

February 8, 2021

## Q3FY21 Result Update

Change in Estimates |  Target |  Reco

### Change in Estimates

	Current		Previous	
	FY22E	FY23E	FY22E	FY23E
<b>Rating</b>	BUY		BUY	
<b>Target Price</b>	160		147	
Sales (Rs. m)	55,485	59,009	55,485	59,009
% Chng.	-	-	-	-
EBITDA (Rs. m)	16,645	17,703	15,980	16,994
% Chng.	4.2	4.2	-	-
EPS (Rs.)	8.2	8.5	2.7	2.6
% Chng.	202.4	229.7	-	-

### Key Financials - Consolidated

Y/e Mar	FY20	FY21E	FY22E	FY23E
Sales (Rs. m)	50,705	45,191	55,485	59,009
EBITDA (Rs. m)	15,752	14,687	16,645	17,703
Margin (%)	31.1	32.5	30.0	30.0
PAT (Rs. m)	1,604	2,111	2,293	2,390
EPS (Rs.)	5.7	7.5	8.2	8.5
Gr. (%)	709.5	31.7	8.6	4.2
DPS (Rs.)	-	1.0	1.0	1.0
Yield (%)	-	1.0	1.0	1.0
RoE (%)	45.7	41.7	32.9	26.4
RoCE (%)	19.6	17.1	16.9	16.5
EV/Sales (x)	1.7	1.9	1.6	1.6
EV/EBITDA (x)	5.4	6.0	5.5	5.4
PE (x)	18.3	13.9	12.8	12.3
P/BV (x)	7.1	4.9	3.7	2.9

### Key Data

ABDL.BO | ASBL IN

52-W High / Low	Rs.117 / Rs.37
Sensex / Nifty	51,349 / 15,116
Market Cap	Rs.29bn/ \$ 403m
Shares Outstanding	281m
3M Avg. Daily Value	Rs.377.63m

### Shareholding Pattern (%)

Promoter's	54.48
Foreign	3.24
Domestic Institution	27.64
Public & Others	14.64
Promoter Pledge (Rs bn)	-

### Stock Performance (%)

	1M	6M	12M
Absolute	10.4	80.6	(8.0)
Relative	4.9	33.8	(26.3)

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## Delayed AD's impact execution

### Quick Pointers:

- Order book as at 3Q stands at Rs91.5bn (2.5x TTM revenues); further order inflows of Rs20-30bn expected in FY21E and Rs50-60bn in FY22E.
- Management maintained guidance for FY21 revenues to be flat YoY & FY22 EPC revenues to grow by 20-25%. EBITDAM to be in the range of 11-11.5%.
- With major due diligence done and binding offers received, negotiations & documentation of SBI Macquarie stake sale expected to conclude by Mar'21.

**ASBL's 3Q performance was muted with revenues and margins coming below our and street estimates, mainly due to delayed commencement of 3 major projects. ASBL now received long-awaited AD in Kandi Ramsanpalle HAM project and expects AD for one more project within a month or so. On the back of strong toll collections (up 12% YoY in 3Q), labour force at pre-covid levels, commencing operations in new projects and strong order inflows guidance, execution momentum will remain strong going ahead. Also conclusion of negotiations in SBI Macquarie stake sale deal (expected by Mar'21) will remove a major overhang on the stock.**

**We remain positive on the company given a) its excellent blend of diversified EPC orders and Asset ownership (in 23 Road assets and 3 City Gas Distribution assets), b) stable EPC margins and c) healthy order book (Rs91.5bn as at 3QFY21) and foray into new verticals- Railways (8% of order book) and smart cities. Given healthy margin profile & sharp V-shaped recovery in BOT segment, we have increased our EPS estimates from (Rs3)/ Rs2.7/ Rs2.6 to Rs7.5/ Rs8.2/ Rs8.5 for FY21E/22E/23E respectively. At CMP, the stock trades at an EV of 6x/ 5.5x FY21E/ FY22E EBITDA. We roll over to FY23 estimates and maintain BUY rating on the stock with a revised SoTP based TP of Rs160 (Earlier Rs147).**

**Slower execution pace with weak EBITDA margins:** In 3Q, ASBL's revenues were flat YoY at Rs9.8bn (below our/ street estimates of Rs10.5bn /Rs10.2bn) due to delayed commencement of operations in 3 major projects. EBITDA fell 15% YoY to Rs1,055mn with EBITDAM softening at 188bps YoY to 10.8% (below our & street estimates of 13.2%/ 13.3%), as execution of new projects did not reach the threshold for recognizing profits. Adj. PAT was flat YoY at Rs856mn (vs PLE Rs977mn) impacted by subdued topline and weak EBITDAM.

