

## Dilip Buildcon

A differentiated and potentially remunerative business...

**Company background:** Dilip Buildcon Ltd (DBL) is a Bhopal based infra player focused on (1) Roads & Highways construction (85% of Order Book [OB]), (2) Irrigation (6% of OB), (3) Bridge (5% of OB) and (4) Urban Development (3% of OB). In November 2007 it forayed into BOT-Toll & Annuity projects. Currently, it's executing 64+ EPC projects and 18 BOT projects; 12 (including 11 Annuity/Annuity+Toll projects) of the 18 BOT projects are already operational.

**Pros:** (1) OB to FY2016 sales (for the standalone entity) stands at 2.6x, which gives good revenue visibility, (2) strong NHAI and MoRTH Roads & Highways bid-pipeline suggests scope for OB growth, (3) superior margin profile and better return ratios, (4) strong earnings growth potential, (5) scope for improvement in the Free Cash Flows (FCF).

**Risks & Concerns:** (1) Delays in execution of projects out of its home state Madhya Pradesh (MP) (accounts for 60% of its OB), (2) higher dependency on debt to fund upcoming BOT projects, (3) any negative outcome of legal proceedings against the company's promoters.

**Valuation:** DBL is poised to deliver healthy growth on the top-line as well as the bottom-line front on the back of its strong order book (FY2016 OB/LTM ratio stands at 2.6x). On the valuation front, at the higher-end of the issue price band, the company is available at a slight discount to its other listed road focused EPC peers on an Adj. P/E basis (on FY2016E EPS). The company reported a RoE of 22.4% in FY2016, which is among the best in the industry. Given the growth prospects and the likelihood of strong FCF generation (supported by WC cycle compression), this issue has the potential to deliver good returns for investors in the near-to-medium term. **Accordingly, we advise investors to SUBSCRIBE to the issue.**

### Key Financials (Standalone)

Y/E March (₹ cr)	FY11	FY12	FY13	FY14	FY15	FY16
<b>Net Sales</b>	<b>437</b>	<b>1,190</b>	<b>1,919</b>	<b>2,384</b>	<b>2,762</b>	<b>4,315</b>
% chg		172.3	61.3	24.2	15.9	56.2
<b>Net Profit</b>	<b>39</b>	<b>108</b>	<b>241</b>	<b>186</b>	<b>88</b>	<b>197</b>
% chg		275.0	222.2	76.0	46.2	223.3
EBITDA (%)	21.2	22.2	24.7	22.0	24.9	23.1
<b>EPS (₹)</b>	<b>11</b>	<b>18</b>	<b>41</b>	<b>31</b>	<b>7</b>	<b>17</b>
P/E (x)	19.7	12.0	5.4	7.0	29.3	13.0
P/BV (x)	22.7	8.7	4.8	3.6	0.0	0.0
RoE (%)	41.7	53.0	58.2	29.6	11.5	21.8
RoCE (%)	35.7	40.8	33.6	22.0	15.7	18.7
EV/Sales (x)	6.1	2.5	1.8	1.8	1.9	1.4
EV/EBITDA (x)	28.7	11.4	7.5	8.1	7.6	6.1

Source: Company, Angel Research; Note: Valuation multiples at higher- end of the price band

## SUBSCRIBE

Issue Open: August 01, 2016

Issue Close: August 03, 2016

### Issue Details

Face Value: ₹10

Present Eq. Paid up Capital: ₹117.1cr

Fresh Issue: 2.01 cr Shares

Offer for Sale: 1.02cr Shares

Post Eq. Paid up Capital: ₹136.8cr

Issue size (amount): ₹649\*-654cr\*\*

Price Band: ₹214-219

Lot Size: 65 shares

Post-issue implied mkt. cap:  
₹2,926cr- 2,995cr

Promoters holding Pre-Issue: 90.2%

Promoters holding Post-Issue: 75.6%

\*At Lower end of the price band; \*\* At Upper end of the price band

### Book Building

QIBs	50% of issue
Non-Institutional	15% of issue
Retail	35% of issue

### Post Issue Shareholding Pattern

Promoters Group	75.6
DII's/FII's/Public & Others	24.4

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## Issue Details

DBL is offering 2.99cr equity shares of ₹10 each via the book building route in a price band of ₹214-219, consisting of fresh equity issue of 1.96cr shares and offer for sale by Promoters and PE firm (Banyan Tree Growth Capital LLC) of 1.02cr equity shares.

