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Date : August 11, 2026

National Stock Exchange of India Ltd
Exchange Plaza, C-1, Block G
Bandra – Kurla Complex, Bandra (E)
Mumbai - 400 051
Symbol: NCC

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001
Code: 500294

Dear Sir,

Sub: Submission of Transcript of the audio conference call held on August 7, 2026

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the earnings audio conference call held on August 7, 2026, with analysts discussing the performance & financial results of Q1 of the FY 2026-27. The transcript is also available on the Company's website at https://www.ncclimited.com/analyst-column.html

Kindly take the above on record.

Thanking you,

Yours faithfully

For NCC Limited

ACHUTHAN KARTHIK
Digitally signed by ACHUTHAN KARTHIK
Date: 2026.08.11 17:04:32 +05'30'

A Karthik
Company Secretary

Encl: as above

"NCC Limited Q1 FY '27 Earnings Conference Call"

August 07, 2026

MANAGEMENT:	**MR. R.S. RAJU – DIRECTOR, PROJECTS – NCC LIMITED** **MR. SANJAY PUSARLA – EXECUTIVE VICE PRESIDENT (FINANCE & ACCOUNTS), NCC LIMITED** **MR. NEERAD SHARMA – HEAD (STRATEGY & INVESTOR RELATIONS), NCC LIMITED**
MODERATOR:	**MR. VAIBHAV SHAH – JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to NCC Limited Q1 FY '27 Earnings Conference Call.

As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Vaibhav Shah. Thank you and over to you, sir.

Vaibhav Shah: Thank you, Atharva. On behalf of JM Financial, I welcome everybody to 1Q FY '27 Earnings Conference Call of NCC Limited.

We have from the management today, Sri R. S. Raju – Director of Projects; Sri Sanjay Pusarla – Executive Vice President, Finance And Accounts; and Sri Neerad Sharma – Head, Strategy & Investor Relations.

Now I hand over the call to the Management for the opening remarks, post which we can begin with the Q&A session. Over to you, sir.

Neerad Sharma: Thank you very much, Vaibhav. Good morning, everyone. This is Neerad. It gives me great pleasure to welcome you all to NCC's Earnings Call for the 1st Quarter of the Financial Year '26-'27.

At the very outset, I would like to thank each of you for joining this interactive session and for your continued interest and trust in NCC.

I have with me my colleagues, Mr. R. S. Raju – Director, Projects and our CFO, Mr. Sanjay Pusarla.

Yesterday we announced our unaudited financial results for the 1st Quarter of FY '27, which has been uploaded on our website and shared with the stock exchanges. We trust you have had the opportunity to review the financial statements and the investor's presentation.

Before we begin, I would like to draw your attention to a brief disclaimer with a request to study a detailed version from our Investor Presentation:

This presentation may contain certain forward-looking statements concerning NCC's future business prospects and profitability, which are subject to several risks and uncertainties. The actual results could materially differ from those indicated in such forward-looking statements.

This interaction is broadly divided into three parts. In the first part, I will present a brief overview of the business environment, operational highlights, and our outlook for the FY '27. In the second part, our CFO will cover the detailed financial performance for the 1st Quarter of FY '27. In the third and last part, we will take up your questions.

During the last quarter, the operating environment remained broadly stable and execution across our project portfolio gathered pace. Project progress across the sector continues to be influenced by fund allocation, client approvals, land availability, utility shifting, and billing milestones. And our teams have remained focused on mitigating these through disciplined project execution and close engagement with our clients.

Our underlying business fundamentals remain robust, supported by a diversified order book across seven business divisions and an established and proven project management framework. As of 30th June '26, our order book stands at INR 81,214 crores. During the quarter, we have booked new orders worth INR 3,889 crores, mainly from our Buildings and Water & Railways divisions. This order book provides us a book-to-bill of about 3.5x, giving healthy multi-year revenue visibility. If we take into account the projects bagged in the month of July, the total order inflow stands at INR 4,542 crores.

In the 1st Quarter of FY '27, the company has reported a turnover of INR 5,842 crores on a consol basis as against INR 5,208 crores in the corresponding quarter of the previous year, registering a growth of 12%. On a standalone basis, the number is same, about 12% growth over the last quarter of the previous year.

The EBITDA margin for the quarter stands at 9.4% on a consol basis as against 8.8% in the corresponding quarter of the previous year.

I am pleased to share our guidance for FY '27 with you. The order inflow for this financial year is a band INR 22,000 crores to INR25,000 crores. I repeat, INR 22,000 crores to INR 25,000 crores; revenue growth of 8% to 10% and EBITDA margin in the range of 8.5% to 9%.

The broad components of this order book as of the end of the 1st Quarter is the Buildings division stands at INR 22,357 crores, which is about 28% of the total order book. The Transportation division has an order book of INR 16,344 crores, which is about 20% of our order book. The Electrical T&D stands at INR 13,312 crores, which is about 16% of the order book. The Mining division stands at INR 13,400 crores, representing 16% of the total order book. The Water & Railways division holds INR 10,994 crores, which is about 14% of the order book. The Irrigation division has INR 4,806 crores, which is about 6% of the order book.

Now I hand over to my colleague – Mr. Sanjay Pusarla, with a request to share the detailed financial performance of the company for the last quarter.

