NBCC (India) Ltd — Feb 2026 Quarterly Analysis

1. VERDICT & BUSINESS QUALITY SNAPSHOT

Result: Beat (Profitability) / Inline (Execution) **One-line:** NBCC's structural shift from a volume-led PMC contractor to a high-margin real estate and redevelopment powerhouse was cemented this quarter by the resolution of the massive Ghitorni land dispute and the Supreme Court's Supertech mandate.

Dimension	This Quarter	Signal / Evidence
Beat/Miss vs Guidance / Prior Quarter	Strong Beat (PAT)	Consol PAT of ₹197 Cr (PPT) significantly outpaces revenue growth; standalone PAT up 53% YoY.
Earnings Quality	Medium	High PBT (₹255 Cr) relative to EBITDA (₹171 Cr) indicates high reliance on Other Income/Dividends.
Guidance Confidence	Neutral	Mgmt maintains ₹14k Cr FY26 revenue target but needs a record Q4 (~₹5.6k Cr) to achieve it.
Management Credibility	Strong	Delivered on the "stuck land" promise by resolving the Ghitorni litigation and winning Supertech.
Business Quality Signal	Improving	Pivot toward self-sustainable redevelopment (Ghitorni/Supertech) improves margin profile.
Key Q&A Exchange	Q# 1 — Ghitorni Profit	Mgmt confirmed ₹4k-5k Cr PAT potential from Ghitorni alone, starting FY27-28.
The Street's Primary Anxiety	Execution Bottleneck	GRAP (pollution) impact in Q3; Mgmt pivoted focus to Mivan/Pre-cast tech to mitigate.
Capital Cycle Stage	Harvesting / Expansion	Scaling massive fee-based backlog while starting high-margin RE projects on existing land.
Margin / Return Ratio Trajectory	Improving	Consol EBITDA margin rose to 6.49% from 4.1% in Q2, reflecting better project mix.
Pricing Power	Stable	Fixed PMC fees (8%+) are protected; RE pricing power in South Delhi/ Gurgaon is high.
FCF Conversion & Quality	Strong	Total cash of ₹2,175 Cr; business continues to operate on client advances/advances.
Competitive Moat Signals	Widening	Only PSU with the "Amrapali Template" to solve complex, stalled private mega-projects.
Balance Sheet Strength	Strong	Zero debt; ₹939 Cr "own cash" provides significant "seed money" buffer.
Working Capital Efficiency	Stable	Inventory-heavy RE projects starting; reliance on HUDCO for client-side funding.
Mgmt Guidance Track Record	Reliable	Historically accurate on "conservative" targets; very aggressive on FY28 outlook.
Key Vulnerability / Red Flag	Seasonality/ Pollution	Delhi execution is now structurally at risk every Q3 due to pollution bans (GRAP).
Management Tone	Highly Bullish	"Exponential growth" predicted for FY27-28 as execution catch-up begins.

Overall Thesis Verdict: The investment thesis is structurally upgraded from an "Order Book Play" to a "Profitability Kicker Play." While execution remains slow (~9% of book/year), the unlocking of Ghitorni (₹8.5k Cr

potential) and Supertech (□10k Cr potential) provides high-margin visibility that offsets the low-margin PMC legacy. Conviction is high for the FY28 target of □2,000 Cr PAT, though FY26 revenue guidance remains a "show-me" story for Q4. **Watchpoint for next quarter:** The awarding of the □4,000 Cr Rajasthan Mandapam and initial sales velocity at the Gurgaon 37D project.

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2. BUSINESS PERFORMANCE

2A. KEY METRICS

DATA SOURCE: PPT figures used as primary source. Concall used for Mgmt Commentary column.

