

## Healthy performance; outlook bright

**About the stock:** PNC Infratech has established itself as a strong executor in roads, water infra, and airport runway segments. Additionally, superior execution capabilities via ownership of modern equipment and in-house teams enables PNC to deliver projects on-time. PNC has executed 70 major infrastructure projects till date.

- Reported 30.3% revenue CAGR in FY17-22; operating margin was in the range of 13-15%
- Proficient execution, robust return ratios (RoCE: ~20%)

### Q1FY23 Results: PNC reported a robust set of numbers during Q1FY23.

- Standalone revenue was up 40.5% YoY to ₹ 1,758.1 crore. Its revenue included ₹ 37 crore bonus received for early completion of the project
- EBITDA came in at ₹ 257.8 crore, up 46.9% with better project mix and receipt of early completion bonus (₹ 37 crore for early completion of a project). The consequent margin was at 14.7% (up 64 bps YoY). Core margin (adjusted to bonus) was at 12.8%.
- PAT was at ₹ 166.5 crore, up 78.5% YoY

**What should investors do?** PNC's share price has grown at 13% CAGR over the past five years (from ~₹ 139 in August 2017 to ₹ 259 levels in August 2022).

- We maintain our **BUY** rating on the stock

**Target Price and Valuation:** We value PNC at ₹ 350/share.

### Key triggers for future price performance:

- PNC is likely to be one of the major beneficiaries of thriving roads and water supply segment (*Jal Jeevan Mission*)
- Strong order book position, receipt of appointed date in most of its projects, and execution pick-up to translate into 13.4% topline CAGR over FY22-24E and stable margins
- Planned monetisation of HAM/annuity assets

**Alternate Stock Idea:** Besides PNC, we like HG Infra in the EPC space.

- Strong execution, lean balance sheet and healthy order book
- BUY with a target price of ₹ 765/share



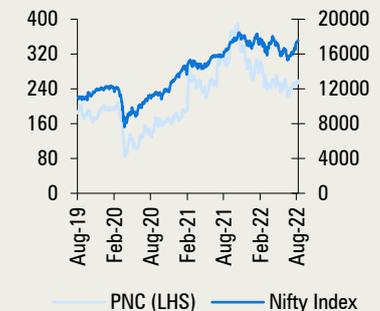
### Particulars

Particular	Amount (₹ crore)
Market Cap	6,643.1
Debt (₹ crore) FY22	215.8
Cash (₹ crore) FY22	527.7
EV (₹ crore)	6,331.2
52 week H/L (₹)	396/ 219
Equity capital	51.3
Face value	₹ 2

### Shareholding pattern

	Sep-21	Dec-21	Mar-22	Jun-22
Promoters	56.1	56.1	56.1	56.1
DII	28.3	28.9	28.9	28.6
FII	11.6	10.9	10.5	10.5
Other	4.1	4.2	4.6	4.9

### Price Chart



### Key Risks

**Key Risk:** (i) Delay in HAM projects execution; (ii) Any working capital stress in water/irrigation projects

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### Key Financial Summary

₹ crore	FY20	FY21	FY22	5 yr CAGR (FY17-22)	FY23E	FY24E	2 yr CAGR (FY21-24E)
Net Sales	4,877.9	4,925.4	6,305.5	30.1%	7,309.9	8,108.9	13.4%
EBITDA	764.3	676.6	787.2	28.9%	946.6	1,094.7	17.9%
EBITDA Margin (%)	15.7	13.7	12.5		13.0	13.5	
Adjusted PAT	315.2	361.9	447.8	24.1%	537.2	632.0	18.8%
EPS (₹)	17.9	14.1	17.5		20.9	24.6	
P/E (x)	14.4	18.4	14.8		12.4	10.5	
EV/EBITDA (x)	8.1	9.1	8.0		7.0	6.1	
RoNW (%)	12.4	12.4	13.4		13.9	14.1	
RoCE (%)	25.3	19.2	20.0		21.2	21.5	