### Exhibit 1: Shareholding Pattern

Particulars	Pre-Issue		Post-Issue	
	No. of Shares	(%)	No. of Shares	(%)
Promoter Group	10,57,14,087	90.2	10,34,41,359	75.6
Retail & HNI Investors	34,66,424	3.0	139,18,116	10.2
Institutional Investors	79,54,545	6.8	1,94,10,285	14.2

Source: Company, Angel Research

## Objects of the Offer

- ₹202cr to be utilized to pre-pay or schedule repayment of a portion of the term loans availed.
- ₹200cr to be utilized for funding WC requirements, and
- General corporate purposes.

## Company details

DBL is M.P. based Road EPC contractor focused in building Roads & Highways, Bridges, Dams, Canals, & Water Supply Projects. Currently DBL is working on 64+ sites across 12 states with aggregate length of 8,421 lane kms. At FY2016-end, Order book stands at ₹10,779cr.

In addition to EPC works, DBL also has portfolio of 18 BOT projects. Of these 12 are operational (totaling 1,683 lane kms, from Gujarat and Madhya Pradesh) and 6 are under construction stages. Notably, 16 of the 18 BOT projects are Annuity/Annuity+Toll based projects, whereas remaining 2 are pure Toll based projects.

### Exhibit 2: List of some of the large ticket projects being executed

Project Name	Project Type	TPC (₹ in cr)	O/s OB (₹ in cr)	Appointment Date	Completion Date	Total Length in Single Lane (km) (where applicable)	Total Length of the Road (km) (where applicable)
Gwalior- Shivpuri	Road	962.9	395.8	Feb-2012	Jun-2016	125.3	501.2
Vijayawada- Machilipatnam	Road	740.7	740.7	Jan-2016	Jan-2018	64.6	258.4
Mahulia- Baharagora	Road	674.1	674.1	Feb-2016	Feb-2018	71.6	286.4
Amritsar- Taran-taran- Harike section	Road	558.0	479.7	Sep-2015	Sep-2017	45.9	183.7
Goa-Zuari Cable-Stayed Bridge	Bridge	545.4	545.4	Feb-2016	Feb-2019	Not applicable	Not applicable
Kerala Border to Kollegal	Road	419.4	129.3	May-2014	Jun-2016	129.3	258.6
Mohanpura Major Multipurpose	Irrigation	415.8	195.7	Mar-2014	Mar-2018	-	-

Source: Company, Angel Research

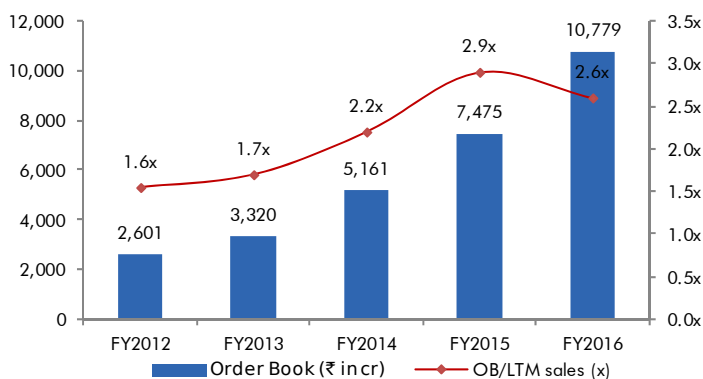
## Investment rationale

### Order book/LTM sales at 2.6x... gives strong revenue visibility...

DBL has grown its order book from ₹2,601cr in FY12 to ₹10,779cr in FY2016, mainly led by order wins from the Road segment. Till FY2012, DBL was predominantly MP-based road EPC player. In last 4 years, DBL diversified and is now present across 12 states. In last 3 years, NHAI and MoRTH order wins helped DBL grow its order book.

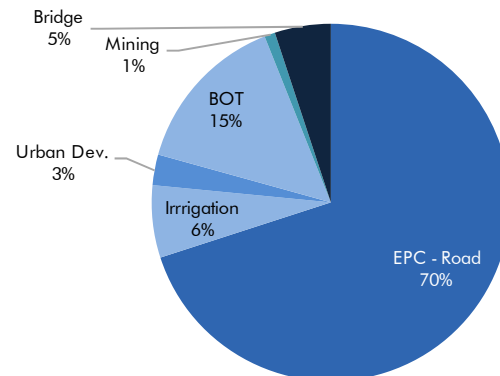
Dilip Buildcon at FY2016-end is sitting on order book of ₹10,779cr, which is 2.6x its FY2016 revenues (LTM). Given that road projects awarded by NHAI and MoRTH have 2-2.5 year's execution, OB of DBL gives strong near-to-medium term revenue growth visibility.

