

Sadbhav Infrastructure Project

Issue price captures all positives in store...

Company background: Sadbhav Infrastructure Project Ltd (SIPL) is a subsidiary of Ahmedabad-based Sadbhav Engineering Ltd (SEL). SIPL was incorporated in 2007 as a roads and highways operator. It has a portfolio of 10 BOT projects of which 6 road projects are fully operational, 1 is partially operational (border check posts) and 3 are under construction stage. 9 of the 10 BOT projects are toll projects (including service fee for the border check posts in Maharashtra) and 1 is an annuity project. In addition to the 10, SIPL is in later stages of acquiring stake in 2 projects, of which 1 is operational and the other one is under development. This restructuring process is in accordance with company's strategy of consolidating all BOT road projects developed by SEL under one company- SIPL.

Pros: (1) Strong revival trend seen across many of the company's BOT road projects which should lead to improvement in its cash flow cycle, (2) diversified portfolio with minimal risk, as only 4 of the 12 projects are under construction stage (3 of them being ahead of schedule), and (3) recent BOT re-financing initiative, as well as, debt re-payment from the IPO proceeds should relieve near-term stress on the Balance Sheet.

Cons: (1) Highly levered Balance Sheet (FY2015 debt of ₹6,342cr; D/E ratio of 7.9x), (2) deteriorating interest coverage ratio (from 1.0x in FY2012 to 0.3x in FY2015), (3) networth erosion from ₹971cr in FY2012 to ₹788cr in FY2015, with there being more potential for erosion, (4) lack of clarity on the sources of funding of new projects the company intends to build its portfolio upon.

Outlook & Valuation: Although we are impressed by the company's past execution track record, strong parentage support, and diversified road portfolio (with minimal execution risk), what concerns us is the high debt on the books. The commencement of 4 BOT projects during FY2016-17E will add to the revenues, but high interest expense will delay the turnaround in profitability. In terms of valuation, the company is trading at FY2015-EV/EBITDA multiple of 29.9x and FY2015-P/BV of 4.1x which is significantly expensive than its peers. On using the sum-of-the-parts based valuation methodology, we arrive at FY2017 based fair price of ₹101/share, which suggests that the issue is fully priced. While positives emanating from favorable near term prospects would be offset by the high debt on the company's books, **we suggest a NEUTRAL rating on the issue.**

Key Financials (Consolidated)

Y/E March (₹ cr)	FY12	FY13	FY14	FY15
Net Sales	176	287	371	500
% chg	153.2	63.2	29.2	34.8
Net Profit	10	(52)	(196)	(330)
% chg	(0.9)	nmf	nmf	nmf
EBITDA (%)	52.9	59.0	65.1	61.7
EPS (Rs)	0.3	(1.5)	(5.0)	(9.7)
P/E (x)	nmf	nmf	nmf	nmf
P/BV (x)	3.8	3.3	3.9	4.1
RoE (%)	1.3	(5.0)	(17.4)	(37.5)
RoCE (%)	2.5	2.9	2.9	2.6
EV/Sales (x)	33.4	23.7	21.7	18.5
EV/EBITDA (x)	63.0	40.1	33.3	29.9

Source: Company, Angel Research; Note: nmf- not meaningful; Valuation multiples at higher- end of the price band

NEUTRAL

Issue Open: August 31, 2015

Issue Close: September 2, 2015

Issue Details

Face Value: ₹10

Present Eq. Paid up Capital: ₹311.0cr

Fresh Issue: 4.12cr Shares*

Offer for Sale: 0.64cr Shares

Post Eq. Paid up Capital: ₹352.2cr

Fresh Issue size (amount): ₹425cr

Offer for Sale (amount): ₹66.65cr

Price Band: ₹100-103

Lot Size: 145 shares

Post-issue implied mkt. cap:
₹3,522.3cr- 3,627.9cr

Promoters holding Pre-Issue: 78.1%

Promoters holding Post-Issue: 69.0%

*At higher end of the IPO price band of ₹

Book Building

QIBs	75% of issue
Non-Institutional	15% of issue
Retail	10% of issue

Post Issue Shareholding Pattern

Promoters Group	69.0
DII's/FII's/Public & Others	31.0

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Issue Details

SIPL is offering 4.77cr equity shares of ₹10 each via book building route in a price band of ₹100-103, consisting of fresh equity issue of 4.12cr shares and offer for sale by PE firm of 0.64cr equity shares.