## Key business highlight and outlook

### Order book strong, provides healthy revenue visibility

PNC's order book (OB) at the end of Q1FY23 was at ₹ 20,446 crore (including L1 in seven HAM projects having EPC value of ₹ 7,439 crore). This translates into healthy 3x book to TTM revenues. Roads contribute 60.7% to the overall order book while balance 39.3% is contributed by water and canal projects. Going forward, the company has guided for inflows worth ~₹ 8,000-10,000 crore during FY23E (vs. ~₹ 11,150 crore of projects secured in FY22). The key focus would be on roads and water supply projects. On the execution front, the company has reported 40.5% YoY revenue growth (to ₹ 1,758.1 crore) during Q1FY23 backed by its strong order book position, pick-up in execution and receipt of appointed date in most of the projects. Going forward, the company has guided for ~15% YoY revenue growth for FY23 with operating margin at ~13.5%.

### Well-placed to fund HAM projects; asset monetisation on cards

PNC's balance sheet remained lean backed by its prudent strategy to mainly focus on an asset light business model and efficient manage working capital. At the end of Q1FY23, its gross debt, cash and cash equivalent at the standalone level was at ₹ 300 crore, ₹ 463 crore, respectively. Going forward, it has total equity requirement of ₹ 2,390 crore (₹ 1,029 crore already invested till Q1FY23; ₹ 1,361 crore to be spent over the next two to three years) towards already secured HAM projects. Despite these, we expect its debt to remain at comfortable levels with healthy operating cash flow generation arising from improved profitability and, better cash flow management. Also, PNC is currently in advanced stages of discussions with potential investor to monetise its six completed HAM and one BOT-Annuity projects (total equity infusion: ~₹ 940 crore). The management expects positive development on these front by FY23-end. The monetisation of HAM assets would increase its ability to bag newer projects.

### Key conference call takeaways

- Industry Outlook:** The pace of highway construction during Q1FY23 slowed down to 22 km/day (vs. 25 km/day in Q1FY22) mainly impacted by higher input cost and early onset of monsoon. Further, ongoing heavy monsoon period and flood like situations in some places would continue to have an influence on overall construction activities during Q2FY23. In terms of awarding, MoRTH has tendered 969 km during Q1FY23 (vs. 1,681 km in Q1FY22). Overall, the authority is aiming to award 6,500 km of road projects during FY23 (including ~10% of total tendering via BOT). Also, MoRTH/NHAI are contemplating granting ~20% of the bid project cost during the construction period of HAM projects (against current norm of 40%). While this would require additional investments by private developers, the authority would be able bid out more projects with same capital
- Bid pipeline:** At present, PNC has a bid pipeline of ₹ 50,000 crore mainly from NHAI side. EPC projects are contributing 60% to the overall tenders while rest 40% are contributed by HAM projects
- Water segment:** Water and canal projects order book value as on June 30, 2022 was at ₹ 8,036 crore. Under Jal Jeevan Mission (order book value: ~₹ 6,000 crore), PNC currently has an executable order book of ₹ 1,800 crore. Out of these, the company has executed work worth ~₹ 400 crore till now (₹ 108 crore during Q4FY22; ₹ 142 crore during Q1FY23 and ₹ 150 crore in August 2022). Overall, the management expects revenue booking of ~₹ 1,200-1,500 crore from the Jal Jeevan mission projects during FY23
- HAM Projects portfolio:** PNC has a portfolio of 18 HAM projects with an aggregate bid project cost of ₹ 24,590 crore. Out of these, the company has achieved PCoD/CoD in five projects, six are under construction while balance seven have been recently awarded. Overall, the company has an overall equity requirement of ₹ 2,390 crore. Out of these, PNC has infused ₹ 1,029 crore equity in its HAM projects till June 2022-end (₹ 114 crore infused in Q1FY23) and has a balance equity requirement of ₹ 1,361 crore (₹ 330 crore during rest-FY23E, ₹ 480 crore in FY24E and balance in FY25E). Overall, the

company expects to fund its remaining equity requirement with healthy internal cash flow generation

