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Rating Information	
Price (Rs)	230
Target Price (Rs)	284
Target Date	30th Sep 19
Target Set On	05th Jul'18
Implied yrs of growth (DCF)	10
Fair Value (DCF)	238
Fair Value (DDM)	102
Ind Benchmark	BSE Midcap
Model Portfolio Position	Yes

Stock Information	
Market Cap (Rs Mn)	32,398
Free Float (%)	44.62 %
52 Wk H/L (Rs)	349/193.25
Avg Daily Volume (1yr)	241,161
Avg Daily Value (Rs Mn)	64
Equity Cap (Rs Mn)	281
Face Value (Rs)	2
Bloomberg Code	KNRC IN

Ownership	Recent	3M	12M
Promoters	55.4 %	0.0 %	-2.6 %
DII	28.1 %	-0.6 %	1.1 %
FII	3.8 %	-0.1 %	-0.8 %
Public	12.8 %	0.7 %	2.3 %

Price %	1M	3M	12M
Absolute	-15.4 %	-21.6 %	11.6 %
Vs Industry	-14.0 %	-14.4 %	8.9 %
PNC Infra	-12.8 %	-22.9 %	-1.4 %
Ashoka Buildcon	1.2 %	-11.3 %	22.4 %

Standalone Quarterly EPS forecast

Rs/Share	1Q	2Q	3Q	4Q
EPS (18A)	4.8	4.2	4.7	5.7
EPS (19E)	3.2	2.0	2.2	3.7

KNR Constructions Ltd.

Update Note: Estimate (↓), Target (↓), Rating (↑)

Regular Coverage

Absolute : LONG

Relative : Benchmark

19% ATR in 15 Months

Valuations attractive post recent price correction – upgrade to LONG

Construction

KNR Constructions' (KNRC) has bagged five Hybrid Annuity projects worth Rs 56bn (EPC contract value: Rs 39.8bn) in 4QFY18, which has pushed up its unexecuted OB to Rs 63bn. We believe the company would be able to get appointed dates for these new projects by early 2HFY19, and therefore revenue ramp-up would be seen only from 4QFY19. EBITDA margins are expected to remain around 14-14.5% over the next two years, with EBITDA/PAT growth likely coming in at 12%/1% over FY18-FY21E. We accordingly cut our FY19 sales/EBITDA estimates by 6%/5%. However, valuations have turned attractive post the recent price correction; consequently, we upgrade the stock to LONG (from ADD) but cut our EPC business multiple to 19x (20x earlier) to arrive at a Sep'19 TP of Rs 284 (Rs 324 earlier).

Revenue ramp-up from new HAM projects from late-2HFY19: We expect revenue ramp-up from new HAM projects to start coming in from 4QFY19 instead of 2HFY19 as NHA is in the process of acquiring the required 80% of land for each project before issuing the appointed date. Management believes that while the authority has promised to deliver the land within the stipulated timeframe, a 1-2-month delay is likely in the actual possession of land; this in turn would delay the execution ramp-up by one quarter. Of the existing OB of Rs 23.2bn of pure EPC projects, around Rs 6bn worth of projects remain slow moving. The OB/TTM revenue ratio, including HAM projects, currently stands at 3.3x. KNRC has guided to order inflows of Rs 25bn-30bn in FY19.

Financial closure of HAM projects: Management expects a smooth financial closure of HAM projects since it has sufficient cash on books (Rs 1.9bn-2bn in liquid MF) and also expects the debt requirement to be completely tied up with banks over the next two months. The company needs to invest Rs 4.4bn in the five HAM projects over the next two years.

Valuations & view: Post the recent correction, KNRC is now trading at 14.7x FY20E estimated EPS. With a solid order backlog and strong revenue ramp-up likely from FY20, we believe current valuations are attractive from an investment perspective.

Key risks: Below-expected EBITDA margins, any delay in appointed dates of HAM projects and lower order inflows are key risks to our view.

