

NCC Limited

Corporate Presentation

May 2020



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COMPANY OVERVIEW

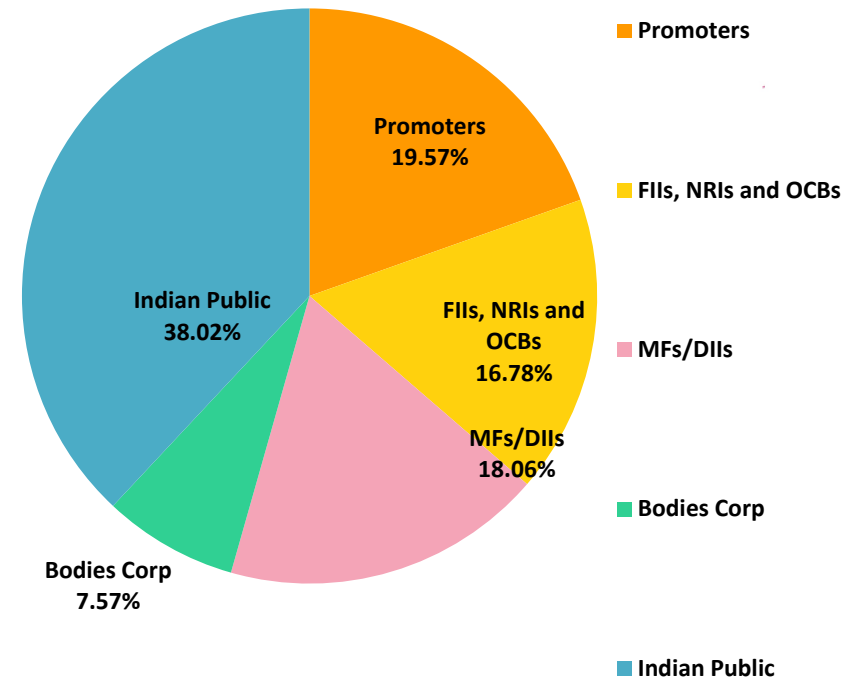
Company Snapshot (1/5)



Overview

- Second **largest Listed construction company** in terms of revenues 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 5192 employees (including 3287 Technical), currently executing around 120 active sites at various locations (As on March, 31, 2020)
- **Order Book of INR 26,572 cr** as on March 31, 2020. **New orders of INR 7172 crs** received up to March 31, 2020.
- **Market capitalization:** INR 1399.60 cr as on May 29 , 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 Jhunjunwala
 - Reliance Capital Trustee
 - Aditya Birla Sun life
 - Sundaram Mutual Fund
 - UTI

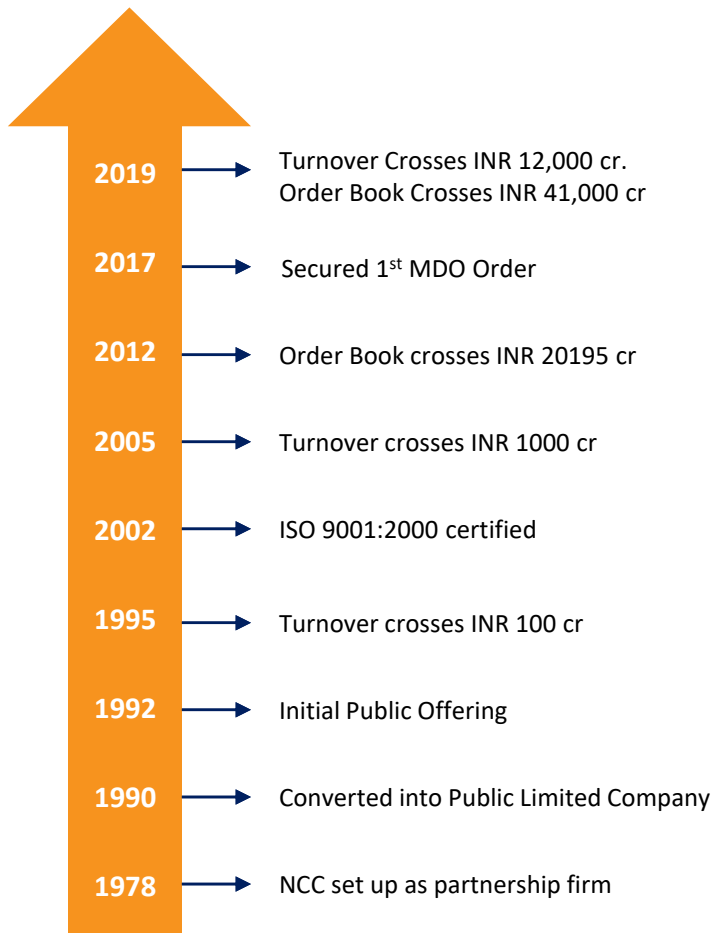
Shareholding – As on March 31, 2020



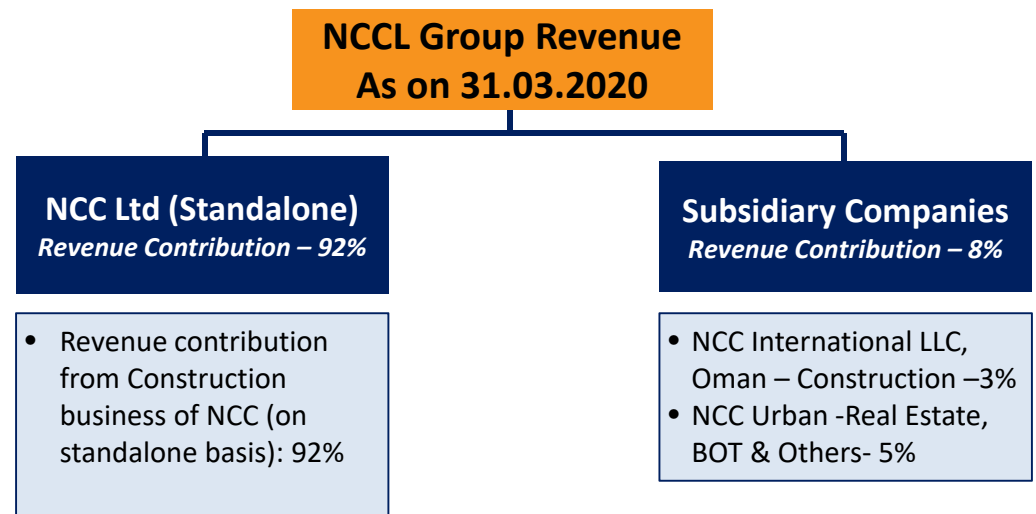
Company Snapshot (2/5)



