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# IPO REPORT

**“Subscribe with Caution” to  
Antony Waste Handling Cell Ltd.**

2<sup>nd</sup> largest player in the domestic MSW management sector

## Salient features of the IPO:

- One of the key players in municipal solid waste (MSW) management, **Antony Waste Handling Cell Ltd.** (Antony Waste), is planning to raise up to Rs. 3,000mn through an IPO, which opens on 21<sup>st</sup> Dec. and close on 23<sup>rd</sup> Dec. 2020. The price band is Rs. 313 - 315 per share.
- The issue is combination of fresh and OFS. Antony Waste will not receive any proceeds from OFS. Of the net proceeds from the fresh issue, around Rs. 400mn will be utilized to part-finance its waste-to-energy (WTE) project for the Pimpri Chinchwad Municipal Corporation (PCMC). Another, Rs. 385mn will be used to reduce the consolidated borrowings by the company. Through OFS issue, selling investors will be partially offloading their stake in the company.
- This is the second attempt of the company in 2020, to get listed on the exchanges. In Mar. 2020, it came up with an IPO, but following tepid investor response and extremely weak markets, it was not successful in concluding the issue.

## Key competitive strengths:

- A leading service provider in MSW management sector with end-to-end capabilities
- Strong track record of project execution
- Diversified business model
- Access to technology backed vehicles and equipment enables it to manage the operations efficiently
- Experienced promoters and management team with strong domain expertise

## Risk and concerns:

- Continued economic slowdown and Covid-19 pandemic
- Government's poor/lower allocation towards waste management projects
- Revenue concentration risk
- Project renewal risk
- Labor and working capital intensive business
- Intense competition

**Peer comparison and valuation:** There are on listed peers having similar business operations like Antony Waste. We have taken global peers for valuation benchmarking. At the higher price band of Rs. 315 per share, the company's share is valued at a P/E multiple of 26.1x (to its restated TTM EPS of Rs. 12.1), which is at discount to the peer average of 32.7x.

## Below are few key observations of the issue: (continued in next page)

- Per capita waste generation in India ranges from 200-600 grams per day, which is lower than the global average of around 740 grams in 2018. In India, municipal waste management services are controlled by relevant municipal corporations. Only 30-35% is managed by professional waste management players. The trend toward privatization is gradual but with the central government's push (through Swachh Bharat Mission and Smart City Mission) more and more municipalities are expected to move toward privatization in coming years.
- The Indian waste management services market is in its growth stage and is gaining global attention. Major market participants range from large domestic and multinational environmental firms such as Antony Waste are trying to gain a foothold in this market by capitalizing on opportunities and harnessing growth potential.
- The largest segment in the waste management services market is MSW. This segment has high potential in collection & transportation (C&T), compost, refuse-derived fuel (RDF), power generation and integrated MSW management services. Other segments such as bio-medical waste, industrial hazardous waste and e-waste, too, offer business opportunities in collection, transportation, treatment and disposal.
- C&T segment was first opened up for private sectors in India couple of decades ago. Since then, this sector has seen technological improvements such as mechanized primary waste collection & sweeping, GPS vehicle and bin tracking system etc. Antony Waste among others few companies have pioneered this sector. Also, there are very few companies with expertise in landfill construction and management. Antony Waste is among the leading players with in-house expertise for landfill construction and management.

Recommendation	Subscribe with Caution
Price band	Rs. 313 - 315 per share
Face value	Rs. 5
Shares for fresh issue	2.698 - 2.716mn shares
Shares for OFS	6.825mn shares
Fresh issue size	Rs. 850mn
OFS issue size	Rs. 2,136.2 - 2,149.9mn
Total issue size	9.523 - 9.541mn shares (Rs. 2,986.2 - 2,999.9mn)
Bidding date	21 <sup>st</sup> Dec. - 23 <sup>rd</sup> Dec. 2020
MCAP at higher price band	Rs. 8,910mn
Enterprise value at higher price band	Rs. 10,237mn
Book running lead manager	Equirus Capital Pvt. Ltd. and IIFL Securities Ltd.
Registrar	Link Intime India Pvt. Ltd.
Sector/Industry	Services
Promoters	Mr. Jose Jacob Kallarakal, Mr. Shiju Jacob Kallarakal and Mr. Shiju Antony Kallarakal

Issue breakup		
Category	Percent of issue (%)	Number of shares (mn)
QIB portion	50%	4.762 - 4.770mn shares
Non institutional portion	15%	1.429 - 1.431mn shares
Retail portion	35%	3.333 - 3.339mn shares
Indicative IPO process time line		
Finalization of basis of allotment		29 <sup>th</sup> Dec. 2020
Unblocking of ASBA account		30 <sup>th</sup> Dec. 2020
Credit to demat accounts		31 <sup>st</sup> Dec. 2020
Commencement of trading		1 <sup>st</sup> Jan. 2021