- **Land availability at newer HAM projects:** In its newly won seven HAM projects, 80% land is available at five projects while 60% land is accessible for remaining two jobs. The management expects significant portion of land to be available over the next five months. Appointed date is expected in most of the projects during Q4FY23
- **Bonus:** PNC has received ₹ 37 crore towards bonus for early completion of Purvanchal Expressway (Package VI) project during Q1FY23 (completed 97 days ahead of schedule).
- **Margin:** Operating margin during Q1FY23 was at 14.7%. However, excluding receipt of early completion bonus, operating margin was at 12.8%. **With softening in steel prices, the management expects margin to remain at normalised level of ~13.5%, going forward**
- **Aligarh Expressway divestment:** PNC has completed the divestment of its entire stake of 35% (which includes 19.88% stake held by PNC Infra Holdings, wholly owned subsidiary of the company) in the Ghaziabad Aligarh Expressway project to Cube Highways and Infrastructure. In the project, the company had the investment of ₹ 442.2 crore (in form of equity share capital, subordinate loans and EPC outstanding) against which it has received ₹ 214.9 crore from the acquirer. **The total transaction has been done at an enterprise value of ₹ 1,370 crore. With the completion of deal, the company has recognised ₹ 39 crore, ₹ 90.3 crore of impairment during Q3FY22, Q4FY22, respectively**
- **Other assets monetisation plan:** PNC is currently in advanced stages of discussions with potential investor to monetise its six completed HAM and one BOT-annuity projects (total equity infusion: ~₹ 940 crore). The management expects positive development on these front by FY23-end
- **Working capital:** Net working capital cycle improved to 68 days (at Q1FY23-end; vs. 77 days at FY22-end) backed by the significant improvement in debtor days (at 60 at Q1FY23-end vs. 74 days at FY22-end). Going forward, the management expects working capital cycle to normalise to 80-90 days
- **Debt:** PNC's standalone debt was at ₹ 300 crore as of Q1FY23-end, largely for equipment financing with no working capital debt. Cash and bank on PNC's books was at ₹ 463 crore. **Going forward, the management expects standalone gross debt to hover at ~₹ 200-250 crore (by FY23-end) to be backed by generation of higher operating cash flows**
- **Toll collection numbers:** MP highways ₹ 13.9 crore, Kanpur Ayodhya ₹ 125.3 crore, Kanpur highway ₹ 23.3 crore, Narela ₹ 11.9 crore, Bareilly Almora ₹ 15.3 crore, and Ghaziabad Aligarh ₹ 32.2 crore
- **Capex:** PNC has incurred negligible capex during Q1FY23. However, the company has **guided for overall capex of ₹ 100-120 crore during FY23E**

PNC remains one of our preferred picks in the EPC space given its robust order book, healthy return ratios and lean balance sheet. With sufficient internal accruals from current order book, equity infusion for HAM will have no hiccups. Furthermore, with asset monetisation plan fructification (it is looking to monetise its BOT/HAM assets and expects some development by year end), the growth potential will increase. We maintain our BUY rating with an SoTP target price of ₹ 350/share. We value its construction business at ₹ 296/share (at 12x FY24 EPS).