Exhibit 1: Shareholding Pattern

Particulars	Pre-Issue		Post-Issue	
	No. of Shares	(%)	No. of Shares	(%)
Promoter Group	24,28,67,647	78.1	24,28,67,647	69.0
Retail & HNI Investors	33,80,190	1.1	1,53,13,605	4.3
Institutional Investors	6,47,15,244	20.8	9,40,43,965	26.7

Source: Company, Angel Research

Objects of the Offer

The IPO proceeds are proposed to be utilized as follows: -

- ₹180cr towards repayment of rupee loan facility from ICICI Bank.
- ₹84.84cr towards part repayment of unsecured loans from SEL, the corporate promoter.
- ₹82.0cr towards equity investment and advancing of subordinate debt to its subsidiary - Shreenathji-Udaipur Tollway Private Ltd (SUTPL), for part financing of the SUTPL project.
- General corporate purposes.

Company details

Sadbhav Infrastructure Project Ltd (SIPL) is a subsidiary of Ahmedabad-based Sadbhav Engineering Ltd (SEL). SIPL was incorporated in 2007 as a developer and is a roads and highways operator on a BOT- Toll/ Annuity basis. SIPL is into the business of development, operation and maintenance of national and state highways and roads in several states including Maharashtra, Gujarat, Rajasthan, Karnataka, Haryana, Madhya Pradesh and Telangana, and a border check posts project in Maharashtra.

It has a portfolio of 10 BOT projects of which 6 road projects are fully operational, 1 is partially operational (border check posts) and 3 are under construction stage. 9 of the 10 BOT projects are toll projects (including service fee for the border check posts in Maharashtra) and 1 is an annuity project. In addition to the 10, SIPL is in the process to acquiring stake in 2 projects; ie, it would be acquiring 73.8% in Mysore-Bellary Highway Pvt. Ltd and 100% in Dhule Palesnar Tollway Ltd. Of these 2 projects, 1 is operational and the other one is under development. Of the 2 BOT projects, 1 is a toll project and the other one is an Annuity project. This restructuring process is in accordance with the company's strategy to consolidate all BOT road projects to be developed by SEL under one company- SIPL.

SIPL's parent company SEL was incorporated in 1988 and has established itself as one of the leading engineering, procurement and construction (EPC) and infrastructure players in the country. In the last 25 years, SEL has developed a strong project execution track record of various construction projects across 10 states in India and has a strong Balance Sheet. SIPL derives strength from its parent SEL, which has been an EPC contractor for most of SIPL's projects.

Investment Rationale

SIPL has a diversified and strong portfolio of road BOT assets

SIPL is in the business of development, operation and maintenance of roads and highway projects. It has a strong portfolio of 10 projects, of which 7 are operational (includes 1 partially operational) and 3 are under construction stage, with an average residual life of 18 years and 7 months. In addition to the road BOT project portfolios, SIPL's project portfolio also consists of a border check post project. SIPL is also in the process of acquiring stakes in 2 BOT projects from SEL. The restructuring is in accordance with the strategy to consolidate all BOT road projects under one company- SIPL.

SIPL since inception has emerged as an asset developer with quality road assets portfolio. Currently 7 of its projects are operational (including Maharashtra Border Check Post Network Ltd project which is partially operational) with total project cost of ₹5,641cr, measuring 1,534 lane km. 3 projects with total project cost of ₹3,099cr measuring 1,062 lane km are under construction stage. Among the 2 projects being acquired by SIPL, 1 projects with cost of ₹1,420cr measuring 534 lane km is operational, while 1 project with cost of ₹789cr measuring 387 lane km is under construction stage.