**Exhibit 3: OB grows 4.1x during FY2012-16**



Source: Company, Angel Research

**Exhibit 4: Segment-wise Order book split**



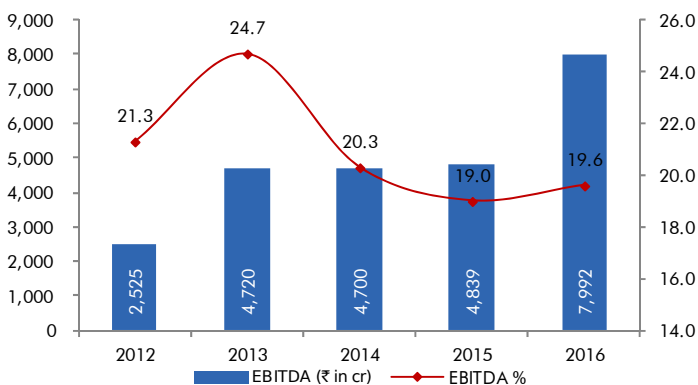
Source: Company, Angel Research

Notably, 63% of the current Order book is from the Road EPC works awarded by NHAI and MoRTH.

### EPC business enjoys strong Margin profile & better Return ratios

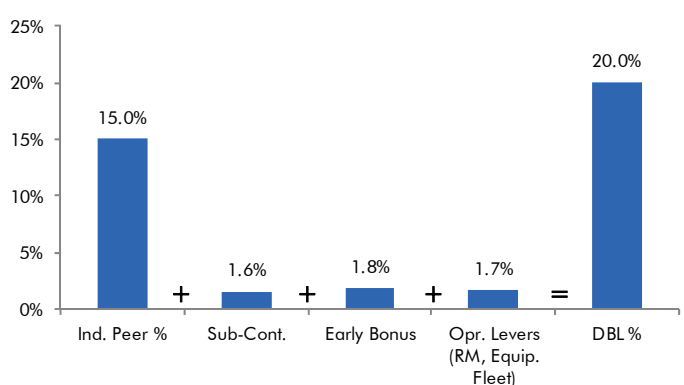
DBL follows differentiated approach towards its EPC business, which resulted in the company reporting superior margins vs. its peers.

**Exhibit 5: Reported strong EBITDA% during FY2012-16**



Source: Company, Angel Research

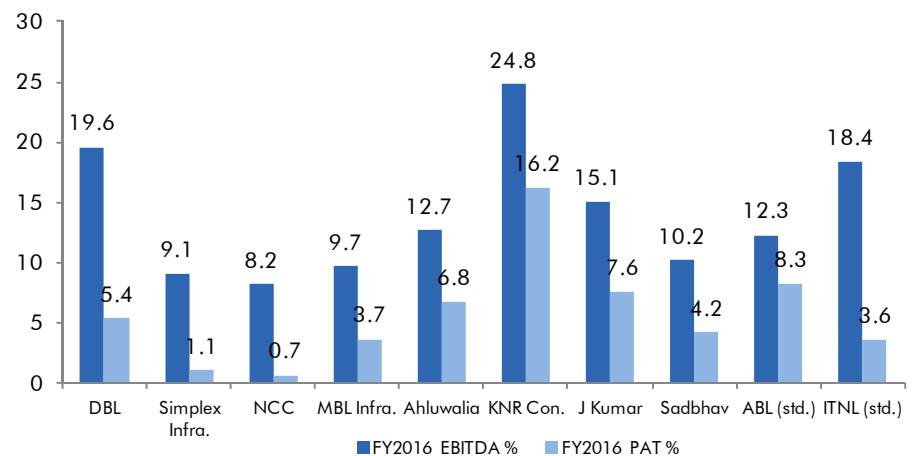
**Exhibit 6: Industry vs. DBL % reconciliation...**



Source: Company, Angel Research

DBL historically has reported above industry average EBITDA margins of 19.0-24.7% during FY2012-16. Proper due-diligence, well defined systems in place, has helped DBL historically complete many of its projects ahead of schedule. As a result, DBL received 1.8% of total sales during FY2012-16 as early completion bonus. DBL does not follow the strategy of sub-contracting as a result it leads to cost savings thereby adding ~1.5-1.6% to margins. In absence of sub-contracting strategy, DBL follows the strategy of using its in-house efficient Equipments fleet, rather than depending on 'leasing of equipments' strategy. Also, DBL resorts to bulk purchase of raw materials, taking nearby quarries on lease from medium term perspective. All these initiatives help DBL save 4.8-5.0% on EBITDA margins. This explains for the superior EBITDA margins of the company vs. its peers.