**Exhibit 1: Variance Analysis**

Particulars	Q1FY23	Q1FY23E	Q1FY22	YoY (%)	Q4FY22	QoQ (%)	Comments
Total Operating Income	1758.1	1501.4	1251.2	40.5	1917.3	-8.3	Pick-up in execution led to topline growth
Other Income	7.5	12.0	17.8	-57.8	8.5	-11.7	
Net Raw material consumed	1289.6	1051.0	885.6	45.6	1354.1	-4.8	
Employee benefit expenses	75.3	81.1	72.9	3.4	80.3	-6.2	
Other Expenses	135.4	174.0	117.3	15.4	258.2	-47.6	
EBITDA	257.8	195.4	175.4	46.9	224.7	14.7	
EBITDA Margin(%)	14.7	13.0	14.0	64 bps	11.7	294 bps	Margin improved with better project mix and receipt of early completion bonus
Depreciation	26.9	33.0	31.5	-14.5	32.1	-16.0	
Interest	17.5	18.0	18.0	-3.1	17.0	2.8	
PBT	220.9	156.3	143.7	53.7	184.1	20.0	
Taxes	54.3	39.9	50.4	7.9	45.9	18.3	
PAT	166.5	116.5	93.3	78.5	138.2	20.5	

Source: Company, ICICI Direct Research

**Exhibit 2: Change in estimates**

(₹ Crore)	FY23E			FY24E			Comments
	Old	New	% Change	Old	New	% Change	
Revenue	7,309.9	7,309.9	0.0	8,108.9	8,108.9	0.0	
EBITDA	946.6	946.6	0.0	1,094.7	1,094.7	0.0	
EBITDA Margin (%)	13.0	13.0	0 bps	13.5	13.5	0 bps	
PAT	537.2	537.2	0.0	632.0	632.0	0.0	
Diluted EPS (₹)	20.9	20.9	0.0	24.6	24.6	0.0	

Source: Company, ICICI Direct Research

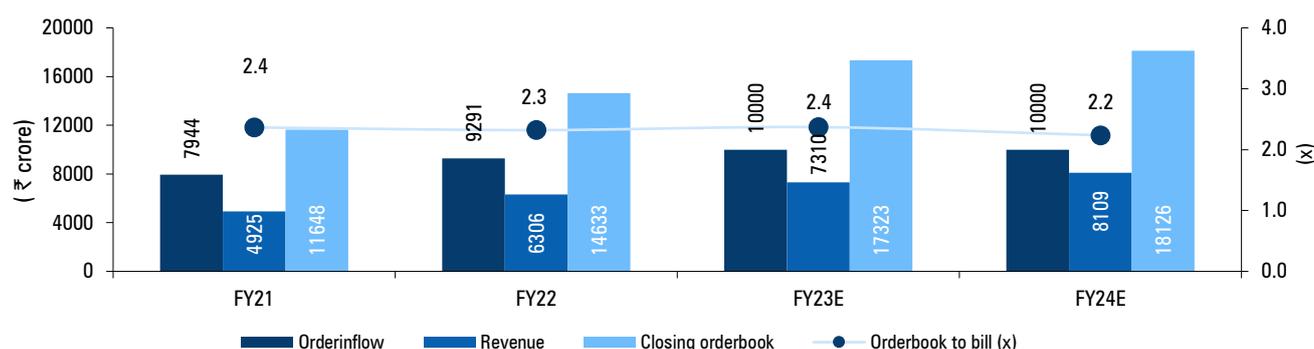
## Company Analysis

Exhibit 3: Key projects under construction

Order book	Remaining Value (₹ crore)
Aligarh-Kappur Pkg-V	671
Unnao-Lalganj	876
Jagdishpur Faizabad	640
Meerut Nazibabad	684
Lucknow Ringroad	515
Challakere to Hariyur	557
<b>Top 6 projects</b>	<b>3,943</b>
Water and Canal Projects	8,036
New HAM projects	7,439
Other Projects	1,028
<b>Total</b>	<b>20,446</b>