Pre and post - issue shareholding pattern		
	Pre-issue	Post-issue
Promoter & promoter group	51.10%	46.23%
Public	48.90%	53.77%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

Retail application money at higher cut-off price per lot	
Number of shares per lot	47
Application money	Rs. 14,805 per Lot

Analyst	
<b>Rajnath Yadav</b>	
Research Analyst (022 - 6707 9999; Ext: 912)	
Email: <a href="mailto:rajnath.yadav@choiceindia.com">rajnath.yadav@choiceindia.com</a>	



## Peer comparison and valuation (Contd...):

- MSW generation is expected to grow at an 8.9% CAGR over FY20-25 to reach 115mn tonnes per annum by FY25. Moreover, the domestic MSW management services market, which is at Rs. 50bn in FY20 is expected to grow at a 14.4% CAGR to reach at Rs. 98bn by FY25. The growth in the market will be driven by increase in urban population, changing consumption patterns, improved awareness of modern methods of waste management, increased participation by private players and investments by urban local bodies towards scientific disposal of waste.
- Antony Waste is the second largest player in the domestic MSW management sector with a market share of around 9% in FY20. It provides full spectrum of MSW services which includes solid waste collection, transportation, processing and disposal services across the country, primarily catering to the Indian municipalities.
- The company primarily undertakes MSW C&T projects, MSW processing projects and mechanized sweeping projects. As of 15th Nov. 2020, it has undertaken more than 25 projects, of which 18 are ongoing. Among the ongoing projects, 17 projects are been awarded by municipal corporations.
- Antony Waste's project portfolio is diversified across services provided, project duration, nature of contracts and geographical areas where it operates. The portfolio of ongoing projects comprised of 12 MSW C&T projects, two MSW processing (including WTE) project and four mechanized sweeping projects. Around 77.8% of the ongoing projects have an escalation clause embedded in the contracts with clients. It has undertaken/currently undertaking projects in multiple states/UTs such as Maharashtra, Uttar Pradesh, Delhi, Karnataka, Rajasthan, Haryana and Punjab.
- It endeavors to cluster its projects geographically to improve efficiency and profitability. The company's five ongoing projects are clustered around the MMR region, while six projects are clustered around NCR regions. This approach helps it in rationalizing managerial costs and overheads, thereby achieving the economies of scale.
- As of 15<sup>th</sup> Nov. 2020, Antony Waste had a fleet of 1,147 modern specialized vehicles such as tippers, refuse compactors, dumper placers, dumpers, power sweeping machines and loaders. This fleet of vehicles provides the company with a competitive advantage in ensuring easy availability of vehicles best suited for the projects thereby bolstering the project execution capabilities.
- Emerging waste management areas in India are MSW based WTE and e-waste recycling. WTE market is in its nascent stage and holds huge potential in the long run. With increasing energy demand and government initiatives, WTE market is anticipated to see more PPP based projects. e-waste recycling market is gradually getting organized with increased enforcement of new regulations. Antony Waste, through its step-down subsidiary has been awarded a contract for setting up and operating a WTE plant having a capacity of up to 1,000 tonnes per day (TPD) by PCMC.
- On the back of new project addition, Antony Waste has reported a robust set of numbers over FY17-20. During the period, it reported a 17.8% CAGR rise in consolidated revenue to Rs. 4,505.1mn in FY20. In FY19 and FY20, the company started operations for the Noida, Dahisar-Borivali, Pimpri Chinchwad and Nagpur projects. EBITDA increased by 24.7% CAGR to Rs. 1,255.6mn in FY20. EBITDA margin expanded by 437bps over the period to stood at 27.9% in FY20. With rise in business, depreciation charges and finance cost increased by 29.6% and 6.1% CAGR over FY17-20. Moreover, with 92.7% CAGR rise in tax expenses, the company reported an 8.9% CAGR rise in consolidated PAT of Rs. 422.8mn in FY20. PAT margin contracted by 247bps during the period to stood at 9.4% in FY20.
- Due to Covid-19 pandemic, performance of the company was impacted. Consolidated top-line declined by 5.1% Y-o-Y in H1 FY21. EBITDA and PAT margins contracted by 538bps and 324bps, respectively, to stand at 25% and 9.5%. Based on our conservative quick estimate, we are forecasting a top-line growth of 9% CAGR over FY20-23 with 343bps and 5bps contraction in the EBITDA and PAT margins.
- There are on listed peers having similar business operations like Antony Waste. We have taken global peers for valuation benchmarking. At the higher price band of Rs. 315 per share, the company's share is valued at a P/E multiple of 26.1x (to its restated TTM EPS of Rs. 12.1), which is at discount to the peer average of 32.7x.
- One of its global peers, Waste Management Inc. has acquired Advanced Disposal Services Inc. at an enterprise value of USD 4.9bn. The deal was valued at EV/sales multiple of 3x and EV/EBITDA multiple of 12.1x. Considering these transaction multiples, the valuation demanded by Antony Waste seems to be attractive.
- In Mar. 2020, Antony Waste came up with an IPO, but following tepid investor response and extremely weak markets, it was not successful in concluding the issue. Due to higher demanded valuations and higher receivables (30% of the top-line), we had recommended an "AVOID" rating for the issue. Based on TTM financials, total receivables stood at 25% of the top-line, which is still a concerns considering the fiscal positions of the municipal corporations in the post-pandemic period.

