



A Navratna CPSE



संयुक्त 2023 INDIA
वसुधैव कुटुम्बकम्

ONE EARTH • ONE FAMILY • ONE FUTURE



An IS/ISO 9001:2015
Certified Company

(For Providing Project Management
Consultancy and Execution of the Projects)

एनबीसीसी (इंडिया) लिमिटेड
(भारत सरकार का उद्यम)
NBCC (INDIA) LIMITED
(A Government of India Enterprise)

Ref. No. NBCC/NSEBSE/2024-25

August 20, 2024

<p>नेशनलस्टॉकएक्सचेंजऑफ़ इंडिया लिमिटेड एक्सचेंजप्लाजा, प्लॉटनंबरसी/1, जीब्लॉक, बांद्रा-कुर्लाकॉम्प्लेक्स बांद्रा (ई)-मुंबई 400051 एनएसईप्रतीक: एनबीसीसी/EQ</p> <p>National Stock Exchange of India Ltd. Exchange Plaza, Plot No C/1, G Block, Bandra –Kurla Complex, Bandra (E), Mumbai-400051</p> <p>NSE Symbol: NBCC/EQ</p>	<p>बीएसईलिमिटेड फिरोजजीजीभोयटॉवर, दलालस्ट्रीट, मुंबई-400001</p> <p>स्क्रिपकोड: 534309</p> <p>BSE Ltd. Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai-400001</p> <p>Scrip code:534309</p>
--	--

Sub: Transcript of Earning Conference Call dated August 16, 2024 (Q1 FY 2024-25 unaudited Financial Results)

With reference to our letter dated August 12, 2024 in respect of Investor's conference call dated August 16, 2024, please find enclosed herewith the transcript of discussion held during the said conference call hosted by Elara Securities Private Limited.

The aforesaid information is also disclosed on the website of the company <https://www.nbccindia.in/webEnglish/investorPresentation>

This is for information and record.

Thanking you,

Yours Sincerely,
For NBCC (India) Limited

Deepti Gambhir
Company Secretary
F-4984

ENCL: As Above

REGISTERED AND CORPORATE OFFICE

NBCC Bhawan, Lodhi Road, New Delhi-110003

Tel.: 91-11-24367314-17, Fax : 91-11-24366995

E-mail : bdd@nbccindia.com

co.sectt@nbccindia.com

CIN - L74899DL1960GOI003335



एन बी सी सी (इंडिया) लिमिटेड
(भारत सरकार का उद्यम)



“NBCC (India) Limited
Q1 FY '25 Earnings Conference Call”
August 16, 2024



एन बी सी सी (इंडिया) लिमिटेड
भारत सरकार का उद्यम



ElaraCapital



- MANAGEMENT:** MR. K. P. MAHADEVASWAMY – CHAIRMAN AND
MANAGING DIRECTOR – NBCC (INDIA) LIMITED
MR. SALEEM AHMAD – DIRECTOR, PROJECTS – NBCC
(INDIA) LIMITED
DR. SUMAN KUMAR – DIRECTOR, COMMERCIAL –
NBCC (INDIA) LIMITED
MS. RESHMA DUDANI – SENIOR EXECUTIVE
DIRECTOR, ENGINEERING – NBCC (INDIA) LIMITED
MR. HRISHIKESH KUMAR – EXECUTIVE DIRECTOR,
FINANCE – NBCC (INDIA) LIMITED
MR. PRADEEP SHARMA – EXECUTIVE DIRECTOR,
BUSINESS DEVELOPMENT – NBCC (INDIA) LIMITED
MR. BALKISHAN SINGLA (KRISHNA) – INVESTOR
RELATIONS – NBCC (INDIA) LIMITED
- MODERATOR:** MS. ANKITA SHAH – ELARA SECURITIES PRIVATE
LIMITED



Moderator:

Ladies and gentlemen, good day, and welcome to NBCC (India) Limited Q1 FY '25 Earnings Conference Call, hosted by Elara Securities Private Limited. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Ankita Shah from Elara Securities Private Limited. Thank you, and over to you, ma'am.