Key Milestones

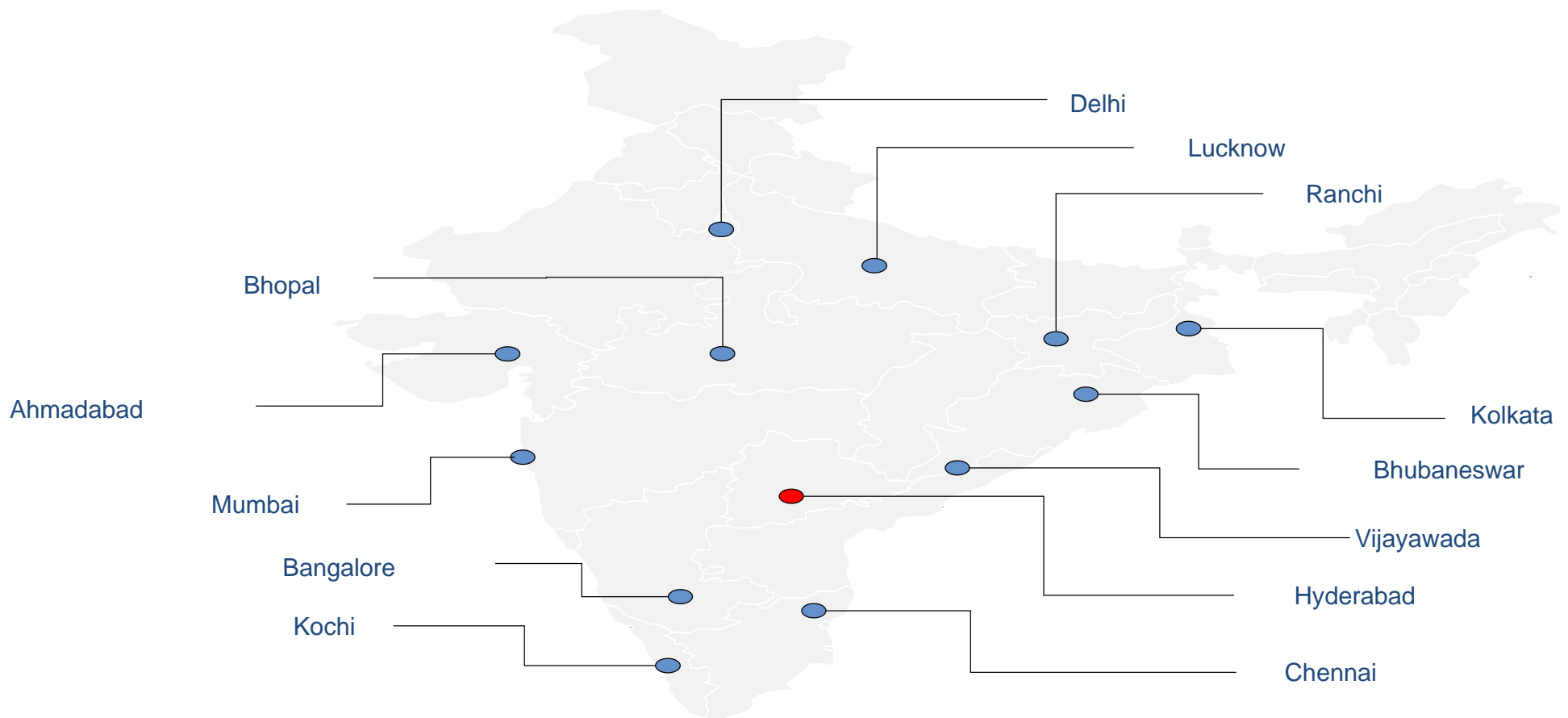


Group Business Structure



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)