Exhibit 2: BOT Projects Portfolio

Projects Under Operation:

BOT Project- Name of the SPV	Stake (%)	Lane kms	Project Type
Maharashtra Border Check Post Network Ltd.	78	NA	User Fee
Rohtak Panipat Tollway Pvt. Ltd.	100	323	BOT- Toll
Bijapur-Hungund Tollway Pvt. Ltd.	77	389	BOT- Toll
Ahmedabad Ring Road Infrastructure Ltd.	100	305	BOT- Toll
Aurangabad Jalna Tollway Ltd.	100	263	BOT- Toll
Hyderabad Yadgiri Tollway Pvt. Ltd.	100	140	BOT- Toll
Nagpur Seoni Express Way Ltd.	100	111	BOT- Annuity

Projects Under Construction:

BOT Project- Name of the SPV	Stake (%)	Lane kms	Project Type
Shreenathji-Udaipur Tollway Pvt. Ltd.	100	317	BOT- Toll
Bhilwara-Rajsamand Tollway Pvt. Ltd.	100	349	BOT- Toll
Rohtak- Hissar Tollway Pvt. Ltd.	100	395	BOT- Toll

Projects being Acquired:

BOT Project- Name of the SPV	Stake (%)	Lane kms	Project Type
Mysore-Bellary Highway Pvt. Ltd.	74	387	BOT- Annuity
Dhule Palesner Tollway Ltd.	100	355	BOT- Toll

Source: Company, Angel Research; Note: NA- Not Applicable; Projects under acquisition stage capture the stake details post the acquisition

The project portfolio is well distributed across urban and rural vehicular traffic, and includes national and state highways. The roads and highways project portfolio has been built across states which have strong industrial activities and are ones which are economically stable. Currently, all BOT projects except SUTPL are funded by SIPL. SIPL plans to use ₹82cr of the IPO proceeds towards the equity funding of the SUTPL BOT project. On successful completion of the SIPL IPO, equity funding requirements of the entire project portfolio of SIPL would be fully funded.

Minimal execution risk, given that all the 4 Development projects are progressing well

7 of the 10 BOT projects of SIPL are currently operational (including Maharashtra Border Check Post project which is partially operational).

For 4 under-development projects (includes one under acquisition stage), execution risk is minimal as land acquisition for these projects has been completed and all clearances are in place. The company's Management has highlighted that 3 of the 4 projects are running ahead of the schedule (with 1 of them nearing completion). SIPL's Management expects 3 BOT projects to commence operations in next 10 months.

Exhibit 3: Projects under Development/ Construction

Name of the SPV	Sch. CoD
Projects Under Construction stage	
Shreenathji-Udaipur Tollway Private Limited	Oct-15
Bhilwara-Rajsamand Tollway Private Limited	Apr-16
Rohtak- Hissar Tollway Private Limited	Jun-16
Projects Under Acquisition stage	
Mysore-Bellary Highway Private Limited	Jun-17

Source: Company, Angel Research

SIPL Management expects all 4 BOT projects to be operational in FY2017E. Once all the 12 BOT projects are operational, SIPL is expected to report revenues of ₹752cr, reflecting 25.2% top-line sales during FY2015-17E. Accordingly, we expect SIPL to see improvement in their cash flow cycle, going forward.

Strong revival trends in traffic growth...

SIPL's road projects portfolio had been adversely impacted earlier due to slow down in macroeconomic activity as commercial vehicle traffic growth was almost muted, resulting in low single digit traffic growth seen across the road portfolio. However, with some signs of economic recovery now being seen and some of the road projects' traffic growth is already seeing sharp recovery. We expect this traffic growth recovery trend to gradually catch-up, going forward, driven by (1) higher commercial vehicle traffic on account of recovering macros, and (2) higher growth in non-bulk commodity traffic, for which roads are preferred mode of transport. We expect the road traffic to grow north of 5-7% CAGR over the next three years.

Exhibit 4: Traffic/ Volume growth (on yoy basis)

Name of the SPV	3QFY2015	4QFY2015	1QFY2016
Bijapur-Hungund Tollway Pvt. Ltd.	5.2	9.8	8.2
Ahmedabad Ring Road Infrastructure Ltd.	11.8	19.5	8.8
Aurangabad Jalna Tollway Ltd.	17.9	16.2	7.7
Hyderabad Yadgiri Tollway Pvt. Ltd.	10.5	12.2	16.5
Dhule Palesner Tollway Ltd.	10.5	2.7	0.8

Source: Company, Angel Research

The table above highlights that SIPL's several projects have witnessed improvement in traffic in the last few quarters.

SIPL derives strength from SEL; has proven execution track record

SIPL derives strength from its parent SEL, which is one of the leading road infrastructure companies in India. SEL is the EPC contractor for most of SIPL's projects. Leveraging its domain expertise and experience, SEL has been able to complete most of SIPL's projects on schedule; in fact, some of the projects have been completed ahead of schedule. Further, SIPL's contracts with SEL are fixed term-fixed price EPC contracts, implying that any cost escalation has to be absorbed by SEL.

