

IVRCL Infrastructure

Performance Highlights

Y/E March (₹ cr)	3QFY11	3QFY10	% chg (yoy)	2QFY11	% chg (qoq)
Revenue	1,417	1,235	14.7	1,075	31.8
EBITDA	140.2	111.5	25.8	95.4	47.0
PAT	42.3	42.7	(1)	23.3	81.5

Source: Company, Angel Research

IVRCL Infrastructure (IVRCL) reported mixed set of numbers for the third quarter, with moderate growth on the top-line and EBITDA fronts but poor show on the earnings level, led by higher interest cost. The outstanding order book including L1 orders stood at ₹24,200cr (4x FY2011E revenue), which provides decent revenue visibility; however, the key lies in funding captive orders and achieving financial closure for the same. At current levels, the stock appears attractive on the valuation screen, given that it is trading at a deep discount to its intrinsic value and as we believe that downside from the current levels is capped. **Hence, we recommend Buy on the stock with a Target Price of ₹126.**

Result in line with expectations: IVRCL reported 14.7% growth yoy on the top-line front to ₹1,416.8cr (₹1,234.7cr), in line with our estimate of ₹1,391cr. On the operating margin front, the company posted a 90bp yoy improvement to 9.9% (9.0%), marginally above our estimates of 9.2%. On the earnings front, IVRCL reported a 1% decline yoy to ₹42.3cr (₹42.7cr) exactly as per our expectations despite higher operating margins because there was a jump in interest cost (59.1% yoy and 23.2% qoq), which was higher than our estimates.

Outlook and valuation: IVRCL is trading at valuations of 0.8x on FY2012E P/BV on one-year forward basis, which is very attractive considering that even post the Lehman crisis (October 2008) the stock has been trading at 0.8–1.2x. Further, the economy is in much better shape in comparison to those times. Hence, we believe such valuations are unwarranted. At the CMP of ₹67, the stock is trading at 8x FY2012E EPS and 0.8x FY2012E P/BV on standalone basis, adjusting for its subsidiaries at 3.9x FY2012E EPS and 0.4x FY2012E P/BV. **Therefore, on the back of the company's excellent execution track record, robust order book-to-sales ratio and comfortable valuations, we maintain Buy on the stock with a Target Price of ₹126.**

Key financials (Standalone)

Y/E March (₹ cr)	FY2009	FY2010	FY2011E	FY2012E
Net sales	4,980	5,492	6,031	7,168
% chg	36.1	10.3	9.8	18.8
Adj. net profit	226.0	211.3	194.9	225.7
% chg	7.4	(6.5)	(7.8)	15.8
FDEPS (₹)	8.4	7.8	7.2	8.4
EBITDA margin (%)	8.5	9.7	9.4	9.4
P/E (x)	8.0	8.5	9.2	8.0
RoAE (%)	13.2	11.5	10.1	10.6
RoACE (%)	12.7	14.2	12.9	12.7
P/BV (x)	1.0	1.0	0.9	0.8
EV/Sales (x)	0.6	0.6	0.6	0.6
EV/EBITDA (x)	7.3	6.1	6.8	6.1

Source: Company, Angel Research, Note: Price as on February 11, 2011

BUY

CMP	₹67
Target Price	₹126

Investment Period	12 Months
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Stock Info

Sector	Infrastructure
Market Cap (₹ cr)	1,798
Beta	1.6
52 Week High / Low	194/60
Avg. Daily Volume	308,629
Face Value (₹)	2
BSE Sensex	17,729
Nifty	5,310
Reuters Code	IVRC.BO
Bloomberg Code	IVRC@IN

Shareholding Pattern (%)

Promoters	9.5
MF / Banks / Indian Fls	20.8
FII / NRIs / OCBs	57.9
Indian Public / Others	11.7

Abs. (%)	3m	1yr	3yr
Sensex	(13.9)	9.8	6.6
IVRCL	(54.2)	(58.1)	(66.7)