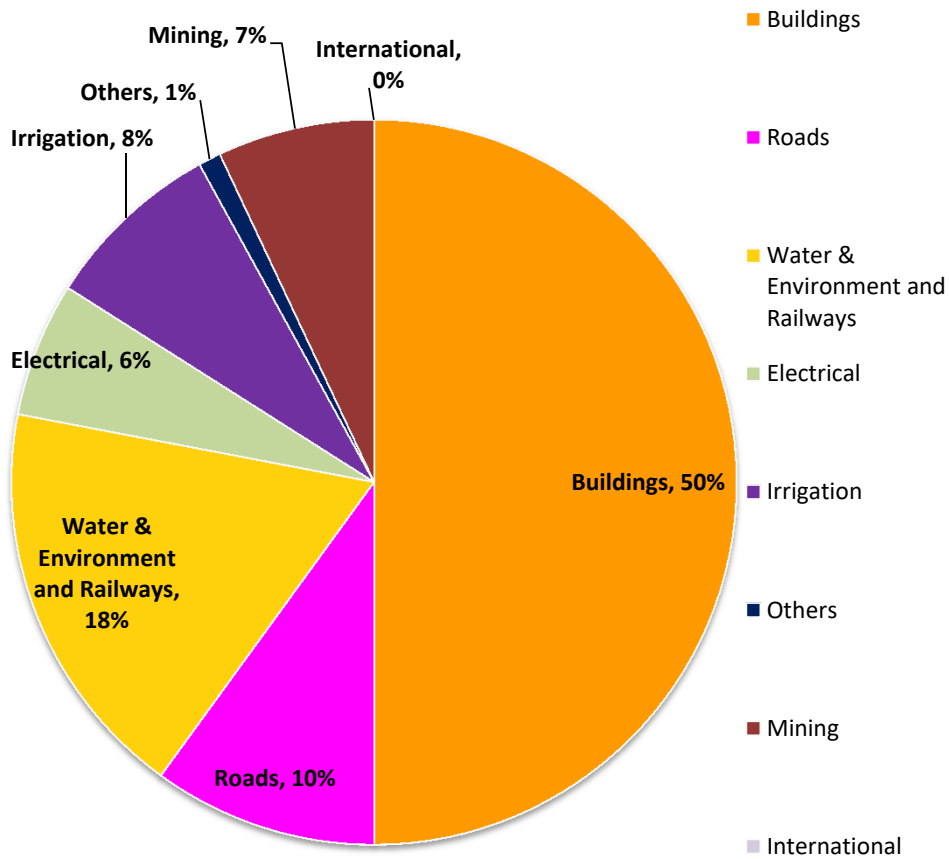
2

Diversified Order Book



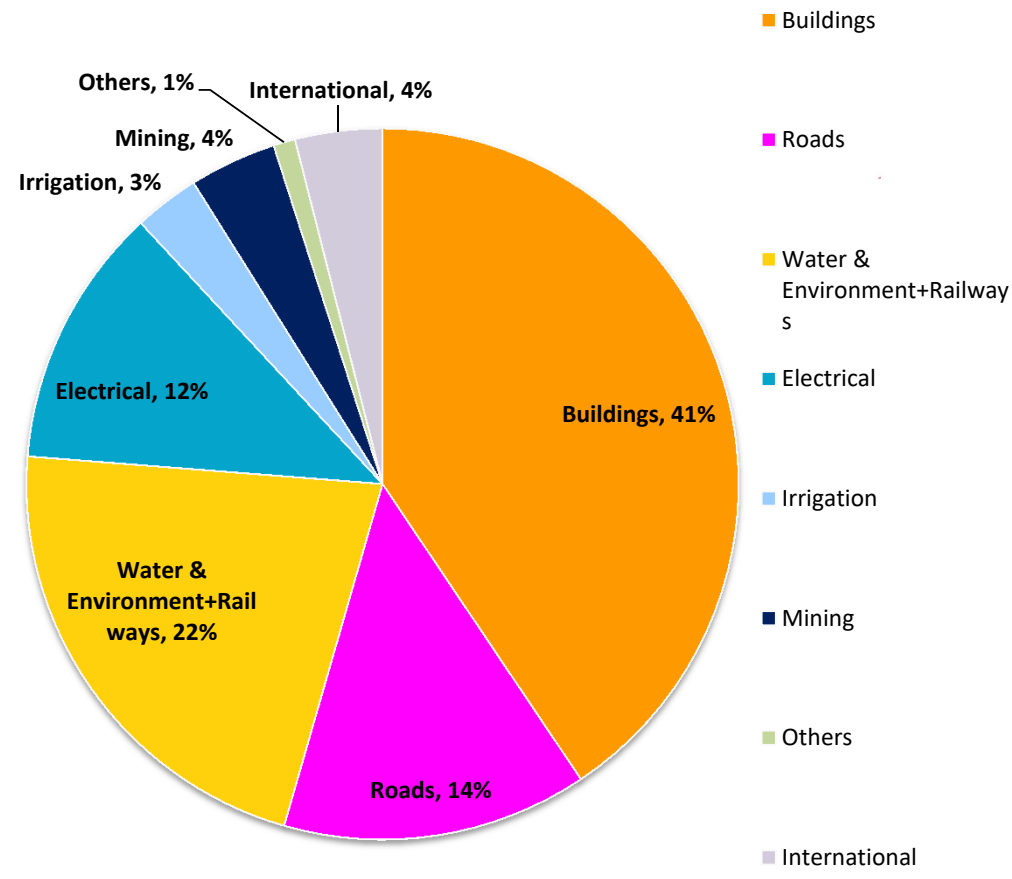
Total Order Book: Rs. 26,572 Cr

(as on March 31, 2020)



Total Turnover: Rs. 7,172 Cr

(as on March 31, 2020)



Company Snapshot (5/5)

Division Wise Execution & Order book As on 31.03.2020



Segment Wise Execution and Order Book as on 31.03.2020

(` in crores)

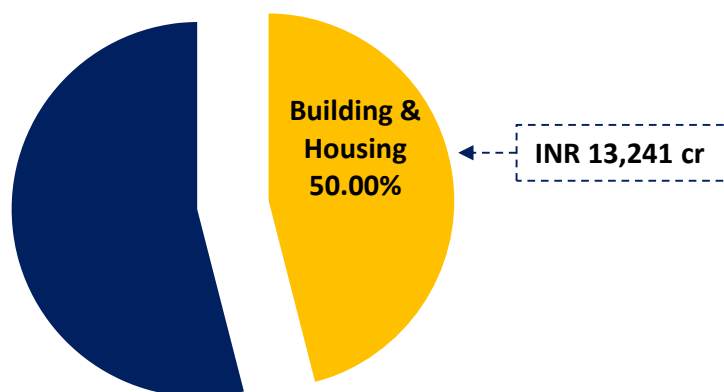
Particulars	Buildings	Roads	W & E Railways &	Electrical	Irrigation	Others	Mining	International	TOTAL
Orders on Hand as on 01.04.2019	15530	8638	4677	1757	1528	300	2264	427	35121
	44%	25%	13%	5%	4%	1%	6%	1%	100%
Add: New Orders Received	4953	10	1351	946	-60	3	0	-31	7172
	69%	0%	19%	13%	-1%	0%	0%	0%	100%
Less: Value of Works Executed	3543	1185	1866	992	298	49	351	301	8586
	41%	14%	22%	12%	3%	1%	4%	4%	100%
Less : Non-moving orders	3699	4818	-498	0	-884	0	0	0	7134
Net Balance as on 31.03.2020	13241	2644	4660	1711	2054	254	1913	95	26572
	50%	10%	18%	6%	8%	1%	7%	0%	100%

BUSINESS VERTICALS

Building & Housing



Order Book (As on March 31, 2020)



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 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

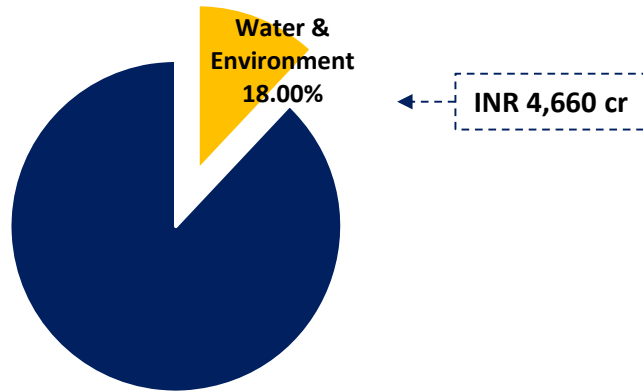
Details of Major Projects Under Execution

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

Water & Environment



Order Book (As on March 31, 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

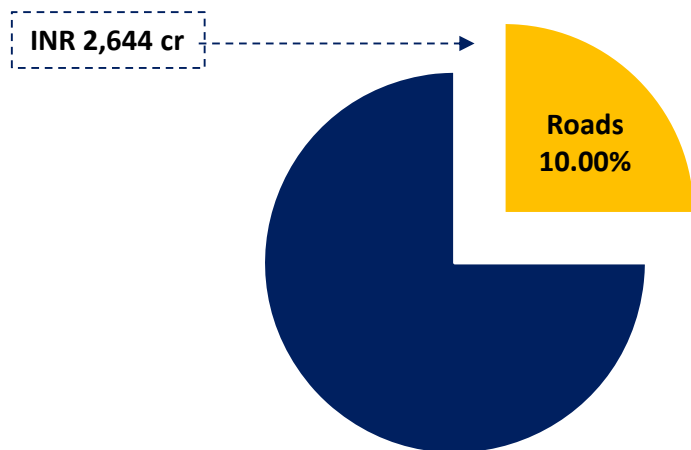
Details of Major Projects Under Execution

Project Name	Location	Project Value (INR cr)
TDWSP-RR	Ranga Reddy District	1445
TDWSP-WARANGAL	Warangal	721
SAUNI PKG-6 PH-II L-4	Amreli	681
Rajolibanda Diversion scheme	Kurnool	747

Roads



Order Book (As on March 31, 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

