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February 22, 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>
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**Sub: Transcript of Earning Conference Call dated February 19, 2024
(Q3 FY 2023-24 unaudited Financial Results)**

With reference to NBCC's letter dated February 16, 2024 in respect of Investor's conference call dated February 19, 2024, please find enclosed herewith the transcript of discussion held during the said conference call hosted by Nomura.

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



NBCC (INDIA) LIMITED
(A Government of India Enterprise)



“NBCC (India) Limited 3Q FY '24 Results Earnings Call”

February 19, 2024



NBCC (INDIA) LIMITED
(A Government of India Enterprise)



NOMURA

CHORUSCALL

MANAGEMENT: **MR. K. P. MAHADEVASWAMY – CHAIRMAN AND MANAGING DIRECTOR, NBCC (INDIA) LIMITED**
SMT. BALDEV KAUR SOKHEY – DIRECTOR – FINANCE, NBCC (INDIA) LIMITED
MR. SALEEM AHMAD – DIRECTOR – PROJECTS, NBCC (INDIA) LIMITED
MR. RAJENDRA CHAUDHARI – SENIOR EXECUTIVE DIRECTOR – ENGINEERING, NBCC (INDIA) LIMITED
SMT. RESHMA DUDANI – EXECUTIVE DIRECTOR – ENGINEERING/ INVESTOR RELATIONS NBCC (INDIA) LIMITED
MR. BALKISHAN SINGLA – INVESTOR RELATIONS, NBCC (INDIA) LIMITED

MODERATOR: UMESH RAUT – NOMURA



Moderator: Ladies and gentlemen, good day, and welcome to NBCC (India) Limited 3Q FY '24 Results Conference Call.

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 * then 0 on your touchtone phone. Please note this conference is being recorded.

I now hand the conference over to Mr. Umesh Raut from Nomura. Thank you, and over to you, sir.

Umesh Raut: Thank you, Sagar. Good morning, everyone. On behalf of Nomura and NBCC, welcome you all for 3Q FY '24 Results Conference Call of NBCC Limited.

We are happy to host the management of NBCC Limited. From the management side, today we have Shri K. P. Mahadevaswamy – Chairman cum Managing Director; Smt. B. K. Sokhey – Director (Finance); Shri Saleem Ahmad – Director (Projects); Shri Rajendra Chaudhuri – Senior Executive Director (Engineering); Smt. Reshma Dudani – Executive Director (Engineering); Also, we have Investor Relations – Balkishan Singla.

So, now we hand over the call to the Management to give “Initial Remarks” on the Results and “Current Business Outlook”. Over to you, sir. Thank you.

K. P. Mahadevaswamy: Good morning, everyone. I am K.P. Mahadevaswamy – CMD, NBCC. On behalf of my team, I extend a warm welcome to you and appreciate your presence in today's Earning Call for 3rd Quarter ended 31st December 2023.

I have with me our other Directors and Senior Management of NBCC.

First of all, I express sincere gratitude to all shareholders, particularly you, the investors who strongly believe in NBCC's strength, which helped to cross all time high share price recently. If I recall last February, when I took responsibility of Director (Commercial), it was around INR 35 and now it is multiple times. I assure you as a CMD of this company, in coming years, our performance will elevate much fold.

In terms of Consolidated Operation and Execution on 9 months basis:

We have achieved 6,566 crores of total income and 361 crores PBT, which is 63% higher on year-on-year basis and significant 66% increase in PAT for 9 months.

I want to share a few “Key Achievements of NBCC:

Regarding Business Development of New Projects:



At consolidated level, NBCC has secured business of Rs. 10,000 crores during last 9 months, whereas the same figure was 6,500 crores in the last year, previous year.

Update regarding Amrapali project:

Amrapali project has contributed 1,170 crores of turnover in NBCC top line. I am happy to share that out of 38,000 housing units, 16,000 units are already completed and handing over in process. Additional another 14,000 units will be ready at the earliest by December 2024. NBCC along with Aspire team has achieved a sale of 6,000 units in Amrapali project with the total sale value of 3,500 crores.

Update regarding Redevelopment Projects.

Nauroji Nagar World Trade Center is 93% completed. Netaji Nagar project first phase is going on with the project worth of 1,500 cores, which has been achieved financial project percentage is 48% completed.

Sarojini Nagar, this is the large project and works in 8 phases is going on with the project value of 4,200 crores.