Ankita Shah:

Thank you, Manov. Good afternoon, everyone. On behalf of Elara Securities Limited, I welcome you all to the Q1 FY '25 Earnings Conference Call of NBCC Limited. We are pleased to host the management, which is represented by Mr. K. P. Mahadevaswamy, Chairman and Managing Director; Mr. Saleem Ahmad, Director Projects; Dr. Suman Kumar, Director Commercial; Ms. Reshma Dudani, Senior Executive Director, Engineering; Mr. Hrishikesh Kumar, EV Finance; and Mr. Pradeep Sharma, EV Business Development. Also, we have Krishna, who is from the Investor Relations team.

We will start with opening remarks and then follow it up with question and answers. Thank you, and over to you, Chairman sir.

K. P. Mahadevaswamy:

Good afternoon to everyone. On behalf of my NBCC team, I extend a warm welcome to you and appreciate your presence in today's earnings call for first quarter ended 30th June 2024. In recent quarters, NBCC has demonstrated significant growth in both revenue and profitability. For our consolidated operations and execution, we have achieved a total income of INR2,198 crores, reflecting an 11% year-on-year increase.

Additionally, our profit after tax stands INR107 crores, making 38% year-on-year growth. Major business update: New business secured, NBCC has secured substantial business in the first quarter valued around INR17,820 crores on standalone basis and INR19,750 crores on consolidated basis. Following are the major business secured: Development of Satellite Township spread over 406 acres at Srinagar, Jammu and Kashmir valuing INR15,000 crores. Development of two land parcels in Jhansi that is INR700 crores. Land parcel development for Kochi Metro Rail Limited, that is KMRL at Kochi INR700 crores. Amrapali Varananchal City Chhatnigarh, this is INR250 crores order.

HSCC, our subsidiary company, HSCC, procurement of bio-medical equipment and hospital furniture for Pandit Deen Dayal Upadhyaya University of Health Sciences, Kunitil, Karnal, INR528 crores. New government medical college for 100-student capacity, 430-bedded hospital at Budhana, INR411 crores. One more subsidiary of HSCC, construction of new medical college, 100-student capacity, 430-bedded hospital, Parbhani that is in Maharashtra, INR404 crores.

Updating Amrapali project. Amrapali project has contributed INR370 crores in top line. Out of 38,000 housing units, so far, we have completed around 21,000 units, and we are committed to

provide remaining houses on or before 31st March 2025. Work on Phase 2 project is going on, and we will go into award the work at the earliest.

Updating redevelopment projects. Naurji Nagar project is on finally finishing stage, and we have already started handing over of the project. Netaji Nagar, the first phase of the project valued about INR1,450 crores is currently underway and 70% of the work almost completed. Additionally, 2 more tenders' worth of INR1,700 crores are in pipeline for appointment of contractor. Sarojini Nagar. This is a large target and worth more than 10 phases are going on with a project value of INR6,900 crores.

Top priorities: The handover of Type 2 quarters in Sarojini Nagar planned to be handed over 1,738 quarters, that is 19 towers by end of September 2024. The handover of another 10,000 flats in Amrapali projects. Handing over of GPOA that is Netaji Nagar projects, 7.3 lacs square feet GPOA. That is block number three, it has been handed over to security for internal finishing work.

Major opportunity and focus area of NBCC for upcoming months: opportunity in housing sector. Opportunities in these sectors are very huge, and we are in talk with various state government agencies, including Housing for All, Pradhan Mantri Awas Yojana. Feasibility study and DPR preparation for low-cost servicing project is underway for many government departments.

Land monetisation. Government agency, including PSUs have a lot of land parcels across India, which are not generating any revenue to the owners. NBCC has been accessing these opportunities and started feasibility of few land parcels across Pan India for these large opportunities similar to BHEL works. After a successful journey of redevelopment business model, NBCC is also eyeing some large-sized projects in the upcoming months, specifically government colonies for redevelopment.