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Exhibit 1: 3QFY2011 performance (Standalone)

Y/E March (₹ cr)	3QFY11	3QFY10	% chg (yoy)	2QFY11	% chg (qoq)	9MFY11	9MFY10	% chg
Net Sales	1,416.8	1,234.7	14.7	1,075.0	31.8	3,599.2	3,497.1	2.9
Total Expenditure	1,276.6	1123.2	13.7	979.7	30.3	3,262.7	3160.1	3.2
Operating Profit	140.2	111.5	25.8	95.4	47.0	336.5	337.0	(0.1)
OPM (%)	9.9	9.0	90bp	8.9	100bp	9.3	9.6	(30)bp
Interest	59.2	37.2	59.1	48.0	23.2	152.5	110.7	37.7
Depreciation	19.7	13.9	41.4	18.4	6.7	54.0	40.2	34.3
Non Operating Income	1.1	3.9	(71.2)	5.7	(80.2)	7.6	13.5	(43.5)
Nonrecurring items	-	-	-	-	-	-	-	-
Profit Before Tax	62.5	64.3	(2.8)	34.6	80.9	137.6	199.5	(31.0)
Tax	20.2	21.6	(6.6)	11.2	79.7	44.0	70.5	(37.6)
Reported PAT	42.3	42.7	(1)	23.3	81.5	93.7	129.0	(27.4)
PAT (%)	3.0	3.5	-	2.2	-	2.6	3.7	-
Adjusted PAT	42.3	42.7	(1)	23.3	81.5	93.7	129.0	(27.4)
Adj. PAT (%)	3.0	3.5	(50)bp	2.2	80bp	2.6	3.7	(110)bp
Adj. FDEPS	1.6	1.6	(1)	0.9	81.5	3.5	4.8	(27.4)

Source: Company, Angel Research

Exhibit 2: 3QFY2011 Actual v/s Angel estimates

(₹ cr)	Actual	Estimates	Variation (%)
Revenue	1,416.8	1,391.0	1.9
EBITDA margin (%)	9.9	9.2	70bp
PAT	42.3	42.3	-

Source: Company, Angel Research

Top line in line with estimates

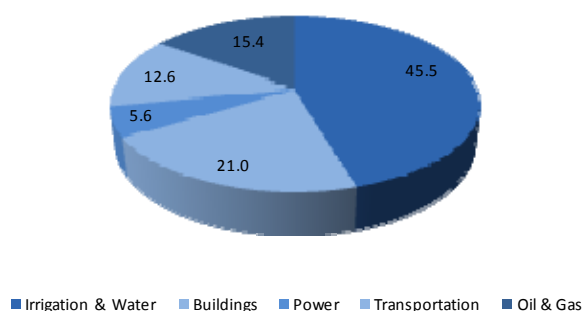
On the top-line front, IVRCL reported 14.7% growth yoy to ₹1,416.8cr (₹1,234.7cr), in line with our estimate of ₹1,391cr. Management has lowered its top-line guidance of ~₹6,250cr (₹6,500cr), which still implies growth run rate of ~54% yoy and 106% qoq for the last quarter.

As far as exposure to Andhra Pradesh (AP) is concerned, IVRCL still has orders of ~₹3,000cr in AP. Further, the company has received ~54cr and has booked revenue of ~₹100cr and ~₹250cr from AP for the quarter and nine months, respectively.

On the segmental front, water and irrigation continues to be the highest contributor to revenue with ~45% share both for 3QFY2011 and 9MFY2011. For the quarter, the buildings, oil & gas and transport segments reported a share of 21%, 15.4% and 12.6%, respectively, and the remaining came from the power segment.

