

Initiation

Ahluwalia Contracts (India) Ltd

Niche construction player

BUY

Ahluwalia Contracts (India) Ltd (ACIL) is a leading construction company which focuses on residential, commercial, power, hotel, hospital & institutional and industrial construction projects. The company currently has 80 on-going projects spread over 50 cities across the country. ACIL has a strong asset portfolio and network of channel partners. In the last 3 years, the company's profitability was impacted by the overall slowdown in the capex cycle. However, ACIL has seen a turnaround in H1FY2015 with strong order book of Rs3,500 crore (3.6x its FY2014 revenue) as of September 30, 2014. The government's increasing focus on the construction industry is expected to generate better order flows going forward. Moreover, low margin orders are likely to get over and new orders are coming at higher margins which would further boost profitability. We initiate coverage on the stock with BUY rating and a target price of Rs286.

Construction activities to gain momentum: In the last 3 years, the overall slowdown in the capex and hyper competitive scenario resulted in delays of project execution and payment which affected the revenue and profitability. We believe that government's plans on development of 100 smart cities, new rail corridors etc would revive construction activity and in turn lead to strong growth in order book/revenues. We expect ACIL's revenue to register 19% CAGR over FY2014-17E.

Strong order book: As on September 30, 2014, ACIL's order book grew by 43% YoY to Rs3,502 crore (3.6x its FY2014 revenue), providing strong revenue visibility. The order book is likely to be executed over the next 24 to 30 months. ACIL is now focusing on orders from the public sector (47% of the total order book and with higher margin) which would lead to improvement in margin as well as cash flows. We have already witnessed that new orders are coming at higher margins for ACIL.

Commencement of BOT project - additional growth trigger: In FY2008, ACIL ventured into a build-operate-transfer (BOT) agreement with Rajasthan State Road Transport Corporation (RSRTC), for development/construction of Bus Terminal & Depot and Commercial Complex at Kota. Delay in approvals led to overall slippages in project completion. During FY2014, ACIL has received a revised sanction plan for modifications. The construction of building is complete and ~40-45% of it is already leased out.

Balance sheet to get strengthened: ACIL is working on selling its non-core assets, completing its slow moving/low margin orders and moving away from loss making contracts which would improve cash generation. Further, the promoters infused ~Rs50 crore via preferential allotment which would be used to repay loans and manage working capital requirements. Overall, we expect debt to equity to improve from 1.0x in FY2014 to 0.24x in FY2017E and return ratios to cross 20% with turnaround in profit.

Risk factors: 1) Delay in execution, 2) Changes in government regulations, 3) Emergence of hyper competition and 4) Overall economic slowdown.

Valuation: At the CMP, the stock is trading at 11.8x its FY2017E EPS. ACIL has a good track record of on time project completion. We believe ACIL is well placed to benefit from revival in the construction capex cycle. Also, it has limited low margin orders and new orders coming at high margins. Overall, we expect 19% CAGR in revenue, turnaround in profits and significant improvement in return ratios over FY2014-17E. We initiate coverage with a BUY rating and a target price of Rs286, valuing it at 16x its FY2017E EPS.

Financial Summary - Consolidated

Y/E Mar (Rs Cr.)	Revenue	YoY (%)	EBITDA	EBITDA (%)	Adj. PAT	YoY (%)	EPS (Rs)	P/E (x)	EV/EBITDA(x)	RoE (%)
FY2013A	1,431	-17.5	-32	NM	-92	NM	-13.79	NM	NM	NM
FY2014A*	961	-32.9	35	3.7	-3	NM	-0.43	NM	44.7	NM
FY2015E	1,134	18.0	136	12.0	79	NM	11.77	17.9	11.3	27.2
FY2016E	1,360	20.0	170	12.5	90	13.5	13.36	15.8	8.8	22.6
FY2017E	1,632	20.0	209	12.8	120	33.6	17.85	11.8	6.8	24.3

Source: Company, Centrum Wealth Research,

*During FY2014, the group divested its stake in Ahlcon Ready Mix Concrete Pvt Ltd. (100% subsidiary)

Recommendation

Current Market Price (Rs)	211
Target Price (Rs)	286
Potential upside (%)	35.4
Sector Relative to Market	Outperform
Stock Relative to Sector	Outperform