NBCC Real Estate.

NBCC is putting dedicated efforts in this direction to reach maximum potential buyers and increase the sale volume as well as profitability. We have already able to sell 117 crores of NBCC real estate in comparison with 37 crores of last year 9 months.

Redevelopment as a Real Estate Sale.

Redevelopment real estate sale before March '24 will be able to sell remaining units after its construction. Project tender out for execution in current financial year, around 6,800 crores worth of project have been awarded which will start on ground very soon and help to increase our turnover.

Other Major Achievements.

Inauguration of IIM Sambalpur by Honorable Prime Minister, a new campus spread in 200 acres. Under the world's largest grain storage plant in cooperative sector, NBCC has signed a total 175 MoU with banks and cooperative banks till date in different states across India.

The National Dental Commission was inaugurated by the Honorable Health Minister. Honorable President of India inaugurated the NBCC built Kaushal Bhawan. Sri Amit Shah, Honorable Union Minister and Home and as well as cooperation inaugurated offices in World Trade Center.



Honorable President of India inaugurated NBCC built wooden replica of historic flag post. Honorable President applauded NBCC for timely completion of the tallest wooden flag post in India.

Major opportunities and focus area in NBCC in upcoming months:

Opportunity in Housing Sector:

Government of India and Union Finance Minister gave boost to affordable housing by providing to the middle-class income group. NBCC is assessing this opportunity and are in talk with various government agencies including few state governments.

Land Monetization:

After receipt of Kerala Housing Board monetization project, NBCC is exploring feasibility of few land parcels across pan India along with the PSU land parcels. PSU has thousands of acres land with them in all major cities.

After successful journey of redevelopment business model, NBCC is eyeing some major works in the segment of upcoming month, encash Amrapalli project experience and expertise, examining feasibility of few more stressed real-life projects, we are exploring other opportunities in NCR Mumbai regions where Mumbai is facing such big problems.

Overseas focus

We already set up concrete foot in overseas, particularly African countries, Maldives, Mauritius, social housing work is in full swing in Maldives. We are hoping that we will tap some business in Arabia and Africa in coming months.

NBCC Real Estate Works:

We are also reaching out 2-Tier cities for upcoming real estate projects.

Diversification:

We are also talking some steps to diversify NBCC business, which includes recently secured projects Metro Railways.

Thank you one and all. Now the forum is open for discussion.

Moderator:

Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Shivam, who is an individual investor. Please go ahead.

Shivam:

Sir, what would be the update on your guidance of the top line of 11,000 crores in this fiscal and 25,000 crores that you mentioned in the next fiscal?



- K. P. Mahadevaswamy:** Definitely we will achieve between 10,500 to 11,000 crores.
- Shivam:** And sir, for the next fiscal year?
- K. P. Mahadevaswamy:** Next fiscal year 13,000 crores.
- Shivam:** Next fiscal year would be 13,000 crores?
- K. P. Mahadevaswamy:** Yes.
- Shivam:** If I am not wrong, you mentioned somewhere around about for 25,000 crores. Am I right or wrong?
- K. P. Mahadevaswamy:** That is for 5 years. Next 5 years.
- Shivam:** In next 5 years. Okay.
- Moderator:** Thank you. The next question is from the line of Pankaj Kumar from Kotak Securities. Please go ahead.
- Pankaj Kumar:** Sir, I would like to know about the order inflows that we had in the 9 months. And overall, what is the target for FY '24 and '25?
- K. P. Mahadevaswamy:** Sir, the 9-month order are already 10,000 crores we have secured. Another 10,000 crores we are expecting in current year only within these three months by March. And what is the other question you asked?
- Pankaj Kumar:** So, for next year, FY '25, what we are targeting to?
- K. P. Mahadevaswamy:** Business development?
- Pankaj Kumar:** New order inflows I am talking. Yes. Business development you get for the next...
- K. P. Mahadevaswamy:** 20,000 crores. Next year onwards, we can easily secure more than 20,000 crores.
- Pankaj Kumar:** Sir, this number is on consol basis, I believe. So, if you can help us with the standalone number?
- K. P. Mahadevaswamy:** Consolidated only, but standalone you can say 15,000 to 16,000 crore rupees. Consolidated only 3,000 to 4,000 crores only we are getting from other subsidiaries. Ours is major.
- Pankaj Kumar:** And sir, in terms of overall this order book, what is the order backlog at the end of 9 months and now standalone and consol?
- K. P. Mahadevaswamy:** Now we have 55,300 crores in consolidated basis.



