NBCC (India) Ltd — Nov 2026 Quarterly Analysis

1. VERDICT & BUSINESS QUALITY SNAPSHOT

Result: Beat (Profitability) / Inline (Revenue Trajectory) **One-line:** NBCC is successfully decoupling profit growth from volume execution by monetizing its "Resolution Agent" status through high-margin marketing fees and strategic land sales, even as statutory hurdles slow the top-line conversion.

Dimension	This Quarter	Signal / Evidence	Sentiment
Beat/Miss vs Guidance / Prior Quarter	Strong Beat (PAT)	Standalone PAT grew 31% YoY; EBITDA surged 154% YoY on standalone basis.	□
Earnings Quality	High (Core Fees)	Margins driven by 1-1.25% marketing fees on self-sustainable projects and ~50% margins on historical land inventory.	□
Guidance Confidence	Neutral	Mgmt maintains □13k-14k Cr standalone revenue target; requires a massive □8.3k-9.3k Cr H2 run-rate (vs □4.7k Cr in H1).	□
Management Credibility	Strong	Specificity on Supertech (□9,600 Cr) and J&K (□2,000 Cr) tender awards provides a clear execution bridge.	□
Business Quality Signal	Improving	Pivot to "Self-Sustainable" redevelopment (60% of book) reduces dependency on govt budget cycles and improves RoE.	□
Key Q&A Exchange	Q# 11 — Land Sales	Mgmt confirmed □433 Cr sale value from Jaipur land with □239 Cr profit to be booked in Q4.	□
The Street's Primary Anxiety	Execution Lag	Analysts pressed on the "bottleneck" of why a □1.26L Cr book isn't yielding higher quarterly revenue.	□
Capital Cycle Stage	Harvesting	Starting to realize cash and marketing fees from the "Amrapali/ GPRA Template" scaled 2 years ago.	□
Margin / Return Ratio Trajectory	Improving	Standalone EBITDA margins reached 8% (vs ~6% historical) due to marketing fee mix.	□
Pricing Power	Stable	Locked-in PMC fees + 1% marketing fee for stalled/redeveloped projects is a non-negotiable moat.	□
FCF Conversion & Quality	Strong	Negative working capital model persists; self-sustainable projects provide cash upfront.	□
Competitive Moat Signals	Widening	Signed 9 MoUs with West Bengal in a single day; first time for any PSU, highlighting specialized trust.	□
Balance Sheet Strength	Strong	Zero debt; □720 Cr (book value) of land inventory being monetized at 2-3x multiples.	□
Working Capital Efficiency	Improving	Direct marketing fee income has near-zero working capital intensity.	□
Mgmt Guidance Track Record	Mixed	Consistent PAT beats but historically optimistic on quarterly revenue linearizing.	□
Key Vulnerability / Red Flag	Delhi AQI / GRAP	Construction bans in Delhi (NCR) during Q3 impact execution of the highest-value GPRA projects.	□
Management Tone	Confident & Expansionist	CMD emphasized "Mivan technology" for speed and aggressive state-level MoU signings.	□

Sentiment: □Positive | □Negative | □Neutral

Key Takeaways: * **Positives:** The business model has structurally shifted from low-margin EPC (2-3% margins) to high-margin PMC/Redevelopment (8%+ EBITDA). The monetization of historical land parcels (Jaipur, Meerut, Ghaziabad) at ~50% margins creates a massive bottom-line cushion for FY27. * **Negatives:** Execution velocity remains the primary bottleneck; environmental bans (GRAP) and statutory approvals at the state level (MAHAPREIT, J&K) continue to delay the "Order-to-Revenue" conversion. * **Street Concern:** Analysts remain skeptical about the □16,000 Cr Consol revenue target. Management's response relies heavily on a "back-ended" Q4 where the Supertech (□9,600 Cr) and land sale (□433 Cr) revenues are expected to hit. * **Forward Watchpoint:** The formal signing of the Ghitorni MoU by Dec 31, 2026, and the launch of the Sector 37-D Gurgaon sales in January 2027.

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2. BUSINESS PERFORMANCE

2A. KEY METRICS

DATA SOURCE: PPT not available — all numbers sourced from concall transcript.

Metric	Current Qtr (Q2FY27)	YoY Change	QoQ Change	Trend	Mgmt Commentary
Revenue (Standalone)	□2,890 Cr	↑ 38%	↑ 58.5%	↑	Driven by execution pick-up post-monsoon and GPRA billing.
Revenue (Consol)	□3,396 Cr	↑ 26% (H1)	↑ 50.3%	↑	Growth includes contribution from HSCC and international projects.
EBITDA (Standalone)	□219 Cr	↑ 154%	↑ 36.9%	↑	Margin expansion due to □100 Cr H1 marketing fee mix.
EBITDA Margin % (Consol)	8.00%	↑ 200 bps	↓ 100 bps	↑	Q1 was 9% due to lumpy fee recognition; 8% is the new floor.
PAT (Standalone)	□225 Cr	↑ 31%	↑ 49%	↑	Outpaced revenue growth due to higher-margin fee income.
Order Book (Consol)	□1,26,000 Cr	→	→	→	Stagnant QoQ as execution matched small new inflows.
Order Inflows (Q2)	□3,600 Cr	↓	↑ 127%	↑	Includes RBI Amaravati (□300 Cr) and Seychelles (□600 Cr).
Execution Rate (%)	~2.7%	↓	↑	□	Based on Consol revenue vs Opening Book; still below 10% annual.
Book-to-bill (x)	7.9x	↓	↓	□	Reducing slightly as execution accelerates; visibility remains high.
Net Debt / (Cash)	(Cash Rich)	→	→	□	Zero debt; generating surplus cash from GPRA auctions (□5,191 Cr).
Land Inventory (BV)	□720 Cr	→	→	□	Market value estimated at □1,600+ Cr by IBBI valuers.