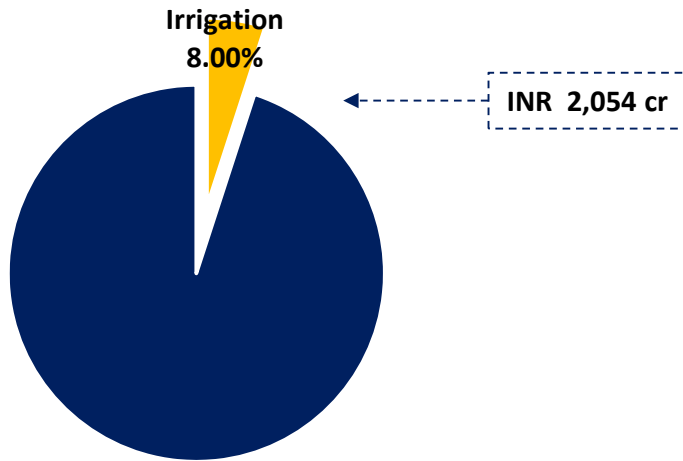
Details of Major Projects Under Execution

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

Irrigation



Order Book (As on March 31, 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

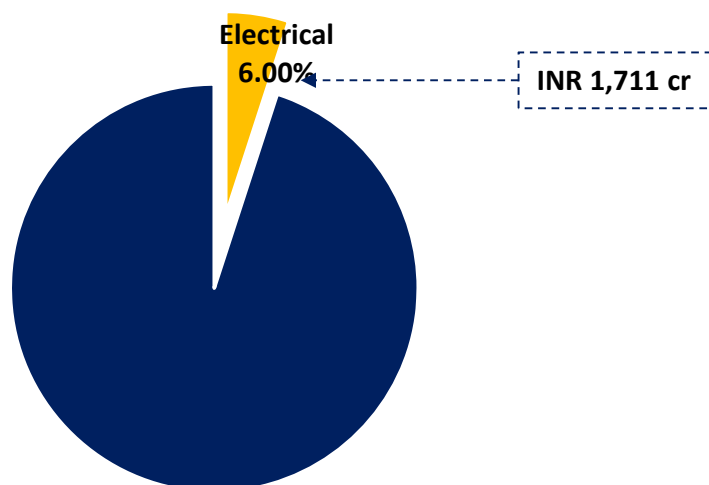
Details of Major Projects Under Execution

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 _Package 43 & Pakage 44	Andhra Pradesh	441

Electrical



Order Book (As on March 31, 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

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 26,572 cr (as on March 31, 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 and ICRA have assigned the rating of A in view of reduction in principal repayments, improving EBITDA Margins, lower than expected debt and plans for further asset sale.

4

Professional Board with Strong Corporate Governance

- Board comprising of 5 Executive, 1 Non-executive non-independent and 5 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
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
Water Supply Project	Gujarat	807	2016-17

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

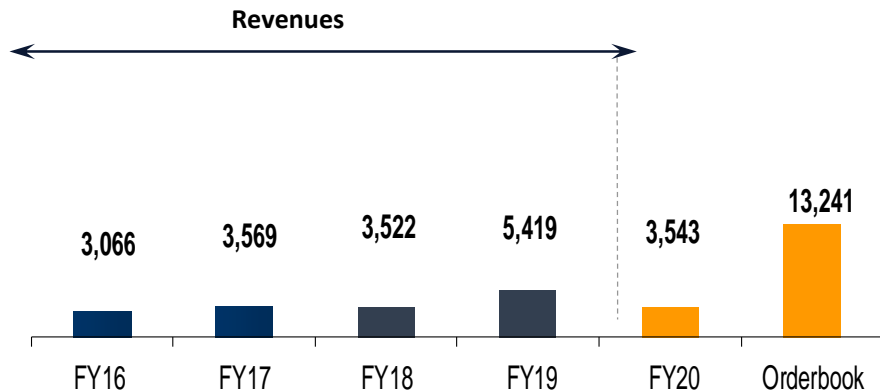
Key Clientele

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

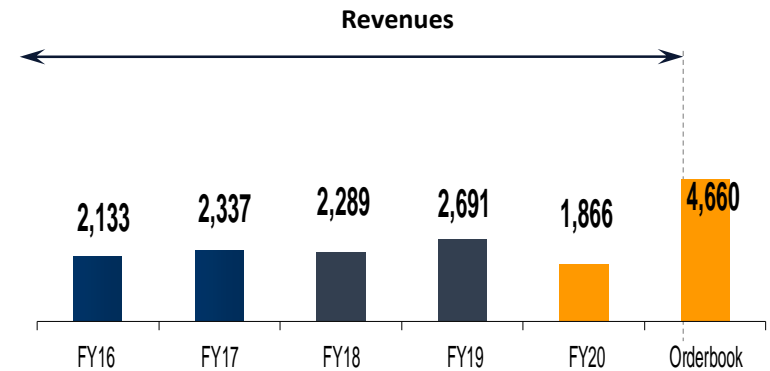
Divisional Performance as on March 31, 2020



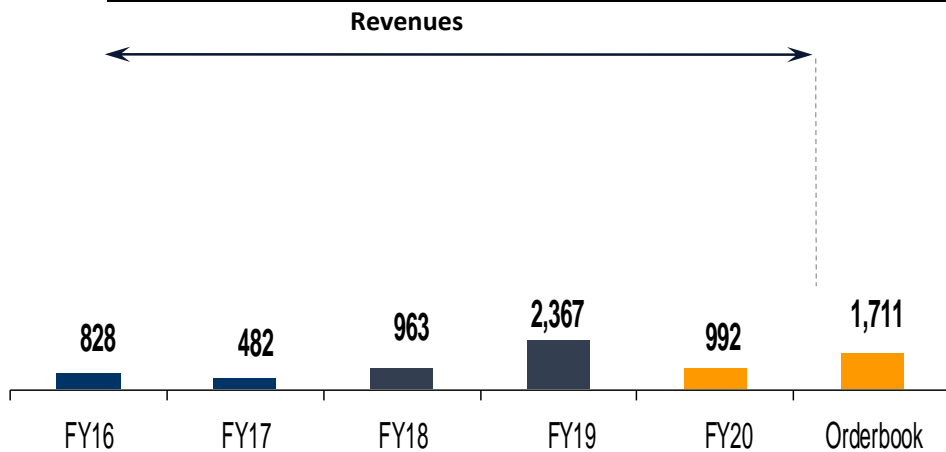
Buildings & Housing (Rs. Cr)