Change in Standalone Estimates

	% change over previous estimates			
	FY19E	FY20E	FY19E	FY20E
Sales	21,264	27,383	-6%	-1%
EBITDA	3,061	3,987	-5%	-1%
PAT	1,560	2,222	-10%	1%
EPS	11.1	15.8	-10%	1%

Standalone Financials

Rs. Mn YE Mar	FY18A	FY19E	FY20E	FY21E
Sales	19,317	21,264	27,383	35,055
EBITDA	3,861	3,061	3,987	5,272
Depreciation	1,341	1,312	1,261	1,311
Interest Expense	231	260	265	309
Other Income	393	294	293	294
Net Profit	2,721	1,560	2,222	2,762
Adj. Net Profit	2,721	1,560	2,222	2,762
Total Equity	11,578	12,988	14,996	17,293
Gross Debt	2,118	1,714	1,571	1,318
Cash	695	711	741	946
Rs Per Share	FY18A	FY19E	FY20E	FY21E
Earnings	19.4	11.1	15.8	19.6
Book Value	82	92	107	123
Dividends	0	1	1	0
FCFF	-4.0	5.7	4.3	8.1
P/E (x)	15.1	20.7	14.6	11.7
P/B (x)	3.6	2.5	2.2	1.9
EV/EBITDA (x)	11.1	11.0	8.4	6.3
ROE (%)	27%	13%	16%	17%
Core ROIC (%)	37%	17%	21%	22%
EBITDA Margin (%)	20.0%	14%	15%	15%
Net Margin (%)	14%	7%	8%	8%



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Valuation snapshot
Exhibit 1: Current SOTP valuation

Details	Valuation (Rs. Mn)	Rs./share
EPC Business		
Sep 19 TTM Sales	24,147	
Sep 19 TTM Net Profit	1,957	
Net Profit Margin	8.1%	
P/E Multiple	19	
Valuation of EPC Business	37,192	265
BOT Projects		
KNR Walayar Tollways	858	6
KNR Muzaffarpur Barauni	518	4
HA Projects valuation	1,347	10
Valuation of BOT Projects (B)	2,722	19
Total Valuation (A) + (B)	39,777	284

* We have excluded 2 BOT annuity projects

Exhibit 2: Previous SOTP valuation

Details	Valuation (Rs. Mn)	Rs./share
EPC Business		
Sep 19 TTM Sales	24,950	
Sep 19 TTM Net Profit	2,162	
Net Profit Margin	8.7%	
P/E Multiple	20	
Valuation of EPC Business	43,245	308
BOT Projects		
KNR Walayar Tollways	646	5
KNR Muzaffarpur Barauni	373	3
HA Projects valuation	1,347	10
Valuation of BOT Projects (B)	2,366	17
Total Valuation (A) + (B)	45,610	324

* We have excluded 2 BOT annuity projects

Exhibit 3: HAM portfolio

Particulars	Trichy to Kallagam	Meensurutti to Chidambaram	Chittor to Mallavaram	Ramsanpalle to Mangloor	Magadi to Somwarpeth
Stake	100%	100%	100%	100%	100%
Project Type	Hybrid Annuity	Hybrid Annuity	Hybrid Annuity	Hybrid Annuity	Hybrid Annuity
State	Tamil Nadu	Tamil Nadu	Andhra Pradesh	Telangana	Karnataka
Client	NHAI	NHAI	NHAI	NHAI	KSHIP
No of Lanes	Four	Two	Six	Four	Two
Length(KM)	38.7	31.5	61.1	46.8	166
Concession Period	17 Years	17 Years	17.5 Years	17 Years	9 Years
Bid Project Cost (Rs. mn)	10,206.00	4,820.40	17,300.70	12,340.00	11,445.00
Estimated Equity (Rs. mn)*	955	455	1,432.50	1,033.70	533.5
Estimated Debt (Rs. mn)*	3,820.00	1,820.00	5,730.00	4,135.00	2134.2
Status	Financial Closure in Progress	Financial Closure in Progress	Financial Closure in Progress	Financial Closure in Progress	LOA Received