**Healthy Order book; Order inflows guidance strong:** As at 3QFY21, ASBL's order book stands at Rs91.5bn, translating to an order book-to-sales ratio of 2.5x trailing revenues, providing comfortable revenue visibility. Order book mix stands at: 43% Roads-HAM segment, 33% Road-EPC, 16% Power projects and 8% in Railways. On the back of strong bid pipeline, management targets incremental order inflows of Rs20-25bn by FY21 (in Roads and Railways) and further Rs50-60bn orders by FY22E. Company's gross standalone debt has gone up sequentially to Rs3.5bn from Rs2.2bn in 2QFY21 as working capital utilization was higher with operations picking up.

**Exhibit 1: Quarterly Financials (Standalone): Delayed commencement in 3 major projects led to slower execution in 3Q**

Y/e March (Rs mn)	Q3FY20	Q4FY20	Q1FY21	Q2FY21	Q3FY21	YoY gr. (%)	QoQ gr. (%)	9MFY21	9MFY20	YoY gr. (%)
<b>Revenue</b>	<b>9,836</b>	<b>12,548</b>	<b>5,724</b>	<b>8,775</b>	<b>9,807</b>	<b>(0.3)</b>	<b>11.8</b>	<b>24,306</b>	<b>26,827</b>	<b>(9.4)</b>
<b>Total Revenues</b>	<b>9,836</b>	<b>12,548</b>	<b>5,724</b>	<b>8,775</b>	<b>9,807</b>	<b>(0.3)</b>	<b>11.8</b>	<b>24,306</b>	<b>26,827</b>	<b>(9.4)</b>
Expenditure	8,592	10,258	4,905	7,465	8,752	1.9	17.2	21,123	23,260	(9.2)
<i>as % of sales</i>	<i>87.4</i>	<i>81.8</i>	<i>85.7</i>	<i>85.1</i>	<i>89.2</i>			<i>86.9</i>	<i>86.7</i>	
Raw Material Expenses	7,734	9,063	4,344	6,336	8,069	4.3	27.3	18,749	20,912	(10.3)
<i>as % of sales</i>	<i>78.6</i>	<i>72.2</i>	<i>75.9</i>	<i>72.2</i>	<i>82.3</i>			<i>77.1</i>	<i>78.0</i>	
Employee Cost	529	424	408	435	437	(17.4)	0.5	1,280	1,396	(8.3)
<i>as % of sales</i>	<i>5.4</i>	<i>3.4</i>	<i>7.1</i>	<i>5.0</i>	<i>4.5</i>			<i>5.3</i>	<i>5.2</i>	
Other expenditure	329	771	154	694	246	(25.2)	(64.6)	1,094	952	14.9
<i>as % of sales</i>	<i>3.3</i>	<i>6.1</i>	<i>2.7</i>	<i>7.9</i>	<i>2.5</i>			<i>4.5</i>	<i>3.5</i>	
<b>EBITDA</b>	<b>1,243</b>	<b>2,289</b>	<b>819</b>	<b>1,309</b>	<b>1,055</b>	<b>(15.1)</b>	<b>(19.4)</b>	<b>3,183</b>	<b>3,567</b>	<b>(10.8)</b>
Depreciation	283	290	223	218	216	(23.9)	(0.9)	656	821	(20.1)
<b>EBIT</b>	<b>960</b>	<b>1,999</b>	<b>596</b>	<b>1,092</b>	<b>839</b>	<b>(12.6)</b>	<b>(23.1)</b>	<b>2,527</b>	<b>2,746</b>	<b>(8.0)</b>
Other Income	369	346	483	498	473	28.0	(5.2)	1,454	1,103	31.8
Interest	200	209	166	197	183	(8.3)	(6.8)	546	645	(15.3)
<b>PBT</b>	<b>1,129</b>	<b>2,136</b>	<b>913</b>	<b>1,393</b>	<b>1,129</b>	<b>(0.0)</b>	<b>(19.0)</b>	<b>3,435</b>	<b>3,204</b>	<b>7.2</b>
Total Tax	274	493	222	346	272	(0.5)	(21.4)	841	975	(13.8)
<b>Adjusted PAT</b>	<b>855</b>	<b>1,642</b>	<b>691</b>	<b>1,047</b>	<b>856</b>	<b>0.1</b>	<b>(18.2)</b>	<b>2,594</b>	<b>2,229</b>	<b>16.4</b>
(Profit)/loss from JV's/Ass/MI	0	0	0	0	0	0.0	0.0	0	0	0.0
<b>PAT after MI</b>	<b>855</b>	<b>1,642</b>	<b>691</b>	<b>1,047</b>	<b>856</b>	<b>0.1</b>	<b>(18.2)</b>	<b>2,594</b>	<b>2,229</b>	<b>16.4</b>
Extra ordinary items	0	0	0	0	0	0.0	0.0	0	0	0.0
<b>Reported PAT</b>	<b>855</b>	<b>1,642</b>	<b>691</b>	<b>1,047</b>	<b>856</b>	<b>0.1</b>	<b>(18.2)</b>	<b>2,594</b>	<b>2,229</b>	<b>16.4</b>
<b>Adjusted EPS</b>	<b>3.0</b>	<b>5.9</b>	<b>2.5</b>	<b>3.7</b>	<b>3.1</b>	<b>0.1</b>	<b>(18.2)</b>	<b>9.2</b>	<b>7.9</b>	<b>16.4</b>
						<i>bps</i>	<i>bps</i>			<i>bps</i>
EBIDTA	12.6	18.2	14.3	14.9	10.8	-188	-416	13.1	13.3	-20
EBIT	9.8	15.9	10.4	12.4	8.6	-120	-388	10.4	10.2	16
EBT	11.5	17.0	16.0	15.9	11.5	3	-437	14.1	11.9	219
PAT	8.7	13.1	12.1	11.9	8.7	3	-320	10.7	8.3	236
Effective Tax rate	24.2	23.1	24.4	24.8	24.1	-12	-72	24.5	30.4	-596