Stock Information

BSE Code	532811
NSE Code	AHLUCONT
Face value (Rs/share)	2.0
No. of shares* (Cr.)	6.7
Market Cap* (Rs Cr.)	1,413
Free float* (Rs. Cr.)	363
52 Week H / L (Rs)	237 / 21
Avg. Daily turnover (12M, Rs Cr.)	2.6

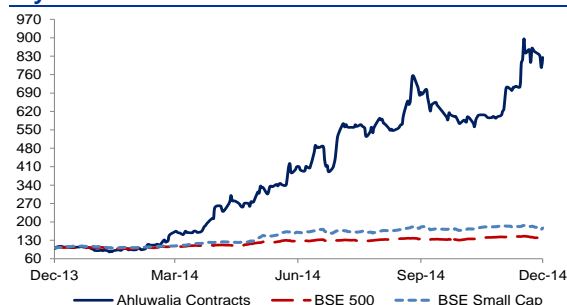
Note: *Calculation includes new equity allotted to promoters

Shareholding Pattern (%)

	Sept-14	Sept-13
Promoters	72.6	72.6
FII	12.6	13.7
DII	2.3	4.7
Others	12.5	9.0

Source: Bloomberg, Centrum Wealth Research

1 year Indexed Performance



Source: Bloomberg, Centrum Wealth Research

Price Performance (%)

	1M	3M	6M	12M
ACIL	33.1	19.2	100.8	741.7
BSE 500	-3.1	0.8	8.7	37.0
BSE Small Cap	-5.1	-2.3	10.0	74.6

Source: Bloomberg, Centrum Wealth Research

Mrinalini Chetty, Research Analyst
Siddhartha Khemka, VP Research

About the Company

Ahluwalia Contracts (India) Ltd (ACIL) is primarily engaged in the business of construction of structures and buildings across segment such as residential, commercial, power, hotel, hospital & institutional and industrial construction projects. ACIL has an experience of over 50 years in offering turnkey solutions in engineering and designing, catering to the public and private sectors. Currently, the company has 80 on-going projects over 50 cities across the country. The company has a robust asset portfolio with 99+ Tower Cranes & Hydra Cranes, 175+ Batching Plants, Boom, Concrete Pumps, Load Excavators, 45+ Transit Mixers, among other world-class equipment.

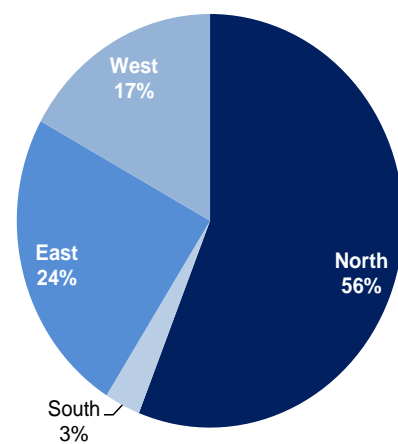
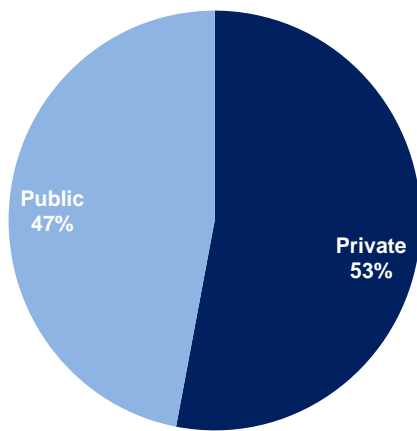
ACIL has a strong clientele which includes ADB, Cadence, Agilent, Hughes, ITC, Fortis, Ranbaxy, Artemis, Apollo Hospital, DLF, Moser Baer, Unitech, Ansal API, Government of Singapore, CPWD, Reliance Retail, Hyatt, HCL, Maruti, IFCI, Max, Mahindra, Jet Airways, Gillette, Honda, Subros, Perot System and Luxor.

As of March 31, 2014, the company had 5 subsidiaries, which include Premsagar Merchants Pvt. Ltd., Splendor Distributors Pvt. Ltd., Jiwanjyoti Traders Pvt. Ltd., Dipesh Mining Pvt. Ltd. and Paramount Dealcomm Pvt. Ltd. During FY2014, the company divested its 100% stake in Ahlcon Ready Mix Concrete Pvt. Ltd. and now ceased to exist.