Considering the macros of the sector, demanded valuations and concerns on the receivables, we assign a **"Subscribe with Caution"** rating for the issue.

## About the issue:

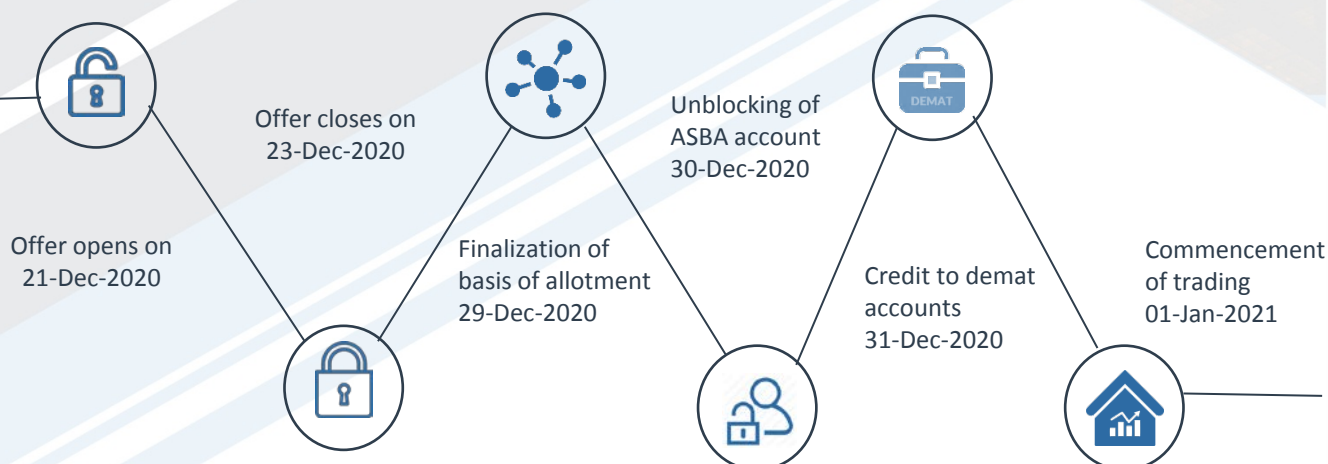
- Antony Waste is coming up with an initial public offering (IPO) with 9.523 - 9.541mn shares (fresh issue: 2.698 - 2.716mn shares; OFS shares: 6.825mn shares) in offering. The offer represents around 33.67% of its post issue paid-up equity shares of the company. Total IPO size is Rs. 2,986.2 - 2,999.9mn.
- The issue will open on 21<sup>st</sup> Dec. 2020 and close on 23<sup>rd</sup> Dec. 2020.
- The issue is through book building process with a price band of Rs. 313 - 315 per share.
- The issue is combination of fresh and OFS. Antony Waste will not receive any proceeds from OFS. Of the net proceeds from the fresh issue, around Rs. 400mn will be utilized to part- finance its WTE project for the PCMC. Another, Rs. 385mn will be used to reduce the consolidated borrowings by the company. Through OFS issue, selling investors will be partially offloading their stake in the company.
- 50% of the net issue shall be allocated on a proportionate basis to qualified institutional buyers, while rest 15% and 35% is reserved for non-institutional bidders and retail investors, respectively.
- Promoter holds 51.1% stake in the company and post-IPO this will come down to 46.23%. Public holding will increase from current 48.9% to 53.77%.

### Pre and post issue shareholding pattern (%)

	Pre Issue	Post Issue (at higher price band)
Promoter & Promoter Group (%)	51.10%	46.23%
Public (%)	48.90%	53.77%

Source: Choice Equity Broking

## Indicative IPO process time line:





## Company introduction:

Antony Waste is one of the top five players in the Indian MSW management industry with an established track record of more than 19 years, providing full spectrum of MSW services which includes solid waste collection, transportation, processing and disposal services across the country, primarily catering to Indian municipalities. It is among the select few players who have pioneered in both MSW collection and transportation (C&T) sector. The company is among the key players in landfill construction and management sector with in-house expertise for construction and management of landfills in a scientific manner. Antony Waste is also present in the emerging waste management areas in India such as MSW based WTE.