Encash of Amrapali project experience and expertise, NBCC is examining feasibility of 2 more subsidiary projects, one in Gurgaon and one in Noida, that is Supertech and other private agencies. Overseas business: the expansion of new opportunities in Fiji, Malibar, Philippines, Dubai and Kuwait. Diversification. Acquisition of underperforming public sector units with significant land assets.

Now thank you, the forum is open for question and answer.

Moderator:

Thank you very much. We will now begin the question-and-answer session. We have our first question from line of Sumeet Rohra from Smartus Capital. Please go ahead.

Sumeet Rohra:

Firstly, sir, I mean, many congratulations on posting a very good set of results in quarter 1. Sir, if you can just take us through what is our current order book today? And secondly, you just mentioned that you are looking at many various business opportunities. So how do you basically see order inflow over the next maybe 6 months till this financial year?

My second question, sir, is now that you've got such a robust order book and we have a very strong targets of about INR25,000 crores revenue. So sir, this year, I mean, what kind of revenue growth are we looking at? And secondly, if you can also help understand a little bit on how do



you think EBITDA margins, etcetera will shape up along with PAT because then we see a flow through from EBITDA to PAT directly. If you can just highlight a bit on these two then I'll come back for more, sir.

K. P. Mahadevaswamy: So the first question you asked, the order book. So we have around INR70,000 crores order book in our standalone only. And in consolidated level, INR81,000 crores order book we have. And the current year target is around INR10,000 crores turnover at the standalone and INR13,000 crores at the consolidated level.

Sumeet Rohra: Okay. And sir, I mean, on margins because in Q4, we saw I mean, a very sharp uptick in margins in Q4 and Q1 though generally is a subdued quarter always for NBCC. But this time, Q1 also was quite good. So if you can basically tell us a little bit on margins that how do you basically see this shaping up for the full year?

K. P. Mahadevaswamy: 5.5% to 6%, around 6% profit margin.

Sumeet Rohra: Okay. And sir, I mean, on the potential business opportunities, which you just mentioned. I mean land monetization of other PSUs plus stress projects of Supertech. So sir, what, I mean in your eyes or in your opinion, is the potential we are looking at in terms of getting further orders? Because currently, you said INR81,000 crores. So can we end the year with about INR100,000 crores?

K. P. Mahadevaswamy: Definitely. By the year-end, I think we're going to clock INR100,000 crores order book. This is our target. We have some orders in pipeline that will be going to mature by in the next coming quarters. So by the end of the year, I think we're going to reach INR100,000 crores at consolidated level.

Sumeet Rohra: Okay. And sir, if I heard correctly, you said that you're looking at about a INR13,000 crores consolidated revenue for current year, which is a sharp 25% growth. So do you expect this growth in revenue to continue for the next several years seeing the robust order book we have?

K. P. Mahadevaswamy: Definitely. For getting any project we want to start, we'll need some statutory approvals, for which it will take at least 6 to 8 months. So once we've got statutory approvals and all then the order book can be converted into execution.

Moderator: Thank you. We have our next question from the line of Akshay Patil from NBCC. Please go ahead.

Akshay Patil: I want to know NBCC has recently increased the authorized share capital. So any plans for further fundraising? Or what was its purpose?

K. P. Mahadevaswamy: Not for fundraising. So this question will be answered in the next -- at the next meet.

Akshay Patil: Okay. So my next question is NBCC was planning to set up an NBFC to fund its internal...