Source: Company, ICICI Direct Research

Exhibit 4: Strong order book position



Source: Company, ICICI Direct Research

Exhibit 5: BOT project summary

Project	% Stake	Authority	State	Stretch	Type	Kms	Lanes	Equity invested (₹ crore)	PNC's share of invested equity (₹ crore)	Debt outstanding (₹ crore)
Kanpur Kabrai	100	NHAI	UP	NH-86	Toll	123.0	2	67.5	67.5	51.0
Gwalior Bhind	100	MPRDC	MP	NH-92	Toll	107.7	2	78.3	78.3	81.0
Bareilly Almora*	100	UPSHA	UP	SH-37	Toll	54.0	4	74.6	74.6	330.0
Rae Bareilly Jaunpur*	100	NHAI	UP	NH-23	Annuity	166.4	2	139.6	139.6	455.0
Narela Industrial Estate	100	DSIIDC	Delhi	NA	Annuity	33.0	NA	35.0	35.0	-
Kanpur Ayodhya	100	NHAI	UP	NH-28	OMT	217.0	4	0.1	0.1	-
Eastern Peripheral Expressway	100	NHAI	Haryana/UP		OMT	135.0	6	0.0	0.0	-
<b>Total</b>								<b>395.2</b>	<b>395.2</b>	<b>917.0</b>

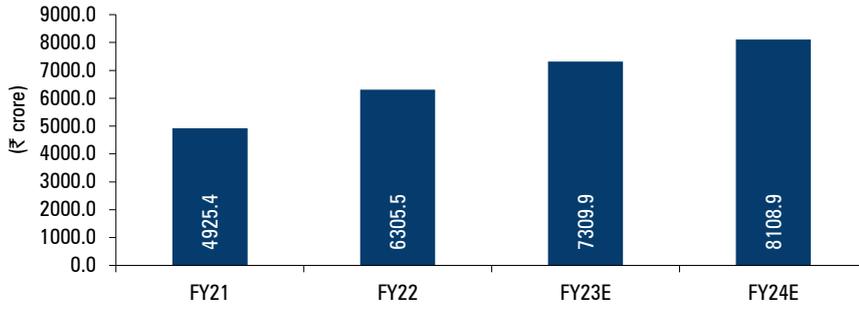
Source: Company, ICICI Direct Research

Exhibit 6: HAM project summary

Project	% Stake	Authority	State	Stretch	Kms	Lanes	Total Project cost (₹ crore)	PNC's share of invested equity (₹ crore)	Outstanding Debt
Dausa-Lalsot	100	NHAI	Rajasthan	NH-11A	83.5	4	820	65	301
Chitradurga-Davanagere	100	NHAI	Karnataka	NH-48	72.7	6	1338	107	558
Jhansi-Khajuraho (Package I)	100	NHAI	UP & MP	NH-75/76	76.3	4	1342	108	578
Jhansi-Khajuraho (Package II)	100	NHAI	UP & MP	NH-75/76	85.4	4	1262	104	543
Chakeri-Allahabad	100	NHAI	UP	NH-2	145.1	6	2018	143	647
Aligarh Kanpur	100	NHAI	UP	NH-91	45.0	4	1104	131	495
Challakere - Hariyur	100	NHAI	Karnataka	NH-150A	55.7	4	1013	60	100
Jagdishpur - Faizabad	100	NHAI	UP	NH-330A	60.2	4	1311	70	121
Mitrasen to Kanpur	100	NHAI	UP	NH-91	60.6	4	1790	97	385
Unnao-Lalganj	100	NHAI	UP	NH-232A	70.0	4	1491	79	139
Meerut - Nazibabad	100	NHAI	UP	NH-119	53.9	4	1256	64	43
Kanpur-Lucknow (Pkg I)	100	NHAI	UP	NH-27	17.5	6	1413	-	-
Kanpur-Lucknow (Pkg II)	100	NHAI	UP	NH-31/25	45.2	6	1513	-	-
Sonauli- Gorakhpur	100	NHAI	UP	NH-29E	79.5	4	1458	-	-
Mathura - Gaju Village	100	NHAI	UP	NH-530B	32.9	4	885	-	-
Hardoi	100	NHAI	UP	NH-731	54.4	4	864	-	-
Gaju Village- Devinagar	100	NHAI	UP	NH-530B	33.0	4	738	-	-
Badadal-Maradgi S	100	NHAI	MH & KN	NH-150C	71.0	6	1575	-	-
<b>Total</b>					<b>1142</b>		<b>23191</b>	<b>1028</b>	<b>3910</b>