Pankaj Kumar: So, standalone would be around 45,000?

K. P. Mahadevaswamy: 45,230 something.

Pankaj Kumar: And sir, you were targeting to award some 9,600 crores in the current financial year, so the project that you were targeting earlier. So, what are the revised targets for the current year as well as what you are planning to award in the next financial year?

K. P. Mahadevaswamy: Next financial year we will going to award around 12,000 crores. Currently, 8,000 crores we are targeting.

Pankaj Kumar: And out of this total 55,000 crore order book, what portion we have already awarded?

K. P. Mahadevaswamy: Already 6,000 are awarded during this year.

Pankaj Kumar: No, no, total of these 55,000 crores, when you are saying this is the order backlog, so how much for the project that is where we have already awarded the work?

K. P. Mahadevaswamy: Around 21,000 crores. In a consolidated level, 21,000 was already awarded.

Pankaj Kumar: So, a large part is still to be awarded you are saying for the, that we expect.

K. P. Mahadevaswamy: Yes, the 7 GPRA, it is in process that we are awarding.

Pankaj Kumar: And sir, in terms of 7 GPRA project, which I believe is around 24,000 crore of construction work, so there what is the progress in terms of what percentage of work is already awarded and what is yet to be awarded? If you can help us with the project wise in all three?

K. P. Mahadevaswamy: Nauroji Nagar 1,950 work already awarded that is what WTC 93% completed. By March we will going to complete all the physical and as well as financial, you will going to complete. Similarly, the sale around 13,000 crore we have to sale. Out of which 10,000 already we are sell out. The remaining 3,000 crore we will going to sell before March.

Regarding Netaji Nagar, we have already awarded one GPOA to the agency wherein almost 50% work we have completed. By this December, before December we will going to complete the Netaji Nagar.

Similarly, the Sarojini Nagar we have already been awarded 5 packages, out of which all are in running conditions. One project some 800 units we will hand it over shortly to our MOA.

Pankaj Kumar: So, this Sarojini Nagar is the last part of I believe around 15,000 crores of the construction, no?

K. P. Mahadevaswamy: Yes, yes, Rs. 13,400 crores.



- Pankaj Kumar:** And in this, what value terms, if you can help us, where the construction is going now? What value?
- K. P. Mahadevaswamy:** It is going in different phases in each packages. One package we will going to partly hand it over by March. Around 800 units we will going to hand it over by March. So, rest is in progress. By August it is in different stages. Each package is in different package. Recently we awarded 3 packages. So, all the 3 packages they are started. The 2 packages we have awarded with MIVAN technology, one with precast technology.
- Pankaj Kumar:** So, I was looking for in value terms, what amount is already in the construction?
- K. P. Mahadevaswamy:** 4,200 crores already awarded.
- Pankaj Kumar:** 4,200 in the Sarojini Nagar project?
- K. P. Mahadevaswamy:** Yes.
- Pankaj Kumar:** And in Netaji Nagar?
- K. P. Mahadevaswamy:** Netaji Nagar, 1,450 already awarded. Two tender we will going to publish by within 1 week. Around 2,000 crore work is in ready. The tender is ready. We will going to publish at the earliest.
- Moderator:** Thank you. The next question is from the line of Vasudev from Nuvama. Please go ahead.
- Vasudev:** So, sir, my first question is on the Amrapali project. So, here we were expecting some additional orders. So, what is your status over there? And currently, what is our pending order book from Amrapali?
- K. P. Mahadevaswamy:** Out of 8,000 crores, already we have completed around 6,000 crores. The balance workload is only 2,000 crores. Regarding new business, that is FAR, additional FAR, we are going to get at the latest. I think by this weekend, we are going to get 8,000, 9,000 crores.
- Vasudev:** Next, sir, on our real estate front, so you said that we have sold out 117 crores in this year. So, what are your plans for Q4 and FY '25? And also, you can help that what is your current land bank available with us?
- K. P. Mahadevaswamy:** Another 50 crores, I think, we are going to sell during this year, real estate project. Total, we have 700 crores inventory and 117 already we have sold. So, another 50 crores by March we are going to sell.
- Vasudev:** And sir, on the redevelopment front also, you said that we will sell all of it by the end of this year. So, what is the value, if you can provide?
- K. P. Mahadevaswamy:** That is real estate or redevelopment, you are saying?