The company’s order book stands at Rs3,502 crore as of September 2014 and is well diversified across sectors and geographies.

Exhibit 1: Sector wise order book break up

Exhibit 2: Region wise order book break up



Source: Company, Centrum Wealth Research, As on Sept 30, 2014

Source: Company, Centrum Wealth Research, As on Sept 30, 2014

Construction activities to gain momentum

The new government is focusing on infrastructure spending which we believe would revive construction sector. In the first seven months, we have witnessed the following developments -

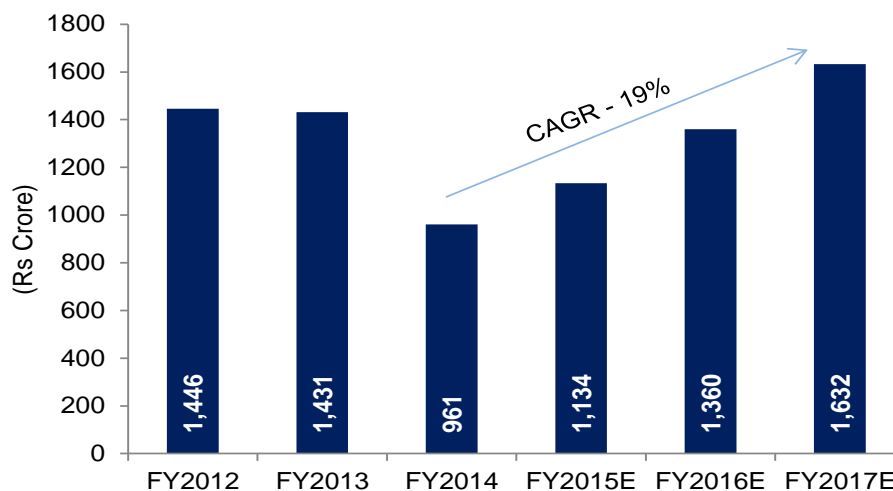
- 88 infrastructure and industrial projects, involving investment of nearly Rs3 lakh crore have become operational over the past few months. A dozen projects, involving investment of over Rs47,500 crore, are expected to be operational by December 2014. Another 9 projects with investment of close to Rs33,000 crore is likely be ready in 90 days and another 11 worth close to Rs67,000 crore will be working in 120 days.
- In October 2014, the union government eased foreign direct investment (FDI) rules in India's construction sector, making it easier for investors to enter the market, sell assets or transfer their stakes and repatriate proceeds before the completion of a project. The new rules, proposed in the Union Budget, include reducing the built-up area requirement for FDI in construction projects to 20,000 square metres from 50,000 square metres. The minimum capital requirement has also been reduced to \$5 million from \$10 million. Also, the investor will be permitted to exit on completion of the project or after 3 years from the date of final investment, subject to development of trunk infrastructure.
- Rail corridors such as agri-rail and tourist rail networks creating opportunities which would require real estate for the warehousing, cold storage and hospitality sectors;
- 100 smart cities with budget of around Rs7,600 crore;
- thrust on affordable housing with Rs4,000 crore allocated in Budget via NHB;
- Allowing REITS - Providing efficient access and flexibility to raise capital, ensuring ease of liquidity requirements for developers through incentivisation of REITS;
- Faster project execution due to steadfast approvals; clearance of pending receivables to the private sector via fast-tracked bureaucratic decision-making;

While early signs of revival are indicated from improvement in order flows and new wins at better margins, these initiatives are likely to further improve construction activity. ACIL is well placed to take advantage of revival in sector with its strong execution track record and improving balance sheet.

ACIL is considering technology collaborations and acquisitions in urban infrastructure and real estate segments to achieve the next level of growth. The company has entered into technical collaboration with KUB STROY Russia for high speed precast construction using KUB 2.5 technology. The technology aids in high speed construction of structure using patented precast system. This would augur well for the company in view of the increased focus of government projects in mass housing.