#### Exhibit 7: Enjoys superior margin profile to most of its peers...



Source: Company, Angel Research

Large fleet size of 7,345 vehicles held by DBL resulted in higher depreciation. As a result, PAT margins of the company are lower than peers, despite the strong EBITDA margin profile. DBL reported PAT margin of 5.4% in FY2016.

#### Scope for earnings growth potential during FY2016-18E...

We see multiple levers for DBL (standalone), which could help it report strong earnings growth during FY2016-18E. DBL is currently having an Order Book of ₹10,779cr (OB to LTM sales ratio stands at 2.6x). Considering 2-3 years for execution of these road projects, we expect DBL to report ~20% top-line CAGR during FY2016-18E.

On lowering EBITDA margin assumptions (to factor non-receipt of early completion bonus), we expect DBL to report 15.7% EBITDA CAGR during FY2016-18E.

DBL at FY2016-end invested ₹1,465cr towards Plant & Machinery. With sales growth outpacing incremental capex growth (₹100cr for FY2017-18 each), there exists scope for improvement in the asset leverage.

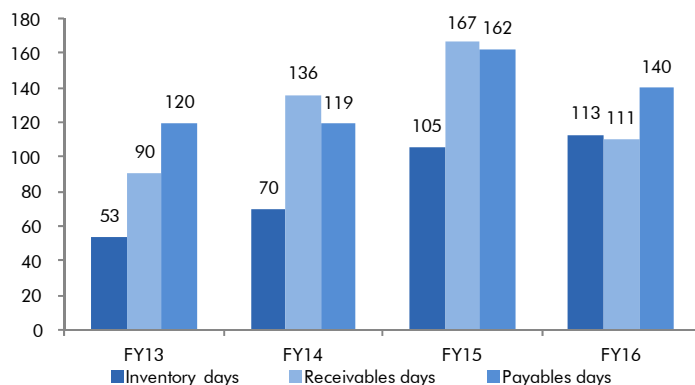
DBL at FY2016-end reported WC as % of sales ratio at 37.6%. DBL is expected to use ₹200cr raised from IPO proceeds towards working capital funding. Stretch in WC cycle for most of the BOT players is owing to SPV funding through short-term loans and advances, whereas, DBL's working capital stretch is owing to funding of

Inventory and Accounts Receivable. With improvement in collections cycle, we expect 200-300 bps improvement in WC as % of sales ratio, going forward. DBL is expected to use ₹202cr of IPO proceeds towards re-payment of term loans. We expect future growth to be partly funded by debt, which on the back of improved credit rating would be at cheaper rates. On a whole, we expect DBL to re-finance its high cost debt with low cost debt. Accordingly, we see yearly ₹2cr of savings for every 1% reduction in interest rate.

### Scope for improvement in the Free Cash Flows...

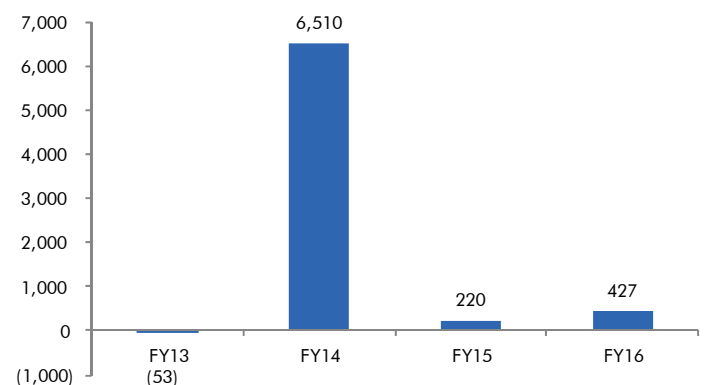
Even though DBL (standalone) has generated healthy margins in the past, Free Cash Flows (FCF) have been negative during FY2012-FY16, reflecting continuous increase in the working capital requirements, higher interest costs (due to increase in debt) and additions to gross block. Interestingly, DBL has been able to reduce the Receivable days from 167 days in FY2015 to 111 days in FY2016, on the back of (1) improvement in collection cycle for government orders and (2) resumption of works at 2 of the delayed projects. Also, improvement in (1) government order collection's cycle and (2) inventory days should help in release of over ₹1,000cr in FY2017E. Improved Cash flow from Operations (CFO) when coupled with lower estimated capex of ₹100cr for FY2017-18, each should lead to improvement in FCF during FY2017-18E. Strong FCF potential should help DBL in funding equity requirement of its upcoming BOT projects (₹650cr equity is required for next 3 years).