Sanjay Pusarla: Thank you, Neerad. This is Sanjay Pusarla – CFO from NCC Limited. Good morning, ladies and gentlemen. I am pleased to announce the financial results for Q1 FY '27 at NCC Limited.

Before I start my presentation, it is my pleasure to announce that the turnover in Q1 of FY '27, which is INR 4,912 crores, is the highest Q1 turnover reported in the history of NCC. And as far as the consolidated turnover is concerned, we have reported INR 5,842 crores. This is also the highest turnover of NCC history. The earlier highest turnover was in standalone INR 4,747 crores, which was reported in Q1 of FY '25, at consol, INR 5,558 crores in Q1 of FY '25.

Now I will take you to my presentation. My announcement will be in the order of order book, revenue, profitability, debt movement, and some of the important balance sheet items.

Coming to the order book:

Our order book stands at INR 81,214 crores as at the end of June 30th, 2026. You are aware the order book at the beginning of the year stands at INR 83,004 crores, and orders received during this quarter is INR 3,889 crores. The order book contains standalone of INR 71,312 crores and from the subsidiaries, INR 9,902 crores.

Coming to the revenue:

At the standalone level, we have reported a turnover of INR 4,952 crores in Q1 FY '27 against the turnover of INR 4,430 crores in the corresponding quarter of the previous year, thereby an increase of 12% reported.

Consolidated turnover:

Turnover reported in Q1 FY '27 is INR 5,842 crores as against the turnover of INR 5,208 crores in the corresponding quarter of the previous year, thereby an increase of 12%.

Coming to the profitability:

At standalone level, we achieved EBITDA of 9.01%, which is INR 442.45 crores, as against 9.02%, which is INR 394.82 crores for the corresponding quarter of the previous year. The PBT we achieved is 5.12% before exceptional items, which is INR 232.51 crores, and PAT of 3.8%, which is INR 187.31 crores in the current quarter, as against PBT of 5.43%, which is INR 240.69 crores, and PAT of 4.29%, which is INR 189.99 crores in the corresponding quarter of the previous year.

At consolidated level:

We achieved EBITDA of INR 545.12 crores, which is 9.38%, and PBT of INR 311.64 crores, which is 5.33%. This is before exceptional items, and PAT of INR 216.40 crores, which is 3.7% in the current quarter, as against EBITDA of 8.81%, which is INR 456.12 crores, PBT of 5.15%, which is INR 268.36 crores, and PAT of 3.69%, which is INR 192.14 crores in the corresponding quarter of the previous year.

We will move to the debt:

At the standalone level, the debt at the beginning of the quarter stood at INR 2,251 crores, and net debt after cash and cash equivalents, INR 1,667 crores. At the end of Q1 FY '27, the debt stands at INR 2,410 crores and net debt of INR 2,008 crores. At the end of Quarter 1 FY '26, that is the previous year corresponding quarter, it is INR 1,852 crores and net debt of INR 1,497 crores. This shows an increase in debt by INR 159 crores in Q1 FY '27. The debt-equity ratio stands at 0.31 at the end of Q1 FY '27 as against 0.30 at the end of March '26, and corresponding quarter of the previous year, it was 0.24.

At the consolidated level, the debt stands at the beginning of the quarter is INR 3,457 crores, and net debt after cash and cash equivalents is INR 2,815 crores. At the end of Q1 FY '27, it stands at INR 4,020 crores, and net debt at INR 3,513 crores. And the same at the end of the 1st Quarter of the previous year, INR 1,986 crores is the debt, and net debt is INR 1,574 crores.

Coming to the working capital:

Excluding cash and margin money deposits:

At the end of Q1 FY '27, we stand at INR 5,334 crores, which is 27% of the turnover. In terms of working capital days, it is 95 days. At the beginning of this year, we were standing at INR 4,887 crores, which is 28%, and working capital days was 97 days.

Let's get into the trade receivables:

Outstanding at the end of Q1 has decreased from INR 3,336 crores to INR 3,055 crores, and the number of days also decreased from 73 days to 68 days in the current quarter. 77 days is the number in the corresponding quarter of the previous year.

Unbilled revenue:

This has increased from INR 6,675 crores, which is 38% of the revenue, to INR 7,414 crores. This also represents 38% of the revenue on annualized basis in Q1 FY '27 and INR 6,442 crores in the corresponding period of the previous year, which is 37%.

Retention money:

This stands at INR 2,396 crores at the end of this quarter as against INR 2,256 crores at the beginning of this quarter.

Coming to the mobilization advances:

These advances stand at INR 3,163 crores as on 30th June 2026 as against INR 3,386 crores as on March '26. Of these mobilization advances, 60% are interest-bearing, and the average interest rate comes to 9.1%. Interest-bearing advances decreased from 64% to 60% in this quarter.

Cash and cash equivalents:

We are at INR 402 crores at the end of June '26 as against INR 585 crores at the end of March '26.

Margin money deposits and others:

We were at INR 633 crores at the end of Q1 as against INR 631 crores at the end of March.

So coming to the CAPEX:

We have incurred CAPEX of INR 170 crores in Q1 against the budgeted CAPEX of INR 500 crores. EPS stands at INR 2.98 at the end of Q1 FY '27 as against INR 3.03 at the end of Q1 FY '26, that is corresponding quarter of the previous year.