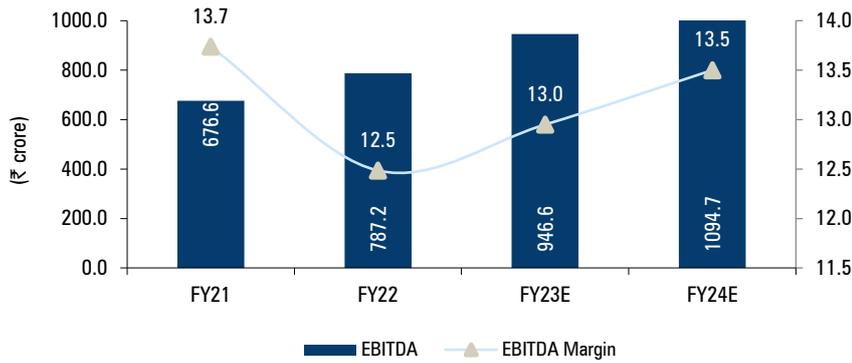
Source: Company, ICICI Direct Research

Exhibit 7: Revenue growth to be robust



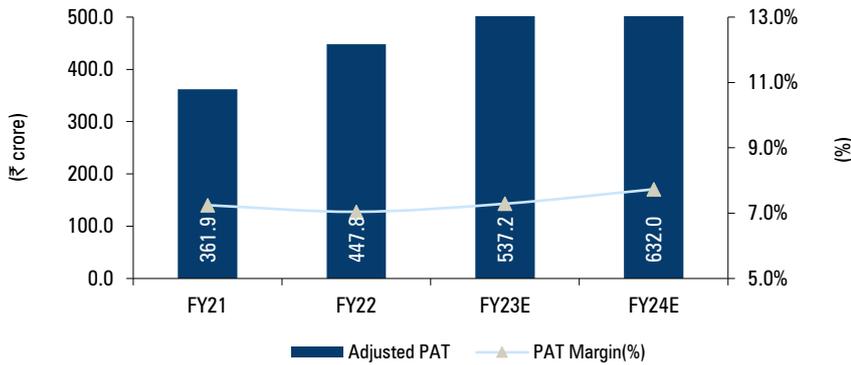
Source: Company, ICICI Direct Research

Exhibit 8: EBITDA & EBITDA margin trend



Source: Company, ICICI Direct Research

Exhibit 9: PAT growth trend



Source: Company, ICICI Direct Research

## Valuation & Outlook

PNC remains one of our preferred picks in the EPC space given its robust order book, healthy return ratios and lean balance sheet. With sufficient internal accruals from current order book, equity infusion for HAM will have no hiccups. Furthermore, with asset monetisation plan fructification (it is looking to monetise its BOT/HAM assets and expects some development by year end), the growth potential will increase. We maintain our BUY rating with an SoTP target price of ₹ 350/share. We value its construction business at ₹ 296/share (at 12x FY24 EPS).

### Exhibit 10: SoTP valuation

Entity	₹ crore	Per share	Comment
<b>Construction Business</b>	<b>7,584</b>	<b>296</b>	<b>12x FY24 P/E</b>
<b>BOT &amp; HAM Projects</b>	<b>1,424</b>	<b>56</b>	
Bareilly Almora	75	3	
Gwalior Bhind	78	3	
Raibareli Jaunpur	140	5	
Narela Industrial Area	35	1	
Kanpur Kabrai	68	3	
<b>Investment in HAM projects</b>	<b>1,029</b>	<b>40</b>	<b>1x Equity Invested till date</b>
<b>Target Price</b>	<b>9,008</b>	<b>351</b>	
<b>Rounded off target price</b>		<b>350</b>	