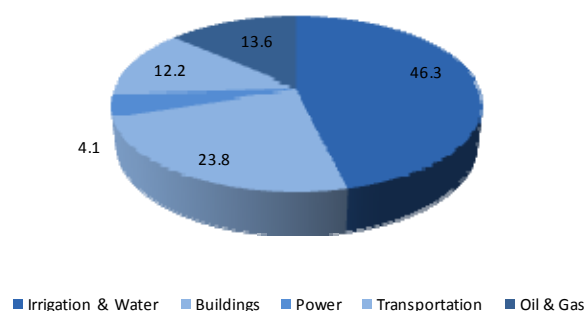
Going ahead, management has given a guidance of ~15% growth for FY2012 on the revenue front, which we have factored in our estimates.

Exhibit 3: Segmental revenue break-up for 3QFY2011 (%)



Source: Company, Angel Research

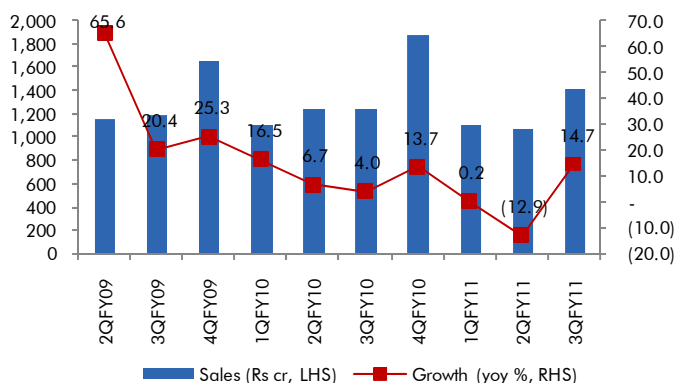
Exhibit 4: Segmental revenue break-up for 9MFY2011 (%)



Source: Company, Angel Research

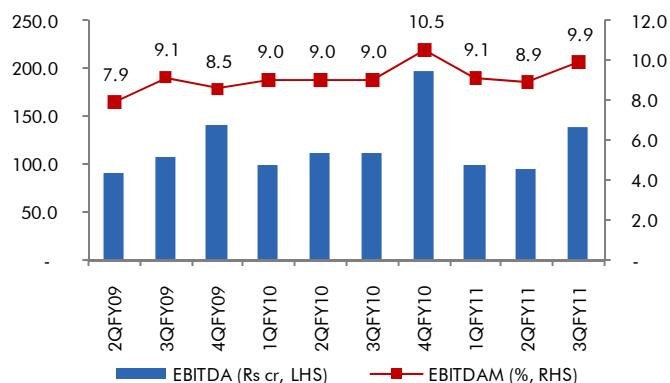
On the operating margin front, IVRCL posted a 90bp yoy improvement to 9.9% (9.0%), marginally above our estimates of 9.2%. Further, management has guided for EBITDAM of 9.5–10% for the coming quarters and the same has been accounted by us for FY2011 and FY2012 estimates.