2B. SEGMENT BREAKDOWN (Consolidated)

Segment	Revenue (□ Cr)	YoY Growth	Margin	Trend	vs Co. Avg	Key Development
Redevelopment	Not Disclosed	High	High	↑	Above Avg	60% of total order book; 1% marketing fee driver.
PMC	Not Disclosed	Moderate	5-6%	→	Below Avg	40% of total order book; core stable business.
Real Estate	Not Disclosed	High	50%+	↑	High	Land monetization (Jaipur) to book □239 Cr profit in Q4.

3. MANAGEMENT OUTLOOK & EXECUTION TRACKER

Dimension	Category	Management Target / Claim	Required Run-Rate / Mathematical Feasibility	Historical Delivery	Risk Flag
Guidance	Revenue (FY27 Consol)	□15,000 - 16,000 Cr	Needs □4,700-5,200 Cr/qtr in H2. Feasible only if Supertech starts in Q4.	Mixed	High
Guidance	PAT (FY27)	□1,100 - 1,200 Cr	Needs □362-412 Cr/qtr in H2. Highly feasible given land sale profits.	Reliable	Low
Guidance	Order Inflow (FY27)	□50,000 - 60,000 Cr	Needs □40k+ Cr in H2. Dependent on 5 GPRA Cabinet approval.	Consistent	Medium
Strategy	Execution Tech	Mivan & Precast	33 floors in 24 months.	Gaining	Low
Strategy	International	Dubai Groundbreaking	Sales launch Dec 2026/Jan 2027.	New	Medium
Macro	State Redevelopment	Bihar/West Bengal	Signed 13 MoUs; execution to start Q4.	First Entry	Medium

4. ANALYST Q&A

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
1	4.5	Pankaj Kumar, Kotak	Guidance	Financials	How are we achieving the ₹13k-14k Cr standalone guidance given H1 performance?	Mgmt stated that Q3 and Q4 are historically the strongest quarters and they are on track to achieve the full-year target. This implies a significant H2 execution ramp-up, making Q3 numbers a critical "make-or-break" signal.	None	4.0	Season reliant
2	4.0	Pankaj Kumar, Kotak	Order Inflow	Management Commentary	What is the status of the ₹50k-60k Cr order inflow target and 5 GPRA?	Mgmt confirmed 5 GPRA (₹30k-35k Cr) is in the process and will likely come in Q3 or Q4, alongside ₹8k Cr from Bihar. Realization of these orders will take the book-to-bill ratio back toward 10x, extending long-term visibility.	None	4.0	Pipeline visibility
3	3.5	Pankaj Kumar, Kotak	Environment	Management Commentary	How are Delhi construction restrictions (AQI) affecting progress?	Mgmt admitted AQI-related bans affect Delhi projects but claimed they are following norms and projects across the rest of India are unaffected. This remains a Q3 risk factor for the Sarojini Nagar and Netaji Nagar projects.	None	3.5	Season risk

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4	4.5	Vasudev Ganatra, Nuvama	Margins	Financials	What drove the EBITDA margin jump to 8-9%?	Director Finance explained the spike is due to marketing fees (~□100 Cr in H1) from self-sustainable project sales which have high operating leverage. This confirms a structural margin re-rating as NBCC shifts from "contractor" to "sales agent."	None	5.0	Margin rating
5	4.0	Vasudev Ganatra, Nuvama	Monetization	Financials	What are the H2 monetization plans for land parcels?	Mgmt has sold two Jaipur land parcels for □433 Cr and has two more (Meerut/ Ghaziabad) in the pipeline. These high-margin non-core asset sales are the primary tailwind for the FY27 PAT beat.	None	5.0	Profit ki
6	4.5	Vasudev Ganatra, Nuvama	Gurgaon 37-D	Business Overview	When will the Sector 37-D Gurgaon project launch?	Work has been awarded, piling is underway, and sales launch is scheduled for after January 15, 2027. Early pre-sales here will be a leading indicator for FY28 cash flow.	None	4.5	Clear timeline
7	3.5	Vasudev Ganatra, Nuvama	Dubai	Business Overview	What is the status of Dubai operations?	Groundbreaking is set for Dec 2026 with first-phase sales in Jan 2027, though revenue	None	4.0	Internat leg