**Exhibit 8: Working Capital Cycle to improve...**



Source: Company, Angel Research

**Exhibit 9: Cash Flow from Operations (₹ cr)**



Source: Company, Angel Research

### Consol. D/E Ratio to decline post the IPO...

DBL (consol.) at FY2016 had debt of ₹3,221cr, reflecting D/E ratio of 3.2x. DBL is expected to use ₹200cr of the IPO proceeds towards Working capital funding and remaining ₹202cr towards Term loan repayments. Accordingly, consol. D/E ratio would decline to ~2.0x.

Currently 12 of 18 BOT projects are operational (11 being Annuity/Annuity+Toll; all 12 of them are 100% owned). Debt o/s at FY2016-end, towards these project stands at ₹1,150cr. These projects reported FY2016 Annuity income of ₹207cr and ~₹20cr of Toll Income. With ~90% EBITDA margins across these projects, there exists strong case for the SPVs to repay ~₹200cr yearly towards debt and interest re-payments.

With equity raised from IPO being used to lower debt, when coupled with SPV level debt repayments should lead to consol. Level D/E ratio declining, in the near-term. However, with funding of BOT projects in the pipeline, should lead to gradual increase in the consol. D/E ratio.

### **Mature Annuity Portfolio...augurs well for DBL**

DBL entered the BOT space in Nov-2007, and currently has 18 BOT projects in its portfolio. Of this 12 are already operational (with total investments of ₹1,571cr) and 6 are under construction. 11 of 12 BOT projects have Annuity/ Annuity+Toll model. Again 11 of these operational projects are awarded by Madhya Pradesh Road Development Corporation (MPRDC). DBL recently won ₹1,012.9cr Guna-Biora BOT project, first large ticket project from NHAI.

The Annuity portfolio gives assured cash flows and insulates the business from any traffic related risks. Further, we are of view that the operational BOT projects have reasonable IRRs. To-date, DBL has invested ₹370cr equity towards these 12 BOT projects (accounts for 37% of consol. networth). These assets in FY2016 earned Annual Income of ₹370cr and Toll income of ₹20cr. Notably, weighted average Residual life of operational BOT projects is 12.1 years. This indicates that DBL's (current) operational Annuity projects have potential to collect yearly Annuity Income of ₹2,500cr and Toll Income of ₹250+cr for remaining life of the asset.

**Exhibit 10: BOT Projects Operational**

Project Company	Project	Type	Counterparty	Annual Annuity (₹ in cr)	Capital Inv. (₹ in cr)	Concession period (Yrs)	TPC (₹ in cr)	Length (km)	COD/PCOD	Residual Life (Yrs)
DBL Nadiad Modasa Tollways Ltd.	Nadiad- Modasa	Annuity	R & BD GOG	35	29	14	208	108	Dec-13	10.3
DBL Bankhlafata Dogawa Tollways Ltd.	Bankhlafatta-Dogawa	Annuity	MPRDC	20	16	15	116	65	Mar-14	12.4
DBL Jaora-Sailana Tollways Ltd	Jaora-Piploda	Annuity	MPRDC	24	20	15	134	88	May-14	12.3
Suryavanshi Infrastructure Private Ltd.	Mandsaur- Sitamau	Toll	MPRDC	-	6	25	35	44	Feb-09	16.6
DBL Sardarpur Badnawar Tollways Ltd.	Sardarpur-Badnawar	Annuity + Toll	MPRDC	9	10	15	98	43	Jun-12	10.7
DBL Silwani Sultanganj Tollways Ltd	Silwani- Sultanganj	Annuity + Toll	MPRDC	19	21	15	129	76	Mar-13	10.9
DBL Sitamau-Suwasara Tollways Ltd	Sitamau- Suwasara	Annuity + Toll	MPRDC	7	8	15	60	35	Mar-13	11.1
DBL Mundi-Sanawad Tollways Ltd.	Mundi- Sanawad	Annuity + Toll	MPRDC	17	21	15	141	68	May-13	11.0
DBL Uchera- Nagod Tollways Ltd.	Uchera- Nagod	Annuity + Toll	MPRDC	17	32	15	114	56	May-14	11.7
DBL Ashoknagar-Vidisha Tollways Ltd.	Ashoknagar- Vidisha	Annuity + Toll	MPRDC	10	20	15	85	36	Jul-14	12.6
DBL Tikamgarh-Nowgaon Tollways Ltd.	Tikamgarh (Dhajrai) Jatara-Palera Nowgaon	Annuity + Toll	MPRDC	18	26	15	130	76	May-15	13.4
DBL Betul- Sarni Tollways Ltd.	Betul Sarni Junnardeo- Parasia	Annuity + Toll	MPRDC	31	81	15	322	124	May-15	13.0

Source: Company, Angel Research

Another ₹650cr of equity investments is required for 6 BOT projects under construction phase in the next 3 years.