The company primarily undertake: (i) MSW C&T projects, which involves door to door collection of MSW from households, slums, commercial establishments and other bulk-waste generators (community bins) from a designated area through primary collection vehicles like compactors, dumper placers and tippers; and transportation of these materials to the processing facility, transfer station or a landfill disposal site.; (ii) MSW processing projects, which involves sorting and segregating the waste received from MSW C&T, followed by composting, recycling, shredding and compressing into RDF, as required; and (iii) mechanized sweeping projects, which involves deploying of power sweeping machines, manpower, comprehensive maintenance, consumables, safe disposal of the waste and any other items required for completion of the cleaning operation of the designated areas.

Having undertaken more than 25 projects as of 15th Nov. 2020, of which 18 are ongoing, the company has demonstrated a track-record as a comprehensive service provider equipped with the resources to handle large-scale projects for municipalities as well as private players. Its portfolio of 18 ongoing projects, comprised of 12 MSW C&T projects, two MSW processing (including WTE) project and four mechanized sweeping projects.

Antony Waste is currently undertaking projects for the Municipal Corporation of Greater Mumbai (MCGM), the Navi Mumbai Municipal Corporation (NMMC), the Thane Municipal Corporation (TMC), Pimpri Chinchwad Municipal Corporation (PCMC), the North Delhi Municipal Corporation (NDMC), the Mangaluru Municipal Corporation (MMC), New Okhla Industrial Development Authority (NOIDA), Nagpur Municipal Corporation (NMC) and the Greater Noida Industrial Development Authority (GNIDA). The company is also currently undertaking a project for Jaypee International Sports. In the past, it has also undertaken projects for Municipal Corporation of Delhi (MCD), Municipal Corporation, Gurgaon (MCG), Ulhasnagar Municipal Corporation (UMC), Amritsar Municipal Corporation (AMC), Kalyan Dombivali Municipal Corporation (KDMC), Jaipur Municipal Corporation (JMC) and Varanasi Municipal Corporation (VMC).

The company's foothold in the solid waste management sector can be traced back to ITS incorporation in 2001. Starting with the business of collection and transportation of waste, it has come a long way in the field of solid waste management with adoption of latest technologies and innovations, including the use of technologies in garbage compaction, processing, use of transfer stations, management of sanitary engineered landfills. As of 15th Nov. 2020, Antony Waste had a fleet of 1,147 modern vehicles, which provides it with a competitive advantage by ensuring easy availability of vehicles best suited for the projects thereby bolstering the project execution capabilities.

The company currently operates, Kanjurmarg site (a JV between it and Lara Central De Tratamento De Residuos Ltd.), one of the largest single location waste processing plants across India. Kanjurmarg site in Mumbai is a key success story of scientific landfill in India. It is the only plant in India to produce RDF with a calorific value of over 3,000 Kcal/kg. As on 15th Nov. 2020, the site has a bio-reactor landfill with a capacity of 4,500 tonnes per day (TPD), and a sanitary landfill of 250 TPD. Moreover, the site also has a material recovery and compost facility with a capacity of 1,000 TPD. Currently the site handles around 5,000 tons of waste per day. Further, as on 15th Nov. 2020, through its subsidiary, Antony Waste is operating a 0.4MW landfill gas-to-energy plant at the site. Since 2010, the company has processed around 7.63mn tonnes of waste at the Kanjurmarg site.

**Competition:** There are approximately 25 participants in the MSW management market offering various services. Many infrastructure and environment services companies are present in this market. Logistics companies are also present in this market providing only transportation and fleet management services. Competitors can be categorized into two tiers - national and local. National participants are large infrastructure and environmental services firms. Local participants are largely transport companies and small firms involved in making compost. Most of the Antony Waste's contracts are won through a competitive bidding process. Competition varies depending on the size, nature and complexity of the project and on the geographical region in which the project is to be executed.

## Financial performance:

On the back of new project addition, Antony Waste has reported a robust set of numbers over FY17-20. During the period, it reported a 17.8% CAGR rise in consolidated revenue to Rs. 4,505.1mn in FY20. In FY19 and FY20, the company started operations for the Noida, Dahisar-Borivali, Pimpri Chinchwad and Nagpur projects.

Due to Covid-19 pandemic, performance of the company was impacted in H1 FY21. Consolidated top-line declined by 5.1% Y-o-Y in H1 FY21 to stood at Rs. 2,073.9mn. On TTM basis, consolidated revenue stood at Rs. 4,392.8mn.