- Vasudev:** Redevelopment.
- K. P. Mahadevaswamy:** Redevelopment, only Amrapali we have to sell residential. That's all, there is no sale in redevelopment. It is government colony.
- Vasudev:** So, taking it from the previous participant's question, so you gave guidance for revenues and order intake. So then what is the PAT and EBITDA margins that you are looking at?
- K. P. Mahadevaswamy:** Top line, during this year?
- Vasudev:** This year and the next year, our EBITDA and PAT margins?
- K. P. Mahadevaswamy:** Your PAT margin will be around, the EBITDA, 5.5 to 6%, next year. Current year, 5 to 5.5%.
- Vasudev:** And PAT margins again?
- K. P. Mahadevaswamy:** PAT margins around 5. It will be more than 5.
- Vasudev:** And sir, the last question. So, out of the 55,300 crores of order book that we have, can you give us a split between PMC and redevelopment and what is the consolidated cash balance?
- K. P. Mahadevaswamy:** Around 92% in PMC only. So, only 3%, 4% that is on real estate and 3%, 4% for EPC contracts.
- Baldev Kaur Sokhey:** As regards the cash balance, we have the cash balance of 4,800 crores on consolidated basis and NBCC's cash balance out of that is 2,100 crores and our own funds are around 1,000 crores. As the NBCC has received back the seed money, which we have invested in the redevelopment project of 7 GPRA and which will be further deputed in the furtherance of the business of our own.
- Vasudev:** So, ma'am, then what is the seed money that is still outstanding and interest on that?
- Baldev Kaur Sokhey:** Yes, seed money now outstanding as on today is 81 crores and the outstanding interest is around 210 crores, which we are expecting to get back in the next financial year, in the first week of next financial year. At least the interest portion, right?
- Vasudev:** Yes. That's it from my side.
- Moderator:** Thank you. The next question is from the line of Atul, who is an individual investor. Please go ahead.
- Atul:** So, my question is, there is two questions. First is, as you told earlier that this year you will achieve around 10,500 revenue. So, may I ask you, I mean, this is a conservative number or this is final number for this year?



K. P. Mahadevaswamy: This is final number; I can say final number.

Atul: So, it means that consolidated basis you will achieve around 4,000 crores in this quarter?

K. P. Mahadevaswamy: Pardon me?

Atul: This quarter number, this quarter, next quarter, what revenue will achieve, consolidated basis?

K. P. Mahadevaswamy: 3,500 to 4,000.

Atul: 4,000. And what PAT we can expect? Margin?

K. P. Mahadevaswamy: Margin, PAT, margin, only quarter you are saying or?

Atul: Quarter, quarter, quarter.

Baldev Kaur Sokhey: On annual basis, we are expecting 5%.

Atul: 5%, okay. And as you told earlier, I mean, I am asking you after 5 years, you target this company about 25,000 revenue guidance. So may I ask, out of this 25,000, how, I mean, you said for the real estate business, out of this 25,000, maybe in percentage number, not in accurate, just real estate business.

K. P. Mahadevaswamy: Real estate business?

Atul: Yes.

K. P. Mahadevaswamy: You can say 5% to 10%.

Atul: Because you said PAT around 2,000 crores, I heard about somewhere. So, it means that 8% you will achieve as a PAT margin after 5 years.

K. P. Mahadevaswamy: That is true, because our breakeven is only Rs. 5,000 crores. Beyond Rs. 5,000 crore, whatever turnover you will achieve, our profit will be added. So, that is the reason.

Atul: So, this is also a conservative basis, you will achieve 2,000 crores, next 5 years.

K. P. Mahadevaswamy: Definitely. Definitely.

Atul: And one more question. Next year, I mean, there are a lot of inventory and, you know, a lot of unfinished projects in, I mean, nearby Delhi like Noida and Gurgaon. So, are you pushing your company to get like Amrapali kind of other project, not, I am not talking about Amrapali next phase, for other developer projects?