Source: Company, ICICI Direct Research

## Financial summary

Exhibit 11: Profit and loss statement ₹ crore

(₹ Crore)	FY21	FY22	FY23E	FY24E
Net Sales	4,925.4	6,305.5	7,309.9	8,108.9
Other operating income	-	-	-	-
Other income	71.4	54.2	60.0	66.0
<b>Total Revenues</b>	<b>4,996.8</b>	<b>6,359.7</b>	<b>7,369.9</b>	<b>8,174.9</b>
Raw Material Expense	3,492.7	4,451.7	5,190.1	5,724.9
Employee expenses	279.1	342.0	383.8	454.1
Other Expenses	477.1	724.5	789.5	835.2
<b>Total Operating Exp</b>	<b>4,248.8</b>	<b>5,518.3</b>	<b>6,363.3</b>	<b>7,014.2</b>
<b>EBITDA</b>	<b>676.6</b>	<b>787.2</b>	<b>946.6</b>	<b>1,094.7</b>
Interest	77.1	80.1	76.4	82.4
Depreciation	112.4	129.9	140.3	148.9
<b>PBT</b>	<b>558.5</b>	<b>631.4</b>	<b>789.9</b>	<b>929.4</b>
Total Tax	196.6	183.6	252.8	297.4
<b>Reported PAT</b>	<b>361.9</b>	<b>447.8</b>	<b>537.2</b>	<b>632.0</b>
<b>Adjusted PAT</b>	<b>361.9</b>	<b>447.8</b>	<b>537.2</b>	<b>632.0</b>
<b>EPS (Diluted)</b>	<b>14.1</b>	<b>17.5</b>	<b>20.9</b>	<b>24.6</b>

Source: Company, ICICI Direct Research

Exhibit 12: Cash flow statement ₹ crore

₹ crore	FY21	FY22	FY23E	FY24E
<b>Profit after Tax</b>	<b>361.9</b>	<b>447.8</b>	<b>537.2</b>	<b>632.0</b>
Depreciation	112.4	129.9	140.3	148.9
Other Income	-71.4	-54.2	-60.0	-66.0
<b>Cash Flow before WC changes</b>	<b>676.6</b>	<b>787.2</b>	<b>946.6</b>	<b>1,094.7</b>
Net Increase in Current Assets	-250.1	-689.0	-682.3	-400.2
Net Increase in Current Liabilities	12.3	196.7	220.6	215.0
<b>Net CF from Op. Activities</b>	<b>242.2</b>	<b>111.3</b>	<b>232.2</b>	<b>612.0</b>
(Purchase)/Sale of Fixed Assets	-183.5	-60.1	-120.0	-80.0
Purchase of Investment	-97.2	-66.6	-410.0	-500.0
Other Income	71.4	54.2	60.0	66.0
<b>Net CF from Inv.Activities</b>	<b>-209.3</b>	<b>-72.4</b>	<b>-470.0</b>	<b>-514.0</b>
Proceeds from share capital	0.0	0.0	0.0	0.0
Interest Paid	-77.1	-80.1	-76.4	-82.4
Increase/Decrease in Debt	72.4	-183.2	0.0	0.0
Dividend Paid	-12.8	-12.8	-12.8	-12.8
<b>Net CF from Fin. Activities</b>	<b>-4.7</b>	<b>-279.5</b>	<b>-89.2</b>	<b>-95.2</b>
<b>Net Cash flow</b>	<b>28.2</b>	<b>-240.6</b>	<b>-327.1</b>	<b>2.8</b>
Opening Cash/ Cash Equiv.	740.1	768.2	527.7	200.6
<b>Closing Cash/ Cash Equiv.</b>	<b>768.2</b>	<b>527.7</b>	<b>200.6</b>	<b>203.5</b>