Inventory:

We are standing at INR 1,815 crores as against INR 1,787 crores at the end of March.

Investment:

We are at INR 867 crores. The same is the number at the end of March.

Loans to group companies:

We were at INR 290 crores as at the end of June as against INR 295 crores at the end of March.

Coming to the Vizag Urban status:

Vizag Urban status as at the end of June '26 is INR 271 crores as against INR 291 crores at the end of March '26.

With this, I conclude my presentation on the financial numbers. I do it back to Mr. Neerad. Thank you.

Neerad Sharma: We can start the question-and-answer session now.

Moderator: Thank you very much. We will now begin with the question-and-answer session. The first question comes from the line of Shravan Shah from Dolat Capital. Please go ahead.

Shravan Shah: Good to see you. A very good presentation. And also good to see that now we have given a guidance. So, couple of questions.

First, I just wanted to understand directionally. So, this quarter, or let's say we have done a 12% on the execution front, and margin also kind of a 9%, but we are looking at 8% to 10% earlier, and margin also 8.5% to 9%. So, does that mean that we are looking at a slightly lower growth, and then margin also may be slightly lower in the remaining three quarters?

Neerad Sharma: Good morning, Mr. Shah.

Shravan Shah: Good morning.

Neerad Sharma: As the numbers speak, Mr. Shah, the 1st Quarter has been good, sort of encouraging. But the environment continues to be a bit uncertain. It is difficult for us to assess for certainty that how the fund allocation, how things really pan out in the next coming quarters. So, that is the reason we have done a detailed exercise and shared what we thought is possible for the next few quarters. So, that is the reason, this guidance, we have decided to share with the market participants like you.

Shravan Shah: **But i**nternally, are we kind of saying there is a possibility that this number, particularly on the growth front, given the order book that we have, or maybe you can give us some color in terms of the entire INR 81,000 crore kind of order book is under execution or maybe how much still is yet to kind of pick up in execution. To get a sense that what is the probability that this number, particularly on the growth front, revenue front, can inch up to maybe a 15% plus kind of a number.

Neerad Sharma: Yes. Let me answer this question little differently, Mr. Shaw. There are two critical elements to our performance. The first critical element is our ability to execute the projects. So, there is not an iota of change in our capability, our ability to execute the projects. So, this is something that is very much in place.

The second critical element is the ability of the clients to provide the funds, make the funds available on time, give all the approvals, make all the ROWs possible. So, the performance in any quarter or any financial year finally depends on this. So, this is how things are expected to pan out. And in the next quarter also, as things progress, we would be very happy to come and share with you.

Shravan Shah: Just a couple of things. First, I have seen in the annual report, there is one subsidiary, NCC Quantum Technologies Private Limited, where there is a INR 256 crore equity investment is there, which was INR 70 crore in FY '25. Can you help us what is this and what this subsidiary is likely to do?

Sanjay Pusarla: Quantum Technology is the holding company for the smart meters. You are aware that we are executing two smart meter projects under two SPVs. One is RAY and one is for Marathwada. Quantum Technology is a holding company for these two smart meters.

Shravan Shah: And lastly, in terms of the trade payable is how much as on June and then the CAPEX INR 500 crore for this year, that number guidance remains the same?

Sanjay Pusarla: Yes. Guidance remains the same for the CAPEX, INR 500 crores, whatever we have given. For the trade payables, it was INR 7,071 crores as at the end of June 2026.

Moderator: The next question comes from the line of Ankita Shah from Elara Capital. Please go ahead. Ladies and gentlemen, as there is no response, we will move on to the next question. The next question comes from the line of Aditya Sahu from HDFC Securities Limited. Please go ahead.

Aditya Sahu: I had a few queries. Firstly, on the JJM front, if you could, help with how much would be the collection that we would have received in Q1, and what is the outstanding as of now?

Sanjay Pusarla: The outstanding for the JJM as of June 26 is INR 1,043 crores for the UP water projects. Okay?

Aditya Sahu: Okay.

Sanjay Pusarla: So, in the case of order execution, you were asking about collection in the 1st Quarter, right?

Aditya Sahu: Quarter, yes sir.

Sanjay Pusarla: In the 1st Quarter, we have collected about INR 110 crores. This is corresponding to the UP projects.

If you ask me overall JJM projects, the overall JJM projects, including the surface water and the groundwater, the total is INR 2,771 crores is the UBR. The amount collected during the 1st Quarter against this is INR 610 crores.

Aditya Sahu: INR 610 crores.

Sanjay Pusarla: In the 1st Quarter.

Aditya Sahu: Sir, what sort of receivable days are you looking at in terms of JJM projects overall?

Sanjay Pusarla: We started getting this money. And in the month of July also, we have got a good money of about INR 413 crores from the JJM. We are expecting that this flow of money, release of payment should continue. And with that expectation, we are expecting to complete substantially the JJM projects in the current year.

Aditya Sahu: So, by the current year, we are expecting to close the JJM projects that are in your pipeline.

Sanjay Pusarla: Substantially, we will close, provided the money flow also continues like this.

Aditya Sahu: Obviously, sir. Just on the two more questions on JJM that I had was, what would be the pending order book for the JJM and the balance sheet exposure? If you can provide those two numbers for JJM part.

