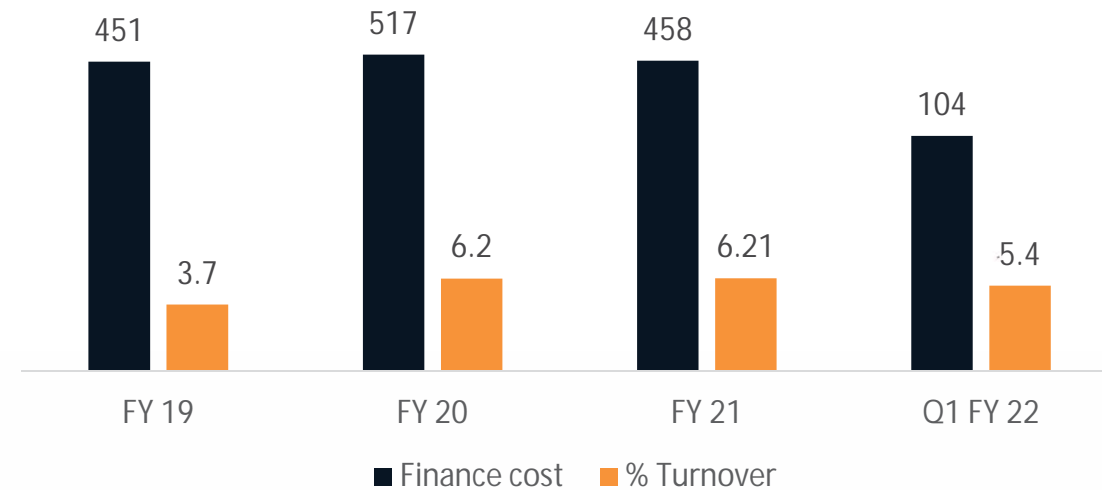
## Finance Cost Comprises of:

- 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 June 30, 2021)**

Sl. No.	Particulars	Limit (INR Cr)
1.	Cash Credit & WCDL	2088
2.	Bank Guarantees	9149
3.	Letter of Credit	1000
	TOTAL	12237

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



## Rating of the Company:

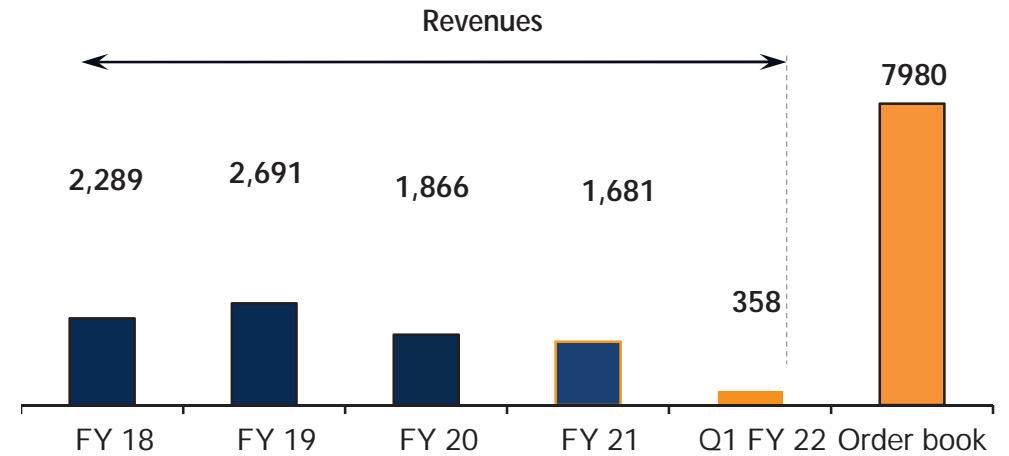
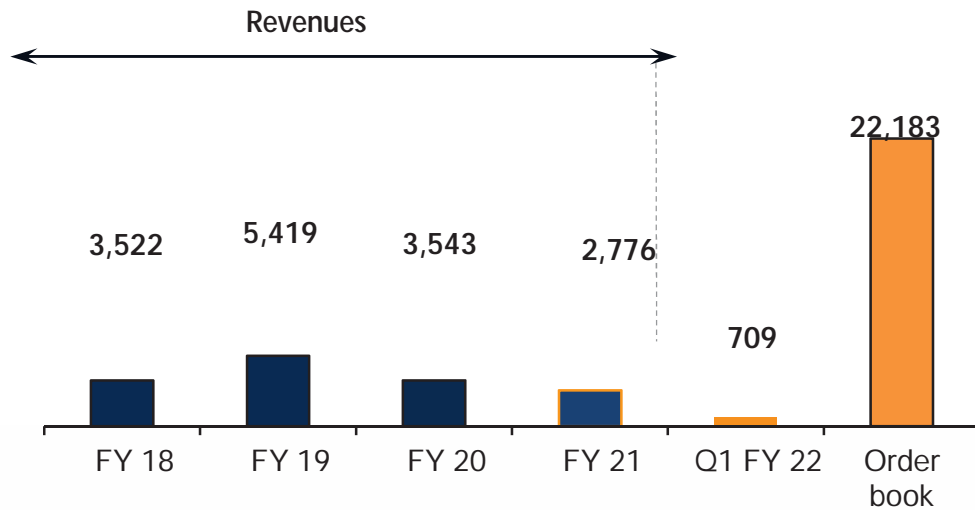
- External rating of the company is "A" with positive outlook by India Ratings