K. P. Mahadevaswamy: Not presently.



- Akshay Patil:** Not presently. Okay. Sir, my next question is revised estimate for the top line and bottom line for the next fiscal year not this fiscal, next fiscal year.
- K. P. Mahadevaswamy:** Next fiscal year?
- Akshay Patil:** Yes, next fiscal year.
- K. P. Mahadevaswamy:** Not this year, coming year?
- Akshay Patil:** Yes, coming year.
- K. P. Mahadevaswamy:** Current year, you are talking?
- Akshay Patil:** No, next year growth. I'm asking about the growth. How much can it increase top line? Can you increase...?
- K. P. Mahadevaswamy:** Around 25% to 30% growth we are expecting in top line.
- Akshay Patil:** Okay. So in this budget, INR10,00,000 crores has been allocated for the urban infrastructure development. So how much percentage of the order is NBCC expecting so that you can secure it?
- K. P. Mahadevaswamy:** Definitely, presently, we are not getting any order from that low-costing housing projects. But certainly, we have discussions going on with some state governments. We're going to get the other in this year, current year.
- Moderator:** Thank you. The next question is from the line of Vasudev from Navama Institutional Equities. Please go ahead.
- Vasudev:** Sir, I had a few queries. So on the Q1, what is the total value of works that we have awarded? And how much are you planning for the full year than this year?
- K. P. Mahadevaswamy:** Total awarded at consolidated level is INR1,700 crores in the Q1, standalone INR1,400 something.
- Vasudev:** Okay. And how much are we planning for the full year?
- K. P. Mahadevaswamy:** Full year around 12,000 crores to INR13,000.
- Vasudev:** Okay sir INR12,000 crores to 13,000 crores and sir out of this INR81,000 crores of order book, how much is currently ongoing work?
- K. P. Mahadevaswamy:** Currently, around INR21,000 crores is in running projects.
- Vasudev:** Okay INR21,000 crores. Sure, sir. And sir, you said only EBITDA margins, you are targeting 5.5% to 6%. So what is that we're planning for the PAT margin?
- K. P. Mahadevaswamy:** PAT margin around 4.5% to 5%.

Management: [inaudible 14:55]

K. P. Mahadevaswamy: Around 7%. So the PAT margin will be around 6% to 7%.

Vasudev: Okay, 6% to 7%. Okay. Sure, sir. And sir, on the Amrapali project. So if you can give that what is the total value that you have sold here till date? And what is it that total execution over here in this project?

K. P. Mahadevaswamy: The sold value is around INR3,600 crores and so far around INR6,000 crores we have executed another INR1,800 crores to INR2,000 crores only balance that we're going to compete by next March 2025. We're going to complete all the units. So far we have completed around 21,000 units. The rest, 17,000 units, total 38,000 you have to complete so 17,000 - out of 17,000 is balance, out of 17,000 around 15,000 units we're going to complete by this year December itself another 2,000 units next March '25.

Vasudev: Okay. Sure, sir. And sir on the Netaji Nagar project, can you please repeat. I missed your opening remarks over here. What is the value that is currently ongoing and how much have we completed the execution here?

K. P. Mahadevaswamy: INR1,400 crores project that is GPOA is in progress, out of which block 1, 2, 3, block 3 has completed and handed over to security for internal finishing work. So, so far around 70% of work completed. Balance we're going to complete by November, December.

Vasudev: Okay, sir. And sir, our Nuroji Nagar is now fully sold up, right?

K. P. Mahadevaswamy: Yes, fully sold up. Only some 6 floors have to be sold that I think by this month of end we're going to sell complete inventory. There is a lot of competition for purchasing the flats office space in Nuroji Nagar.

Vasudev: Okay. And sir, on the Sarejini Nagar what are the sales that we are planning for this year?

K. P. Mahadevaswamy: Sales only one - Sarejini Nagar has only one downtown bulk sale that has been completed. We have sold out the bulk sale, successfully sold Sarejini Nagar.

Vasudev: And how much are you planning for balance in this year?

K. P. Mahadevaswamy: Balance is from office space once again the commercial space has to be built. So we are waiting for the cabinet approval. As soon as we get the cabinet approval, we'll go into start the construction of the commercial space.

Vasudev: Okay. So then over here until last quarter we had already sold INR500 crores to INR600 crores. So that is the only sales until now in this project, right?

K. P. Mahadevaswamy: Where in Nuroji Nagar?

Vasudev: Sarejini Nagar.