SEL is financially sound with a robust Balance Sheet. Owing to these factors, SEL is a pre-qualified bidder for NHAI awards with respect to large public infrastructure projects for developing and operating road assets. Further, there is a non-compete agreement between SEL and SIPL to bid for BOT projects. We expect SIPL to gain support from SEL in bidding for large ticket projects. The relationship also provides comfort to lenders regarding the financing options for SIPL's projects.

SIPL to gain from recent re-financing & possible debt repayments

SIPL is currently sitting on a consol. debt of ₹6,342cr, which translates into a D/E ratio of 7.9x.

SIPL expects to use ~₹265cr of the IPO proceeds towards debt repayment to one of its key lenders ICICI Bank and its promoter entity SEL. This debt repayment initiative could potentially translate to savings on interest expenses (on yearly basis) north of ~₹29cr.

Also, the company claims that it has re-financed 5 BOT projects. Table below highlights the details of the BOT projects re-financed:

Exhibit 5: Savings on Interest Exp. post the recent re-financing..

Name of the SPV	Int. rate (earlier)	Int. rate (current)	Swing (in bps)	Debt o/s (4QFY2015)	Savings on Int. exp.
Maharashtra Border Check Post	12.8	11.5	125	892	11
Bijapur-Hungund Tollway Pvt. Ltd.	11.6	10.3	125	642	8
Aurangabad Jalna Tollway Ltd.	11.6	10.4	120	166	2
Hyderabad Yadgiri Tollway Pvt. Ltd.	11.5	10.4	115	373	4
Dhule Palesner Tollway Ltd.	11.6	10.3	125	1,020	13
Totals (₹ cr)				3,093	38

Source: Company, Angel Research

Based on our estimates, yearly savings on the interest expenses resulting from this re-financing exercise could be to the tune of ₹38cr.

On the whole, the proceeds from the IPO towards debt repayment and recent SPV level re-financing could translate to yearly savings on interest expense to the tune of ₹67cr.

Risks & Concerns

1. Operational road projects are susceptible to political risks as agitation by any political party may impact toll collections adversely. For example, toll collection at SIPL's RPTPL project was adversely impacted by protests made by local political parties.
2. Execution delays on projects under development could affect the outlook on company's Debt levels as well as project level IRRs.
3. Any slowdown in traffic at a rate in excess of the company's expectations could affect project level IRRs, as well as overall D/E profile of the company.
4. Once Dedicated Freight Corridor (DFC) commences operations, there exists possibility for some of SIPL's road projects to see possible slowdown in the traffic growth. Any such slow-down in the traffic growth in later stages of the project, may not have been factored by the company at the time of bidding, thereby this could act as risk to the IRR assumptions of the company.

Financial Performance

SIPL's revenue increased 2.8x during FY2012-15 to ₹500cr in FY2015 (Tolling and Annuity income accounts for majority of the revenues) reflecting commencement of tolling of new projects in the portfolio. Also, the consolidated revenues capture the impact of SIPL re-structuring, where toll projects have been transferred to SIPL at book-value over a period of time.

Exhibit 6: Revenue growth driven by commencement of new projects

	FY2012	FY2013	FY2014	FY2015
SIPL- Consol. Revenues	176	287	371	500
SIPL- Toll & Annuity Income	101	198	318	473
Rohtak Panipat Tollway Pvt. Ltd.				85
Bijapur-Hungund Tollway Pvt. Ltd.		86	95	104
Ahmedabad Ring Road Infra. Ltd.	74	73	72	85
Aurangabad Jalna Tollway Ltd.	27	28	28	35
Nagpur Seoni Expressway Ltd.	20	61	38	38
Hyderabad Yadgiri Tollway Pvt. Ltd.		11	38	45
Maha. Border Check Post Network Ltd.			30	84
SPV Toll & Annuity Income	121	259	302	477

Source: Company; Note: Totals may not add-up as SIPL's shareholding in SPVs has changed

SIPL's road portfolio was impacted due to slowdown in the economy, which gets reflected in the weak traffic data (as seen mainly during FY2013-14).