# Divisional Performance as on June 30, 2021



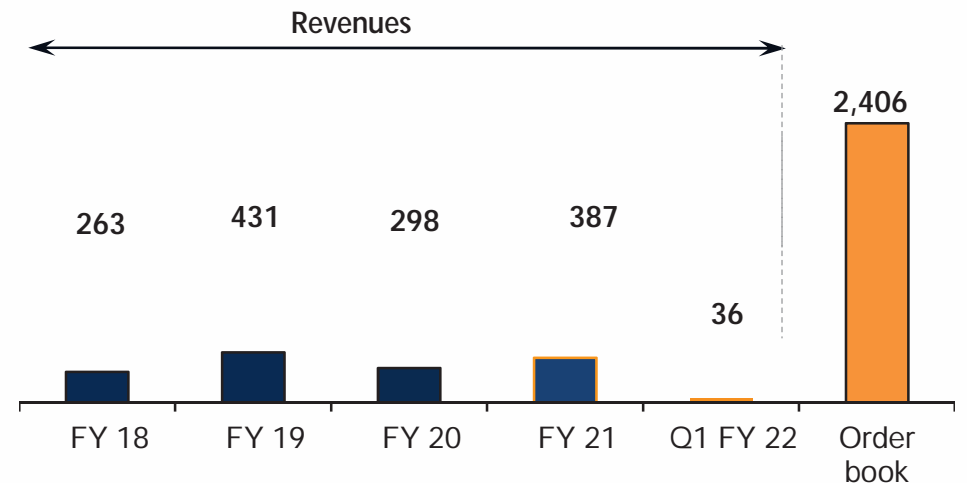
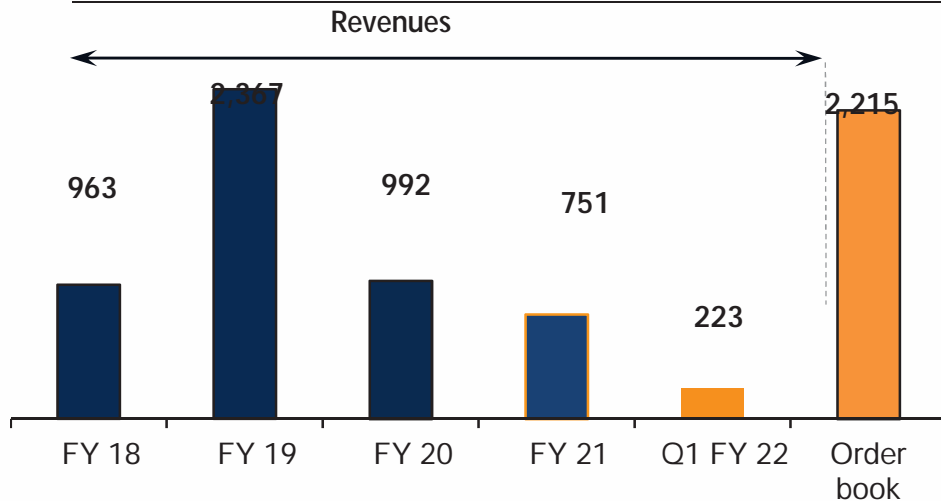
## Buildings & Housing (Rs. Cr)