Metric	Current Qtr (Q3FY26)	YoY Change	QoQ Change	Trend	Mgmt Commentary
Total Income (Consol)	□3,022.39 Cr	↑ 7.59%	→ 0.18%	→	Revenue growth muted by GRAP (pollution ban) in Delhi for 2.5 months.
EBITDA (Consol)	□196.23 Cr	↑ 33.93%	↑ 64.47%	↑	Margin expansion driven by higher contribution from Redevelopment projects.
EBITDA Margin %	6.49%	↑ 111 bps	↑ 239 bps	↑	Operating leverage kicking in as Netaji Nagar/ Amrapali reach peak execution.
PAT (Consol)	□197.22 Cr	↑ 38.47%	↑ 14.30%	↑	Standalone PAT grew faster (53%) due to higher dividend/other income.
Order Book (Consol)	□1,26,790 Cr	↑ 130%*	↓ 1.2%	→	*YoY vs base (~□55k Cr). Includes □10k Cr Supertech addition.
Order Inflows (Q3)	□3,100 Cr	↓ 60%	↓ 59%	↓	Soft quarter for new wins after a massive H1; □4k Cr pipeline for Q4.
Execution Rate	~9.5%	→	→	→	Targeted to reach 15%+ as J&K and MAHAPREIT start in H2FY27.
Book-to-bill (x)	10.1x	↑	↓	↑	Provides 10 years of visibility at current execution run-rates.
Net Debt / (Cash)	(□939 Cr)	→	↑	↑	"Own cash" increased; total balance sheet cash at □2,175 Cr.
Revenue (RE Segment)	□26.59 Cr	↑ 12.38%	↑ 470%	↑	Includes □14 Cr rental income; pivot toward recurring revenue.

2B. SEGMENT BREAKDOWN (Standalone)

Segment	Revenue (□ Cr)	YoY Growth	Margin (EBIT)	Trend	vs Co. Avg	Key Development
PMC	□2,010.89	↑ 11.54%	6.47%	↑	Average	Core engine; 7 GPRA remains the primary execution driver.
Real Estate	□26.59	↑ 12.38%	65.77%	↑	High	Kochi land provision write-back (□87 Cr) aided segment profits.
EPC	□43.55	↓ 73.95%	40.16%	↓	High	Segment being wound down; margins high due to project closures.

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3. MANAGEMENT OUTLOOK & EXECUTION TRACKER

Dimension	Category	Management Target / Claim	Required Run-Rate / Mathematical Feasibility	Historical Delivery	Risk Flag
Guidance	Revenue (FY26)	₹14,000 Cr	Needs ₹5,671 Cr in Q4. Historical Q4 high is ~₹4.5k Cr; very high risk of miss.	Consistent	High
Guidance	PAT (FY26)	₹800 - ₹900 Cr	Needs ₹311-411 Cr in Q4. Possible if Kochi sales (₹100 Cr) and Gurgaon presales land.	Improved	Medium
Guidance	Long-term Revenue	₹16k-18k Cr (FY27)	Requires 25% growth from FY26 base; supported by Supertech/J&K start.	New Target	Medium
Guidance	Long-term PAT	₹2,000 Cr (FY28-29)	Implies PAT margins must double to 10%+. Feasible only via Ghitorni.	First Entry	High
Strategy	Execution Tech	Shift to Mivan/Pre-cast	Intended to reduce dust/pollution impact on timelines in NCR.	Emerging	Low
Strategy	New Markets	Dubai / Australia	Small Dubai plot (₹155 Cr GDV) serves as a trial for international expansion.	New	Low
Macro	Land Monetization	State Govt Model	Replicating Delhi model in Rajasthan, J&K, and Chhattisgarh.	Gaining	Medium

4. ANALYST Q&A

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded	Credibility	Verdict
1	5.0	Ravi Naredi, Naredi Inv	Ghitorni Land	Financials	"In Q2 you said net profit might become ₹4000-5000 Cr. Is it visible this year?"	Management clarified that while turnover starts in FY27, the ₹4k-5k Cr PAT will be recognized upon possession/ handover in FY28-29. This creates a massive "earnings cliff" where profit will jump non-linearly in three years.	None	4.5	Clear timeline
2	4.5	Sumeet Rohra, Smartsun	Execution Pace	Management Commentary	"Order book is ₹1.25L Cr, why is revenue not growing faster than 18-20%?"	Management cited state government approval delays (J&K) and funding "seed money" constraints as the primary drags. Unlocking HUDCO loans for clients is the chosen mechanism to bridge this gap and accelerate to ₹25k Cr revenue.	None	4.0	Logical bridge
3	4.0	Dixit Doshi, Whitestone	Margins	Financials	"What went wrong this quarter? Margins dropped drastically?" (Ref: Q2 to Q3)	Management attributed the Q3 standalone dip to GRAP pollution bans stopping work at high-margin 7 GPRA colonies. This confirms that NCR-centricity is a double-edged sword	None	3.5	Confirmed risk