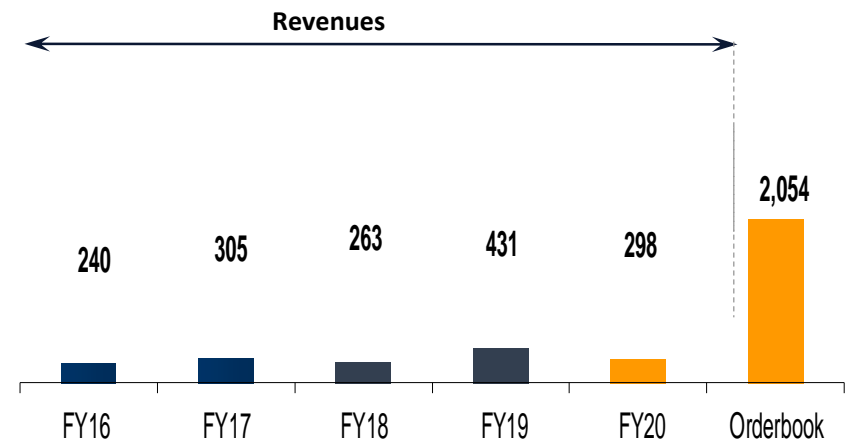
Water & Environment + Railways (Rs. Cr)



Electrical (Rs. Cr)



Irrigation (Rs. Cr)

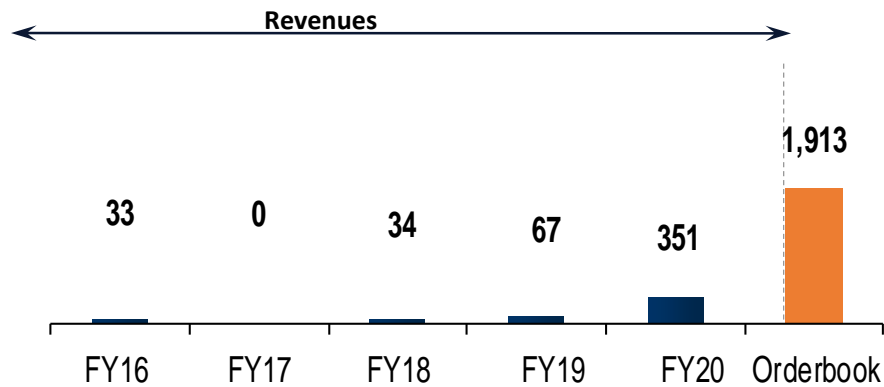


(1) Order book as on March 31, 2020

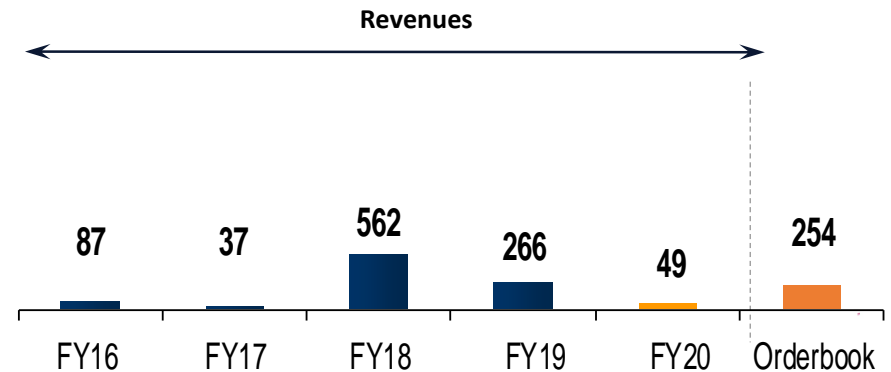
Divisional Performance as on March 31, 2020



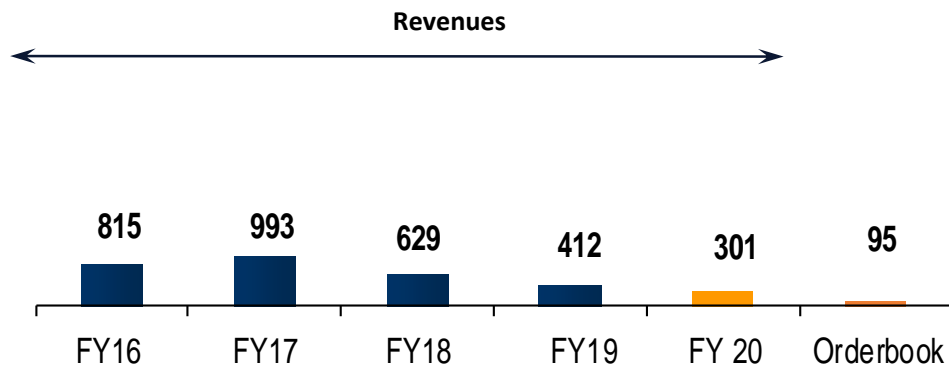
Mining (Rs. Cr)



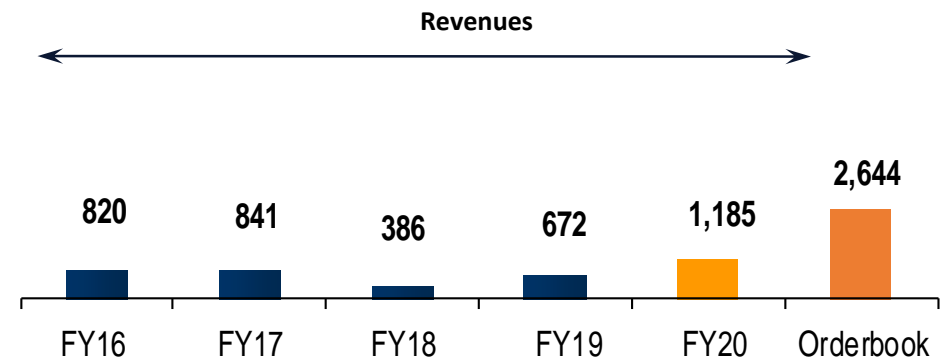
Others (Rs. Cr)



International (Rs. Cr)



Roads (Rs. Cr)