Source: Company, PL

**Exhibit 2: Key Assumptions**

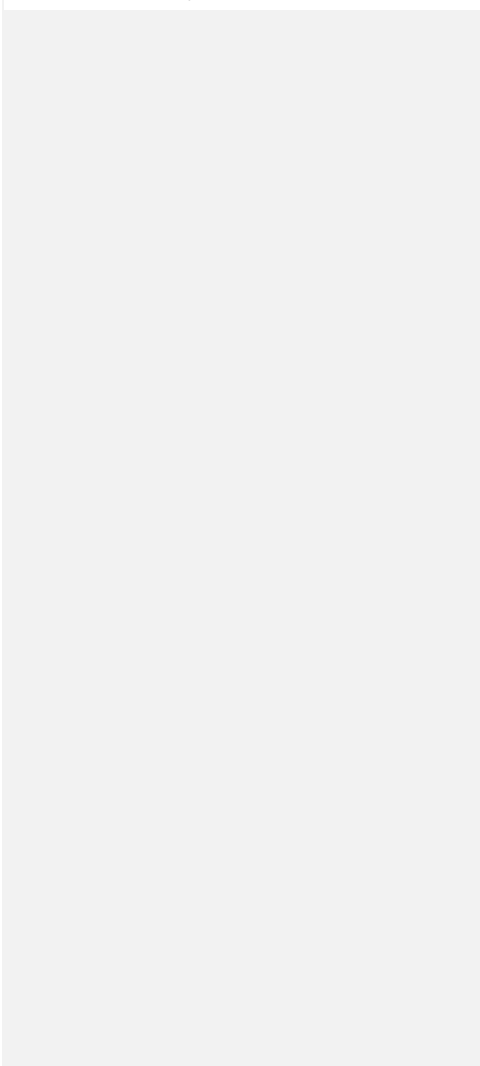
Rs mn	FY18	FY19	FY20	FY21E	FY22E	FY23E
Order inflow	24,450	74,754	50,705	72,796	61,025	64,826
Revenues	24,006	35,825	37,356	37,001	45,428	47,700
Order book	58,487	83,940	83,940	1,10,801	1,16,341	1,22,158
Execution cycle (%)	37%	50%	45%	38%	40%	40%
OB to sales (x)	2.4	2.3	2.2	3.0	2.6	2.6