- K. P. Mahadevaswamy:** Sarojini Nagar, INR1,300 crores unit we sell it. Recently, the downtown sales has been taking place.
- Vasudev:** Okay. So then in your balance, we're not expecting any further sales in this project in FY '25?
- K. P. Mahadevaswamy:** There is no sale in Sarojini Nagar so far as of now whatever inventory is there that inventory already sold out.
- Vasudev:** Okay. So sir what the total value that we've sold over here?
- K. P. Mahadevaswamy:** In Sarojini Nagar INR1,300 crores and Nauroji Nagar INR12,500 crores already sold. So one more action is going to happen in this month only wherein we can fix another INR800 crores to INR900 crores that is the last action.
- Vasudev:** In the Nauroji Nagar?
- K. P. Mahadevaswamy:** In the Nauroji Nagar.
- Vasudev:** Okay. And lastly, sir, what is the total real estate that we've sold in this quarter?
- K. P. Mahadevaswamy:** INR63 crores.
- Vasudev:** INR63 crores and what is our target for the full year?
- K. P. Mahadevaswamy:** Around INR400-600 crores we are targeting.
- Vasudev:** Okay. Sure sir that's it from my side I will come back in the queue for more questions.
- Moderator:** Thank you. The next question is from the line of Ankita Shah from Elara Securities Private Limited. Please go ahead.
- Ankita Shah:** Yes. Sir, could you help us with the order book breakup between project management consultancy orders and redevelopment orders?
- K. P. Mahadevaswamy:** PMC and redevelopment around 46% on PMC, 54% is on redevelopment that is out of INR81,000 crores 46% in PMC and 54% in redevelopment model. And EPC is very small margin from 6% to 7%.
- Ankita Shah:** Okay. And sir in terms of inflows, how much inflows are we targeting for this year and from which areas?
- K. P. Mahadevaswamy:** Another INR20,000 crores. So far around INR20,000 crores we have secured, another INR20,000 crores we are expecting in this current year.
- Ankita Shah:** Okay. And where does this opportunity come from you've mentioned housing for all, land monetization, overseas business. If you can quantify on each of these?

- K. P. Mahadevaswamy:** Some land monetization around INR10,000 crores from the state government and some PSU land monetization INR5,000 crores and from the government and Pradhan Mantri Awas Yojana. So we are expecting INR5,000 crores.
- Ankita Shah:** Okay. And the overall opportunity pipeline across all this would be like over the next 4, 5 years, how big this opportunity can be?
- K. P. Mahadevaswamy:** Around next 4, 5 years, we can go up to INR200,000 crores order book, will be around INR200,000 crores. Current year, we are targeting for INR100,000 crore, INR1,00,000 crores. So next 4, 5 years, I think it will double, almost double.
- Ankita Shah:** So INR100,000 crores is your inflows or the order book number?
- K. P. Mahadevaswamy:** Our order book. Currently, we have INR81,000 crores at the consolidated level. Another INR20,000 crores added, it will be INR100,000 crores during this year.
- Ankita Shah:** Correct, correct, correct. Okay. Okay. And what about, sir, any opportunities in overseas market?
- K. P. Mahadevaswamy:** Yes. We are going to get some new work order from Fiji, Morocco, Kuwait, Dubai. Dubai also we're looking for our real estate as well as some PMC projects in Dubai and Kuwait.
- Ankita Shah:** Okay. How much would be our bid pipeline as of now? No, overall domestic and overseas bid pipeline?
- K. P. Mahadevaswamy:** As we already told INR100,000 crore, around INR100,000 crore. It includes overseas also.
- Moderator:** We have our next question from the line of Sumit Arora from SmartSun Capital.
- Sumit Arora:** Yes, I mean I just heard your comment just now on the opportunity, which you said over the next 3 to 4 years. So sir if I understand correctly, you're saying that next – I mean, currently, by the end of this year, our order book should be close to INR100,000 crores. And after executing of INR13,000 crores, so if you say that our order book should be about INR200,000 crores after 4 years, which basically means that, that would be after execution, right?
- So because I mean, since we are looking at a run rate of about 25%. So my understanding is that this year you will do INR13,000 crores, then the next year, you could do about INR17,000 crores, INR18,000 crores, then on the third year, you could be about INR23,000 crores, INR24,000 crores. So you are basically saying that after executing and growing 25%, your order inflow, I mean, your order book after 3 to 4 years should be INR200,000 crore. Is that correct, sir?
- K. P. Mahadevaswamy:** Because we are getting around INR40,000 crores work better in every year. So after deducting INR25,000 crores, the balance order book will be around INR200,000 crores after 4, 5 years.
- Moderator:** The next question is from the line of Amit Kumar, a shareholder.
- Amit Kumar:** Firstly, congratulations for the good results. And there are two questions. First is, as per your previous guidance, about INR25,000 crores top line and INR2,000 crores bottom line, 27, 28, if I am correct.