Employee cost, which formed an average of 23.5% of the top-line, increased by 23.7% CAGR, while other expenses (which was an average 37.8% of the top-line) increased by 19.2% CAGR. Project expenses (12% of the top-line) declined by 8.1% CAGR, thereby leading to a 15.5% CAGR rise in total operating cost. Consequently, consolidated EBITDA increased by 24.7% CAGR over FY17-20 to Rs. 1,255.6mn in FY20. EBITDA margin expanded by 437bps over the period to stood at 27.9% in FY20.

In H1 FY21, consolidated EBITDA decline by 21.9% Y-o-Y to Rs. 518.9mn with a margin of 25%, a 538bps Y-o-Y contraction. On TTM basis, consolidated EBITDA stood at Rs. 1,109.8mn with a margin of 25.3%.

With rise in business, depreciation charges and finance cost increased by 29.6% and 6.1% CAGR over FY17-20. Moreover, with 92.7% CAGR rise in tax expenses, the company reported an 8.9% CAGR rise in consolidated PAT of Rs. 422.8mn in FY20. PAT margin contracted by 247bps during the period to stood at 9.4% in FY20.

In H1 FY21, reported PAT declined by 29.3% Y-o-Y to Rs. 196.4mn with a margin of 9.5% (a 324bps Y-o-Y contraction). On TTM basis, reported PAT stood at Rs. 341.4mn with a margin of 7.8%.

The company had a positive operating cash flow over FY17-20, which increased by 27.2% CAGR to Rs. 957.9mn in FY20. Average operating cash flow during the period was at around Rs. 522.8mn. Average RoIC and RoE over FY17-20 was 27.2% and 24.6%, respectively.

Financial snapshot (Rs. mn)	FY17	FY18	FY19	FY20	H1 FY21	TTM	CAGR (%)	Y-o-Y (%, Annual)	Y-o-Y (%, Half yearly)
Total operating revenue	2,757.7	2,761.4	2,836.9	4,505.1	2,073.9	4,392.8	17.8%	58.8%	-5.1%
EBITDA	648.1	697.5	761.8	1,255.6	518.9	1,109.8	24.7%	64.8%	-21.9%
Reported PAT	327.0	294.1	274.2	422.8	196.4	341.4	8.9%	54.2%	-29.3%
Restated reported EPS	11.6	10.4	9.7	14.9	6.9	12.1	8.9%	54.2%	-29.3%
Cash flow from operating activities	465.9	360.5	306.9	957.9	370.8	908.5	27.2%	212.2%	-11.8%
NOPLAT	456.9	440.1	425.0	798.5	290.0	633.7	20.5%	87.9%	-36.0%
FCF		396.6	35.5	(643.2)				-1909.4%	
RoIC (%)	34.4%	28.4%	22.2%	23.7%	8.2%	17.9%	(1,064) bps	158 bps	(969) bps
Revenue growth rate (%)		0.1%	2.7%	58.8%	-5.1%				
EBITDA growth rate (%)		7.6%	9.2%	64.8%	-21.9%				
EBITDA margin (%)	23.5%	25.3%	26.9%	27.9%	25.0%	25.3%	437 bps	102 bps	(538) bps
EBIT growth rate (%)		6.3%	1.4%	75.2%	-35.0%				
EBIT margin (%)	19.5%	20.7%	20.4%	22.5%	17.5%	18.6%	303 bps	210 bps	(804) bps
Restated reported PAT growth rate (%)		-10.1%	-6.8%	54.2%	-29.3%				
Restated reported PAT margin (%)	11.9%	10.6%	9.7%	9.4%	9.5%	7.8%	(247) bps	(28) bps	(324) bps
Trade receivable turnover ratio (x)	8.1	7.1	5.7	6.4	2.6	5.5	-7.8%	12.2%	-30.8%
Accounts payable turnover ratio (x)	17.3	11.6	8.4	10.0	4.1	8.7	-16.7%	19.2%	-22.2%
Fixed asset turnover ratio (x)	1.9	1.9	1.5	1.6	0.8	1.7	-4.7%	9.7%	-15.6%
Total asset turnover ratio (x)	0.8	0.6	0.6	0.7	0.3	0.6	-3.7%	21.1%	-21.4%
Current ratio (x)	0.9	1.1	1.0	1.4	1.6	1.6	18.8%	39.3%	37.6%
Total debt (Rs.)	1,851.3	1,824.5	2,095.1	2,531.4	2,575.8	2,575.8	11.0%	20.8%	9.1%
Net debt (Rs.)	1,724.5	1,487.7	1,874.7	2,176.6	1,947.0	1,947.0	8.1%	16.1%	-8.8%
Debt to equity (x)	2.0	1.5	1.4	1.2	1.1	1.1	-15.9%	-13.7%	-16.0%
Net debt to EBITDA (x)	2.7	2.1	2.5	1.7	3.8	1.8	-13.3%	-29.6%	16.8%
RoE (%)	35.7%	24.5%	18.2%	20.1%	8.5%	14.8%	(1,565) bps	185 bps	(716) bps
RoA (%)	8.9%	6.9%	5.3%	6.3%	2.8%	4.8%	(262) bps	94 bps	(196) bps
RoCE (%)	18.8%	17.7%	14.3%	19.3%	6.5%	14.7%	53 bps	496 bps	(531) bps