**Exhibit 11: BOT Projects Under Construction**

Project Company	Project	Type	Counter-party	Annual Annuity (₹ in cr)	Concession period (Yrs)	TPC (₹ in cr)	Length (km) (approx)	Scheduled COD#	Residual Life
DBL Hata-Dargawan Tollways Ltd.	Hata Fatehpur	Annuity + Toll	MPRDC	14	15	87	64	Apr-18	15
Jalpa Devi Tollways Ltd.	Guna-Biora	Toll	NHAI	Nil	26	715	94	Awaited	Awaited
DBL Patan Rehli Tollways Ltd.	Patan-Tendukeda- Rehli	Annuity + Toll	MPRDC	35	15	225	87	Apr-18	15
DBL Mundargi Harapanahalli Tollways Ltd.	Mundargi - Hadagali – Harapanahalli	Annuity	KRDCL	35	10	157	51	Awaited	Awaited
DBL Hassan Periyapatna Tollways Ltd.	Hassan - Ramanathapura - Periyapatna	Annuity	KRDCL	53	10	220	74	Awaited	Awaited
DBL Hirekerur Ranibennur Tollways Ltd.	Hirekerur – Ranibennur	Annuity	KRDCL	39	10	174	56	Awaited	Awaited

Source: Company, Angel Research



## Risks & Concerns

1. DBL has entered 12 states and is executing 64+ projects in different states. Madhya Pradesh currently accounts for 40% of its Order Book. With major chunk of orders being executed outside the state, there exists scope for decline in the margins on account of project execution delays.
2. DBL has guided for equity commitment of ₹650cr over the next 3 years for construction of 6 BOT projects. We expect this requirement to be met by internal accruals. Any inability to improve its free cash flow generation potential could lead to increased dependency on the debt funding, which in-turn could lead to Balance Sheet pressure.
3. There are few legal proceedings outstanding against DBL's promoters, some of the directors. Any negative outcome of these legal proceedings could affect the growth prospects of the company.

## Outlook and Valuation

During FY2012-16, DBL (standalone entity) reported 36.2% top-line and 22.1% bottom-line CAGR, respectively. PAT CAGR during the same period was restricted on account of higher depreciation and interest expenses. In order to grow its financials during the same period, DBL built EPC order book by taking up NHAI, MoRTH EPC projects and other state govt. BOT projects in its portfolio. With huge pipeline of NHAI & MoRTH projects likely to be awarded in FY2017-18E, there exists scope for new order inflows.

We expect the OB of DBL to report healthy 15.5% CAGR during FY2016-18E, from the current level of ₹10,779cr. The Management has indicated that all projects are running as per schedule while some of these are even ahead of schedule. On a conservative basis, we are not factoring in any early project completion bonus for the company going forward and hence expect FY2017-18E EBITDA margins to be at ~18% levels. Further with improving fixed asset leverage, we expect the standalone entity to report a 23.4% CAGR in profitability during FY2016-18E.

Considering DBL's higher dependency on the Roads & Highways vertical, and given its business mix and balance sheet size, we are considering 6 EPC players for the purpose of peer group comparison.

To value the EPC business (capturing standalone business) on FY2016E numbers, we adjusted the value of BOT projects from their current market price.

### Exhibit 12: Peer group comparison

Particulars (₹ in cr)	CMP	M-Cap	FY16 D/E (x)	Revenues FY16	EBITDA FY16	Adj. PAT FY16	EBITDA (%) FY16	PAT (%) FY16	OB/LTM (x)	RoE (%) FY16	Adj. P/E FY16 (x)
DBL	219	1,327	2.0	4,085	799	220	19.6	5.4	2.6	22.4	7.8
Simplex Infra.	306	1,515	2.1	5,773	528	66	9.1	1.1	2.4	10.9	22.9
MBL Infra.	135	560	1.2	2,314	225	85	9.7	3.7	1.8	12.9	3.4
Ahluwalia Cont.	290	1,943	0.3	1,247	158	84	12.7	6.8	3.3	11.9	23.1
KNR Const.	592	1,666	0.2	993	246	161	24.8	16.2	3.5	22.2	8.1
J Kumar Infra.	218	1,647	0.3	1,366	206	103	15.1	7.6	2.3	8.0	15.9
PNC Infra.	563	2,885	0.0	2,014	266	243	13.2	12.1	2.9	17.8	9.9
Average			0.7				14.1	7.9	2.7	14.0	13.9