Source: Company, PL

**Exhibit 3: SoTP Valuation**

Particulars	Segment	Driver	Multiple	ABL's value (Rs mn)	ABL's value (Rs/share)	Proportionate (%) of value per share	Basis
Ashoka's construction business	Construction	3,036	10	30,360	108	67.4	P/E multiple of 10x FY23 earnings
<b>Total</b>				<b>30,360</b>	<b>108</b>	<b>67.4</b>	
<b>Ashoka Concession Road BOT projects</b>							
Nagar Aurangabad	Toll	51	100	51	0.2	0.1	NPV at CoE of 14%
Wainganga	Toll	449	50	225	1	0.5	NPV at CoE of 14%
Katni Bye Pass	Toll	158	100	158	1	0.4	NPV at CoE of 14%
Karnataka State highway	Annuity	715	100	715	3	1.6	NPV at CoE of 14%
<b>Total</b>				<b>1,148</b>	<b>4</b>	<b>2.6</b>	
<b>ACL Road BOT Projects</b>							
Bhandara	Toll	2,847	51	1,452	5	3.2	NPV at CoE of 14%
Belgaum Dharwad	Toll	4,359	100	4,359	16	9.7	NPV at CoE of 14%
Sambalpur Baragarh	Toll	602	100	602	2	1.3	NPV at CoE of 14%
Durg	Toll	3,255	51	1,660	6	3.7	NPV at CoE of 14%
Jaora-Nayagaon	Toll	14,207	38	5,356	19	11.9	NPV at CoE of 14%
Dhankuni-Kharagpur	Toll	6,904	100	6,904	25	15.3	NPV at CoE of 14%
Chennai outer ring road	Annuity	3,621	50	1,810	6	4.0	NPV at CoE of 14%
<b>Total</b>		<b>35,794</b>		<b>22,143</b>	<b>79</b>	<b>49.2</b>	
ABL's share @ 61%				13,507	48	30.0	
<b>Grand Total</b>				<b>45,016</b>	<b>160</b>	<b>100.0</b>	

Source: Company, PL



## Concall Highlights

- On the back of robust NHAI awarding target of 5,200km in FY21 and 8,500km in FY22, bid pipeline would remain strong going forward. Management targets incremental order inflows of Rs20-25bn in FY21E (in Roads and Railways) and further Rs50-60bn orders in FY22E.
- 3QFY21 revenues were flat YoY due to delayed commencement of 3 major projects (Kandi Ramsanpalle and Tumkur Shivamogga Pkg 3 & 4). Further EBITDAM was low at 10.8%, with execution of new projects not reaching the threshold for recognizing profits.
- In 9MFY21, the company secured orders worth Rs30bn taking its order book to Rs91.5bn (2.5x TTM revenues). Of total order book, Road comprises 76% (EPC-33%, HAM-43%), Power T&D-16% while Railways comprises 8% respectively.
  - During 3Q, the company bagged power projects worth Rs2.9bn in UP & Bihar and received long awaited AD for Kandi-Ramsanpalle project (Rs10bn).
  - Further, the company bagged solar power project worth Rs5bn from NTPC Renewable Energy in Jan'21, EBITDAM of 10-11% expected from the project.
  - With land availability at over 80%, company expects to complete FC and receive AD in Tumkur Shivamogga Pkg3 in next 1 month.
- Management reiterated its guidance for FY21 revenues to be flat YoY and further expects FY22 construction revenues to grow 20-25% YoY on the back of rising execution momentum and robust awarding scenario. EBITDA margins on EPC segment is expected to be in the range of 11-11.5%.
- On the monetisation front- negotiations for SBI Macquarie stake sale are in advanced stage with substantial part of due diligence already complete. The company received binding offers from potential investors and expects negotiations and documentations to conclude by Mar'21.
- With economy opening up, toll revenues across ASBL's road portfolio witnessed sharp rise of 12% YoY and 16% QoQ in Q3FY21.
- The company's gross standalone debt has gone up to Rs3.5bn (vs Rs2.2bn in 2QFY21) as working capital loans increased to Rs1.8bn (vs Rs0.3bn in 2Q) with pickup in operations of new projects. Cash (incl FD's) as at 3Q stands at Rs687mn.
- For its under-development BOT/HAM projects, the company would be infusing Rs1.64bn/ Rs1.6bn as equity in 4QFY21E/ FY22E respectively.