Exhibit 7: Higher Interest expenses eat in-to EBITDA

	FY2012	FY2013	FY2014	FY2015
EBITDA	93	170	242	309
<i>EBITDA Margin (%)</i>	<i>52.9</i>	<i>59.0</i>	<i>65.1</i>	<i>61.7</i>
Depreciation Expenses	22	50	92	141
Interest Expenses	72	195	355	526
PAT	10	(46)	(156)	(302)

Source: Company

Although SIPL has reported EBITDA profit at the SPV level for almost all projects in its portfolio, higher interest expenses have led the company report net losses.

Surge in the consolidated debt profile of the company, in our view, is on account of (1) stake purchases in the SPVs, and (2) equity funding of the projects under construction.

Losses at the PAT level since FY2013 have eroded overall networth of the consol. entity from ₹971cr in FY2013 to ₹788cr in FY2015. Despite the uptick in the traffic numbers across their road portfolio, with 3 new projects likely to commence operations in the next 10 months (as highlighted by the Management), there exists a possibility for the company to continue reporting losses for next few quarters.

Our view that SIPL would continue to report losses stems from the point that peak debt requirement of the company (assuming no new projects are added/ acquired) would be at ~₹8,262cr by FY2017.

Exhibit 8: Debt Outlook

Particulars	(₹ cr)
Current Debt o/s (at FY2015-end)	6,342
Debt repayment (from IPO proceeds)	(265)
Incremental Debt from ongoing proj. (inc. IDC)	980
Payment to DPTL (inc. SPV level debt)	1,205
Peak Debt o/s	8,262

Source: Company, Angel Research

The incremental debt requirement of the company would be towards new projects, and payment to acquire Dhule Palesnar Tollways Ltd. (DPTL) project.

Valuation

Even though SIPL has reported strong top-line growth in the past led by commencement of new BOT projects, the profitability of the company has been impacted owing to higher interest and depreciation expenses.

Considering (1) uptick in traffic volumes across projects, and (2) commencement of 3 BOT projects in the next 10 months and 4th one getting operational in FY2017E, we are optimistic that the company would continue to report strong set of top-line numbers going forward. The commencement of 4 BOT projects during FY2016-17E and DPTL stake purchase should push the debt to higher levels. We expect SIPL's consol. debt to increase from ₹6,342cr (as of FY2015-end) to peak to ₹8,262cr by FY2017E. Increase in debt should translate to further increase in SIPL's interest expenses (this would be despite SIPL utilizing part of IPO proceeds towards debt repayment).

In absence of direct peers for comparison purposes, we have compared SIPL with 3 related companies, namely IL&FS Transportation Networks (ITNL), IRB Infrastructure Developers (IRB Infra) and Ashoka Buildcon. It be noted that financials mentioned below capture EPC business financials of these 3 companies.

Exhibit 9: Peer group comparison Table

Company Name	CMP	M-Cap	FY2015					
			D/E (x)	Int. Cov. (x)	RoE (%)	EV/EBITDA (x)	EV/Sales (x)	Price/BV (x)
SIPL *	103	3,628	7.9	0.3	(37.5)	29.9	18.5	4.1
Ashoka Buildcon	176	3,283	2.8	1.9	6.2	13.7	3.0	2.1
ITNL	93	2,285	4.1	1.0	7.5	12.9	4.0	0.4
IRB Infra	229	8,053	2.6	2.4	13.7	8.4	4.8	2.0
Average			3.2			11.7	3.9	1.5

Source: Company, Angel Research, Bloomberg; Note: * Excluding market cap. SIPL numbers capture pre-IPO shares o/s for valuation purpose; CMP as of August 27, 2015

On comparing with related companies for FY2015 numbers, SIPL has the highest D/E ratio of 7.9x (vs peers' 3.2x), lowest interest coverage ratio of 0.3x (vs peers' range of 1.0-2.4x) and negative RoE returns (vs peers' 6.2-13.7% range). Despite the comparatively poor financials, at higher-end of IPO price band (₹103/share), SIPL is trading at FY2015-EV/EBITDA multiple of 29.9x (vs the peers' average of 11.7x) and FY2015-P/BV of 4.1x (vs the peers' average of 1.5x).

We understand that SIPL's return ratios reflect depressed financials on account of 4 projects getting operational during 2012-14 and these projects being in early stages of operations were reporting losses.