Exhibit 5: Top-line trend shows pick-up in execution



Source: Company, Angel Research

Exhibit 6: Better show on the margin front

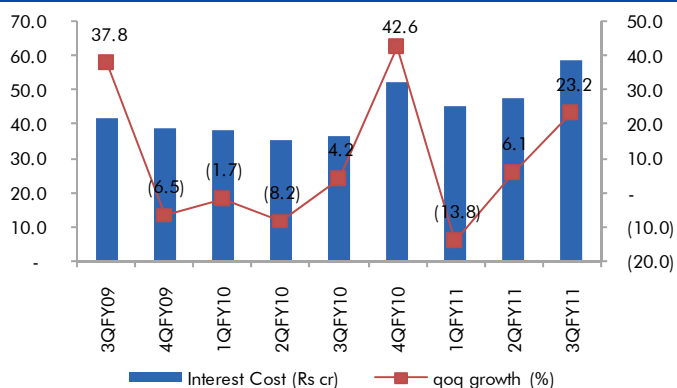


Source: Company, Angel Research

Bottom-line growth under pressure due to higher interest burden

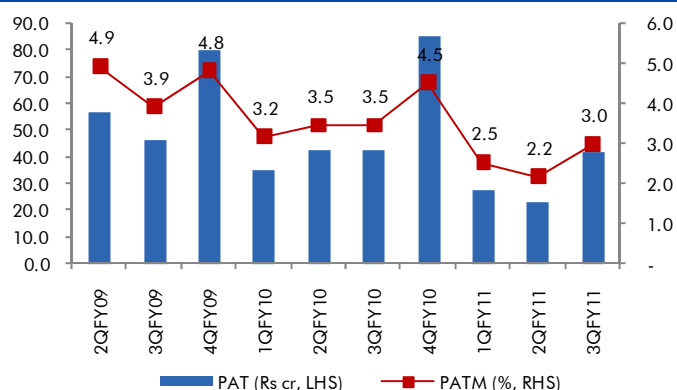
On the earnings front, IVRCL reported a 1% yoy decline to ₹42.3cr (₹42.7cr), in line with our estimates. The decline was despite good show on the top-line and operating margin fronts. The major reason for the same was higher interest cost (59.1% yoy and 23.2% qoq), above our estimates, on account of hardening of interest rates during the quarter. We expect going ahead as well, IVRCL's earnings would be under pressure due to high interest cost.

Exhibit 7: Rising interest cost a cause of concern



Source: Company, Angel Research

Exhibit 8: Higher interest cost drags earnings down

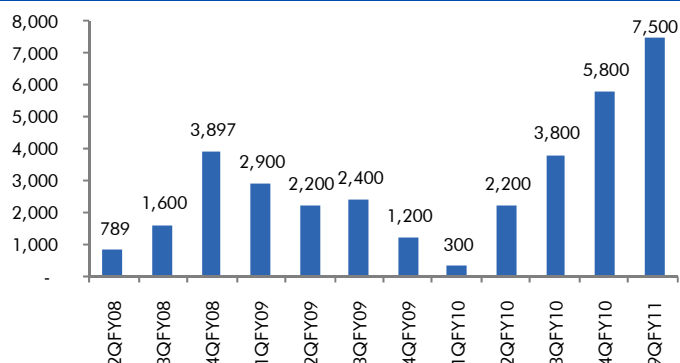


Source: Company, Angel Research

Order book analysis

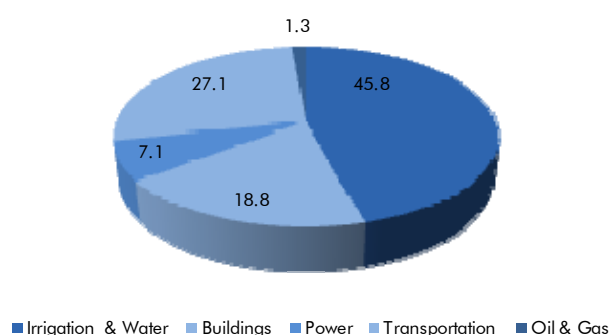
For the 9MFY2011, IVRCL had an order inflow of ₹7,500cr. The company has been witnessing strong order inflow along with receiving international orders. The outstanding order book stands at ₹24,200cr (including L1 orders) and is diversified across five segments, in turn lending high revenue visibility.

Exhibit 9: Order inflow gaining momentum (₹ cr)



Source: Company, Angel Research

Exhibit 10: Order book break-up (%)



Source: Company, Angel Research

Revision in estimates

Going ahead, management has given a guidance of ~15% growth for FY2012 on the revenue front. Thus, we are pruning our top-line estimates for FY2012 to ₹7,167.6cr from ₹7,667.6cr to factor in the same. IVRCL's earnings are under pressure due to hardening of interest rates and to account the same in our estimates we have downgraded our earnings estimates by 6.3% and 11.9% for FY2011 and FY2012, respectively.