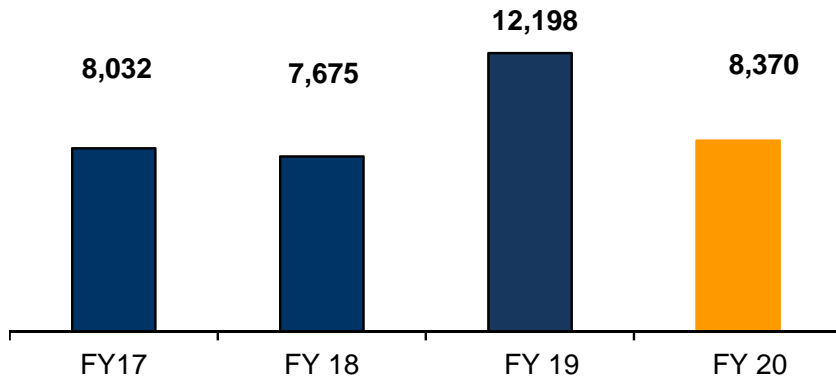
(2) Order book as on March 31, 2020

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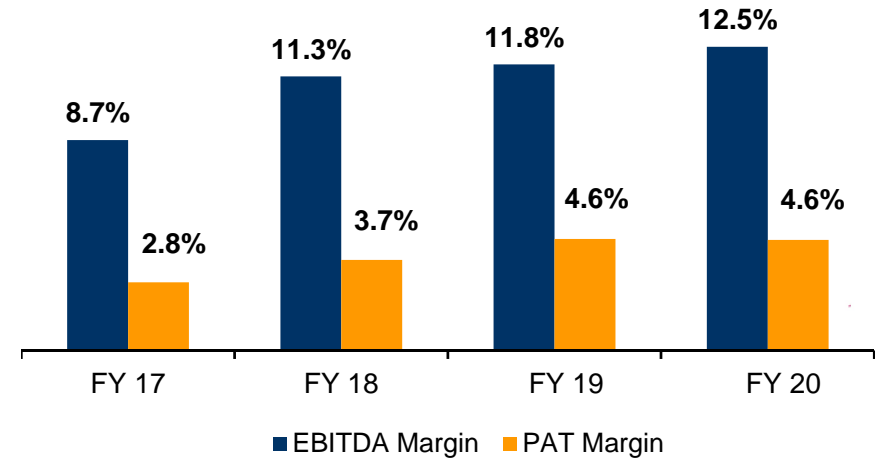
Robust Financials with Strong Credit Rating (1/3)- Standalone Financials



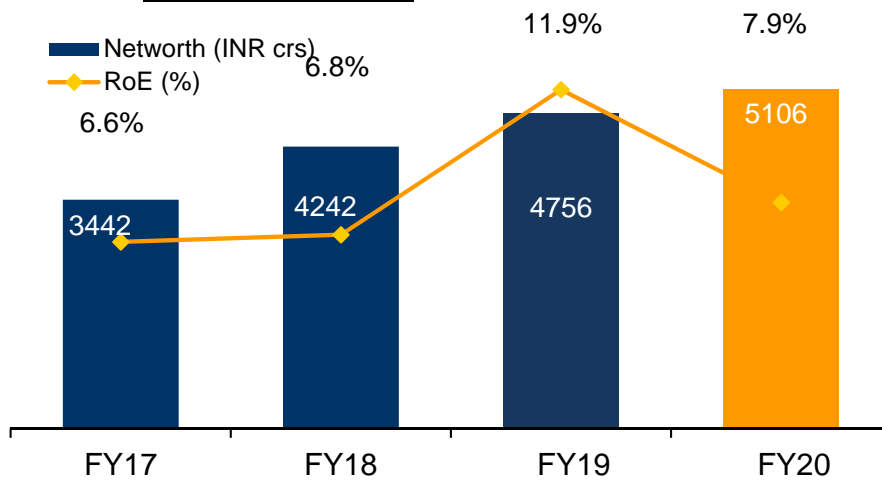
Revenue (INR Cr)



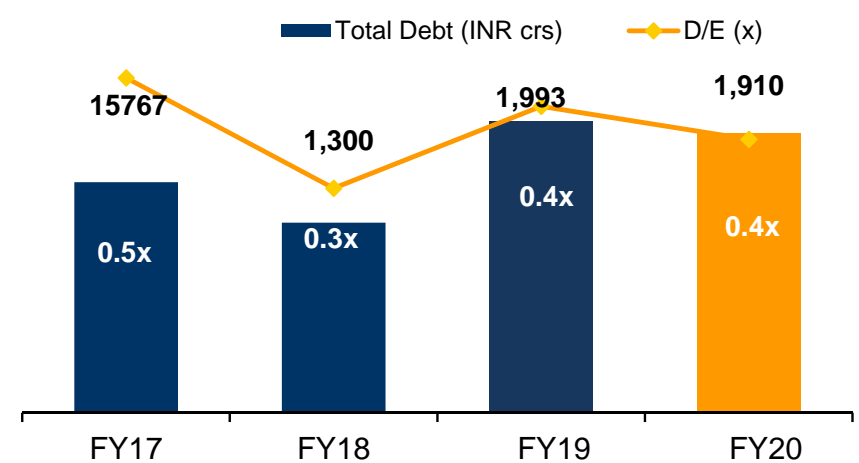
Margins



Return on Equity



Leverage



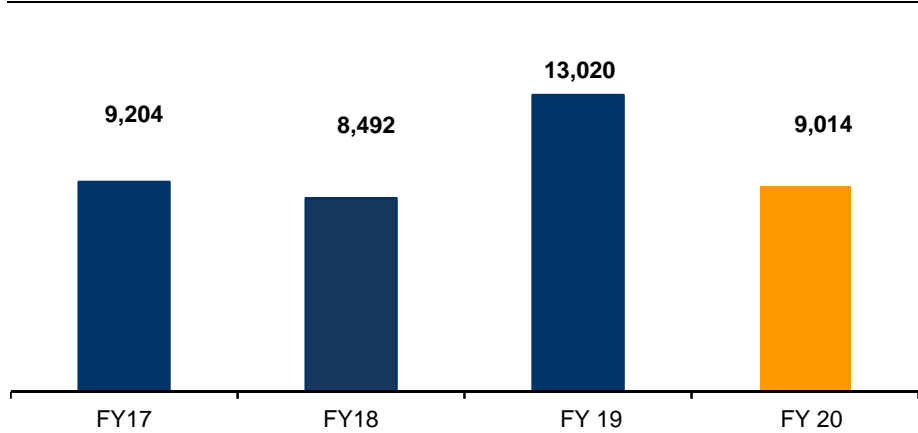
Note:

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

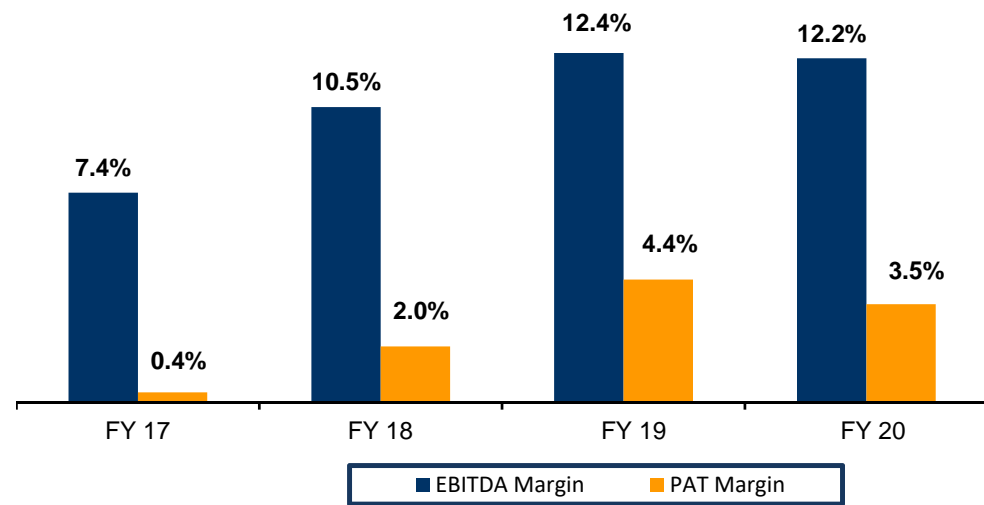
Robust Financials with Strong Credit Rating (2/3)- Consolidated Financials