Alternatively, we tried checking whether the company is fairly priced on sum-of-the-parts based valuation methodology, where we valued BOT projects on FCFE basis and deducted the standalone entity's debt from the gross business value. For our valuation exercise, we have assigned K_e of 14% for projects under construction stages and 12% for operational projects.

Exhibit 10: Sum-of-the-Parts based valuation

Particulars	Proj. Type	Discounted FCFE (₹ cr)	Project Stake	Adj. FCFE Value (₹ cr)	Value/share (₹)	% of SoTP	Basis
Road BOT projects							
Maharashtra Border Check Post Network Ltd	Service Fee	1,094	78%	851	24.2	24	K_e of 12%
Rohtak-Panipat BOT Project	Toll	401	100%	401	11.4	11	K_e of 12%
Bijapur-Hungund BOT Project	Toll	489	77%	377	10.7	11	K_e of 12%
Ahmedabad Ring Road	Toll	549	100%	549	15.6	15	K_e of 12%
Aurangabad-Jalna BOT Project	Toll	321	100%	321	9.1	9	K_e of 12%
Hyderabad-Yadgiri BOT Project	Toll	374	100%	374	10.6	11	K_e of 12%
Nagpur-Seoni BOT Project	Annuity	33	100%	33	0.9	1	K_e of 12%
Shreenathji-Udaipur BOT Project	Toll	488	100%	488	13.9	14	K_e of 14%
Bhilwara-Rajsamand BOT Project	Toll	348	100%	348	9.9	10	K_e of 14%
Rohtak-Hissar BOT Project	Toll	364	100%	364	10.3	10	K_e of 14%
Mysore-Bellary BOT Project	Annuity	107	74%	79	2.3	2	K_e of 14%
Dhule-Palesnar BOT Project	Toll	498	100%	498	14.1	14	K_e of 12%
SIPL Standalone Debt- FY2016				(1,127)	(32)		
Grand Total		5,066		3,556	101	100	

Source: Company, Angel Research

On using the sum-of-the-parts based valuation methodology, we arrive at FY2017 based fair price of ₹101/share, which leaves less potential to generate returns from this IPO. **Hence, we suggest a NEUTRAL rating on the issue.**

Exhibit 11: BOT Projects details

Name of the SPV	Prop. Stake (%)	Proj. Type	Lane kms	Awarded by	Concession (in yrs.)	TPC (₹ cr)	Debt o/s (₹ cr)
Rohtak Panipat Tollway Pvt. Ltd.	100	Toll	324	NHAI	25.0	1,213	975
Bijapur-Hungund Tollway Pvt. Ltd.	77	Toll	389	NHAI	20.0	1,323	834
Ahmedabad Ring Road Infrastructure Ltd.	100	Toll	306	AUDA	20.0	501	371
Aurangabad Jalna Tollway Ltd.	100	Toll	263	MSRDC	23.6	275	166
Hyderabad Yadgiri Tollway Pvt. Ltd.	100	Toll	143	NHAI	23.0	513	373
Maharashtra Border Check Post Network Ltd.	78	Service Fee	NA	Maha. SG	24.6	1,426	1,141
Dhule Palesner Tollway Ltd.	100	Toll	534	NHAI	17.9	1,420	1,020
Nagpur Seoni Expressway Ltd.	100	Annuity	55	NHAI	20.0	278	190
Shreenathji-Udaipur Tollway Pvt. Ltd.	100	Toll	317	NHAI	27.0	1,151	639
Bhilwara-Rajsamand Tollway Pvt. Ltd.	100	Toll	349	NHAI	30.0	676	127
Rohtak Hissar Tollway Pvt. Ltd.	100	Toll	395	NHAI	22.0	1,272	444
Mysore Bellary Highway Pvt. Ltd.	74	Annuity	387	Karnat. SG	10.0	811	482

Source: Company, Angel Research; Note: NA- Not Applicable; Last 4 BOT projects mentioned above are under construction stage

Profit & Loss Statement (Consolidated)