Sanjay Pusarla: We have given you already the amount receivable, that is INR 2,771 crores. And as far as the order book is concerned, we have complete orders like for surface water and the groundwater, INR 5,881 crores as at the end of June 26.

Aditya Sahu: If I have to look at the overall bid pipeline, what would that be for us as of now?

Sanjay Pusarla: Sorry, I couldn't get you. Can you repeat the question, please?

Aditya Sahu: The bid pipeline, I was looking for what sort of pipeline are we looking at?

Neerad Sharma: In the 1st Quarter, we have shared this number, Mr. Sahu. The prospective pipeline of projects is about INR 2.5 lakh crore as of 1st Quarter.

Aditya Sahu: 2.5 lakh crore.

Neerad Sharma: We don't revise this number quarter-to-quarter, but this is the prospective bid pipeline we have.

Aditya Sahu: I'm just trying to understand on the commodity prices, because I think commodity prices have increased. So, any impact, if you would have seen, towards the payments and the execution? What is your view on that front because of this increase in the commodity prices?

Sanjay Pusarla: As far as the commodity prices are concerned, like regular commodities, steel, cement, we are not seeing any price increase. But the commodities which are related to the linked to the petroleum products and aluminum and copper, we are looking at little price increase. And also the OFC cable which we are using in our BharatNet projects, there also we seeing there is a price increase.

But in the 1st Quarter, whatever material we have used, that is from the turnover what is there in our hand. And in the second quarter, we are expecting the prices to stabilize. If the prices are stabilizing, I hope that impact will not be there, not much of impact will be there.

Aditya Sahu: So, the price increase…

Moderator: Sorry to interrupt, sir. May I request you to please rejoin the queue for any follow-up questions?

Aditya Sahu: Sir, this is connected to that only. Just one thing. So, the price increase that you are seeing, how much are you able to pass on? That is all from my end.

Sanjay Pusarla: We have almost like 81% of the contracts, we have the price escalation. So, whatever price increase is coming, it gets partially compensated with the price variation clauses that are existing in our contracts.

Aditya Sahu: That is it from my end.

Moderator: The next question comes from the line of Parvez Qazi from Nuvama Group. Please go ahead.

Parvez Qazi: Two questions from my side. First, in the smart meter projects, what is the pending equity from our side?

Sanjay Pusarla: There is no pending equity from our side. Whatever money need to be invested in the smart meter project, that has been completed. We have invested about INR 460 crore as of the end of March. No further equity requirement is there at the moment.

Parvez Qazi: And second question, obviously over the last two quarters, we have seen improvement in execution, also an improvement in payment cycle. So, as things stand today, you would believe that today the payment cycle from a state government project is far better compared to, lets say, what it was at same time maybe last year. Would that be a fair assessment? And I'm not talking only about the JJM projects, but overall. What is your view on the payment cycle now?

Neerad Sharma: Firstly, Mr. Qazi, good morning. This is Neerad. We are executing projects in several states, not one and two. So, it keeps changing from state to state. But I think it is not helpful to go into each states individually.

So, by and large, we could say that things seem to be improving. But we have lot of states. The state governments will have lot of different kind of projects, which are managed by different arms of the government. So, it is not that you could just one size fits all.

In a same state, there could be some problem in some projects, the other projects in the same state might be getting paid fast. So, this is a very nuanced kind of situation, and we keep monitoring almost on daily basis and accordingly make progress.

Moderator: The next question comes from the line of Vishal Periwal from PL Capital. Please go ahead.

Vishal Periwal: I have two questions. First, in terms of order book breakup, can you provide this into state, private, and central?

And second is, in order book that we have, are there any slow-moving order or have you received the mobilization advance for all of them? Any color that can be provided will be helpful.

Sanjay Pusarla: Generally, in our order book, what we do is that if there is any slow-moving order or maybe a non-moving order, we don't consider them. We generally remove it from that. And what is the other question?

Vishal Periwal: The breakup of the state government, central government, and private.

Sanjay Pusarla: I will just give it. The central government orders constitute about 14%, and state government orders constitute about 19%. PSUs and state government entities, they were about 60%. And ADB, AIIB, and banks, it is about 5%. And from the private clients, we started taking the orders, which constitute about 4%.

Vishal Periwal: **And m**aybe one just a follow-up. I think you mentioned slow-moving orders, we generally remove it. But I think a couple of quarters back, there were certain orders, say JJM and maybe like in Maharashtra. So, is that fair to understand there is no such order which is part of the order book, and probably everything we are executing? Maybe the pace could be…

Sanjay Pusarla: **Yes, t**he entire INR 81,000 crores of orders are up and running now. All are executable orders. Yes.

Vishal Periwal: This is helpful, sir.

Moderator: The next question comes from the line of Vaibhav Shah from JM Financial. Please go ahead.

Vaibhav Shah: Sir, you mentioned that the order book for JJM is roughly INR 1,500 crores. Of that, what would be of a longer-term nature? So, there will be an O&M component as well?

Sanjay Pusarla: It doesn't have any O&M component. It doesn't constitute any O&M component. What I have told you is that in the order book, INR 3,524 crores is only the groundwater. If you take the surface water, it is INR 2,358 crores. The total order book as of the end of June 26th is INR 5,881 crores.

Vaibhav Shah: So, if the payments are on time, this entire backlog can be executed in next 12 months?