## Financials

### Income Statement (Rs m)

Y/e Mar	FY20	FY21E	FY22E	FY23E
<b>Net Revenues</b>	<b>50,705</b>	<b>45,191</b>	<b>55,485</b>	<b>59,009</b>
YoY gr. (%)	2.8	(10.9)	22.8	6.4
Cost of Goods Sold	11,594	9,942	12,761	13,572
Gross Profit	39,111	35,249	42,723	45,437
Margin (%)	77.1	78.0	77.0	77.0
Employee Cost	2,933	3,163	3,329	3,541
Other Expenses	5,717	4,971	6,658	7,081
<b>EBITDA</b>	<b>15,752</b>	<b>14,687</b>	<b>16,645</b>	<b>17,703</b>
YoY gr. (%)	13.0	(6.8)	13.3	6.4
Margin (%)	31.1	32.5	30.0	30.0
Depreciation and Amortization	2,998	2,719	3,586	3,826
<b>EBIT</b>	<b>12,754</b>	<b>11,968</b>	<b>13,059</b>	<b>13,876</b>
Margin (%)	25.2	26.5	23.5	23.5
Net Interest	10,426	9,805	10,893	11,643
Other Income	817	1,085	1,110	1,180
<b>Profit Before Tax</b>	<b>3,146</b>	<b>3,248</b>	<b>3,276</b>	<b>3,414</b>
Margin (%)	6.2	7.2	5.9	5.8
Total Tax	1,659	1,137	983	1,024
Effective tax rate (%)	52.7	35.0	30.0	30.0
<b>Profit after tax</b>	<b>1,487</b>	<b>2,111</b>	<b>2,293</b>	<b>2,390</b>
Minority interest	-	-	-	-
Share Profit from Associate	117	-	-	-
<b>Adjusted PAT</b>	<b>1,604</b>	<b>2,111</b>	<b>2,293</b>	<b>2,390</b>
YoY gr. (%)	709.5	31.7	8.6	4.2
Margin (%)	3.2	4.7	4.1	4.0
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>1,604</b>	<b>2,111</b>	<b>2,293</b>	<b>2,390</b>
YoY gr. (%)	(497.7)	31.7	8.6	4.2
Margin (%)	3.2	4.7	4.1	4.0
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	1,604	2,111	2,293	2,390
<b>Equity Shares O/s (m)</b>	<b>281</b>	<b>281</b>	<b>281</b>	<b>281</b>
<b>EPS (Rs)</b>	<b>5.7</b>	<b>7.5</b>	<b>8.2</b>	<b>8.5</b>

Source: Company Data, PL Research

### Balance Sheet Abstract (Rs m)

Y/e Mar	FY20	FY21E	FY22E	FY23E
<b>Non-Current Assets</b>				
<b>Gross Block</b>	<b>97,065</b>	<b>1,04,565</b>	<b>1,12,065</b>	<b>1,19,565</b>
Tangibles	97,065	1,04,565	1,12,065	1,19,565
Intangibles	-	-	-	-
<b>Acc: Dep / Amortization</b>	<b>20,069</b>	<b>22,787</b>	<b>26,373</b>	<b>30,199</b>
Tangibles	20,069	22,787	26,373	30,199
Intangibles	-	-	-	-
<b>Net fixed assets</b>	<b>76,997</b>	<b>81,778</b>	<b>85,692</b>	<b>89,366</b>
Tangibles	76,997	81,778	85,692	89,366
Intangibles	-	-	-	-
Capital Work In Progress	702	702	702	702
Goodwill	-	-	-	-
Non-Current Investments	19,191	21,325	23,447	25,585
Net Deferred tax assets	828	828	828	828
Other Non-Current Assets	2,021	2,308	2,448	2,590
<b>Current Assets</b>				
Investments	-	-	-	-
Inventories	4,348	4,179	5,320	5,658
Trade receivables	10,830	13,619	15,961	16,975
Cash & Bank Balance	7,544	9,179	10,772	11,978
Other Current Assets	3,688	4,038	4,284	4,533
<b>Total Assets</b>	<b>1,35,512</b>	<b>1,50,051</b>	<b>1,62,090</b>	<b>1,71,632</b>
<b>Equity</b>				
Equity Share Capital	1,404	1,404	1,404	1,404
Other Equity	2,739	4,570	6,583	8,692
<b>Total Network</b>	<b>4,143</b>	<b>5,974</b>	<b>7,986</b>	<b>10,095</b>
<b>Non-Current Liabilities</b>				
Long Term borrowings	60,902	60,902	60,902	60,902
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
<b>Current Liabilities</b>				
ST Debt / Current of LT Debt	1,716	6,716	11,716	16,716
Trade payables	8,185	10,446	13,301	14,146
Other current liabilities	18,775	24,221	26,394	27,982
<b>Total Equity &amp; Liabilities</b>	<b>1,35,512</b>	<b>1,50,051</b>	<b>1,62,090</b>	<b>1,71,632</b>