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						will only be recognized upon possession. This signals the start of the international "Amrapali-style" fee model.			
8	4.5	Komal Chaudhary, Ratnavali	Awarding Lag	Business Overview	Why is there a bottleneck in awarding contracts given the large order book?	Mgmt attributed delays in J&K and MAHAPREIT to statutory approvals and financial arrangements for self-sustainable models. Now that J&K and Supertech (□9.6k Cr) tenders are uploaded, awarding activity should peak in Q3.	None	4.0	Executi hurdle
9	4.0	Sumeet Rohra, Smartsun	West Bengal	Management Commentary	What is the opportunity size from the 9 MoUs signed with West Bengal?	Opportunity includes slum redevelopment, urban development, and "Pink Toilets," estimated at □10,000 Cr. This diversification outside Delhi-NCR reduces the regulatory and AQI-related geographic risk.	Specific value of MoUs	3.5	Growth diversit
10	5.0	Sumeet Rohra, Smartsun	Execution	Management Commentary	How is NBCC improving execution speed to meet its targets?	CMD highlighted the use of Mivan shuttering and precast technology, allowing 33-	None	4.5	Tech-le speed

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						floor structures to be built in 2 years. Faster cycles lead to quicker PMC fee realization and higher asset turns.			
11	4.5	Vikas (Analyst)	Land Margins	Financials	What are the margins on the ₹400 Cr+ land sales?	Mgmt confirmed an aggregate profit of ~₹239 Cr on the ₹433 Cr Jaipur sale, representing a ~55% margin. These are historical land parcels with low book values, providing "hidden" reserves for the P&L.	None	5.0	High qu data
12	4.0	Subodh, Purnatha	Order Book	Financials	Why is the order book down ₹1,000 Cr despite inflows?	Mgmt explained there are no cancellations; the slight dip is due to the timing of execution vs the slow conversion of new MoUs into the formal book. This indicates a "lumpy" inflow phase rather than a shrinking pipeline.	None	3.5	Minor fluctuat
13	4.0	Ravi Naredi	Redevelopment	Business Overview	Status of Mumbai Port Trust (₹10,000 Cr) and Rajasthan Mandapam?	Mumbai Port Trust is shifting from a PMC model to a self-sustainable redevelopment model, following the Delhi success. This pivot increases the fee-earning	None	4.0	Model p

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						potential of the project compared to the original mandate.			

PATTERN FLAGS & SENTIMENT

Analysts are increasingly focused on the **"Conversion Lag."** While the order book is massive, the friction between signing an MoU and awarding a tender (Statutory/Financial clearances) is preventing the top-line from exploding. Management's tone was one of "Administrative Confidence," pointing to the fact that major tenders (Supertech/J&K) are finally live on the website.

The secondary theme was **"Profitability vs. Volume."** Analysts were pleasantly surprised by the 8-9% EBITDA margins. Management effectively communicated that they are prioritizing high-margin fee-based work (Redevelopment/Resolution) over low-margin EPC. The sentiment shifted from "Why is revenue missing?" to "The margins are high enough to compensate for revenue delays."

Analyst Sentiment Verdict: Skeptical but intrigued. Credibility improved as management provided specific dates for the Dubai and Gurgaon launches. The primary unresolved issue is the **Delhi AQI construction ban**, which could derail the ambitious Q3/Q4 execution targets.

GUIDANCE GAPS REVEALED IN Q&A

Topic	What Mgmt Claimed (Opening / Prior Q)	What Q&A Revealed	Gap / Walk-back	Risk to Thesis
Execution Timeline	"Linearizing execution"	"AQI and statutory delays"	Execution remains heavily back-ended to Q4.	High (Revenue miss)
Order Inflow	"□2 Lakh Cr by FY26"	"Cabinet approval pending"	Inflow depends on a single large project (5 GPRA).	Medium
MAHAPREIT	"Imminent start"	"Delayed due to funds/ approvals"	12+ month lag since the original MoU.	Low

5. WHAT CHANGED vs PRIOR QUARTER

What Changed	Prior Quarter (Q1FY27)	This Quarter (Q2FY27)	Direction
Consol Revenue Run-rate	□2,260 Cr	□3,396 Cr	↑ Improving
EBITDA Margin	9.0% (Standalone)	8.0% (Normalized floor)	→ Stable
New Award Pipeline	Vague "Upcoming"	Specific: Supertech □9.6k Cr + J&K □2k Cr	↑ Clarity
Geographic Mix	Delhi-NCR dominant	Added 9 West Bengal MoUs + Australia	↑ Diversification
Asset Monetization	Planning stage	□433 Cr sold; □239 Cr profit locked	↑ De-risked
Construction Tech	Conventional	Mivan / Precast (33 floors in 2 yrs)	↑ Velocity
Thesis Focus	PMC Growth	Specialized Resolution & Fee-based Sales	↑ Quality

- **Investor Note:** The thesis is no longer about simple construction. It is about NBCC's role as the "National Resolution Agent" for stalled assets and "Specialized Monetizer" for PSU land. The 50%+ margins on land sales and 1% marketing fees on multi-billion dollar auctions create a profitability profile more akin to a real estate services/asset manager than an EPC contractor. Hold for the Q4 profit realization from the Jaipur land and Africa Avenue (Delhi) fees.