The company is in the consolidation process and aims to complete delayed projects. Further, along with the increasing investments seen in the construction sector, the government has relaxed minimum capital requirement norms which are expected to attract FDI. With strong order book and expectation of revival in sector, we believe that revenue growth for the company is likely to accelerate at 19% CAGR over FY2014-17E.

Exhibit 3: Increasing focus on the construction sector to generate better revenues going ahead



Source: Company, Centrum Wealth Research

Healthy order book providing strong revenue visibility

ACIL is focusing on completing slow moving projects and building a better order book with higher margins. We have already witnessed that new orders are coming at higher margins for ACIL. The company is aiming to increase the contribution from the public sector which currently contributes 47% to the net order book as they experience better visibility as well as collection cycle.

As on September 30, 2014, ACIL's order book grew by 43% YoY to Rs3,502 crore (3.6x its FY2014 revenue) providing strong revenue visibility. The order book is likely to be executed over the next 24 to 30 months.

Exhibit 4: Net Order book trend

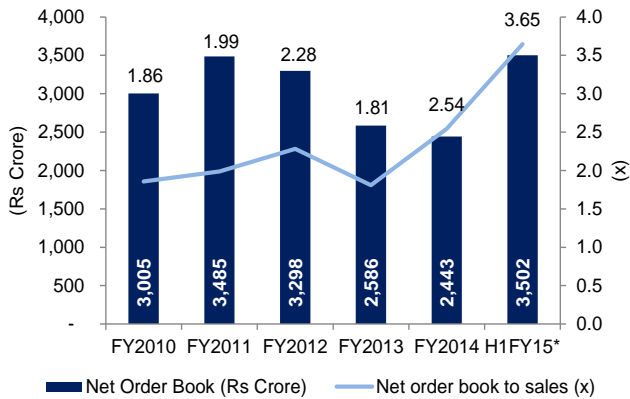
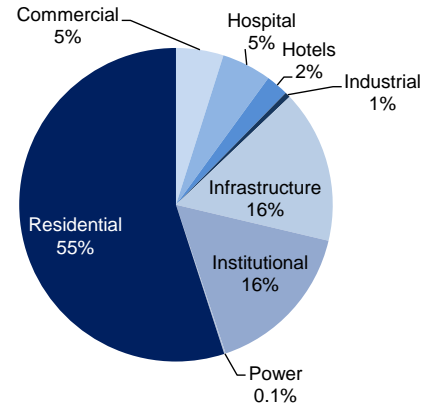


Exhibit 5: Segment wise net order book distribution



Source: Company, Centrum Wealth Research,
*Net order book to FY2014 sales.

Source: Company, Centrum Wealth Research, As on Sept 30, 2014

Exhibit 6: ACIL has a number of on-going projects...

Project	Value (In Rs Crore)
Housing Development and Infrastructure Ltd: Construction of Residential Building at Mulund, Mumbai	424
BCD Patna: Construction of International Convention Centre at Patna	417
BCD Patna: Construction of Police Head Quarters at Patna	335
DDA: Construction of Residential Building on design & built basis at Narela, Delhi	339
CPWD: Construction of PNB Head Office Building at Dwarka, Delhi	203
Emaar MGF: Construction of Residential Building Project "Palm Drive" at Sector-66 Gurgaon	197
HSCC Ltd: Construction of Emergency Block of Safdarjung Hospital	197
Parteek Group: Civil & Structural work of the proposed multistory group housing Project Parteek Grand City Ghaziabad	178
JP Associates Ltd: Construction of Residential Building Project "Jaypee Kensington" at Noida	177
Umang Realtech P Ltd: Group Housing Project "Winter Hills" at Sector -77 Gurgaon	170
NBCC Ltd: Construction of Institutional Building for NIFTM at Kundli	155
NBCC Ltd : Construction of Infrastructure Building for National Intelligence Grid	154
Jasmine Buildmart: Construction of Monde De Housing at Gurgaon	151
E-Homes Infrastructure Private Limited: Construction of Multi-Storeyed Complex (Jewel of Noida) at Sector 75, Noida	130
Total	3,227