- K. P. Mahadevaswamy:** Already, we are talking with RERA, Haryana RERA already called us. They wanted to start projects in Haryana, Gurgaon. That is in Gurgaon. So, already it is...
- Atul:** Not in Nevada?
- K. P. Mahadevaswamy:** Noida also there. Noida Unitech project, Supertech, we are discussing, but I think we are going to get at the earliest Haryana. Haryana RERA already we are talking with them. And I think we will get next...
- Atul:** So, this revenue you didn't calculate in your next year target. I mean, maybe this is extra revenue we will get.
- K. P. Mahadevaswamy:** Presently, we have not considered this one.
- Atul:** So, in case, in case if you will get these projects, it will add, let's say, 10%, 20% more revenue in that, your projection?
- K. P. Mahadevaswamy:** Definitely, definitely.
- Atul:** Definitely, okay. So, like this projection is just based on your normal projects, you know, redevelopment and other projects. Not with this extra, what maybe you will get through government.
- K. P. Mahadevaswamy:** That we are not considered. So far, we are not considering.
- Atul:** So, then it will, I mean, there is chances to more revenue and profit in your top line and bottom line both?
- K. P. Mahadevaswamy:** Definitely, definitely.
- Moderator:** Thank you. The next follow-up question is from the line of Shivam, who is an individual investor. Please go ahead.
- Shivam:** Sir, I have two questions. The first would be that you have a lot of land bank with you. So, as the real estate cycle is moving ahead and it's going at a positive rate, so when do you expect to launch or develop these land banks?
- And the second would be that the PSU land bank opportunity which you told, can you give a projection that how many worth of opportunity it can be, the PSU redevelopment that you are talking across India?
- K. P. Mahadevaswamy:** PSU having land parcel of more than I think in lakh acres. So, we are presently discussing with two, three PSU's. So, it will be more than 10,000 crore value. So that I think we will going to sign a MoU either this year or first quarter of next year. Similarly, we have land parcel of around 700 crores, three land parcel in Jaipur, one land parcel in Coimbatore and Patna. So, we



are going to launch this project by this year in March or first week of April. One or two project we are going to start immediately.

Shivam: So, sir, you are saying that around 13,000 crore you will do in next fiscal year in consolidated basis and if you get any PSU redevelopment opportunity, that would be the cherry on cake, right?

K. P. Mahadevaswamy: Yes.

Shivam: So, how much can we expect on the optimism side that how much can be the revenue if everything goes right for the next fiscal year?

K. P. Mahadevaswamy: At least 20% I can say. In percentage, at least 20%, because the first year, so, initially some due diligence, appointment of consultant, all these clearances and all it will take, but next year onwards, it will be I think more than 20%, 25%.

Shivam: And sir, one more clarification on your 25,000 crores guidance. So, at what fiscal year you will be able to achieve 25,000 crores top line consolidated basis? Like, you can mention the fiscal year '26, '25 or anything.

K. P. Mahadevaswamy: The next 5 years, next 5 years.

Shivam: Sir, next 5 years, like from which fiscal you will start generating 25,000 crores? Or it would be the sum, it won't be the sum of 5 years, no?

K. P. Mahadevaswamy: '27-'28.

Shivam: FY '27-'28?

K. P. Mahadevaswamy: Yes.

Moderator: Thank you. The next question is from the line of Dr. Akshay Patil. Please go ahead.

Akshay Patil: Actually, my question is, exceptional losses of around 15 to 20 crores have been seen almost in every quarter. So, is it going to continue or reduce in future? Or what are the steps you are going to take?

K. P. Mahadevaswamy: Pardon me, what is your question?

Baldev Kaur Sokhey: You are talking about the exceptional items?

Akshay Patil: Yes.

Baldev Kaur Sokhey: No, because now this has been provided fully by the Board and we have given the option for the reconstruction of the flats to all the buyers and the offer has also been given to the National



Consumer Redressal Forum. But their court case is still pending, but we are hopeful that the buyers will consider our offer and we need to work further any further cost loss.

K. P. Mahadevaswamy: Rather their request, partly they are requesting to reconstruct. So, for that purpose only we have created an exceptional item. I think in the future, it won't come.

Akshay Patil: And one more thing. As per your balance sheet, continuous losses have been posted in real estate segment. The real estate segment has not been in profit in past 2, 3 quarters. So, can you give us a picture on that, what is the reason for that?

Baldev Kaur Sokhey: The reason is mainly a provision towards this loss of 37D.