- K. P. Mahadevaswamy:** Yes.
- Amit Kumar:** So with this new development, like you are getting good orders and good execution. So are you sticking on this number? Or are you existing or I mean, are you are going to raise this bar?
- K. P. Mahadevaswamy:** Definitely it will rise, this is the minimum. Whenever we are committing, this is minimum. Definitely, it will vary another 5% to 10% because we got this year alone, INR20,000 crores, in the first quarter only we got the order. And we are expecting another INR20,000 crores in the next coming quarters. So INR40,000 crores only we got against INR20,000 crores. So definitely it will increase.
- Amit Kumar:** Because you said that you will raise like top line by 25% every year. So in that formula, it will be around INR27,000 crores, INR28,000 crores, if I'm correct, the top line?
- K. P. Mahadevaswamy:** Another 5%-10% definitely it will increase.
- Amit Kumar:** Okay. And the bottom line, you mentioned about INR2,000 crores in your previous session, I mean, last year. So INR2,000 crores, it will also increase?
- K. P. Mahadevaswamy:** Definitely, definitely, it will also definitely increase. Because we have our real estate info wherein we are getting profit of around 25% to 30%. So that will be also added to our kitty, so definitely...
- Amit Kumar:** Bottom line is, I mean, last year -- last financial year, the top line was like around INR10,000 crores and bottom was around INR500 crores something -- I mean 5%, the margin. So -- but as we were saying that in '27, '28, if you are going to book top line around '28 and your bottom line is around, let's say, INR2,300 crores, so it means like 8% to 9% bottom line?
- K. P. Mahadevaswamy:** Yes, definitely. Because our breakeven is around INR5,000 crores, INR5,500 crores, our breakeven point that the overheads it will match. Afterwards, anything we will earn the profit will directly increase, so that is the reason.
- Amit Kumar:** So like -- so this year also, your margin like bottom line -- I mean, next financial year, '25 -- '24, '25, your margin would be like, if I am right, around more than 6%?
- K. P. Mahadevaswamy:** More than 6%.
- Amit Kumar:** More than 6%. Okay. And any new -- like you're going to start your own projects in real estate more or just you are staying with the PMC?
- K. P. Mahadevaswamy:** No, no, no. We are going to start. We have three land parcels at Jaipur, one land parcel at Coimbatore. So that we're going to start. We have one more project at Gurgaon.
- Amit Kumar:** In that segment, your profit will be around 20% to 25% margin, right?
- K. P. Mahadevaswamy:** Yes.