Source: Choice Equity Broking



## Competitive strengths:

- A leading service provider in MSW management sector with end-to-end capabilities
- Strong track record of project execution
- Diversified business model
- Access to technology backed vehicles and equipment enables it to manage the operations efficiently
- Experienced promoters and management team with strong domain expertise

## Business strategy:

- Capitalize on the growth opportunities in the MSW management sector by continued focus on bidding for MSW projects
- Continue with rational selection of projects and strategically expand the geographical footprint
- Moving up the MSW value chain by diversifying into the emerging waste management areas
- Continue to focus on enhancing operational efficiency



## Risk and concerns:

- Continued economic slowdown and Covid-19 pandemic
- Government's poor/lower allocation towards waste management projects
- Revenue concentration risk
- Project renewal risk
- Labor and working capital intensive business
- Intense competition



## Financial statements:

### Consolidated profit and loss statement (Rs. mn)

	FY17	FY18	FY19	FY20	H1 FY21	TTM	CAGR over FY17 - 20 (%)	FY20 growth over FY19 (%)	Half yearly growth (%)
<b>Total operating revenue</b>	<b>2,757.7</b>	<b>2,761.4</b>	<b>2,836.9</b>	<b>4,505.1</b>	<b>2,073.9</b>	<b>4,392.8</b>	<b>17.8%</b>	<b>58.8%</b>	<b>-5.1%</b>
Purchase of traded goods	(2.5)	(29.3)	(37.9)	(10.9)	(1.4)	(7.5)	63.8%	-71.3%	-70.9%
Changes in inventories of stock-in-trade	(1.4)	0.3	0.4	0.1	(0.3)	0.0	-138.2%	-77.8%	31.8%
Project expenses	(489.5)	(333.5)	(280.3)	(379.6)	(104.2)	(205.1)	-8.1%	35.4%	-62.6%
Employee benefits expense	(606.1)	(639.5)	(663.2)	(1,148.7)	(737.0)	(1,443.3)	23.7%	73.2%	66.6%
Other expenses	(1,010.1)	(1,061.8)	(1,094.1)	(1,710.5)	(712.3)	(1,627.1)	19.2%	56.3%	-10.5%
<b>EBITDA</b>	<b>648.1</b>	<b>697.5</b>	<b>761.8</b>	<b>1,255.6</b>	<b>518.9</b>	<b>1,109.8</b>	<b>24.7%</b>	<b>64.8%</b>	<b>-21.9%</b>
Depreciation and amortisation	(111.4)	(127.1)	(183.3)	(242.4)	(155.4)	(292.0)	29.6%	32.3%	46.9%
<b>EBIT</b>	<b>536.7</b>	<b>570.4</b>	<b>578.5</b>	<b>1,013.2</b>	<b>363.5</b>	<b>817.8</b>	<b>23.6%</b>	<b>75.2%</b>	<b>-35.0%</b>
Finance costs	(252.9)	(228.9)	(249.9)	(302.4)	(141.5)	(304.7)	6.1%	21.0%	1.6%
Other income	154.4	146.4	148.3	141.0	77.1	148.1	-3.0%	-4.9%	10.1%
Exceptional items				(32.2)		(32.2)			
<b>PBT</b>	<b>438.2</b>	<b>487.9</b>	<b>476.8</b>	<b>819.6</b>	<b>299.0</b>	<b>629.0</b>	<b>23.2%</b>	<b>71.9%</b>	<b>-38.9%</b>
Tax expenses	(27.8)	(89.0)	(130.0)	(198.8)	(8.5)	(96.1)	92.7%	52.9%	-92.3%
<b>PAT before minority interest</b>	<b>410.4</b>	<b>398.8</b>	<b>346.8</b>	<b>620.8</b>	<b>290.5</b>	<b>532.8</b>	<b>14.8%</b>	<b>79.0%</b>	<b>-23.2%</b>
Minority interest	(83.4)	(104.8)	(72.6)	(197.9)	(94.1)	(191.5)	33.4%	172.6%	-6.4%
<b>Reported PAT</b>	<b>327.0</b>	<b>294.1</b>	<b>274.2</b>	<b>422.8</b>	<b>196.4</b>	<b>341.4</b>	<b>8.9%</b>	<b>54.2%</b>	<b>-29.3%</b>