* Subject to Financial Closure

Exhibit 4: Order book highlights

Key Projects	(Rs mn)
Hubli -Hospet Section of NH - 63	5,548
Thiruvananthapuram Bypass	3,048
Rehabilitation and upgrade of Dindigul-Bangalore Road (Pollachi to Coimbatore Section)	2,131
Construction of Two Tier Flyover in Salam City	1,617
Madurai -Ramanathpuram Section of NH-49	1,212
Top 5 Road Projects	13,556
Other Road Projects	3,005
Irrigation Projects	6,688
Other Projects	17
Total	23,266

Source: Company, Equirus Securities

Exhibit 5: HAM projects won recently

HAM Order Wins	Bid Project Cost (Rs mn)
4-laning of Trichy to Kallagam Section of NH-227 under Bhartmala Pariyojana (Residual Project under NHDP) in the state of Tamil Nadu	10,206
2-laning with Paved Shoulder of Meensurutti to Chidambaram Section of NH-227 under Bhartmala Pariyojana, Phase I (Residual Project under NHDP) in the state of Tamil Nadu	4,820
6-laning of Chittoor to Mallavaram section of NH-140 from under Bhartmala Pariyojana in the state of Andhra Pradesh	17,301
4-laning of Ramsanpalle to Mangloor section of NH-161 under Bharatmala Pariyojana in the State of Telangana	12,340
2-laning with paved shoulders of Magadi to near Somwarpeth in the State of Karnataka	11,445
Total	56,112

Source: Company, Equirus Securities

Exhibit 6: Break-up of total order-book

Project Name (Rs mn)	1Q FY17	2Q FY17	3Q FY17	4Q FY17	1Q FY18	2Q FY18	3Q FY18	4Q FY18
Hubli Hospet		6,674	6,674	6,674	6,674	6,539	6,300	5,548
Madurai Ramnathpuram	7,450	6,526	5,685	4,831	3,815	2,792	1,962	1,212
Thiruvanthapuram Bypass	5,712	4,985	4,855	4,222	3,774	4,476	4,140	3,048
Dindigul Bangalore	4,149	4,149	4,149	3,960	3,530	3,052	2,805	2,131
Arcot Villapuram	3,058	2,787						
Salem Flyover	2,873		2,727	2,469	2,355	2,187	2,049	1,617
Top 5 road projects	23,242	25,121	24,090	22,156	20,148	19,046	17,256	13,556
Other road projects	12,038	13,871	11,975	9,929	8,300	8,236	6,978	3,005
Irrigation projects	7,296	6,799	6,316	5,571	4,907	8,562	9,071	6,688
Other projects				33	33	27	21	17
Total projects	42,576	45,791	42,381	37,689	33,388	35,871	33,326	23,266

Source: Company, Equirus Securities



Company Snapshot

How we differ from Consensus

		Equirus	Consensus	% Diff	Comment
EPS	FY19E	11.1	13.7	-19 %	
	FY20E	15.8	17.6	-10 %	
Sales	FY19E	21,264	21,251	0 %	
	FY20E	27,383	27,392	0 %	
PAT	FY19E	1,560	1,933	-19 %	
	FY20E	2,222	2,466	-10 %	

Key Investment Arguments:

- Disciplined and focused EPC contractor with a strong balance sheet.
- High order book visibility along with impressive execution and working capital management track record.
- Sector is ripe for action over the coming 1-3 year period.
- Execution ramp-up to continue in FY19E as well, aided by newer project wins.