- Amit Kumar:** But then the question is, I mean, your major part is PMC and where there is just 8% year -- I mean, the EBITDA, 8% margin. So how you will achieve this 8% bottom line in next course of 2 years?
- K. P. Mahadevaswamy:** As I told you, around INR200 crores, INR250 crores only our overheads. Beyond INR250 crores, so we are going to get profit. It's our overhead. So that is the thing, one more thing in real estate, we are getting good margin.
- Amit Kumar:** Yes. But that is very limited part, your real estate will not more than around maybe 5% to 10% in your book.
- K. P. Mahadevaswamy:** I totally agree. In redevelopment projects, we are getting market increase also. 1% or 2% market increase also we'll go into get.
- Amit Kumar:** So in that, you will achieve 8% bottom. And this new Jammu and Kashmir project, what is your fee? The same 8%?
- K. P. Mahadevaswamy:** Not -- including the marketing around 7% to 8%.
- Amit Kumar:** 7% to 8%. So this all development. So you will get more like these projects in coming years? Are you...
- K. P. Mahadevaswamy:** Yes. In the coming quarters, I think we are expecting one more state government to participate in the development of the project not redevelopment development of the project.
- Amit Kumar:** That kind of a scale or lesser?
- K. P. Mahadevaswamy:** Almost, almost. It is equivalent to.
- Amit Kumar:** So it means that in the next 5 to 6 years, your path is clear about 20% to 25% growth as top line and also on bottom line?
- K. P. Mahadevaswamy:** Yes.
- Moderator:** Thank you. We have a follow-up question from the line of Ankita Shah from Elara Securities.
- Ankita Shah:** I wanted to check in these projects that we've got. Are these projects on nomination basis or we have bid for these projects and got it?
- K. P. Mahadevaswamy:** Redevelopment. Of course, redevelopment projects we are getting on nomination basis. But certain PMC projects, we are getting through competition even EPC contract also through competition.
- Ankita Shah:** And this recent Srinagar project that we got is...
- K. P. Mahadevaswamy:** It is on nomination basis. Srinagar, Kerala, and Kochi Metro, all the 3, we got through nominations. They got their approval from the cabinet.
- Ankita Shah:** Okay. And the...



- K. P. Mahadevaswamy:** In redevelopment, only NBCC is doing redevelopment projects except NBCC nobody is doing. Even for CPWD in 7 GPRA, we are generating money and giving to them. So this is the USP of NBCC redevelopment.
- Ankita Shah:** So in this redevelopment project, which is nearly 50% of your order book. Any cost escalations or delays would be a pass-through to the government?
- K. P. Mahadevaswamy:** Pardon me, cost escalation. Whatever profit that will be given to we are charging our PMC fees. The profit of course, it will go into government only, state government only.
- Ankita Bora Shah:** No. If the project is delayed and the overall project size only increases then you get your fees on the escalated project cost or at the original project cost?
- K. P. Mahadevaswamy:** No, actual cost. If project cost increases, we'll go into get done by increased costs.
- Ankita Shah:** So do you get fees on the increased cost?
- K. P. Mahadevaswamy:** Yes.
- Ankita Shah:** Okay. Got it. And who are the other competitors for us in other PMC orders?
- K. P. Mahadevaswamy:** PMC orders, 3, 4 PSUs are there, one IRCON, RITES, EPIL, EIL, WAPCOS, MECON.
- Ankita Shah:** Private companies don't bid for these orders?
- K. P. Mahadevaswamy:** Private people won't get this among PSU only because we are doing government projects. Government projects are usually appointed to either CPWD or state government bodies or PSUs. So among the 3, it will go into competent.
- Ankita Shah:** Okay. And these margins are decided by the government or?
- K. P. Mahadevaswamy:** No. We have to quote. Suppose if you are in the competition means you have to quote the rate. And nomination, of course the government will decide. Mutually, it will be settled based on the quantum of the work, size of the work and location it all depends on the factor for deciding the PMC fee.
- Ankita Shah:** And generally how much is the PMC margins that we get in this?
- K. P. Mahadevaswamy:** Around 6% to 8%.
- Ankita Shah:** 6% to 8% is our margin plus the subcontractor will also make margins?
- K. P. Mahadevaswamy:** He will get around 10% to 15% or it is usually kept in the as per CPOD DSR the contractor profit and overheads will be around 15%. So that will be extra not in the existing margins.
- Ankita Shah:** So total was 16%, 10% to the subcontractor and 16% for NBCC?
- K. P. Mahadevaswamy:** Not 10%, 15%. As per the security guidelines 15%, we have to pay tax, GST. I mean, not GST, overheads and labor pays everything is included in the 15%.