Sanjay Pusarla: Substantially, it can be completed.

Vaibhav Shah: Sir, secondly, on the Vizag side, how much receivables are we expecting to recover in this year of the INR 271 crores?

Sanjay Pusarla: It is by December '26.

Vaibhav Shah: The entire amount?

Sanjay Pusarla: Yes, supposed to come, the entire amount by December '26.

Vaibhav Shah: Sir, how do you see the debt number moving by March '27 from INR 2,400 crore?

Sanjay Pusarla: Maybe it is flat. Or it may come down also, depending on the collections, what we are expecting from the JJM.

Vaibhav Shah: So, you mean flat on a Y-o-Y basis?

Sanjay Pusarla: Sorry?

Vaibhav Shah: So, flat number on a Y-o-Y basis by March '27. So, it was INR 2,250 in last year. So, similar number in FY '27 as well, March '27.

Sanjay Pusarla: Yes, more or less. It will be the same number.

Neerad Sharma: It would depend on the collections that we get to see. It would be a function of that.

Vaibhav Shah: And sir, lastly, what would be the AP Capital City receivables right now?

Sanjay Pusarla: One second. AP Capital City.

Vaibhav Shah: I remember it was around INR 150 odd crores last year.

Sanjay Pusarla: Yes. In the AP Capital City, old projects, the Capital City old projects, okay, which was there at the end of March '26, is about INR 142 crores. So, we are expecting that the entire money to be realized in this quarter or very early next quarter.

Vaibhav Shah: Those were my questions.

Moderator: The next question comes from the line of Abhishek Maheshwari from Skyridge Fund Managers. Please go ahead.

Abhishek Maheshwari: Sir, one, wanted to talk about your unbilled revenues. The amount has kept ballooning year-over-year, and it is growing faster than your revenue rate. Is it that the flow of unbilled revenue to revenues is slower than what you would ideally like it to be?

Sanjay Pusarla: Obviously, this unbilled revenue also, out of the INR 7,414 crores, about INR 780 crores to INR 800 crores, that have been certified in first week of July. So that has come down to that extent. And given the contracts nowadays, the contracts are based on the milestones. That is the reason there is a little bit of increase in the unbilled revenue.

But we are expecting that unbilled revenue should get smoothened over the next quarters because the BSNL billing also will start. Where we are executing for BharatNet, the billing also will start. It will get converted from unbilled revenue to revenue. This is what we are expecting. Over the next two quarters, it should smoothen.

Abhishek Maheshwari: So, just a follow-up. With next two quarters, the revenues might be a little lumpy in terms of growth. It will not be consistent because a lot of unbilled revenues you have, as and when milestones keep getting hit, the revenues will keep getting recognized. Am I correct in assuming that?

Sanjay Pusarla: No. Because unbilled revenue is already treated as revenue. Wherever the unbilled revenue converts into certification, what will happen? Unbilled revenue will come down; your certified revenue will go up. So, it will not change the revenue numbers.

Neerad Sharma: It will change the debtors.

Sanjay Pusarla: Yes.

Abhishek Maheshwari: No. Unbilled revenue. Okay, got it. Understood.

Moderator: The next question comes from the line of Krish Bhatia from Anand Rathi. Please go ahead.

Krish Bhatia: My first question was on the Ken-Betwa project. There have been protests around land acquisition, compensation and rehabilitation, and there were reports of work at the Daudhan Dam site being disrupted. So, given that NCC is executing that package, can you update us on the current execution status? And have these issues affected site availability, execution, or do you see any risk to project timeline?

Neerad Sharma: Yes, Mr. Bhatia, good morning. Firstly, this is the first interlinking of river project that has been taken up in India. This is the very first project, and we are fortunate to bag this project. And I am happy to report that we are making reasonably good progress on this report. Yes, we have seen all these media reports, and we understand that the local administration is in touch with the agitators, and the issues are slowly getting resolved.

Krish Bhatia: So, contractually, if site handover or execution is delayed because of land acquisition or rehabilitation issues?

Neerad Sharma: Yes, Mr. Bhatia, as I shared with you, we are making reasonably good progress. And this site that has been widely reported in the media is about 20, 30 kilometers from our actual site. So, there is no great impact as such. And this is an issue between the local administration and the agitating population, and we hope the issue is slowly getting resolved.

Krish Bhatia: That is all from my side.

Moderator: The next question comes from the line of Parikshit Kandpal from HDFC Securities. Please go ahead.

Parikshit Kandpal: Sir, my first question is on the debt numbers. So, if I see the Y-o-Y, your debt was INR 1,500 crores standalone net debt, and consolidated net debt was INR 1,600 crore. Now in Q1, it has gone up to INR 2,000 crores and INR 3,500 crores. So, a substantial jump in consolidated debt. Can you please explain that what is the increase? Where is the increase?

Sanjay Pusarla: The increase is mainly on account of fresh debt we have taken in the smart meters. About INR 400 crores, INR 370 crores we have taken debt on the smart meters. So, the reason for increase is only that.

And also we are taking some equipment at the HoldCo level. That CAPEX requirements are there. So, about INR 160 crore, INR 170 crores. For CAPEX requirement also we have raised some of the loans. Yes.