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



## Electrical (Rs. Cr)

## Irrigation (Rs. Cr)

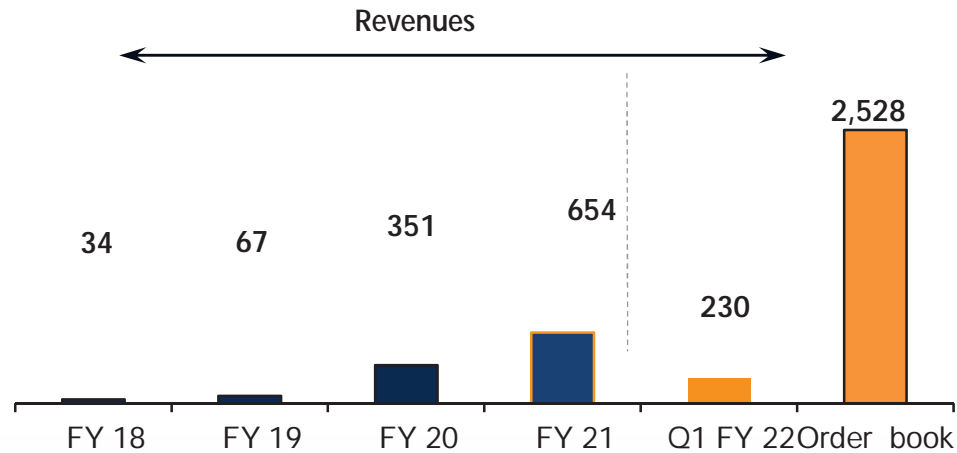


(1) Order book as on June 30, 2021

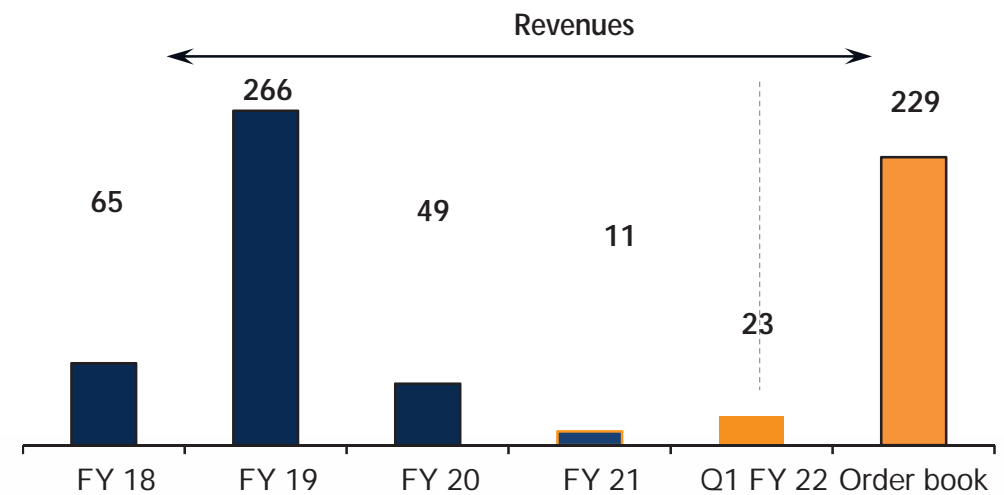
# Divisional Performance as on June 30, 2021