Source: Company, Angel Research; Note: Valued PowerMech is valued using post IPO shares o/s

At FY2016E EPS, DBL would trade at 7.8x its Adj. P/E multiple assuming that it lists at the higher end of the issue price band. In our view, at such a valuation DBL would trade at a discount to some of its peers and also lower than the peer group's average of 13.9x.

Considering the standalone entity's attractive valuation and adding-up value of 12 operational BOT projects (valued at BV of 1.0x, adds up to ₹27/share), the issue leaves space for an upside in the stock price, once listed. On looking at possible catalysts, like (1) standalone entity's growth potential (higher awarding from the NHAI and MoRTH), and (2) the company's strong margin and return profile, the issue has the potential to generate good returns in the near-to-medium term. **Accordingly, we recommend SUBSCRIBE to the IPO.**

**Profit & Loss Statement (Consolidated)**

Y/E March (₹ cr)	FY11	FY12	FY13	FY14	FY15	FY16
<b>Net Sales</b>	<b>437</b>	<b>1,190</b>	<b>1,919</b>	<b>2,384</b>	<b>2,762</b>	<b>4,315</b>
% Chg		172.3	61.3	24.2	15.9	56.2
Total Expenditure	344	926	1,446	1,859	2,075	3,320
Cost of Raw Materials Consumed	252	593	840	1,097	1,271	2,060
Change in Inventories of WIP	78	313	523	659	675	984
Employee benefits Expense	8	11	22	25	38	73
Other Expenses	6	9	61	77	91	203
<b>EBITDA</b>	<b>93</b>	<b>264</b>	<b>473</b>	<b>525</b>	<b>687</b>	<b>996</b>
% Chg		283.8	178.3	109.9	129.8	144.0
EBIDTA %	21.2	22.2	24.7	22.0	24.9	23.1
Depreciation	19	44	76	100	206	284
<b>EBIT</b>	<b>76</b>	<b>223</b>	<b>405</b>	<b>442</b>	<b>487</b>	<b>745</b>
% Chg		292.0	180.5	108.2	109.1	151.9
Interest and Financial Charges	17	59	115	201	354	514
Other Income	2	3	7	18	7	34
PBT	59	164	290	242	133	231
Tax	20	56	48	56	46	34
% of PBT	33.5	34.2	16.7	23.2	34.2	14.8
<b>PAT before Exceptional item</b>	<b>39</b>	<b>108</b>	<b>241</b>	<b>186</b>	<b>88</b>	<b>197</b>
Exceptional item	0	0	0	0	0	0
PAT	39	108	241	186	88	197
Minority Interest	(0)	(0)	0	0	0	0
<b>PAT after Minority Interest</b>	<b>39</b>	<b>108</b>	<b>241</b>	<b>186</b>	<b>88</b>	<b>197</b>
% Chg		275.0	222.2	76.0	46.2	223.3
PAT %	9.0	9.1	12.6	7.8	3.2	4.6
EPS (on pre-IPO shares o/s)	11.11	18.25	40.73	31.35	7.48	16.79
% Chg		163.3	222.2	76.0	22.9	223.3

**Balance Sheet (Consolidated)**

Y/E March (₹ cr)	FY11	FY12	FY13	FY14	FY15	FY16
<b>Sources of Funds</b>						
Equity Capital	35	59	59	59	117	117
Reserves Total & Minority Int.	78	236	476	660	688	884
<b>Networth</b>	<b>113</b>	<b>295</b>	<b>535</b>	<b>719</b>	<b>805</b>	<b>1,001</b>
Total Debt	139	547	1,035	1,741	2,950	3,221
Other Long-term Liabilities	65	52	134	198	224	238
Deferred Tax Liability	6	14	15	36	75	101
<b>Total Liabilities</b>	<b>323</b>	<b>908</b>	<b>1,718</b>	<b>2,694</b>	<b>4,054</b>	<b>4,562</b>
<b>Application of Funds</b>						
<b>Net Block &amp; Capital WIP</b>	<b>261</b>	<b>691</b>	<b>1,204</b>	<b>1,772</b>	<b>2,608</b>	<b>2,773</b>
Goodwill	0	0	0	0	0	0
<b>Current Assets</b>						
Inventories	64	197	363	522	948	1,580
Sundry Debtors	118	261	573	1,002	1,263	1,262
Cash and Bank Balance	48	96	55	73	267	116
Loans & Advances	55	66	130	103	197	366
Other Current Asset	0	0	0	0	0	0
Current Liabilities	224	497	677	874	1,538	1,825
<b>Net Current Assets</b>	<b>62</b>	<b>123</b>	<b>444</b>	<b>826</b>	<b>1,136</b>	<b>1,499</b>
Other Assets & Loans & Adv.	0	93	70	96	310	289
<b>Total Assets</b>	<b>323</b>	<b>908</b>	<b>1,718</b>	<b>2,694</b>	<b>4,054</b>	<b>4,562</b>