Parikshit Kandpal: So the increase Y-o-Y is about INR 1,900 crores. So, that is the reason I was asking. The consolidated debt has gone up from INR 3,500 crore.

Sanjay Pusarla: INR 1,900 when you compare it to June '25?

Parikshit Kandpal: Yes. June '25.

Sanjay Pusarla: Yes. From June '25, if you ask me, the loan which we have drawn for our smart meter projects is about INR 1,350 crores.

Parikshit Kandpal: INR 1,350 crores, total number?

Sanjay Pusarla: Yes.

Parikshit Kandpal: So, it is a project loan. Basically, if I have to calculate, out of the INR 3,500 crore of total net debt in the consol level, approximately INR 1,350 comes from the smart meter.

Sanjay Pusarla: For cumulatively, if you ask me, it is coming to INR 1,461. Because we were talking about from June '25. But if you ask me cumulatively, the debt of smart meters at the end of June '26 is INR 1,461 crores out of the INR 4,019.

Parikshit Kandpal: 1,460 is the part of INR 3,500 crores of net debt, right? So, the consolidated debt of INR 3,500 crores, so then you split that net debt of INR 3,500 crores into standalone and consolidated.

Neerad Sharma: Out of 35, 1,461 is smart meter.

Sanjay Pusarla: Out of 3,500, it is 1,461 is the smart meter debt.

Parikshit Kandpal: So, the BharatNet order, what is the total residual order book? Since the optical fiber prices have gone up significantly, is it a pass-through for us, whether we make margins on this project or there will be losses at the current prices?

Sanjay Pusarla: So, what we are expecting is that with the current prices, even we are taking up with concerned authorities at the client level, at the ministry level also. We are asking them to look into that to ensure that the supply also domestically, it is available at fairly reasonable prices.

But at the moment, what we are doing, we are doing other infrastructure works which are not involving the OFC. OFC also will be doing it continuously.

Neerad Sharma: Long project.

Sanjay Pusarla: It is a long project.

Neerad Sharma: The prices might change also. Parikshit ji, it is a long duration project. So, it is not that the price which is prevailing in the market will continue for eternity. This might undergo some change. And we are in regular touch with the authorities, the concerned departments. Not we only. All stakeholders have raised this issue with the client, and we are hopeful of some kind of resolution in the near future.

Parikshit Kandpal: What is the pending order book, sir? And is it a fixed price contract on the optical fiber side?

Sanjay Pusarla: 6,500 is the balance order to be executed for BharatNet project.

Parikshit Kandpal: And is it a fixed price contract? I mean, especially the optical fiber part.

Sanjay Pusarla: Yes, it is a fixed price contract.

Parikshit Kandpal: And if the current prices prevail, and if we have to execute, then there will be a loss on this, right?

Sanjay Pusarla: It may not be resulting into a loss, but it will result into a lesser profit. But what actually Mr. Neerad explained to you, the prices will not be continued forever like this. There can be ups and downs in the prices. We are expecting that the prices will get smoothened over a period of time.

Neerad Sharma: It is a long gestation project, Mr. Kandpal. So, as I said, and it is not only about NCC, there are other bidders, and the whole future of the BharatNet project depends on how these prices, not only the price. We unduly always focus on the price and do not look at the availability part of the cables. Unless these issues are sorted out, it would be very difficult to timely complete the total BharatNet project.

So, as I brought to your attention, we are in regular touch with the client, and we are hopeful of some kind of resolution in the next few quarters.

Parikshit Kandpal: This is the last question, sir, on the execution. I mean, we have been persisting with you to give guidance, and this time you have given it. So, the question is, you earlier in the call said about the challenges and one or two points you gave.

But till now in this quarter Q2, have we seen the execution intensity reducing, or is it in line with your expectation or the run rate you were seeing in Q1 FY '27?

Sanjay Pusarla: Can you please repeat your question, Mr. Kandpal?

Parikshit Kandpal: So, I was asking, sir. You to earlier questions said that the execution will depend on the collections and the site availability. So, given that you have surprised us positively on the execution in Q1, so in Q2 till now, July month and August, is there any challenges on execution and the site availability, or is it as usual execution, which you have done in Q1, so similar kind of like there are no challenges and the execution is happening smoothly? That is what I wanted to know.

Neerad Sharma: As we speak today, it is moving smoothly. We are making good progress. But as I have called this out, in trying to answer one question on the related subject, the environment remains uncertain. And it is very difficult to say for a certainty that this is how the future quarters how would the fund allocation. But to cut a long story short, as we speak today, things appear to be the same as last quarter.

Moderator: The next question comes from the line of Manav Batra from Desvelado Advisory. Please go ahead.

Manav Batra: Sir, I wanted to ask about the private sector book. Basically. Historically, government projects have dominated your order book. So, are you seeing any build-up on the private sector book also?

Sanjay Pusarla: We are slowly entering into the private sector. And as I said earlier, the private sector order book constitutes about 4% of our total order book. And we are also looking into those private sector projects also. Slowly we are getting into.

As you are aware that NCC predominantly deals with any state government, central government, PSUs, banks like ADB or World Bank. But now we are also entering into the private projects. Slowly we are venturing into it, and likely that we will see some kind of our entry into the private projects also, increase in the entry of private projects also.

Manav Batra: Just a follow-up. I also wanted to ask about what is going to be your debt profile in the next two to three years. Do you expect the leverage to you to increase in FY '27?