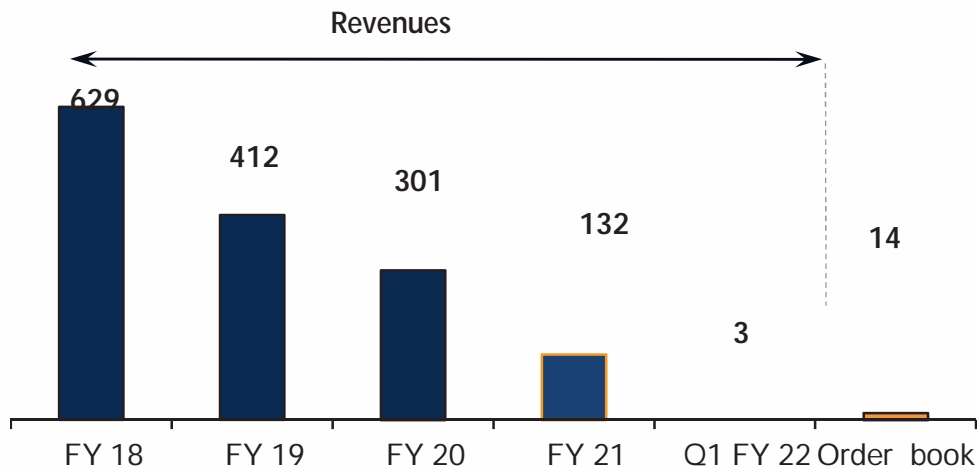
## Mining (Rs. Cr)



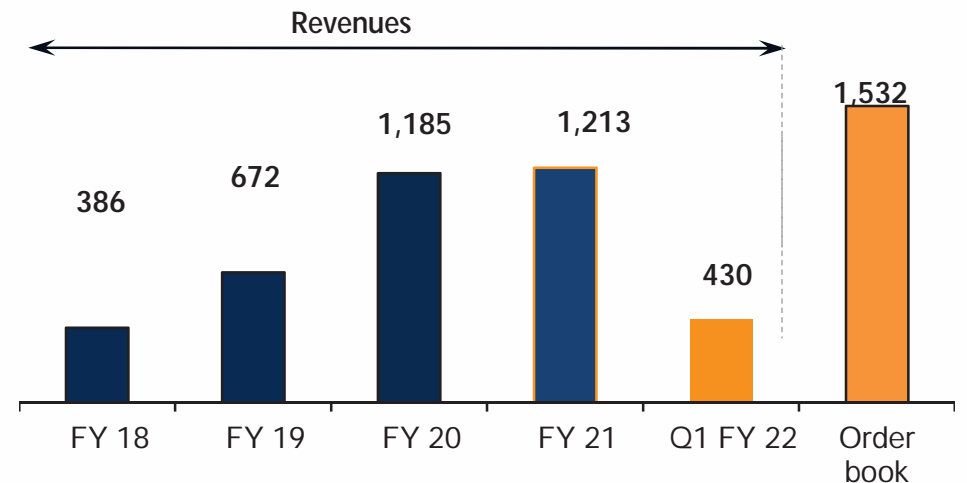
## Others (Rs. Cr)