Other on-going projects
Construction of Hotels for Shristi Infrastructure Development Corporation Ltd
Construction of Residential Building for EROS Group at Greater Noida
Precast work of superstructure residential building for Umang Realtech at Bahadurgah
Construction of another Residential project "Monsoon Breeze" for Umang Realtech at Gurgaon
Commercial Building construction in Vikaspuri for Reliance Group
Commercial Building construction in Dwarka for Reliance Group
Construction of Group Housing for Brisk Infrastructure at Gurgaon.
Construction of Metro Train Depot cum workshop at Peenya for Bangalore Metro Rail Corporation Ltd
Construction of Group Housing Project at Gurgaon for Tata Housing Development Co. Ltd
Construction of Project Jaypee Knight Court at Noida for JP Associates Ltd
Civil works for Proposed Commercial cum rehab Building at Mumbai for PSK Developers
Nitesh Project, Bangalore

Source: Company, Centrum Wealth Research

Financials to improve going ahead

On a standalone basis, for Q2FY2015, ACIL's revenue declined by 3.9% YoY to Rs240 crore. Adjusted net profit for the quarter stood at Rs16 crore as compared to a loss of Rs10 crore seen in Q2FY2014. EBITDA stood at Rs29 crore as compared to an operational loss of Rs3 crore in Q2FY2014. EBITDA margin for Q2FY2015 stood at 11.9% on the back of better execution cycle and reduction in legacy orders. Adjusted EPS for the quarter stood at Rs2.42. The management expects execution to pick up in H2FY2015E and aims to achieve 20% revenue growth in FY2015E.

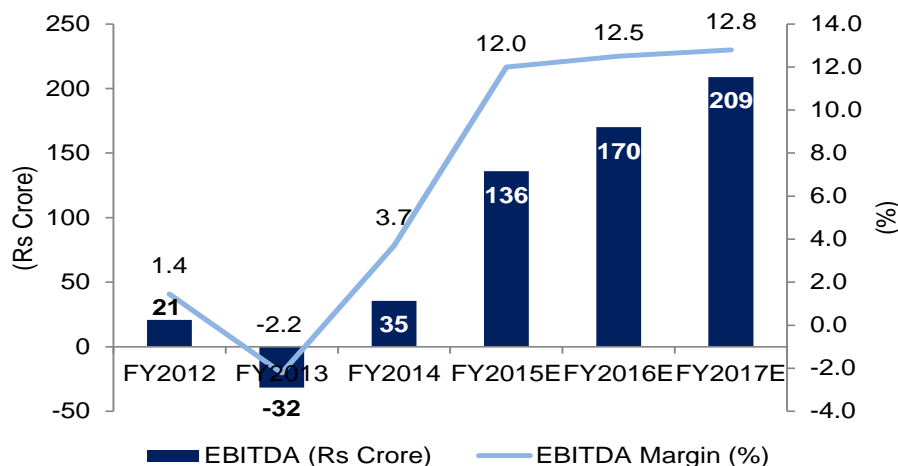
Exhibit 7: Standalone Quarterly Performance

Y/E Mar (Rs Cr.)	Q2FY14	Q3FY14	Q4FY14	Q1FY15	Q2FY15
Revenue	250	241	250	239	240
YoY Growth (%)	(29.1)	(24.2)	(33.2)	8.5	(3.9)
Raw Material	142	134	140	136	124
% of sales	57.1	55.7	56.0	56.9	51.9
Personnel Expenses	20	19	17	16	17
% of Sales	7.9	7.9	6.7	6.6	7.2
Other Expenses	91	74	74	54	69
% of Sales	36.3	30.8	29.7	22.8	28.9
EBIDTA	(3)	13	19	33	29
EBIDTA margin %	(1.3)	5.5	7.5	13.7	11.9
Depreciation	2	3	3	6	5
Interest	9	8	9	10	9
Other Income	2	1	10	1	3
PBT before excpt. Item	(13)	3	16	18	16
Exceptional Item	14	-	-	-	-
PBT after excpt. Item	1	3	16	18	16
Provision for tax	0.3	0.6	(1.1)	1	0
Effective tax rate %	20.7	20.4	NM	5.6	1.6
Net Profit (Reported)	1	2	17	17	16
Exceptional Items Adj.	11	-	-	-	-
Adj. Net Profit	(10)	2	17	17	16
YoY Growth (%)	NM	NM	218.0	1,870	NM
PAT margin %	NM	1.0	6.9	7.1	6.8

Source: Company, Centrum Wealth Research

During the Q2FY2015, the company secured orders worth Rs950 crore. The new orders secured have high margins to the tune of 13%-14%. The current order book margins stands at around 13%. Also, low margin orders have reduced to Rs300 crore. Going ahead, the company aims to secure orders worth Rs1,200 crore for FY2015E. We expect the high margin orders to help expand EBITDA margins to 13% in FY2017E from 3.7% in FY2014.