Source: Company Data, PL Research

**Cash Flow (Rs m)**

Y/e Mar	FY20	FY21E	FY22E	FY23E
PBT	3,262	3,248	3,276	3,414
Add. Depreciation	2,998	2,719	3,586	3,826
Add. Interest	10,424	9,805	10,893	11,643
Less Financial Other Income	817	1,085	1,110	1,180
Add. Other	(73)	-	-	-
Op. profit before WC changes	16,611	15,772	17,755	18,883
Net Changes-WC	(3,876)	585	(505)	(1,229)
Direct tax	(2,044)	(1,137)	(983)	(1,024)
<b>Net cash from Op. activities</b>	<b>10,691</b>	<b>15,220</b>	<b>16,267</b>	<b>16,629</b>
Capital expenditures	(1,035)	(7,500)	(7,500)	(7,500)
Interest / Dividend Income	199	-	-	-
Others	(330)	(1,000)	(1,000)	(1,000)
<b>Net Cash from Inv. activities</b>	<b>(1,166)</b>	<b>(8,500)</b>	<b>(8,500)</b>	<b>(8,500)</b>
Issue of share cap. / premium	141	-	-	-
Debt changes	454	5,000	5,000	5,000
Dividend paid	-	(281)	(281)	(281)
Interest paid	(6,307)	(9,805)	(10,893)	(11,643)
Others	-	-	-	-
<b>Net cash from Fin. activities</b>	<b>(5,711)</b>	<b>(5,085)</b>	<b>(6,173)</b>	<b>(6,923)</b>
<b>Net change in cash</b>	<b>3,814</b>	<b>1,635</b>	<b>1,593</b>	<b>1,206</b>
Free Cash Flow	9,592	7,720	8,767	9,129

Source: Company Data, PL Research

**Quarterly Financials (Rs m)**

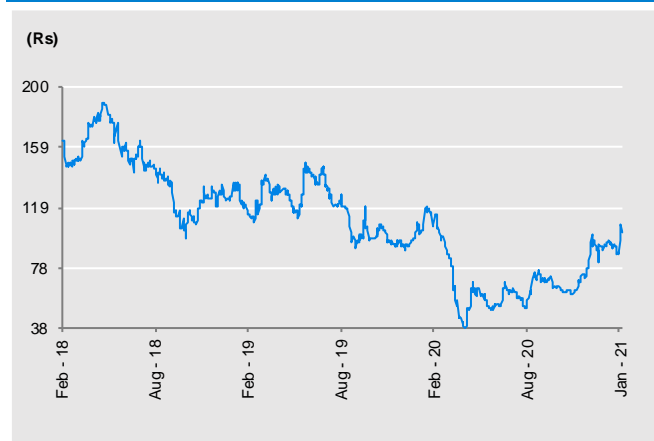
Y/e Mar	Q4FY20	Q1FY21	Q2FY21	Q3FY21
<b>Net Revenue</b>	<b>12,548</b>	<b>5,724</b>	<b>8,775</b>	<b>9,807</b>
YoY gr. (%)	(4.0)	(34.7)	6.7	(0.3)
Raw Material Expenses	-	-	-	-
Gross Profit	12,548	5,724	8,775	9,807
Margin (%)	100.0	100.0	100.0	100.0
<b>EBITDA</b>	<b>2,289</b>	<b>819</b>	<b>1,309</b>	<b>1,055</b>
YoY gr. (%)	26.2	(25.2)	6.6	(15.1)
Margin (%)	18.2	14.3	14.9	10.8
Depreciation / Depletion	290	223	218	216
<b>EBIT</b>	<b>1,999</b>	<b>596</b>	<b>1,092</b>	<b>839</b>
Margin (%)	15.9	10.4	12.4	8.6
Net Interest	209	166	197	183
Other Income	346	483	498	473
<b>Profit before Tax</b>	<b>2,136</b>	<b>913</b>	<b>1,393</b>	<b>1,129</b>
Margin (%)	17.0	16.0	15.9	11.5
Total Tax	493	222	346	272
Effective tax rate (%)	23.1	24.4	24.8	24.1
<b>Profit after Tax</b>	<b>1,642</b>	<b>691</b>	<b>1,047</b>	<b>856</b>
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
<b>Adjusted PAT</b>	<b>1,642</b>	<b>691</b>	<b>1,047</b>	<b>856</b>
YoY gr. (%)	56.0	6.8	44.0	0.1
Margin (%)	13.1	12.1	11.9	8.7
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>1,642</b>	<b>691</b>	<b>1,047</b>	<b>856</b>
YoY gr. (%)	67.6	6.8	44.0	0.1
Margin (%)	13.1	12.1	11.9	8.7
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	<b>1,642</b>	<b>691</b>	<b>1,047</b>	<b>856</b>
Avg. Shares O/s (m)	281	281	281	281
<b>EPS (Rs)</b>	<b>5.9</b>	<b>2.5</b>	<b>3.7</b>	<b>3.1</b>