Key Drivers

Particulars	2017	2018	2019E	2020E	2021E
Revenues (Rs. in Mn.)	15,411	19,317	21,264	27,383	35,055
EBITDAM %	14.9%	20.0%	14.4%	14.6%	15.0%
PATM %	10.2%	14.1%	7.3%	8.1%	7.9%
Order-book (Rs. in Mn.)	37,690	79,370	84,685	86,537	83,638
Net Fixed Asset Turns	5.91	5.83	5.74	6.16	6.83
Order-book/Billing Ratio	2.45	4.11	3.98	3.16	2.39

Risk to Our View

Project delays, high competitive intensity and order cancellations.

Key Triggers

Comparable valuation		Mkt Cap Rs. Mn.	Price Target	Target Date	EPS			P/E			BPS		P/B			RoE			Div Yield	
Company	Reco.				CMP	FY18A	FY19E	FY20E	FY18A	FY19E	FY20E	FY18A	FY19E	FY18A	FY19E	FY20E	FY18A	FY19E	FY20E	FY18A
KNR Constructions	LONG	230	32,398	284	30th Sep 19	16.3	11.2	16.3	14.1	20.6	14.1	74.5	2.7	25 %	14 %	18 %	0.0 %	0.4 %		
Ashoka Buildcon	LONG	231	43,278	348	30th Jun'19	-5.8	22.7	24.7	-39.6	10.2	9.3	16.9	22.5	-28 %	167 %	357 %	0.3 %	1.0 %		
PNC Infratech	LONG	141	36,223	206	30th Sep'19	9.5	6.0	11.6	14.9	28.0	14.6	65.8	2.4	15 %	9 %	15 %	0.4 %	0.5 %		

- New order inflows, reduction in interest rates, consistent execution.

Sensitivity Analysis

-6 %	% Change	% Change
Sales	-5 %	-6 %
EBITDA Margin	-1 %	-10 %
-	-	-

DCF Valuations & Assumptions

Rf	Beta	Ke	Term. Growth	Debt/IC in Term. Yr
7.8 %	1.0	13.8 %	3.0 %	17.2 %

	FY19E	FY20E	FY21-23E	FY24-28E	FY29-33E
Sales Growth	6 %	28 %	7 %	4 %	4 %
NOPAT Margin	9 %	10 %	9 %	9 %	9 %
IC Turnover	1.34	1.62	2.20	3.19	4.17
RoIC	11.9 %	16.3 %	20.7 %	29.6 %	39.0 %

Years of strong growth	1	2	5	10	15
Valuation as on date (Rs)	81	115	136	203	215
Valuation as of Sep'19	96	134	159	238	253

Based on DCF, assuming 10 years of 4% CAGR growth and 30% average ROIC, we derive our current fair value of Rs 203 and a Sep'19 fair value of Rs 238.

Company Description:

Incorporated in 1995, KNR Construction is in the business of constructing roads and highways and irrigation projects and is promoted by Mr. K. Narsimha Reddy. The company has a track record of executing 6,000 lane km of projects across 12 states in India. Besides, it has 2 BOT Toll road projects both of which are fully operational. It has also won 5 HAM projects recently having combined worth of Rs 56bn.