K. P. Mahadevaswamy: This is also real estate project.

Akshay Patil: And my next question is to K. P. Swamy sir. Sir, as per your latest interview, you have aspired to be a Maharatna company. Yes, and Maharatna company means at least yearly from the last previous 3 years, you should post a profit of 5,000 crores annually. So, what is the road map and timeline to achieve the same, to become the Maharatna company?

K. P. Mahadevaswamy: No, next 5 years we are going to pave a Maharatna status, not we are going to get Maharatna status. For another 5 years I think we are going to get. Roadmap for Maharatna we are making.

Akshay Patil: And from when we even real estate project like Jaipur which the land parcels you own, what is the business opportunity in that? You have the worth of 7 crore land parcels. So, out of that, what will be the sale value of after the redevelopment or after the constructing of those project?

K. P. Mahadevaswamy: Presently we are planning to construct one in Coimbatore. Other one is in Jaipur. In Jaipur we have 3 land parcels, valuing around 300 crores. But definitely we are going to fetch around Rs. 400 to 500 crores in Jaipur and similarly Rs. 100 crores from Coimbatore.

Akshay Patil: And the profit in these segments will be 25%, right?

K. P. Mahadevaswamy: 25% to 30%. We can expect 25% to 30%.

Moderator: Thank you. The next question is from the line of Pankaj Kumar from Kotak Securities. Please go ahead.

Pankaj Kumar: Sir, this vision, this next five years' vision of achieving 25,000 crores, so in that, what contribution you expect is from the redevelopment versus PMC? Will it be largely from the redevelopment or it's the normal PMC building project that we are getting?

K. P. Mahadevaswamy: No, 50% from redevelopment. Out of 90%, I can say 40%, 45% from redevelopment and another 45% regular PMC.



Pankaj Kumar: And in this redevelopment, which are the major opportunity that you see? One you said is the PSU land development, I believe. So, what are the other avenues that you have?

K. P. Mahadevaswamy: Other redevelopment project is under our Ministry only. We are going to start one redevelopment project that is DIZ Area, Connaught Place. The other one is Ring Road, Andrews Ganj. These two real estate redevelopment projects we are going to get at the earliest. So, we have another also, some other state government. We are trying for another state government that right now I cannot say, but we have lot of opportunities and lot of scope in redevelopment.

Pankaj Kumar: Of course, there is a huge opportunity in the redevelopment side, but we have seen that the approvals and other government involvement is also there in all this. So, do you see these targets would be achievable or looking at the, we have seen the 7 GPRA project, there were delays in approvals and all. Plus, we also have to monetize the land and to generate resources. So, what are the challenges that you believe? Whether these old challenges continue or?

K. P. Mahadevaswamy: As you rightly said, the 7 GPRA we faced lot of challenges like tree implantation, tree removal, encroachment and generation of funds. Now, all the generation fund part already over. So, we already sold around 13,000 crores, 10,000 inventory. Another 3,000 we are going to sell during this year. So, there is no money issue.

Secondly, encroachment issue also already resolved. So, in 7 GPRA we don't have any hurdle. That's why we have kept only 20% increase in the next year because next year we are able to generate only 10% to 20% only. Our order book will be more, but approval and all it will take some time. Next year onwards, after 1 or 2 years, our revenue can increase like anything. So, initially we are taking very comfortable figure 10% to 20% only.

Pankaj Kumar: So, this PSU land development opportunities, what value you expect out of it in your order in next 5 years?

K. P. Mahadevaswamy: I told you no, around only 10% to 20% next year we are projecting, but next 5 years it will be more than 20,000, 25,000 crores. It is easily because we are already talking with BHEL, some other PSUs, BSNL, MTNL. So, right now I don't want to disclose the names and all. So, we have good opportunity, and they have very good land parcel and we are going to redevelop that.

Pankaj Kumar: And these are at which geography?

K. P. Mahadevaswamy: Across India, across India. Delhi also has land parcel and Bhopal they have land parcel also. Vishakhapatnam. So, BHEL having 100-acre land parcel, 100, 150-acre land in Vishakhapatnam. So, in Bhopal they have extra land, that is presently they are not using under encroachment and all issues are going on. So, they wanted to monetize this land.