### Consolidated balance sheet statement (Rs. mn)

	FY17	FY18	FY19	FY20	H1 FY21	TTM	CAGR over FY17 - 20 (%)	FY20 growth over FY19 (%)	Half yearly growth (%)
Equity share capital	13.1	13.1	71.5	127.9	127.9	127.9	113.9%	78.9%	78.9%
Other equity	901.9	1,188.1	1,432.0	1,976.9	2,171.7	2,171.7	29.9%	38.0%	27.9%
Minority interest	385.8	490.6	563.3	761.2	855.3	855.3	25.4%	35.1%	28.9%
Long term borrowings	1,302.3	1,218.9	1,530.9	1,789.3	1,765.1	1,765.1	11.2%	16.9%	0.3%
Non current financial liabilities (Lease liability)	17.8	20.0	21.9	30.4	15.9	15.9	19.5%	38.6%	-22.3%
Long term provisions	155.0	213.4	303.0	436.9	515.5	515.5	41.2%	44.2%	36.8%
Net deferred tax liabilities	85.5	83.8	115.6	131.6	121.1	121.1	15.5%	13.9%	-7.6%
Short term borrowings	329.1	306.8	307.1	304.4	324.0	324.0	-2.6%	-0.9%	4.3%
Current financial liabilities	202.1	278.9	235.2	407.2	470.8	470.8	26.3%	73.1%	74.3%
Trade payables	159.8	316.0	362.0	541.0	502.6	502.6	50.2%	49.4%	21.9%
Short term provisions	18.2	39.9	46.1	63.8	68.7	68.7	51.9%	38.5%	30.4%
Net current tax liabilities	27.6	72.6	73.3	69.4	61.0	61.0	36.0%	-5.4%	15.7%
Other current liabilities (Statutory dues)	71.6	38.8	64.4	81.1	76.1	76.1	4.2%	25.9%	68.0%
<b>Total liabilities</b>	<b>3,669.6</b>	<b>4,280.7</b>	<b>5,126.4</b>	<b>6,721.0</b>	<b>7,075.7</b>	<b>7,075.7</b>	<b>22.4%</b>	<b>31.1%</b>	<b>20.6%</b>
Property, plant and equipment	472.4	414.7	606.1	1,401.2	1,301.0	1,301.0	43.7%	131.2%	47.6%
Intangible assets			1,050.0	1,187.4	1,179.3	1,179.3		13.1%	-1.2%
Capital work-in-progress	48.3		151.0	5.5	20.6	20.6	-51.5%	-96.4%	-86.3%
Intangible assets under development	926.8	1,055.9	81.9	139.3	138.2	138.2	-46.8%	70.1%	13.7%
Non current trade receivables	331.4	284.0	330.3	272.1	307.8	307.8	-6.4%	-17.6%	-17.5%
Non current financial assets	1,029.9	1,190.2	1,506.5	1,378.9	1,433.2	1,433.2	10.2%	-8.5%	-8.8%
Long term loans (security deposits)	19.7	19.2	22.1	29.4	30.1	30.1	14.3%	33.1%	9.6%
Net deferred tax assets	42.8	63.6	91.9	86.2	129.2	129.2	26.3%	-6.2%	42.2%
Net income tax assets	38.9	57.8	73.1	104.6	106.6	106.6	39.0%	43.1%	38.5%
Other non current assets	69.6	61.4	96.8	19.2	17.3	17.3	-34.9%	-80.2%	-61.8%
Inventories	0.3	0.5	0.9	1.0	0.7	0.7	51.8%	8.9%	1.5%
Trade receivables	339.3	442.7	556.8	858.3	792.8	792.8	36.3%	54.1%	37.1%
Cash and cash equivalents	126.7	336.8	220.4	354.8	628.8	628.8	40.9%	60.9%	179.0%
Current financial assets	87.6	222.8	237.0	742.1	820.8	820.8	103.9%	213.1%	290.8%
Short term loans (Security deposits)	14.9	54.4	18.4	37.5	29.0	29.0	36.2%	103.6%	37.0%
Other current assets	70.0	38.5	43.4	68.6	105.4	105.4	-0.7%	58.3%	-59.5%
Assets held for sale	51.2	38.1	39.9	35.0	35.0	35.0	-11.9%	-12.2%	-8.7%
<b>Total Assets</b>	<b>3,669.6</b>	<b>4,280.7</b>	<b>5,126.4</b>	<b>6,721.0</b>	<b>7,075.7</b>	<b>7,075.7</b>	<b>22.4%</b>	<b>31.1%</b>	<b>20.6%</b>