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						for quarterly margin stability.			
4	5.0	Anjali Bajaj, Individual	Supertech	Capex and Allocation	"What is the source of funds for Supertech execution?"	Management stated that 10,000 unsold units will fund the project, with the Insolvency Professional (IRP) raising bank loans for initial seed capital. NBCC takes no balance sheet risk, acting purely as a project manager for a fee.	None	5.0	Asset-light
5	3.5	Vasudev, Nuvama	Cash Balance	Financials	"What is the consolidated cash balance... the number was □5,000 Cr last quarter?"	Management clarified that "own cash" is □939 Cr, while the □2,175 Cr on the balance sheet includes client funds. This distinction is vital for analysts to avoid overestimating NBCC's internal liquidity for dividends.	None	5.0	Data clarity
6	4.0	Akshay Patil, Individual	Technology	Business Overview	"Delhi pollution is continuously impacting revenues... what steps are you taking?"	NBCC is transitioning to Mivan shuttering and pre-cast technology to minimize on-site dust. This strategic shift is necessary to maintain	None	4.0	Strategic shift

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						execution through NCR's "pollution season" (Oct-Jan).			
7	4.5	Sumeet Rohra, Smartsun	New Nagpur	Business Overview	"Nagpur project press release says it's a huge project... how big is the opportunity?"	Management revealed that while phase 1 is only □3,500 Cr, the total 1,000-acre infrastructure development could reach □10,000 Cr+. This establishes Nagpur as the "GIFT City of Maharashtra" for NBCC's order book.	None	4.5	Specific kicker

PATTERN FLAGS & SENTIMENT The dominant analyst theme was "Revenue Conversion." There is palpable frustration that a □1.26 Lakh Cr order book is translating into only □12k-14k Cr of annual revenue. Management's posture was defensive regarding Q3 (blaming pollution) but aggressively bullish on the "cliff" effect of FY28, where multiple real estate projects (37D, Ghitorni) will hit P&L simultaneously.

Analyst Sentiment Verdict: Broadly optimistic but cautious on near-term timelines. The resolution of Ghitorni was the "hero" news of the call, significantly improving management's credibility. The main friction point remains the □14,000 Cr FY26 target; the street is skeptical about a □5.6k Cr Q4. Credibility has improved as management moved from vague "discussions" in Q2 to "settlements and court orders" in Q3.

GUIDANCE GAPS REVEALED IN Q&A | Topic | What Mgmt Claimed (Opening) | What Q&A Revealed | Gap / Walk-back | Risk to Thesis | | :--- | :--- | :--- | :--- | :--- | | Execution Timeline | "12 to 36 months for Supertech" | Only greenfield projects take 36 months. | Faster revenue recognition for 40k "sold" units. | Positive | | Ghitorni Timing | "Strengthening future pipeline" | Recognition won't hit until handover (FY28-29). | Accounting lag vs cash inflow. | High (Volatility) |

5. WHAT CHANGED vs PRIOR QUARTER

What Changed	Prior Quarter (Q2FY26)	This Quarter (Q3FY26)	Direction
Ghitorni Status	"Land dispute pending settlement"	"Settlement over, payment made to GNTCD"	↑ Resolved
Supertech Status	"Bidding/Resolution stage"	"Supreme Court appointed NBCC"	↑ Mandated
Order Book Mix	Heavy on dormant state PSUs	₹10k Cr Supertech & Ghitorni became "active"	↑ Quality
Execution Risk	General monsoon delays	Specific "stringent" GRAP pollution ban	↓ NCR-Concentration
Liquidity Profile	₹481 Cr seed money	₹939 Cr "own cash" reported	↑ Strength
Revenue Technology	Standard construction	Adoption of Mivan & Pre-cast for all new Delhi projects	↑ Modernization
FY28 Outlook	Vague high-growth target	Specific ₹2,000 Cr PAT target quantified	↑ Visibility

Investor Note: The core of the NBCC thesis has migrated. It is no longer about "winning more PMC orders" (which are low margin) but about the "Monetization of the Template." The ability to resolve Ghitorni (litigation) and Supertech (insolvency) proves NBCC is the government's unique "Cleaner-in-Chief." While Q3 revenue was flat due to pollution bans, the structural de-risking of ₹18,000 Cr in future revenue (Ghitorni + Supertech) makes this a compelling long-term hold despite the execution friction. CFO-to-PAT divergence remains a monitoring point as inventory in Gurgaon 37D builds up before sales.