Standalone Quarterly Earnings Forecast and Key Drivers

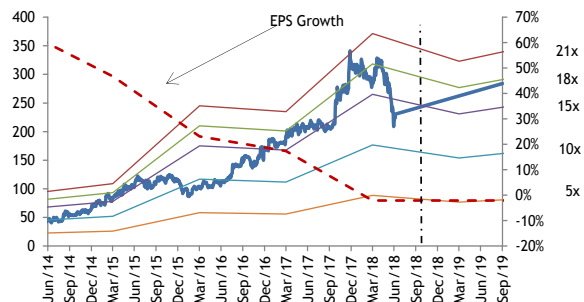
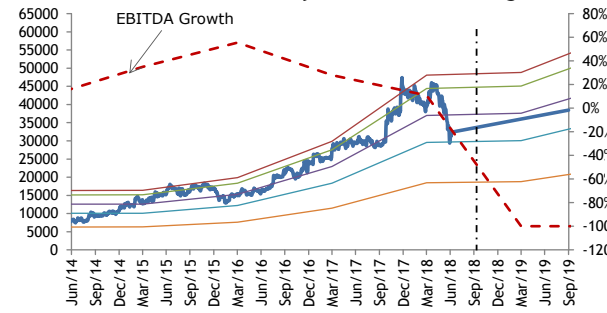
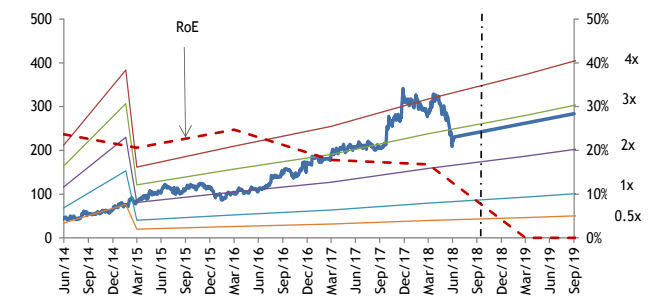
Rs in Mn	1Q18A	2Q18A	3Q18A	4Q18A	1Q19E	2Q19E	3Q19E	4Q19E	1Q20E	2Q20E	3Q20E	4Q20E	FY18A	FY19E	FY20E	FY21E
Revenue	4,807	3,933	4,332	6,244	5,486	4,135	4,770	6,873	7,130	5,374	6,152	8,727	19,317	21,264	27,383	35,055
Raw materials consumed + Change in WIP	1,013	1,122	1,276	1,645	1,425	1,033	1,239	1,786	1,852	1,396	1,598	2,268	5,055	5,482	7,114	9,045
Subcontracting Expenses	1,610	451	879	1,210	1,398	971	1,120	1,614	1,763	1,289	1,537	2,181	4,150	3,937	4,457	4,698
Spreading and Assortment	817	939	627	1,266	1,233	909	1,048	1,511	1,603	1,168	1,352	1,919	3,649	4,701	6,042	7,708
Employee Cost	148	193	181	200	175	202	208	216	227	245	243	239	721	801	954	1,126
Other Expenses	373	405	385	716	486	425	455	752	631	493	527	865	1,417	1,497	1,571	1,631
EBITDA	845	825	984	1,207	770	596	700	995	1,053	784	894	1,256	3,861	3,061	3,987	5,272
Depreciation	244	235	371	491	258	247	345	462	240	230	338	452	1,341	1,312	1,261	1,311
EBIT	602	590	612	716	511	349	355	533	812	555	555	803	2,520	1,749	2,726	3,961
Interest	52	43	49	88	71	62	62	66	71	62	63	69	231	260	265	309
Other Income	123	27	61	183	74	28	64	128	81	42	67	102	393	294	293	294
PBT	672	574	624	811	514	316	357	595	822	535	560	836	2,682	1,782	2,753	3,946
Tax	-4	-17	-33	14	67	41	43	71	144	94	118	176	-39	222	531	1,184
Recurring PAT	676	591	657	798	447	275	314	524	678	441	442	661	2,721	1,560	2,222	2,762
Extraordinary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reported PAT	676	591	657	798	447	275	314	524	678	441	442	661	2,721	1,560	2,222	2,762
EPS (Rs)	4.81	4.20	4.67	5.67	3.18	1.95	2.24	3.73	4.82	3.14	3.15	4.70	19.35	11.09	15.81	19.64
Key Drivers																
Order Inflow	-	-	-	-	-	-	-	-	-	-	-	-	60,997	26,559	29,215	32,137
Closing Orderbook	-	-	-	-	-	-	-	-	-	-	-	-	79,370	84,685	86,537	83,638
Non Cash WC/Sales	-	-	-	-	-	-	-	-	-	-	-	-	10%	12%	13%	14%
Sales/Net Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-	5.83	5.74	6.16	6.83
Sequential Growth (%)																
Revenue	0 %	-18 %	10 %	44 %	-12 %	-25 %	15 %	44 %	4 %	-25 %	14 %	42 %	-	-	-	-
Raw materials consumed + Change in WIP	4 %	11 %	14 %	29 %	-13 %	-28 %	20 %	44 %	4 %	-25 %	14 %	42 %	-	-	-	-
EBITDA	17 %	-2 %	19 %	23 %	-36 %	-23 %	17 %	42 %	6 %	-25 %	14 %	40 %	-	-	-	-
EBIT	14 %	-2 %	4 %	17 %	-29 %	-32 %	2 %	50 %	52 %	-32 %	0 %	45 %	-	-	-	-
Recurring PAT	29 %	-13 %	11 %	21 %	-44 %	-39 %	14 %	67 %	29 %	-35 %	0 %	49 %	-	-	-	-
EPS	29 %	-13 %	11 %	21 %	-44 %	-39 %	14 %	67 %	29 %	-35 %	0 %	49 %	-	-	-	-
Yearly Growth (%)																
Revenue	59 %	5 %	13 %	30 %	14 %	5 %	10 %	10 %	30 %	30 %	29 %	27 %	25 %	10 %	29 %	28 %
EBITDA	94 %	47 %	70 %	67 %	-9 %	-28 %	-29 %	-18 %	37 %	32 %	28 %	26 %	68 %	-21 %	30 %	32 %
EBIT	97 %	43 %	49 %	36 %	-15 %	-41 %	-42 %	-26 %	59 %	59 %	56 %	51 %	52 %	-31 %	56 %	45 %
Recurring PAT	125 %	35 %	58 %	52 %	-34 %	-53 %	-52 %	-34 %	52 %	61 %	41 %	26 %	62 %	-43 %	42 %	24 %
EPS	125 %	35 %	58 %	52 %	-34 %	-53 %	-52 %	-34 %	52 %	61 %	41 %	26 %	62 %	-43 %	42 %	24 %
Margin (%)																
EBITDA	18 %	21 %	23 %	19 %	14 %	14 %	15 %	14 %	15 %	15 %	15 %	14 %	20 %	14 %	15 %	15 %
EBIT	13 %	15 %	14 %	11 %	9 %	8 %	7 %	8 %	11 %	10 %	9 %	9 %	13 %	8 %	10 %	11 %
PBT	14 %	15 %	14 %	13 %	9 %	8 %	7 %	9 %	12 %	10 %	9 %	10 %	14 %	8 %	10 %	11 %
PAT	14 %	15 %	15 %	13 %	8 %	7 %	7 %	8 %	10 %	8 %	7 %	8 %	14 %	7 %	8 %	8 %