Y/E March (₹ cr)	FY12	FY13	FY14	FY15
Net Sales	176	287	371	500
% Chg	153.2	63.2	29.2	34.8
Total Expenditure	83	118	129	191
Operating Expenses	65	97	89	141
Employee benefit Expense	6	10	16	24
Other Expenses	12	10	25	26
EBITDA	93	170	242	309
% Chg	107.9	82.1	42.5	27.8
EBIDTA %	52.9	59.0	65.1	61.7
Depreciation	22	50	92	141
EBIT	72	120	150	168
% Chg	107.4	67.1	25.4	12.1
Interest & Financial Charges	72	195	355	526
Other Income	23	28	22	28
PBT	23	(47)	(184)	(330)
Exceptional Items	0	0	0	0
Tax	13	5	12	0
% of PBT	56.6	<i>nmf</i>	<i>nmf</i>	<i>nmf</i>
PAT before losses of MI & Associates	10	(52)	(196)	(330)
Share of Loss attributable to MI	2	13	40	28
Share of Profit/ (Loss) from Ass. Co.	(2)	(7)	0	0
Net Profit	10	(46)	(156)	(302)
% Chg	(0.9)	<i>nmf</i>	<i>nmf</i>	<i>nmf</i>
PAT %	5.6	(15.9)	(42.0)	(60.3)
Adj. EPS	0.3	(1.5)	(5.0)	(9.7)
% Chg	(0.9)	<i>nmf</i>	<i>nmf</i>	<i>nmf</i>

Balance Sheet (Consolidated)

Y/E March (₹ cr)	FY12	FY13	FY14	FY15
Sources of Funds				
Equity Capital	26	28	28	311
Reserves Total	820	943	792	477
Networth	847	971	820	788
Minority Interest	126	159	186	57
Total Debt	2,791	3,643	4,902	6,204
Other Long-term Liabilities	0	418	2,241	2,233
Long-term Provision	39	11	38	100
Total Liabilities	3,804	5,202	8,188	9,382
Application of Funds				
Net Block & Capital WIP	3,319	4,744	7,781	9,013
Goodwill on Consolidation	50	48	45	118
Investments	17	9	105	8
Other Current Assets	10	44	14	92
Sundry Debtors	0	1	14	14
Cash and Bank Balance	124	52	52	170
Loans & Advances	101	91	35	63
Current Liabilities	190	182	434	514
Net Current Assets	45	5	(318)	(174)
Other Assets	373	397	575	417
Total Assets	3,804	5,202	8,188	9,382

Cash Flow Statement (Consolidated)

Y/E March (₹ cr)	FY12	FY13	FY14	FY15
Profit/ (Loss) before tax	23	(47)	(184)	(330)
Depreciation & Amortization	22	50	92	141
Other Adjustments	(22)	(27)	(13)	(27)
Change in Working Capital	26	(25)	86	54
Interest & Financial Charges	72	195	355	526
Direct taxes paid	(14)	(12)	(12)	(7)
Cash Flow from Operations	107	134	325	356
(Inc)/ Dec in Fixed Assets	(1,323)	(921)	(905)	(1,135)
(Inc)/ Dec in Invest., Int. recd. & Oth. Adj.	(135)	17	(34)	(70)
Cash Flow from Investing	(1,458)	(904)	(939)	(1,206)
Inc./ (Dec.) in Borrowings	1,480	869	1,037	1,390
Issue/ (Buy Back) of Equity	224	215	68	124
Dividend Paid (Incl. Tax)	0	0	0	0
Finance Cost	(281)	(387)	(490)	(549)
Cash Flow from Financing	1,423	698	615	965
Inc./ (Dec.) in Cash	72	(72)	0	116
Opening Cash balances	52	124	52	52
Closing Cash balances	124	52	52	168

Ratio Analysis (Consolidated)

Y/E March	FY12	FY13	FY14	FY15
Valuation Ratio (x)				
EV/Sales	33.4	23.7	21.7	18.5
EV/EBITDA	63.0	40.1	33.3	29.9
EV / Total Assets	1.5	1.3	1.0	1.0
Per Share Data (₹)				
Adj. EPS	0.3	(1.5)	(5.0)	(9.7)
Book Value	27.2	31.2	26.4	25.3
Returns (%)				
RoCE (Pre-tax)	2.5	2.9	2.9	2.6
Angel RoIC (Pre-tax)	2.0	2.6	2.6	2.5
RoE	1.3	(5.0)	(17.4)	(37.5)
Leverage Ratios (x)				
D/E ratio (x)	3.3	3.8	6.0	7.9
Interest Coverage Ratio (x)	1.0	0.6	0.4	0.3

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