## International (Rs. Cr)



## Roads (Rs. Cr)



(1) Order book as on June 30, 2021

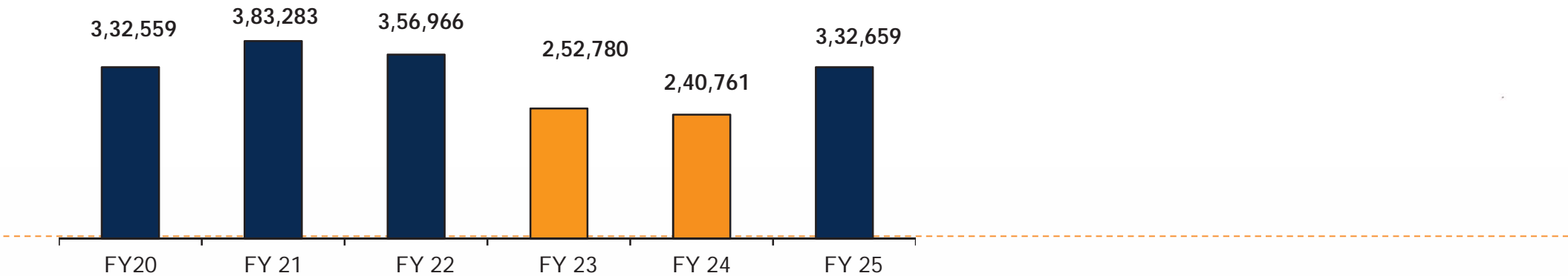


# Favorable Industry Dynamics (1/4)

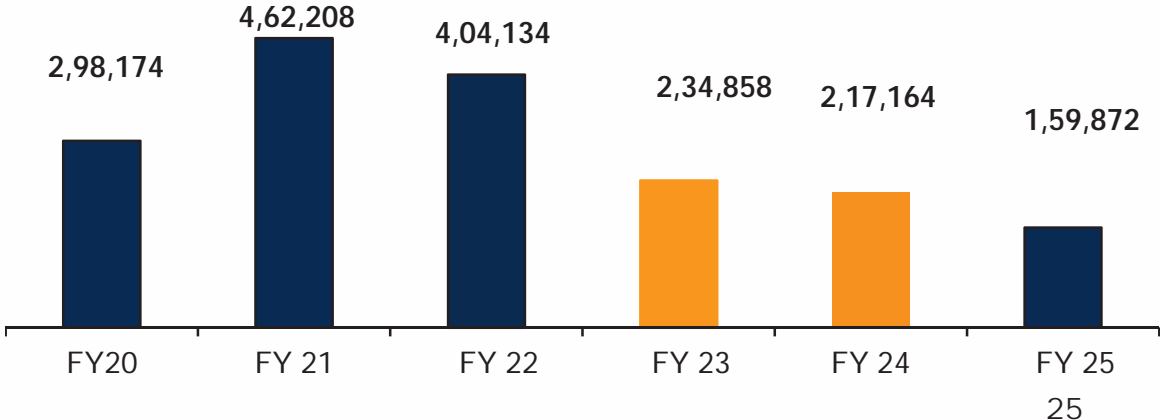
(Rs. Cr) **NCC**

## Investment Planned Under NIP

### Roads



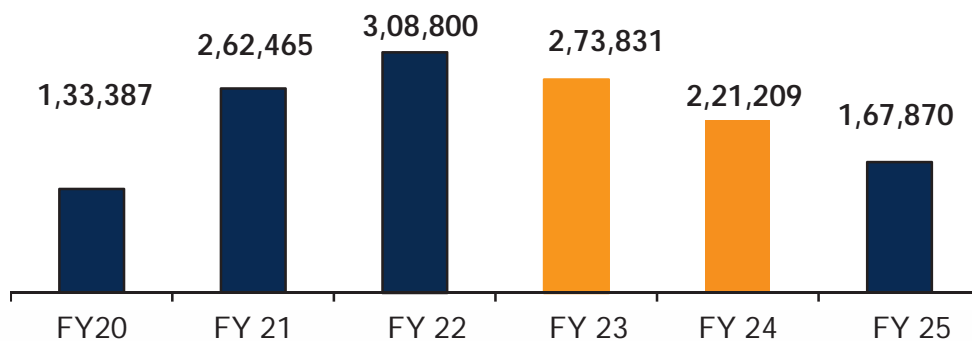