Consolidated Financials

P&L (Rs Mn)	FY18A	FY19E	FY20E	FY21E
Revenue	20,696	21,853	28,051	35,807
Op. Expenditure	16,211	18,378	23,574	29,964
EBITDA	4,485	3,475	4,477	5,843
Depreciation	1,936	1,471	1,440	1,513
EBIT	2,549	2,005	3,037	4,330
Interest Expense	825	437	438	476
Other Income	558	294	293	294
PBT	2,282	1,862	2,892	4,149
Tax	-7	238	558	1,224
PAT bef. MI & Assoc.	2,289	1,624	2,334	2,925
Minority Interest	0	0	0	0
Profit from Assoc.	0	-52	-41	-18
Recurring PAT	2,289	1,572	2,293	2,906
Extraordinaires	0	0	0	0
Reported PAT	2,289	1,572	2,293	2,906
FDEPS (Rs)	16.3	11.2	16.3	20.7
DPS (Rs)	0.5	0.9	1.3	2.8
CEPS (Rs)	70.1	32.9	31.6	33.5
FCFPS (Rs)	5.4	43.3	15.0	17.5
BVPS (Rs)	74.5	84.6	94.7	104.8
EBITDAM (%)	22 %	16 %	16 %	16 %
PATM (%)	11 %	7 %	8 %	8 %
Tax Rate (%)	0 %	13 %	19 %	30 %
Sales Growth (%)	23 %	6 %	28 %	28 %
FDEPS Growth (%)	125 %	-31 %	46 %	27 %