- Ankita Shah:** Okay. Got it. And over and above that 6% for us?
- K. P. Mahadevaswamy:** 6%. Cost plus.
- Saleem Ahmad:** Whatever cost plus.
- Ankita Shah:** Cost plus. Okay. Cost plus.
- K. P. Mahadevaswamy:** Margins we are getting around 10%. We are getting 10%. Some work, we are getting 8% to 10%. In Amrapali, we are getting 8%. So it depends on project to project size of the project.
- Moderator:** Thank you. We have our next question from the line of Akshay Patil from NBCC. Please go ahead.
- Akshay Patil:** Yes. The recently secured INR15,000 crores Srinagar project. So what is the timeline within which it should be executed?
- K. P. Mahadevaswamy:** It is varying from – actually, this will be in a phased manner. The first project we are targeting 1 to 2 years, first phase. The rest of the project maximum 5 years. We're going to develop that satellite township in phased manner.
- Akshay Patil:** Okay. It means by end of 6 years to 7 years, the project will be completed, right?
- K. P. Mahadevaswamy:** Yes.
- Akshay Patil:** Okay. Thank you. That's all from my side.
- Moderator:** The next then is from the line of Sumeet Rohra from Smartsun Capital. Please go ahead.
- Sumeet Rohra:** Just two things from my side. One is that what's the cash we have today in our bank? And sir, secondly, how much of land parcels do we own today at NBCC? Plus, we also had some land in Delhi, right? I mean I don't exactly recall which one. So how much of that land we have of our own, which is in Delhi? And how big is that, sir, and how much is value of that?
- K. P. Mahadevaswamy:** First question is first. I'll answer for your first question. The total fund available with NBCC is around INR2,200 crores, out of which non-dedicated, INR732 crores. Similarly, in HSCC, around INR1,700 crores, non-dedicated, INR154 crores. In HSCL, INR788 crores, non-dedicated INR639 crores, in NSL, INR85 crores, non-dedicated, INR83 crores. So we have land parcel in Delhi, that is Ghitori around 22 acres. This also we are planning to develop this land parcel of Ghitori. I think I have answered your question.
- Sumeet Rohra:** And sir, basically, on the land parcel. Sir how many parcels do we have all over India?
- K. P. Mahadevaswamy:** All over in India, we've around 15 land parcels. Around 39 acres excluding Ghitori 22 acres.
- Moderator:** The next question is from the line of Vikas, a shareholder. Please go ahead.
- Vikas:** Yes. Sir, just wanted to check, sir, any plans for listing of our subsidiary down the line?

- K. P. Mahadevaswamy:** Yes, we are planning one more subsidiary.
- Vikas:** Any timeline, sir? This financial year, next financial year?
- K. P. Mahadevaswamy:** Next financial year.
- Vikas:** Thank you, sir.
- Moderator:** The next question is from the line of Miraj Shah from Arifant Capital. Please go ahead.
- Miraj Shah:** Just want to clarify one thing you mentioned to one of the earlier participants in an answer that we are targeting profits of INR2,000 crores in, I think in 4 years, 5 years. Did I hear that right?
- K. P. Mahadevaswamy:** Yes, you're right, exactly right.
- Miraj Shah:** Sir, what would be the margin? I believe you mentioned the INR27,000 crores, INR28,000 crores would be the top line by then?
- K. P. Mahadevaswamy:** Top line will be around INR25,000 is minimum, maximum up to -- it may increase another 10% to 20%.
- Miraj Shah:** Understood. Okay. And sir, the cash level that you just mentioned of INR2,200 crores, this is on a consol basis, right, sir?
- K. P. Mahadevaswamy:** No. This is only standalone NBCC. This includes clients advance also, whereas our money is around INR730 crores.
- Miraj Shah:** INR730 crores is unallocated you said, the non-dedicated?
- K. P. Mahadevaswamy:** Non-dedicated, yes.
- Miraj Shah:** Yes. Okay. Understood. Perfect. All the best for the future. So thank you.
- K. P. Mahadevaswamy:** Thank you.
- Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to the management for closing comments.
- K. P. Mahadevaswamy:** Once again, thank you, everyone, for trusting on NBCC. We are trying our level best to improve quarter-to-quarter, year-to-year, both revenue as well as profit. So next year, we are focusing more on our execution because we already secured sufficient work order. Our main focus is to execution of the projects that we are concentrating on that. So thank you once again all the investors and Elara for arranging this conference.
- Moderator:** Thank you. On behalf of Elara Securities Private Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.