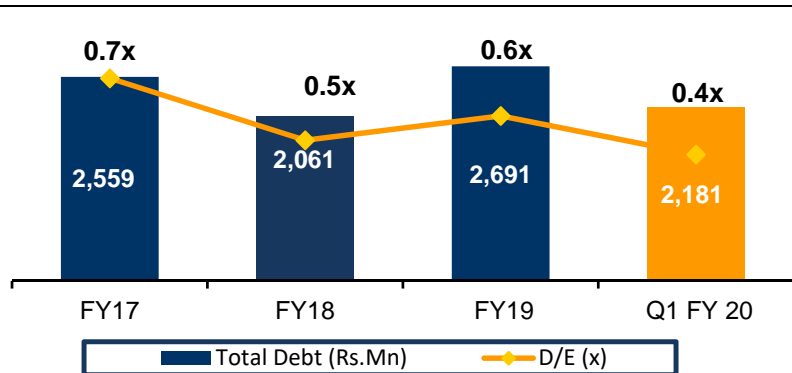
Consolidated Revenues (Rs. Cr)



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

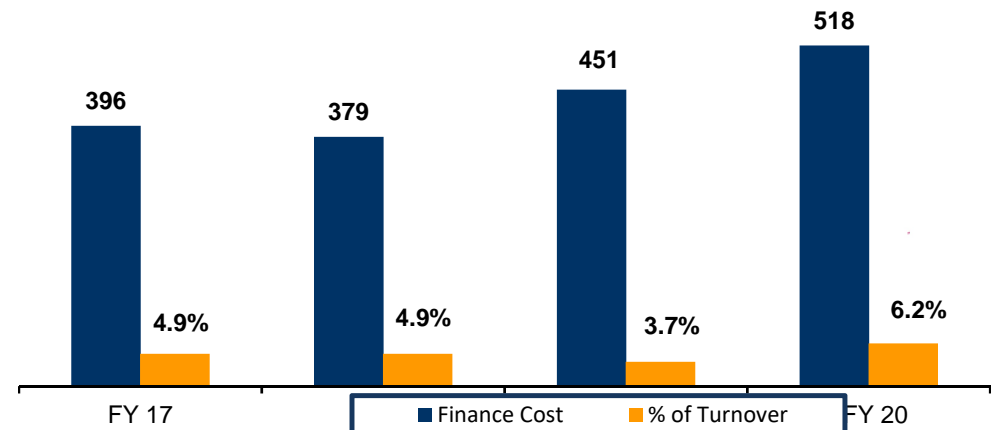
Finance Cost Comprises of:

- 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 March 31, 2020)

Sl. No.	Particulars	Limit (INR Cr)
1.	Cash Credit & WCDL	2088
2.	Bank Guarantees	8799
3.	Letter of Credit	1025
	TOTAL	11912

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



Rating of the Company:

- External rating of the company is “A” with stable outlook with both the rating agencies i.e. ICRA and India Ratings



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

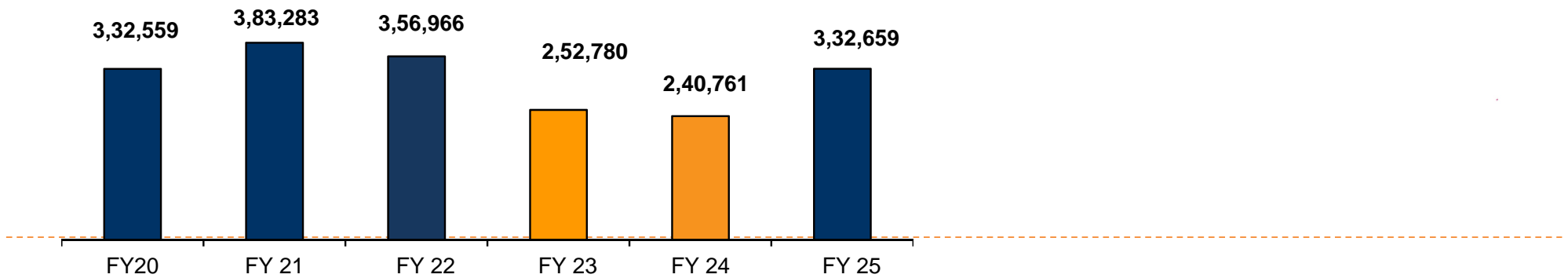
He is a Sr. Advocate, High Court of Judicature at Hyderabad for the State of Telangana and the state of Andhra Pradesh and has experience in Taxation, Corporate Laws and Commercial Laws.

Favorable Industry Dynamics (1/3)