Balance Sheet (Rs Mn)	FY18A	FY19E	FY20E	FY21E
Equity Capital	281	281	281	281
Reserve	10,196	11,618	13,696	16,137
Networth	10,478	11,899	13,978	16,419
Long Term Debt	7,419	3,704	3,511	3,178
Def Tax Liability	392	566	285	381
Minority Interest	501	501	501	501
Account Payables	2,476	1,630	2,024	2,400
Other Curr Liabi	4,814	6,798	8,756	11,036
Total Liabilities & Equity	26,080	25,097	29,054	33,914
Net Fixed Assets	12,763	10,193	10,013	9,811
Capital WIP	12	0	0	0
Others	3,433	3,433	3,433	3,433
Inventory	750	931	1,349	1,440
Account Receivables	2,691	3,201	4,273	5,183
Other Current Assets	5,735	6,769	8,723	11,524
Cash	695	571	1,262	2,522
Total Assets	26,080	25,097	29,054	33,914
Non-cash Working Capital	1,887	2,473	3,565	4,711
Cash Conv Cycle	33.3	41.3	46.4	48.0
WC Turnover	11.0	8.8	7.9	7.6
FA Turnover	1.6	2.1	2.8	3.6
Net D/E	0.6	0.3	0.2	0.0
Revenue/Capital Employed	1.3	1.3	1.6	2.1
Capital Employed/Equity	2.1	1.9	1.6	1.4

Cash Flow (Rs Mn)	FY18A	FY19E	FY20E	FY21E
PBT	2,282	1,862	2,892	4,149
Depreciation	1,936	1,471	1,440	1,513
Others	0	0	0	0
Taxes Paid	-7	238	558	1,224
Change in WC	-1,819	-587	-1,092	-1,146
Operating C/F	2,406	2,508	2,682	3,292
Capex	-2,837	1,112	-1,261	-1,311
Change in Invest	-70	0	0	0
Others	0	0	0	0
Investing C/F	-2,906	1,112	-1,261	-1,311
Change in Debt	438	-3,716	-193	-333
Change in Equity	50	0	-657	-1,020
Others	-84	-29	-536	-388
Financing C/F	403	-3,744	-1,387	-1,740
Net change in cash	-97	-125	34	240
RoE (%)	25 %	14 %	18 %	21 %
RoIC (%)	18 %	11 %	15 %	18 %
Core RoIC (%)	15 %	12 %	16 %	19 %
Div Payout (%)	0 %	10 %	9 %	16 %
P/E	14.1	20.6	14.1	11.1
P/B	3.1	2.7	2.4	2.2
P/FCFF	42.3	5.3	15.3	13.1
EV/EBITDA	8.8	10.4	7.8	5.7
EV/Sales	1.9	1.7	1.2	0.9
Dividend Yield (%)	0.0 %	0.4 %	0.5 %	0.0 %