Exhibit 8: New orders to help improve EBITDA margins to 12.8% in FY2017E



Source: Company, Centrum Wealth Research

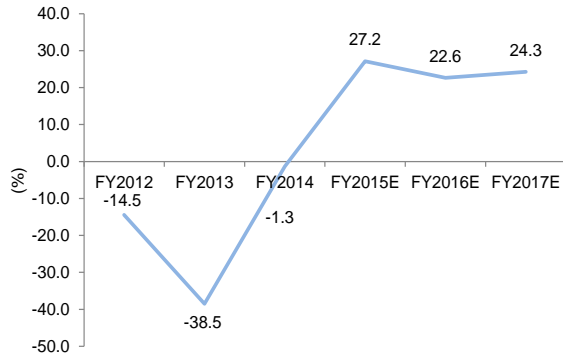
Balance sheet to get strengthened

ACIL is working on selling its non-core assets, completing its slow moving/low margin orders and moving away from loss making contracts which would improve cash generation. Further, the promoters infused ~Rs50 crore via preferential allotment which would be used to repay loans and manage working capital requirements.

Overall, we expect debt to equity to improve from 1.0x in FY2014 to 0.24x in FY2017E. With increasing order inflows and faster execution we expect the RoE to improve to 24.3% in FY2017E.

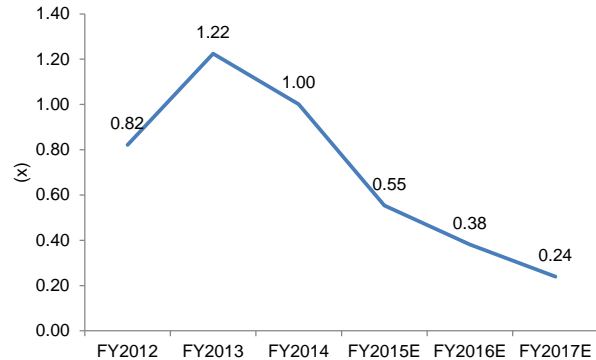
Further, there could be possibility of inflows from pending case - ACIL was the sole civil contractor for the Rs1,000 crore Commonwealth Games Village developed by Emaar MGF. However, owing to the controversies surrounding the Commonwealth Games, payments from the clients got delayed. The company has been fighting a legal battle with regards to payment dispute. The CBI enquiry against CPWD with regards to the Talkatora Stadium Project has been closed. ACIL has received Rs13 crore and expects to receive the pending due of Rs14 crore by the end of FY2015E. The arbitration process with Emaar MGF is underway and the management is confident of a favorable outcome.

Exhibit 9: RoE to improve to 24% in FY2017E



Source: Company, Centrum Wealth Research

Exhibit 10: Debt to equity to improve to 0.24x in FY2017E



Source: Company, Centrum Wealth Research

Commencement of BOT project - additional growth trigger

In FY2008, ACIL ventured into a build-operate-transfer (BOT) agreement with Rajasthan State Road Transport Corporation (RSRTC), for development/construction of Bus Terminal and Depot and Commercial Complex at Kota. Delay in approvals led to overall slippages in project completion. The total project cost was estimated at Rs72 crore, of which Rs66 crore has been spent till FY2014. The revenue from advertisement outside the building shall be shared 50% to RSRTC and there will be no revenue sharing from advertisement etc, inside the building. During FY2014, ACIL has received a revised sanction plan for modifications. The building is completed and ~40-45% of it is already leased out.