Source: Choice Equity Broking



## Financial statements:

### Consolidated cash flow statement (Rs. mn)

Particulars (Rs. mn)	FY17	FY18	FY19	FY20	H1 FY21	TTM	CAGR over FY17 - 20 (%)	FY20 growth over FY19 (%)	Half yearly growth (%)
Cash flow before working capital changes	702.8	744.3	824.1	1,361.7	546.1	1,200.3	24.7%	65.2%	-22.8%
Change in working capital	(196.0)	(298.4)	(376.3)	(194.6)	(104.5)	(131.5)	-0.2%	-48.3%	-37.6%
<b>Cash flow from operating activities</b>	<b>465.9</b>	<b>360.5</b>	<b>306.9</b>	<b>957.9</b>	<b>370.8</b>	<b>908.5</b>	<b>27.2%</b>	<b>212.2%</b>	<b>-11.8%</b>
Purchase of property , plant & equipment	(441.4)	28.7	(625.0)	(1,082.4)	(45.4)	(553.0)	34.8%	73.2%	-92.1%
<b>Cash flow from investing activities</b>	<b>(261.3)</b>	<b>140.6</b>	<b>(537.5)</b>	<b>(1,037.4)</b>	<b>(32.1)</b>	<b>(533.7)</b>		<b>93.0%</b>	<b>-94.0%</b>
<b>Cash flow from financing activities</b>	<b>(420.6)</b>	<b>(295.0)</b>	<b>111.4</b>	<b>138.6</b>	<b>(123.6)</b>	<b>(106.5)</b>	<b>-169.1%</b>	<b>24.4%</b>	<b>-201.9%</b>
<b>Net cash flow</b>	<b>(216.0)</b>	<b>206.2</b>	<b>(119.2)</b>	<b>59.1</b>	<b>215.1</b>	<b>268.3</b>	<b>-164.9%</b>	<b>-149.6%</b>	<b>3569.8%</b>
Opening balance of cash and bank balances	324.8	108.8	314.9	195.7	254.8	201.6	-15.5%	-37.9%	30.2%
<b>Closing balance of cash and bank balances</b>	<b>108.8</b>	<b>314.9</b>	<b>195.7</b>	<b>254.8</b>	<b>469.9</b>	<b>469.9</b>	<b>32.8%</b>	<b>30.2%</b>	<b>133.1%</b>

### Consolidated financial ratios

Particulars (Rs. mn)	FY17	FY18	FY19	FY20	H1 FY21	TTM
Revenue growth rate (%)		0.1%	2.7%	58.8%	-5.1%	
EBITDA growth rate (%)		7.6%	9.2%	64.8%	-21.9%	
EBITDA margin (%)	23.5%	25.3%	26.9%	27.9%	25.0%	25.3%
EBIT growth rate (%)		6.3%	1.4%	75.2%	-35.0%	
EBIT margin (%)	19.5%	20.7%	20.4%	22.5%	17.5%	18.6%
Restated adjusted PAT growth rate (%)		-10.1%	-6.8%	54.2%	-29.3%	
Restated adjusted PAT margin (%)	11.9%	10.6%	9.7%	9.4%	9.5%	7.8%

### Liquidity ratios

Current ratio (x)	0.9	1.1	1.0	1.4	1.6	1.6
Debt to equity (x)	2.0	1.5	1.4	1.2	1.1	1.1
Net debt to EBITDA (x)	2.7	2.1	2.5	1.7	3.8	1.8

### Turnover ratios

Inventory days	0.0	0.1	0.1	0.1	0.1	0.1
Debtor days	44.9	51.7	64.3	57.3	139.5	65.9
Payable days	(21.1)	(31.4)	(43.6)	(36.6)	(88.5)	(41.8)
Cash conversion cycle	23.8	20.3	20.8	20.8	51.2	24.2
Fixed asset turnover ratio (x)	1.9	1.9	1.5	1.6	0.8	1.7
Total asset turnover ratio (x)	0.8	0.6	0.6	0.7	0.3	0.6

### Return ratios

RoE (%)	35.7%	24.5%	18.2%	20.1%	8.5%	14.8%
RoA (%)	8.9%	6.9%	5.3%	6.3%	2.8%	4.8%
RoCE (%)	18.8%	17.7%	14.3%	19.3%	6.5%	14.7%

### Per share data

Restated adjusted EPS (Rs.)	11.6	10.4	9.7	14.9	6.9	12.1
Restated DPS (Rs.)						
Restated BVPS (Rs.)	32.3	42.5	53.2	74.4	81.3	81.3
Restated operating cash flow per share (Rs.)	16.5	12.7	10.8	33.9	13.1	32.1
Restated free cash flow per share (Rs.)			14.0	1.3	(22.7)	
Dividend payout ratio						

Note: Ratios calculated on pre-issue data; Source: Choice Equity Broking

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+91-022-6707 9999



[www.choicebroking.in](http://www.choicebroking.in)



+91-022-6707 9959

**Choice Equity Broking Pvt. Ltd.**

Choice House, Shree Shakambhari Corporate Park, Plot No: -156-158,  
J.B. Nagar, Andheri (East), Mumbai - 400 099.