**Cash Flow Statement (Consolidated)**

Y/E March (₹ cr)	FY11	FY12	FY13	FY14	FY15	FY16
Profit before tax	59	164	290	242	133	231
Dep. & Other Non-cash Charges	19	43	75	98	212	287
Change in Working Capital	61	(138)	(262)	(281)	(255)	(430)
Interest & Financial Charges (net)	15	56	113	198	351	493
Direct taxes paid	(20)	(29)	(44)	(80)	(65)	(59)
<b>Cash Flow from Operations</b>	<b>134</b>	<b>96</b>	<b>172</b>	<b>177</b>	<b>376</b>	<b>522</b>
(Inc)/ Dec in Fixed Assets	(126)	(474)	(588)	(668)	(1,042)	(450)
(Inc)/ Dec in Investments	2	3	3	4	3	21
<b>Cash Flow from Investing</b>	<b>(125)</b>	<b>(472)</b>	<b>(586)</b>	<b>(664)</b>	<b>(1,038)</b>	<b>(429)</b>
Issue/ (Buy Back) of Equity	0	75	0	0	0	0
Inc./ (Dec.) in Loans	38	408	488	706	1,209	271
Dividend Paid (Incl. Tax)	(18)	(60)	(115)	(201)	(353)	(515)
Net Interest Expenses	0	0	0	0	0	0
<b>Cash Flow from Financing</b>	<b>20</b>	<b>423</b>	<b>373</b>	<b>505</b>	<b>856</b>	<b>(244)</b>
Inc./ (Dec.) in Cash	30	48	(41)	18	194	(151)
<b>Opening Cash balances</b>	<b>19</b>	<b>48</b>	<b>96</b>	<b>55</b>	<b>73</b>	<b>267</b>
<b>Closing Cash balances</b>	<b>48</b>	<b>96</b>	<b>55</b>	<b>73</b>	<b>267</b>	<b>116</b>

**Ratio Analysis (Consolidated)**

Valuation Ratio (x) (on higher-band)	FY11	FY12	FY13	FY14	FY15	FY16
P/E (on FDEPS)	19.7	12.0	5.4	7.0	29.3	13.0
P/CEPS	44.2	16.9	8.1	9.0	8.7	5.3
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0	0.0
EV/Sales	6.1	2.5	1.8	1.8	1.9	1.4
EV/EBITDA	28.7	11.4	7.5	8.1	7.6	6.1
EV/Total Assets	4.9	2.1	1.5	1.2	0.9	1.0
<b>Per Share Data (₹)</b>						
EPS (Adj.)	0.0	0.0	0.0	0.0	0.0	14.4
Cash EPS	5.0	13.0	27.1	24.4	25.1	41.0
DPS	0.0	0.1	0.1	0.1	0.1	0.0
Book Value	10	25	46	61	69	85
<b>Returns (%)</b>						
RoCE (Pre-tax)	35.7	40.8	33.6	22.0	15.7	18.7
Angel RoIC (Pre-tax)	42.3	47.0	35.8	22.7	16.6	19.6
RoE	41.7	53.0	58.2	29.6	11.5	21.8
<b>Turnover ratios (x)</b>						
Asset Turnover (Gross Block) (x)	1.1	1.2	1.0	0.8	0.6	0.7
Inventory (days)	27	40	53	68	97	107
Receivables (days)	74	58	79	121	150	107
Payables (days)	106	111	112	119	159	142
<b>Leverage Ratios (x)</b>						
D/E ratio (x)	1.2	1.9	1.9	2.4	3.7	3.2
Interest Coverage Ratio (x)	4.4	3.8	3.5	2.2	1.4	1.4

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