### Urban Infrastructure



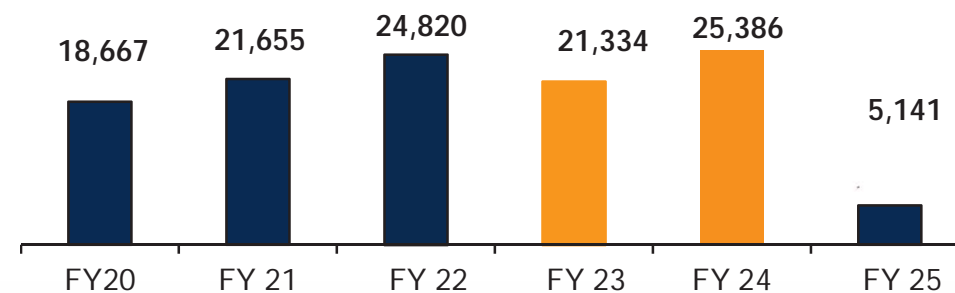
# Favorable Industry Dynamics (2/4)

## Investment Planned Under NIP

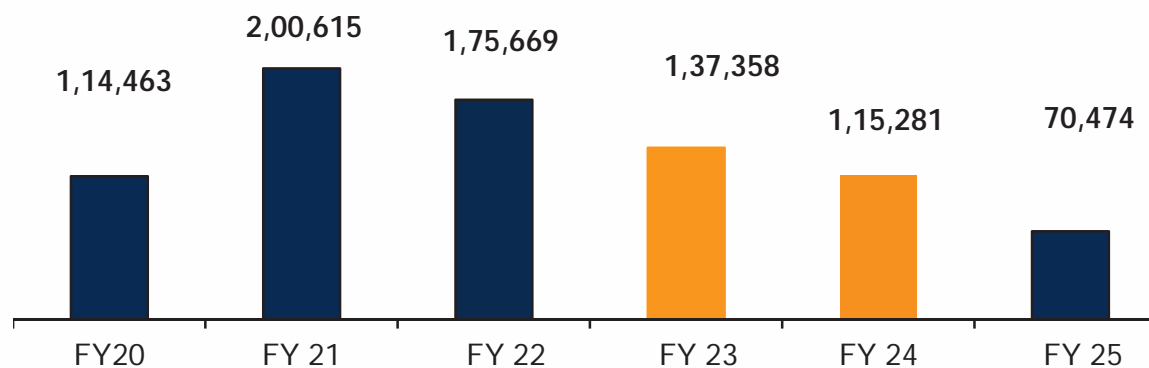
### Railways



### Airports



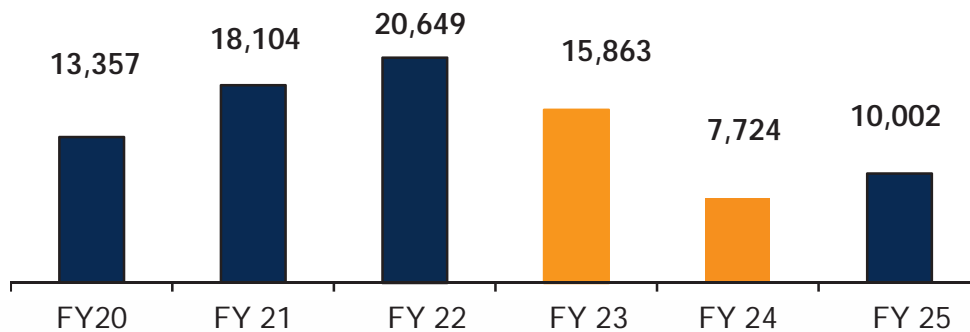
### Irrigation



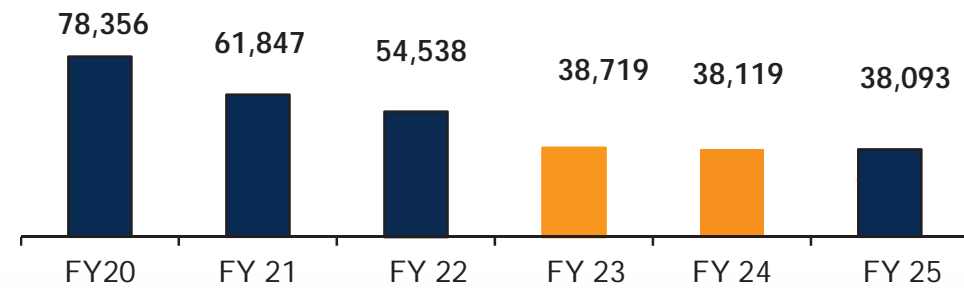
# Favorable Industry Dynamics (3/4)