Risks:

- **Delay in execution:** Any delay in receiving approvals could affect the execution time which could lead to delays thereby affecting revenue and profitability of the firm.
- **Changes in government regulations:** ACIL is aiming to secure more projects from the public sector. Any change in the political scenario and government regulations could impact the business performance.
- **Emergence of hyper competition:** With improving market conditions and increasing opportunities in the construction space, aggressive bidding for projects by competitors could impact profitability.
- **Overall economic slowdown:** The company's core business is construction activity, any slowdown in the capex cycle could lead to delay in project commissioning which could affect the overall financial health of the company.

Valuations

At the CMP, the stock is trading at 11.8x its FY2017E EPS. ACIL has a good track record of on time project completion. We believe ACIL is well placed to benefit from revival in the construction capex cycle. Also, it has limited low margin orders and new orders coming at high margins. Overall, we expect 19% CAGR in revenue, turnaround in profits and significant improvement in return ratios over FY2014-17E. We initiate coverage with a BUY rating and a target price of Rs286, valuing it at 16x its FY2017E EPS.

Exhibit 11: Business Comparison

Company	Mkt Cap (Rs Cr.)	Rev Growth (%)		OPM (%)		PAT Growth (%)		Order Book/ FY14Sales (x)
		FY2016E	FY2017E	FY2016E	FY2017E	FY2016E	FY2017E	
SADBHAV ENGINEER	4,274	19.3	24.7	11.0	11.0	32.2	37.7	3.5
J.KUMAR INFRAPRO	1,397	21.8	23.5	17.3	16.8	30.4	25.0	2.6
AHLUWALIA CONTRA	1,413	20.0	20.0	12.5	12.8	13.5	33.6	3.6
KNR CONSTRUCTION	835	20.5	23.9	15.2	14.8	26.3	32.0	1.4
MBL INFRASTRUCT	749	24.6	13.5	11.5	11.6	35.6	23.6	1.8

Source: Bloomberg, Centrum Wealth Research, Market Cap. as on December 18, 2014, Order Book as on September 30, 2014

Exhibit 12: Relative Valuation

Company	Mkt Cap/ FY14Sales (x)	P/E (x)		EV/EBITDA (x)		RoE (%)	
		FY2016E	FY2017E	FY2016E	FY2017E	FY2016E	FY2017E
SADBHAV ENGINEER	1.8	26.6	19.3	14.0	11.2	11.8	13.0
J.KUMAR INFRAPRO	1.2	10.4	8.3	5.5	4.6	15.9	16.8
AHLUWALIA CONTRA	1.5	15.8	11.8	8.8	6.8	22.6	24.3
KNR CONSTRUCTION	1.0	10.7	8.1	5.3	4.4	12.8	14.7
MBL INFRASTRUCT	0.4	5.9	4.7	4.9	4.2	18.1	18.9

Source: Bloomberg, Centrum Wealth Research, Stock price data is as on December 18, 2014

Technical View on Ahluwalia Contracts (India) Ltd

- Ahluwalia contracts has now moved towards its multi-year high levels of near 250 (near) that was last achieved in 2010.
- The scrip has moved up with strong trading trajectory and is now likely to face supply near the 225-250 range.
- With negative divergence developing on RSI, short term volatility can be expected in the next few weeks while the scrip is likely to enjoy good demand near 170-180 range which is an accumulation zone.
- Longs can be initiated in the range mentioned for a target of 275 for which an ideal stop loss is 150 with 6 months perspective.

Exhibit 13: Technical Chart



Source: Company, Centrum Wealth Research

Financial Summary – Consolidated

Income Statement

Y/E Mar (Rs Cr)	FY2013	FY2014	FY2015E	FY2016E	FY2017E
Revenue	1,431	961	1,134	1,360	1,632
Growth (%)	(1.0)	(32.9)	18.0	20.0	20.0
Raw Material	1,161	702	776	925	1,110
% of sales	81.2	73.0	68.5	68.0	68.0
Personnel expenses	266	195	187	224	264
% of Sales	18.6	20.3	16.5	16.5	16.2
Other Exp.	36	29	34	41	49
% of Sales	2.5	3.0	3.0	3.0	3.0
EBIDTA	(32)	35	136	170	209
EBIDTA margin %	NM	3.7	12.0	12.5	12.8
Depreciation	40	12	21	23	24
Interest	37	39	36	29	24
Other Income	17	13	9	10	10
PBT before excpt items	(92)	(3)	88	128	171
Exceptional Items	21	25	-	-	-
PBT	(71)	22	88	128	171
Provision for tax	0.1	0.1	9	38	51
Effective tax rate %	NM	NM	10.0	30.0	30.0
Net Profit (Reported)	(71)	22	79	90	120
Exceptional Items Adj	21	25	-	-	-
Adj. Net Profit	(92)	(3)	79	90	120
Growth %	NM	NM	NM	13.5	33.6
Adj. PAT margin %	NM	NM	7.0	6.6	7.3