- Pankaj Kumar:** And you also talked about opportunities from other sectors in the previous calls like Metros and all. So, any development and any comment on those?
- K. P. Mahadevaswamy:** We already secured a Metro work for housing. We already secured Kochi Metro where we are going to get the Kochi Water Metro projects. Similarly, we are trying for other Metro projects. So, lot of opportunities are in the Metro sector also. And Seal sector we got recently some 300-400 crore work orders.
- Pankaj Kumar:** And lastly on the international side, what is the total order book and what are the pipeline?
- K. P. Mahadevaswamy:** Presently, we have 1,200 crores.
- Pradeep Sharma:** Presently, we are doing around 1,500 to 2,000 crore work of project, and we are already established now in Saudi Arabia, Jeddah. We are focusing on the Gulf region from that country, the neighboring country. We already have an office in Dubai. Our own subsidiary, fully-owned subsidiary is having an office. So, we are focusing now on Saudi Arabia, Bahrain, Sharjah. So, they got lot of big housing potential there. And then we are also now targeting African countries, Guinea, Conakry. We are trying to get a hospital project there and some other talks are going on in other African countries. So, we are expecting some good new business orders in coming years.
- Moderator:** Thank you. The next question is from the line of Tanay Rasal from Nomura. Please go ahead.
- Tanay Rasal:** So, my first question was related to land monetization. So, do you think the government can involve the private sector in case of PSU's land monetization or the redevelopment aggressively in the near future?
- K. P. Mahadevaswamy:** Pardon me.
- Tanay Rasal:** Do you think that government can involve the private sector in case of PSU's land monetization or redevelopment programs in the near future?
- K. P. Mahadevaswamy:** Already they are involved in Bombay, but they are not successful. One thing I can tell you that it is not successful. Now the government will going to withdraw that order. That's what I heard from the state government. So, we are going to do some business in Bombay. So private people cannot go in government projects. Of course, they can do their own, not government projects.
- Tanay Rasal:** So, sir, what all challenges they face actually, you know, compared to what are the positives for the NBCC, company like NBCC? And what are the challenges faced by the private players in such a case?
- K. P. Mahadevaswamy:** Advantage is government because, just I will say one word. When PSU's fails, private people will come to take. Example, Air India. Air India failed. Tata took over. Whereas Amrapali, private people failed and NBCC successfully doing that project. So, the advantage is, and we



could sell around 6,000 units. It is in the history of NCR, first time we sell around 6,000 units. No private agencies so far sell this amount of volume of housing project.

So, the reason is we are a government entity, PSU. The confidence on homebuyers is more, much more because all the private builders already have cheated to some extent. In Delhi NCR only, around 3.5 lakh homebuyers, still they are struggling to get their homes. So, that is the advantage for NBCC.

Tanay Rasal: And as you mentioned, you know, like revenue target of around 25,000 crores by FY '28. So, what do you think the potential risk to this particular estimate in the medium term as well as the long term?

K. P. Mahadevaswamy: I think there is no risk because since we are doing on PMC basis, even redevelopment also, we are doing on PMC basis. So, there is no much more risk. Of course, not many challenges we have to face. That's all. I think there is no risk in this.

Tanay Rasal: And coming to the margins part, you know, the margins have remained volatile historically for the company. So, how do you plan to maintain, like expand it on a consistent basis in the long term or in the medium term? What are your plans on that aspect?

K. P. Mahadevaswamy: In the long term, I think we are going to achieve more margin because our expenditure is fixed. Our overheads is only salary, nothing else. Basically, our own salaries and other things. So that is break even when you reach around 5,500 crores, the salary will be break even. Beyond that, whatever we do, our margin is definitely going to increase. So, that's why we are projecting 6% EBITDA next year. And similarly, I think by the end of '27-'28, it may reach up to 8% to 9%.

Tanay Rasal: And what will be the fixed cost annually approximately? Can you quantify that?

K. P. Mahadevaswamy: 300 crores. Around 300 crores.

Moderator: Thank you. The next question is from the line of Shivam, who is an individual investor. Please go ahead.

Shivam: Sir, will we also be targeting the land banks of the Indian Armed Forces like Navy, Air Force, Army, as they also have a huge land bank?

K. P. Mahadevaswamy: Yes, presently we are discussing with them. It is initial stage only. So, I am already discussing with Defense, the Army, and of course, that is land monetization. Of course, for India-Pakistan border fencing that has been done by NBCC, it has completed. So, India-Bangla border fencing and North East, we are doing for BSF and ITBP, CRPF and we are already doing the road as well as fencing work.