TTM P/E vs. 2 yr forward EPS growth

TTM EV/EBITDA vs. 2 yr forward EBITDA growth

TTM P/B vs. 2 yr forward RoE


Historical Consolidated Financials

P&L (Rs Mn)	FY15A	FY16A	FY17A	FY18A	Balance Sheet (Rs Mn)	FY15A	FY16A	FY17A	FY18A	Cash Flow (Rs Mn)	FY15A	FY16A	FY17A	FY18A
Revenue	9,312	11,917	16,796	20,696	Equity Capital	281	281	281	281	PBT	715	902	1,057	2,282
Op. Expenditure	8,044	10,199	14,156	16,211	Reserve	5,652	6,705	7,858	10,196	Depreciation	552	709	1,156	1,936
EBITDA	1,268	1,718	2,640	4,485	Networth	5,933	6,986	8,139	10,478	Others	184	362	724	0
Depreciation	552	709	1,156	1,936	Long Term Debt	7,149	7,260	6,982	7,419	Taxes Paid	351	160	259	-7
EBIT	716	1,009	1,483	2,549	Def Tax Liability	285	302	331	392	Change in WC	-315	646	978	-1,819
Interest Expense	130	570	727	825	Minority Interest	906	807	646	501	Operating C/F	784	2,459	3,657	2,406
Other Income	129	430	330	558	Account Payables	672	1,106	1,646	2,476	Capex	-5,441	-2,527	-1,936	-2,837
PBT	715	869	1,086	2,282	Other Curr Liabi	2,797	3,395	4,675	4,814	Change in Invest	20	68	-411	-70
Tax	-3	-219	70	-7	Total Liabilities & Equity	17,742	19,856	22,419	26,080	Others	-68	19	-149	0
PAT bef. MI & Assoc.	718	1,088	1,017	2,289	Net Fixed Assets	2,349	7,378	11,640	12,763	Investing C/F	-5,490	-2,440	-2,496	-2,906
Minority Interest	0	0	0	0	Capital WIP	8,918	4,287	913	12	Change in Debt	3,423	113	-453	438
Profit from Assoc.	0	0	0	0	Others	1,309	2,178	2,685	3,433	Change in Equity	0	0	0	50
Recurring PAT	718	1,088	1,017	2,289	Inventory	557	618	805	750	Others	1,076	-98	-784	-84
Extraordinaires	0	0	0	0	Account Receivables	1,101	1,346	1,817	2,691	Financing C/F	4,498	15	-1,236	403
Reported PAT	718	1,088	1,017	2,289	Other Current Assets	2,856	3,348	3,767	5,735	Net change in cash	-207	33	-76	-97
EPS (Rs)	5.1	7.7	7.2	16.3	Cash	652	701	792	695	RoE (%)	12 %	17 %	13 %	25 %
DPS (Rs)	1.0	1.0	1.0	0.5	Total Assets	17,742	19,856	22,419	26,080	RoIC (%)	7 %	12 %	11 %	18 %
CEPS (Rs)	45.1	63.9	25.8	70.1	Non-cash Working Capital	1,046	811	68	1,887	Core RoIC (%)	6 %	9 %	9 %	15 %
FCFPS (Rs)	-162.7	26.0	21.8	5.4	Cash Conv Cycle	41.0	24.8	1.5	33.3	Div Payout (%)	5 %	6 %	0 %	0 %
BVPS (Rs)	42.2	49.7	57.9	74.5	WC Turnover	8.9	14.7	247.0	11.0	P/E	45.1	29.7	31.8	0.0
EBITDAM (%)	14 %	14 %	16 %	22 %	FA Turnover	0.8	1.0	1.3	1.6	P/B	5.5	4.6	4.0	0.0
PATM (%)	8 %	9 %	6 %	11 %	Net D/E	1.1	0.9	0.8	0.6	P/FCFF	-1.4	8.8	10.5	42.3
Tax Rate (%)	0 %	-25 %	6 %	0 %	Revenue/Capital Employed	0.9	0.9	1.1	1.3	EV/EBITDA	31.1	23.0	14.9	0.0
Sales growth (%)	4 %	28 %	41 %	23 %	Capital Employed/Equity	1.8	2.2	2.3	2.1	EV/Sales	4.2	3.3	2.3	0.0
FDEPS growth (%)	9 %	52 %	-7 %	125 %						Dividend Yield (%)	0.4 %	0.4 %	0.0 %	0.0 %



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- ADD: ATR >= 5% but less than Ke over investment horizon
- REDUCE: ATR >= negative 10% but <5% over investment horizon
- SHORT: ATR < negative 10% over investment horizon

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- OVERWEIGHT: Likely to outperform the benchmark by at least 5% over investment horizon
- BENCHMARK: likely to perform in line with the benchmark
- UNDERWEIGHT: likely to under-perform the benchmark by at least 5% over investment horizon

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