Source: Company, ICICI Direct Research

Exhibit 13: Balance sheet ₹ crore

(₹ Crore)	FY21	FY22	FY23E	FY24E
<b>Liabilities</b>				
Share Capital	51.3	51.3	51.3	51.3
Reserves & Surplus	2,857.2	3,288.9	3,813.2	4,432.4
<b>Networth</b>	<b>2,908.5</b>	<b>3,340.2</b>	<b>3,864.5</b>	<b>4,483.7</b>
Secured Loan	399.0	215.8	215.8	215.8
Unsecured Loan	-	-	-	-
<b>Total Debt</b>	<b>399.0</b>	<b>215.8</b>	<b>215.8</b>	<b>215.8</b>
Deferred Tax Liability	-	-	-	-
<b>Total Liabilities</b>	<b>3,307.5</b>	<b>3,556.0</b>	<b>4,080.3</b>	<b>4,699.5</b>
<b>Assets</b>				
Gross Block	1,121.1	1,185.0	1,305.0	1,385.0
Net Block	653.5	587.6	567.3	498.4
Capital WIP	3.4	-	-	-
Non-current Investments	1,038.7	1,205.7	1,615.7	2,115.7
<b>Current Assets</b>				
Inventories	353.6	480.8	557.4	618.3
Sundry Debtors	839.2	1,272.8	1,502.0	1,666.2
Loans and Advances	801.7	876.4	1,201.6	1,333.0
Other Current Assets	295.7	349.3	400.5	444.3
Cash	768.3	527.7	200.6	203.5
<b>Total Current Assets</b>	<b>3,159.0</b>	<b>3,507.0</b>	<b>3,862.2</b>	<b>4,265.3</b>
Creditors	719.4	507.6	600.8	666.5
Provisions	23.8	20.8	24.1	26.7
Other Current Liabilities	383.6	485.4	540.7	599.8
Other Long Term Liabilities	422.6	732.4	801.1	888.6
<b>Total Current Liabilities</b>	<b>1,549.4</b>	<b>1,746.1</b>	<b>1,966.7</b>	<b>2,181.7</b>
Net Current Assets	1,609.6	1,760.9	1,895.5	2,083.6
<b>Total Assets</b>	<b>3,307.5</b>	<b>3,556.0</b>	<b>4,080.3</b>	<b>4,699.5</b>

Source: Company, ICICI Direct Research

Exhibit 14: Key ratios

(Year-end March)	FY21	FY22	FY23E	FY24E
<b>Per Share Data</b>				
EPS (Fully Diluted)	14.1	17.5	20.9	24.6
Cash EPS	18.5	22.5	26.4	30.4
BV	113.4	130.2	150.6	174.8
Dividend per share	0.5	0.5	0.5	0.5
<b>Operating Ratios</b>				
EBITDA / Net Sales	13.7	12.5	13.0	13.5
PAT / Net Sales	7.3	7.1	7.3	7.8
Inventory Days	26.2	27.8	27.8	27.8
Debtor Days	62.2	73.7	75.0	75.0
Creditor Days	53.3	29.4	30.0	30.0
<b>Return Ratios</b>				
RoE	12.4	13.4	13.9	14.1
RoCE	19.2	20.0	21.2	21.5
RoIC	23.2	21.7	20.8	21.0
<b>Valuation Ratios</b>				
EV / EBITDA	9.1	8.0	7.0	6.1
P/E	18.4	14.8	12.4	10.5
EV / Net Sales	1.3	1.0	0.9	0.8
Market Cap / Sales	1.3	1.1	0.9	0.8
Price to Book Value	2.3	2.0	1.7	1.5
<b>Turnover Ratios</b>				
Asset turnover	1.5	1.8	1.8	1.7
Gross Block Turnover	4.4	5.3	5.6	5.8
<b>Solvency Ratios</b>				
Debt / Equity	0.1	0.1	0.1	0.0
Current Ratio	1.5	1.7	1.9	1.9
Debt / EBITDA	0.6	0.3	0.2	0.2
<b>Quick Ratio</b>	<b>1.2</b>	<b>1.4</b>	<b>1.6</b>	<b>1.6</b>

Source: Company, ICICI Direct Research

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Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%



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