## Investment Planned Under NIP

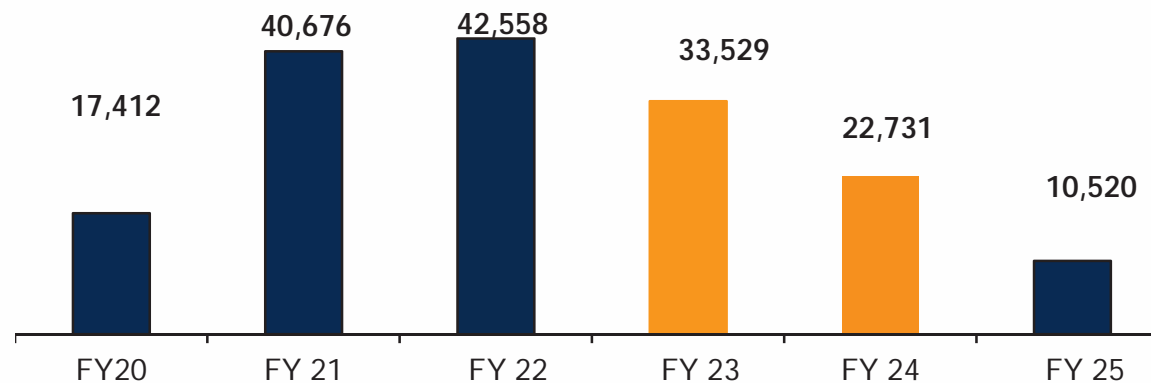
### Ports



### Digital Infra

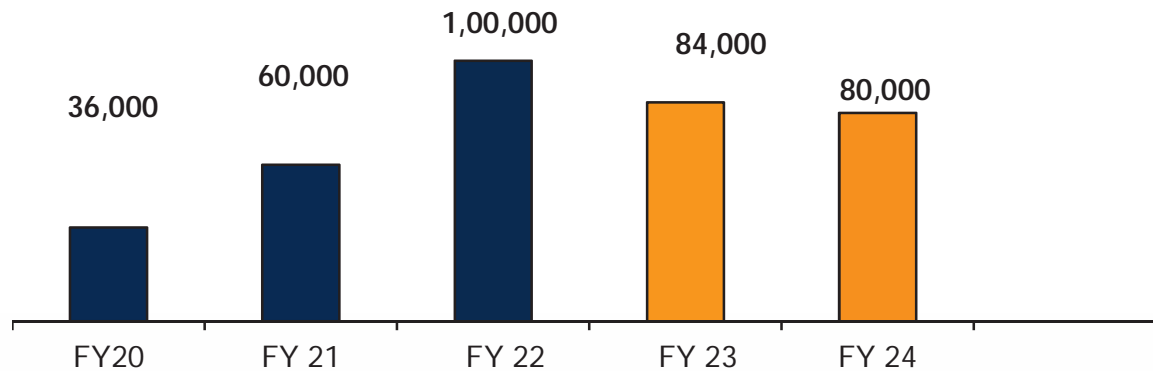


### Industrial Infra (Industrial Corridors/ Townships, MMLH, Convention Centers)



# Favorable Industry Dynamics (4/4)

## Jal Jeevan Mission (Rural)



## Smart Metering

Government of India has launched the Smart Meter National Programme with an aim to replace 25 Crore conventional meters with smart meters in India at a cost of Rs 1.5 lakh Crore. The project was announced in the 2021-22 Budget and is planned to be completed in 5 years.

# 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