Source: Company, Centrum Wealth Research

Balance Sheet

Y/E Mar (Rs Cr)	FY2013	FY2014	FY2015E	FY2016E	FY2017E
Share capital	13	13	13	13	13
Reserves & surplus	192	214	341	423	535
Shareholder's fund	204	226	355	437	548
Loan fund	250	226	196	166	131
Total cap. employed	455	453	551	603	680
Net fixed assets	202	205	214	222	227
Deferred Tax Assets (net)	16	16	16	16	16
Investments	0.1	0.1	0.1	0.1	0.1
Cash and bank	86	55	76	83	120
Inventories	167	172	193	231	277
Debtors	476	471	553	652	760
Loans and advances	126	132	136	163	196
Total current assets	855	830	958	1,129	1,353
Current lia. and prov.	619	598	637	764	917
Net current assets	237	232	321	365	436
Total assets	455	453	551	603	680

Source: Company, Centrum Wealth Research

Cash Flow

Y/E Mar (Rs Cr)	FY2013	FY2014	FY2015E	FY2016E	FY2017E
Cash flow from Ops					
Net Profit Before Tax	(71)	22	88	128	171
Depreciation and amort.	40	12	21	23	24
Others	6	6	27	19	14
Change in working capital	43	0.5	(67)	(38)	(34)
Tax expenses	(29)	(20)	(9)	(38)	(51)
Cash flow from Ops	(10)	21	60	94	123
Cash flow from Invest					
Capex	6	(14)	(31)	(30)	(30)
Other investing activities	4	47	9	10	10
Cash flow from Invest	10	33	(22)	(20)	(20)
Cash flow from financing					
Proceeds from eq. & warr.	-	-	50	-	-
Borrowings	26	(35)	(30)	(30)	(35)
Interest paid	(32)	(33)	(36)	(29)	(24)
Dividend paid	-	-	-	(8)	(8)
Cash flow from financing	(7)	(69)	(16)	(67)	(67)
Net Cash Flow	(7)	(15)	22	7	37

Source: Company, Centrum Wealth Research

Key Ratios

Y/E Mar	FY2013	FY2014	FY2015E	FY2016E	FY2017E
Return ratios (%)					
RoE	NM	NM	27.2	22.6	24.3
RoCE	NM	7.9	22.2	19.0	21.2
Turnover Ratios (days)					
Inventory	49.7	64.4	58.7	56.8	56.8
Debtors	125.9	179.9	164.8	161.7	157.9
Creditors	82.2	113.5	99.3	96.3	96.3
Fixed asset turnover (x)	8.1	6.5	7.3	7.6	8.9
Solvency Ratio (x)					
Debt-equity	1.2	1.0	0.6	0.4	0.2
Interest coverage	(1.5)	0.9	3.4	5.4	8.2
Per share (Rs)					
Adj. EPS	(13.8)	(0.4)	11.8	13.4	17.9
BVPS	30.5	33.8	53.0	65.2	81.9
CEPS	(7.8)	1.4	15.0	16.8	21.5
Dividend Ratios					
DPS (Rs)	-	-	-	1.0	1.0
Dividend Yield (%)	-	-	-	0.5	0.5
Dividend Payout (%)	-	-	-	8.7	6.5
Valuation (x)					
P/E	NM	NM	17.9	15.8	11.8
P/BV	6.9	6.2	4.0	3.2	2.6
EV/EBIDTA	NM	44.7	11.3	8.8	6.8
EV/Sales	1.1	1.6	1.4	1.1	0.9

Source: Company, Centrum Wealth Research

*During FY2014, the group divested its stake in Ahlcon Ready Mix Concrete Pvt Ltd.(100% subsidiary)

Appendix A

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