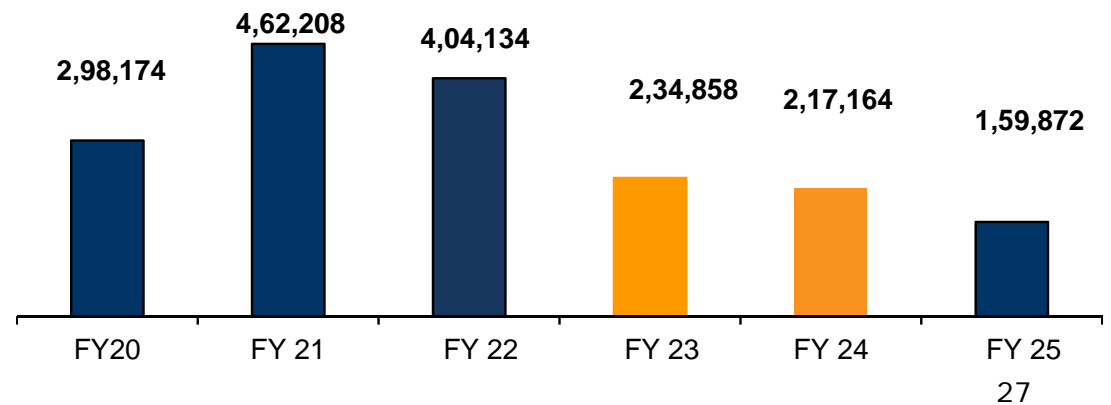
(Rs. Cr) **NCC**

Investment Planned Under NIP

Roads



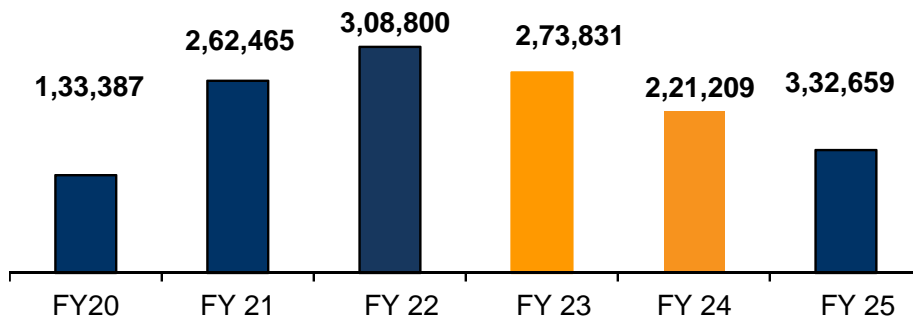
Urban Infrastructure



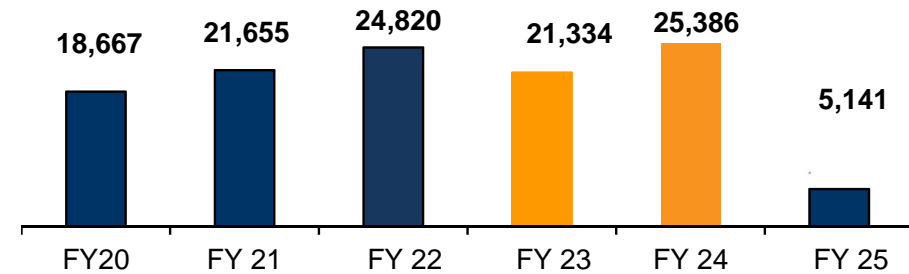
Favorable Industry Dynamics (2/3)

Investment Planned Under NIP

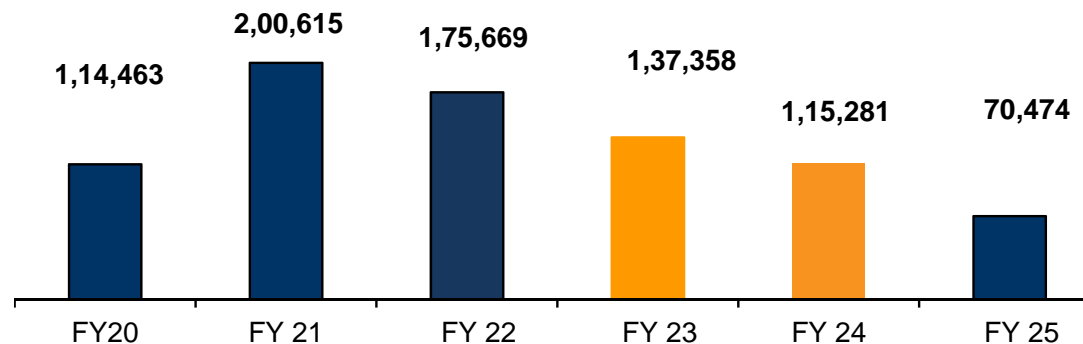
Railways



Airports

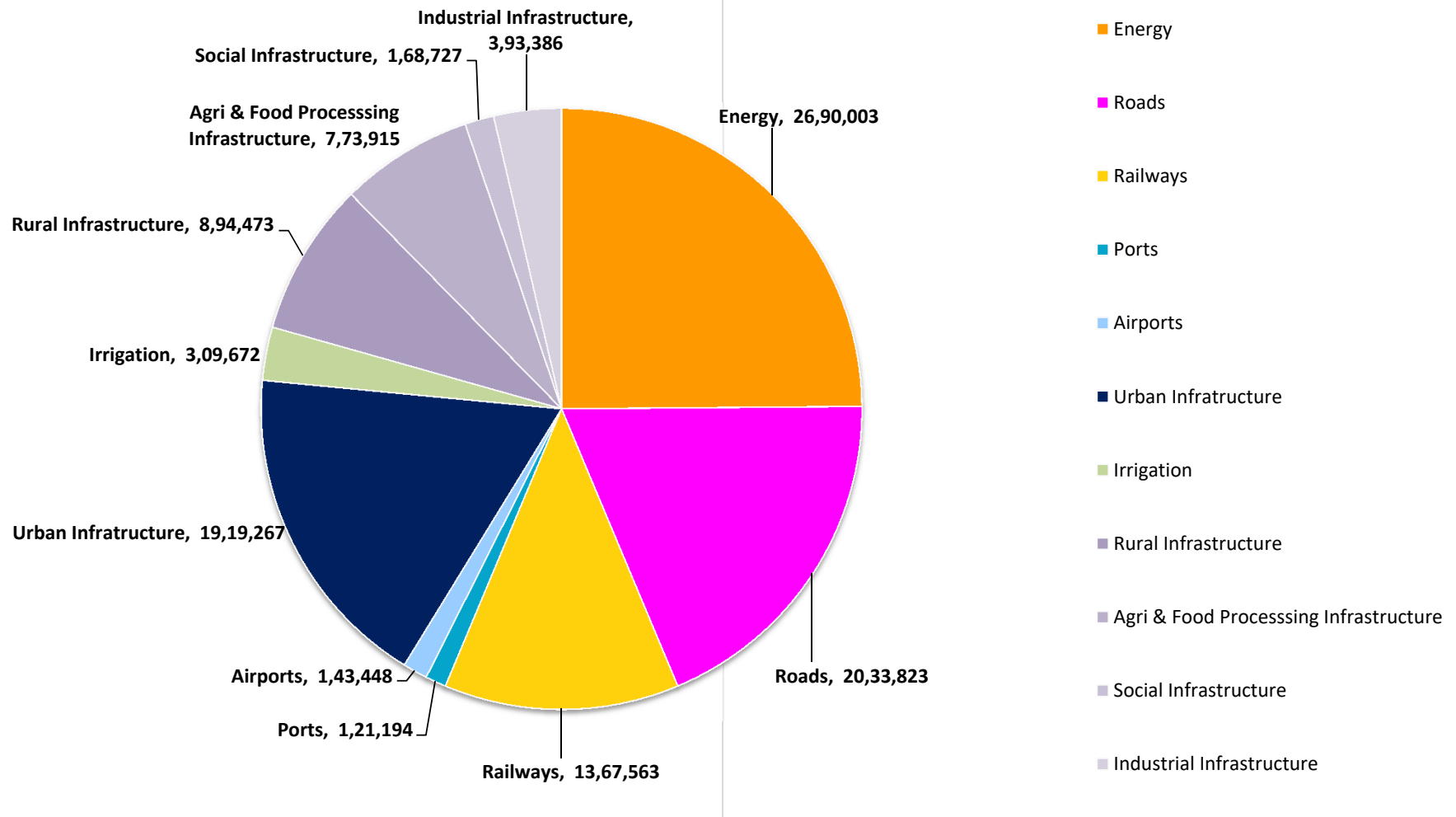


Irrigation



Favorable Industry Dynamics (3/3)

Sector-Wise Capital Expenditure in Infrastructure



COMPANY STRATEGY

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