Source: Company Data, PL Research

**Key Financial Metrics**

Y/e Mar	FY20	FY21E	FY22E	FY23E
<b>Per Share(Rs)</b>				
EPS	5.7	7.5	8.2	8.5
CEPS	16.4	17.2	20.9	22.1
BVPS	14.8	21.3	28.4	36.0
FCF	34.2	27.5	31.2	32.5
DPS	-	1.0	1.0	1.0
<b>Return Ratio(%)</b>				
RoCE	19.6	17.1	16.9	16.5
ROIC	10.5	12.8	13.8	13.5
RoE	45.7	41.7	32.9	26.4
<b>Balance Sheet</b>				
Net Debt : Equity (x)	13.3	9.8	7.7	6.5
Net Working Capital (Days)	47	34	28	28
<b>Valuation(x)</b>				
PER	18.3	13.9	12.8	12.3
P/B	7.1	4.9	3.7	2.9
P/CEPS	6.4	6.1	5.0	4.7
EV/EBITDA	5.4	6.0	5.5	5.4
EV/Sales	1.7	1.9	1.6	1.6
Dividend Yield (%)	-	1.0	1.0	1.0

Source: Company Data, PL Research

**Price Chart**
**Recommendation History**


No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	07-Jan-21	BUY	147	94
2	12-Nov-20	BUY	147	69
3	08-Oct-20	BUY	147	64
4	12-Aug-20	BUY	147	60
5	07-Jul-20	BUY	147	64
6	16-Jun-20	BUY	147	56
7	07-Apr-20	BUY	147	39
8	11-Feb-20	BUY	167	105

**Analyst Coverage Universe**

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	ABB	Hold	880	1,303
2	Ahluwalia Contracts (India)	BUY	288	263
3	Apar Industries	BUY	543	373
4	Ashoka Buildcon	BUY	147	94
5	Bharat Electronics	Accumulate	110	132
6	BHEL	Hold	34	39
7	Capacite's Infraprojects	BUY	270	180
8	Container Corporation of India	BUY	561	467
9	Cummins India	Hold	546	666
10	Engineers India	BUY	115	73
11	GE T&D India	Hold	86	132
12	H.G. Infra Engineering	BUY	311	219
13	IRB Infrastructure Developers	BUY	157	116
14	ITD Cementation India	BUY	67	64
15	J.Kumar Infraprojects	BUY	176	142
16	Kalpataru Power Transmission	BUY	437	336
17	KEC International	Accumulate	402	360
18	KNR Constructions	BUY	336	337
19	Larsen & Toubro	BUY	1,526	1,361
20	NCC	BUY	83	62
21	PNC Infratech	BUY	295	245
22	Power Grid Corporation of India	BUY	205	170
23	Sadbhav Engineering	BUY	87	64
24	Siemens	Accumulate	1,516	1,633
25	Thermax	Accumulate	1,008	1,207
26	Triveni Turbine	BUY	98	88
27	Voltamp Transformers	BUY	1,283	1,254

**PL's Recommendation Nomenclature (Absolute Performance)**

<b>Buy</b>	: > 15%
<b>Accumulate</b>	: 5% to 15%
<b>Hold</b>	: +5% to -5%
<b>Reduce</b>	: -5% to -15%
<b>Sell</b>	: < -15%
<b>Not Rated (NR)</b>	: No specific call on the stock
<b>Under Review (UR)</b>	: Rating likely to change shortly



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