Neerad Sharma: Your voice is not very clear. There is a lot of echo. But I think you are asking about the debt level for the next two, three years, right? That is your question, right?

Manav Batra: Yes, sir.

Neerad Sharma: So it is very difficult. See, we have just shared the guidance for FY '27. And the process that we follow in NCC, generally, we talk about the guidance for the next financial year at the start of the financial year. So, it is very difficult to talk only about debt in the next two, three years on a standalone basis. So, next year, when we share about the guidance, maybe we will talk about this.

Sanjay Pusarla: To add a few things on this, now even the contracting is also changing. Now the contracts are coming on either PPP mode or HAM mode or annuity mode. So, given the type of contract we are going to win, depending on that, the debt profile also will be changing.

So, that is the reason I think Neerad was mentioning that it is very difficult to predict now, because the way the contracting is happening today is completely different what it was before.

Manav Batra: That was my part.

Moderator: The next question comes from the line of Deeya Jain from Sapphire Capital. Please go ahead.

Deeya Jain: So, on a blended basis, how do we look at FY '28 in terms of revenue and margins now that we have started picking up on our execution and we expect prices to go down a bit, means stabilize to some level?

Neerad Sharma: Madam, we have just shared. Your voice is very feeble. But I think you are talking about FY '28 guidance. The process that we follow in the earlier question, I have shared the same thing. We have just shared the guidance for FY '27 and after the completion of this financial year, we should be in a position to talk about our guidance for FY '28. I do not have any guidance whatsoever to share for FY '28.

Deeya Jain: No problem. And from the OFC side, how much revenue have we recognized in Q1?

Neerad Sharma: OFC side means which side are you talking about?

Sanjay Pusuarla: Bharat Net. She was talking about BharatNet. Am I right?

Deeya Jain: Yes .

Sanjay Pusarla: We did about INR 185 crores in the Q1. And cumulatively, up-to-date, we have done about INR 620 crores.

Moderator: The next question comes from the line of Saket Kapoor from Kapoor company. Please go ahead.

Saket Kapoor: Sir, as a prudent management, we have always apprised the market, the investors, and also alerted us when the timing was not correct to give guidance. But overall, it is always prudent to see that we guide and deliver above the guidance.

So, if that prudency can be expected from NCC also, that we are a conservative management and whatever we have guided our aspiration or endeavor should be to stay above the same, both in terms of revenue recognition as well as in terms of EBITDA margin. Is this understanding fair on part of investing community?

Neerad Sharma: Thank you, Mr. Kapoor, at the very outset for the kind words, and we hope to continue to live up to your expectations.

Saket Kapoor: And then looking into the river linking project part, sir, can you please summarize what is the value and how much have we mobilized?

And secondly, sir, out of this, as you mentioned, Neeraj ji, that in the beginning that INR 81,000 crore worth of orders are in mobilization phase in some phase or the other. So, what should be the expected execution period for this entire thing in entirety to get executed? The average period.

Sanjay Pusarla: This INR 81,000 crore of order book constitutes of many orders, which are spanning between 2 years to 5 years. Okay? If you take a mining order, which is almost like for 7 years. And if you take other orders, they are spanning, some of the orders are maybe 2 years, some of the orders are between 3 to 4 years.

But one thing what we can say is that all these INR 81,000 crores of orders are in executable mode. Now, only the orders which we have received in this quarter, about INR 3,889 crore, they are the orders which were received in the current quarter. They will start producing the turnover maybe from the third quarter onwards because initial mobilization time is required.

As far as the Ken-Betwa is concerned, the total order value is INR 3,390 crores, and so far we have executed about INR 116.35 crore.

And thirdly, the Ken-Betwa project, we have already completely mobilized at the site. All the equipment has been received. Now the season also will start. Probably if rains are there, there will be a little slowdown in the progress, but if the rains are not there, the progress will be good.

Saket Kapoor: Only to add, sir, in the smart meter business…

Moderator: Sorry to interrupt, sir. May I request you to…

Saket Kapoor: I will join the queue.

Moderator: The next question comes from the line of Chandramouli Jagannathan, an individual investor. Please go ahead.

C. Jagannathan: Smart meter SPV, where you mentioned there is a build annuity from FY '27, '28 onwards. How does it work, sir? What is the annuity income that we can expect?

Sanjay Pusarla: Actually, the CAPEX part will be completed by March '27. We are expecting that all the smart meter projects, either at Maharashtra or Bihar, will be completed by March '27. By that time, the CAPEX part will be over. Then we will have the O&M revenue, which will be consistent and on a regular basis, it will be accruing to the organization.

C. Jagannathan: What would be the revenue, sir? Roughly any estimate, sir?

Sanjay Pusarla: I will come back to you on this. Maybe offline I will come back to you, sir. Right now I do not have any number right now. But generally, what happens is that for every one lakh meters that we are coming into operation, we will be generating about INR 1 crore for the O&M. For every one lakh of meters coming into operation, we will be generating INR 1 crore for revenue as O&M revenue.

C. Jagannathan: So the project will get over by, I mean, the CAPEX part by March '27.

Sanjay Pusarla: Yes, sir.