Shivam: So, sir, what is the revenue potential that already you were doing? And what do you expect in future with the Indian Armed Forces?



- K. P. Mahadevaswamy:** Presently, we have India, Pakistan already we have completed. India, Bangladesh border fencing it is going on. 200 to 250 crore I think per year presently we are doing. It will be increasing next year onwards. Some PSUs are not performing in the border. That's why we are getting the job from them. Already we have secured.
- Shivam:** Because of your execution?
- K. P. Mahadevaswamy:** Yes.
- Shivam:** Sir, like my previous participant asked about the land bank, so how much sales can you do from that 700 crores of land bank? Like, if you just build and sell the units from that?
- K. P. Mahadevaswamy:** With that our land bank, we will be going to generate around 1,400 to 1,500 crore after completion we can generate. Presently, we have around 700 crore land bank. It is ours only. Excluding Ghitorni. That Ghitorni land parcel is used. That also we are planning to redevelopment. So, excluding Ghitorni we have 710 crore land parcel.
- Shivam:** Sir, any guidance on the contingent liabilities for this fiscal year? What would be the contingent liabilities in this year?
- Baldev Kaur Sokhey:** The current contingent liabilities are to the tune of 1,400 crores. And they mainly consist of three, four main contractors. One is Ramacivil against whom the company has also filed a recovery suit of 750 crores. And there are three, four or more contractors also. That's why it has increased. This is the reason.
- Shivam:** So, do you expect this to go down from next Fiscal Year '25 or it will be the same because of the delays?
- Baldev Kaur Sokhey:** Because so far, the contingent liabilities what I have seen with my experience of over 35 years, they have not materialized in the tune for which it appears in the books. And a very meager amount is actually finalized against Radha. NBCC always get favorable judgment in its favor and very rarely will get any...
- K. P. Mahadevaswamy:** We have a counter claim also.
- Shivam:** So, ma'am, this amount will increase in the next coming fiscal year, or it will remain at this one?
- Baldev Kaur Sokhey:** No, no, we are not expecting and rather the company is focusing on discussing the legal disputes with the contractors and we are trying to resolve. And some of the resolutions have also been made internally through discussions with the contractors. Though they are of the small amount, this approach has also been adopted by the company. So, we are not expecting it to increase further in the future.
- Moderator:** Thank you. The next question is from the line of Vasudev from Nuvama. Please go ahead.



- Vasudev:** So, in the previous call we had mentioned that our order book split between PMC and redevelopment was nearly about 50-50 or 60-40. And earlier you mentioned that this time PMC is 92% and real estate and all is 3%, 4%. So, I didn't get over you.
- K. P. Mahadevaswamy:** Total out of 55,000 crores, if I can say like this, I can put like this, total 55,000 crore, 90% value is PMC. The PMC includes redevelopment. If I divide PMC in two category, PMC and redevelopment, then it is 50-50 or 40-60 like that. So, we are doing 90% work PMC. We are operating three segments. Basically, we are operating three segments: PMC, EPC and real estate, whereas in PMC, we are doing redevelopment model projects. It is not a PMC, redevelopment.
- Vasudev:** So, this quarter, then what will be the split between PMC and redevelopment?
- K. P. Mahadevaswamy:** Pardon me? Around 50%. Currently, I cannot say exactly what the figure. Around 50% in redevelopment and 50% from PMC.
- Vasudev:** And, sir, what is the real estate sales that you are expecting for next year FY '25?
- K. P. Mahadevaswamy:** 13,000, I told you no, 13,000 revenue. And real estate, you are talking about real estate or total?
- Vasudev:** No, no, only real estate sales.
- K. P. Mahadevaswamy:** Only real estate around 200 crores or 250 crores. 200 to 250 crores.
- Moderator:** Thank you. Ladies and gentlemen, we would take that as the last question for today. I would now like to hand the conference over to the management for closing comments.
- K. P. Mahadevaswamy:** Thank you once again, all of you. I think we have cleared your questions and answered your questions. Thank you. We are expecting very good growth and I think in this year we are going to get within one month we are going to get a good number of orders and hopefully next year onwards, it will be a very good year for NBCC as well as you. Thank you.
- Moderator:** Thank you. On behalf of Nomura and NBCC (India) Limited, that concludes this conference. Thank you for joining us. You may now disconnect your line.