C. Jagannathan: Out of the 6,700

Sanjay Pusarla: Hopefully, given the situation what is happening now at the prevailing time, we are expecting that the project should be completed by March '27.

C. Jagannathan: I mean, the whole INR 6,800 crores approximately.

Sanjay Pusarla: Yes. We have even mobilized ourselves. We have our resources, and we geared up, and to execute that, whatever number of people are required, contractors are required, we have mobilized ourselves to ensure that we complete the project by March '27.

C. Jagannathan: Sir, sorry. Whatever the annuity revenue that you are talking about, if they straightaway goes into a bottom line service kind of revenue, or there is any overhead for that?

Sanjay Pusarla: There will be overhead, sir.

C. Jagannathan: That's all from me.

Moderator: The next question comes from the line of Karan Gupta from Cavi Capital. Please go ahead.

Karan Gupta: Just wanted to follow up from the previous question on the smart meter project. So, when bidding for the project, what was the underlying return on capital that management was looking at?

Sanjay Pusarla: We were looking at IRR of 18%. And we expect that we will be maintaining that in the project.

Karan Gupta: And is that on total capital or on equity?

Sanjay Pusarla: Yes, on the total capital.

Vaibhav Shah: And just one more question. How many total meters are expected to be installed under those projects?

Sanjay Pusarla: So, we have so far installed about 45% of the total meters that are required to be installed.

Sanjay Pusarla: And if you ask me, we have done…

Neerad Sharma: 7 to 8 million.

Sanjay Pusarla: Yes, 7 to 8 million. We have installed more in the case of Maharashtra, about beyond 50%, and it was little lower in the case of Bihar. The average, it comes to about 45% of the total meters to be installed against all the three contracts.

Karan Gupta: So, 7 million to 8 million was the total number that…

Moderator: Sorry to interrupt, sir. May I request you to please join queue?

Karan Gupta: Just a follow-up because the response wasn't very clear. So, 7 million to 8 million was just the total number that is expected to be installed, or is that what you have already installed?

Neerad Sharma: No, 7 million to 8 million is the approximately total number of meters that we are expected to install in all these three smart meter projects. Two projects are in the state of Maharashtra in SPV, and one project is in Bihar, which is in our NCC's parent company's name. So, I am talking about the total number of meters which are expected to be installed. And as my colleague has already answered, we have already achieved about 45% of this number.

Moderator: The next question comes from the line of Srinath Reddy from Rey Investments. Please go ahead.

Srinath Reddy: So, I have a question regarding the approximately INR 180 crore receivables from the Telangana government relating to Mission Bhagiratha, which was subject to recent High Court proceedings. Could you please update on that, whether how much amount is received and what is the expected…

Sanjay Pusarla: We have received about INR 50 crores against that, and we are expected to receive the balance money also at the rate of 15% every month.

Neerad Sharma: Sub judice. It is a sub judice matter, but it is a sub judice matter. This is being monitored by the courts. So, it is very difficult. I mean, we hope to get paid as per the schedule.

Srinath Reddy: But again, suppose if the government doesn't provide on the monthly basis, will you again fight through judicial? I mean, will you continue proceedings or will you back off?

Sanjay Pusarla: No, as Mr. Neerad said, it is a sub judice. I will not be able to dwell on that.

Neerad Sharma: It is very difficult, Mr. Reddy, to say all this. It is a matter is sub judice, and why are we hoping that this will not get paid? We are waiting. We are hopeful.

Srinath Reddy: No, I see some of the cases were back off from the NCC itself, the previous, I mean, there are a couple of cases, which we have initiated but again back off. It is the reason why.

Sanjay Pusarla: No. This is sub judice matter.

Srinath Reddy: It is a huge amount, right? INR 180 crore is almost 5% of the total receivables. INR 180 crore is something 5% of total receivables. So that is the reason I am asking.

Neerad Sharma: It is a sub judice matter. We have nothing more to add.

Moderator: We have the last question from the line of Shravan Shah from Dolat Capital. Please go ahead.

Shravan Shah: Sir, just two things in terms of the depreciation and the finance cost. So, whether the GMLR or TBM, the current depreciation in this quarter, let's say INR 67 crore, when can we start seeing this going up, and to what extent it can go up on a quarterly basis?

And at the same time, in terms of the finance cost also, the broadly, kind of a 3% of the revenue, that is the way one can look at, or given recently the gross rates has increased, so we can see maybe a slight increase from here also.

Sanjay Pusarla: Two things, sir. One is on the depreciation. We are expecting that TBM will also start functioning from now. Once it starts functioning, probably, maybe from the third quarter, the depreciation also will go up.

Neerad Sharma: 1st Quarter, fourth quarter, it depends.

Sanjay Pusarla: Third quarter, it will start. We will start recognizing the depreciation of the TBM. That is one. And second thing you were asking on the interest. Given the situation, if the payments are coming, we will be maintaining the same kind of percentage of interest cost. And we are looking at the corrections in the coming months. If these corrections are coming, probably the interest case cost may get sorted.

Moderator: Thank you. We will take that as the last question. And I would now like to hand the conference over to the management for closing comments. Thank you. And over to you.

Neerad Sharma: Thank you very much for your very enthusiastic participation. Thank you. Have a good day.

Sanjay Pusarla: Thank you so much. Thank you, everyone.

Moderator: On behalf of JM Financial, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.