Exhibit 11: Change in estimates

(₹cr)	FY2011			FY2012		
	Earlier estimates	Revised estimates	Variation (%)	Earlier estimates	Revised estimates	Variation (%)
Revenue	6,031.3	6,031.3	-	7,667.6	7,167.6	(6.5)
EBITDA margin (%)	9.3	9.4	0.1	9.4	9.4	0.0
PAT	208.0	194.9	(6.3)	256.2	225.7	(11.9)

Source: Company

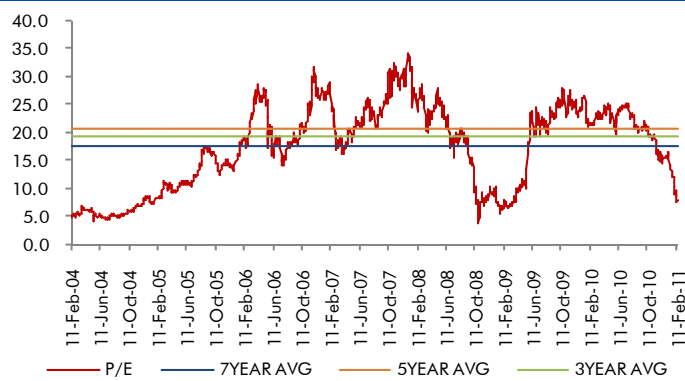
Outlook and valuation

Trading at crisis-level valuations; opportune to Buy: IVRCL is trading at valuations of 0.8x on P/BV on one-year forward basis, which is very attractive considering that even post the Lehman crisis (October 2008) the stock has been trading at 0.8–1.2x. Further, the economy is in much better shape in comparison to those times. Hence, we believe such valuations are unwarranted. On the PE parameter as well, the stock is trading at very attractive multiples. At the CMP of ₹67, the stock is trading at 8x and 3.9x to its FY2012E earnings without and with adjusting for embedded value, respectively.

To conclude, the stock appears attractive on the valuation screen, given that it is trading at a deep discount to its intrinsic value and as we believe that downside from current levels is capped. Hence, we recommend Buy on the stock with a Target Price of ₹126. Further, it should be noted that our SOTP target price factors in IVRCL Assets on mcap basis, which is trading at 0.5x PB basis (FY2010). We have assigned a 20% holding company discount to IVRCL Assets and Hindustan Dorr-Oliver. We believe this limits the downside to our SOTP value due to a reduction in embedded values.

Exhibit 12: IVRCL trading lower to its historical P/B multiple averages


Source: Company, Angel Research

Exhibit 13: IVRCL trading lower to its historical P/E multiple averages


Source: Company, Angel Research

We have valued IVRCL on SOTP basis. The company's core construction business is valued at P/E of 11x FY2012E EPS of ₹8.4 (₹92/share), whereas its stake in subsidiaries IVR Prime (₹24/share) and Hindustan Dorr-Oliver (₹10/share) has been valued on mcap basis, post assigning a 20% holding company discount. At the CMP of ₹67, the stock is trading at 8x FY2012E EPS and 0.8x FY2012E P/BV on standalone basis and adjusting for its subsidiaries at 3.9x FY2012E EPS and 0.4x FY2012E P/BV. **Therefore, on the back of the company's excellent execution track record, robust order book-to-sales ratio and comfortable valuations, we maintain Buy on the stock with a Target Price of ₹126.**

Exhibit 14: SOTP valuation

Business segment	Methodology	Remarks	₹cr	₹/share
Construction	P/E	11x FY2012E earnings	2,483	92
IVRAH	Mcap	20% holding company discount	645	24
Hindustan Dorr-Oliver	Mcap	20% holding company discount	268	10
Total			3,395	126

Source: Company, Angel Research

Exhibit 15: Key assumptions

(₹ cr)	FY2007	FY2008	FY2009	FY2010	FY2011E	FY2012E
Order inflow	4,674	8,795	6,421	8,696	12,400	11,525
Revenue	2,346	3,661	4,980	5,492	6,031	7,168
Order backlog (Y/E)	7,107	12,242	13,682	16,887	23,256	27,613
Order Book/Sales (x)	3.0	3.3	2.7	3.1	3.9	3.9

Source: Company, Angel Research

Exhibit 16: Angel EPS forecast v/s consensus

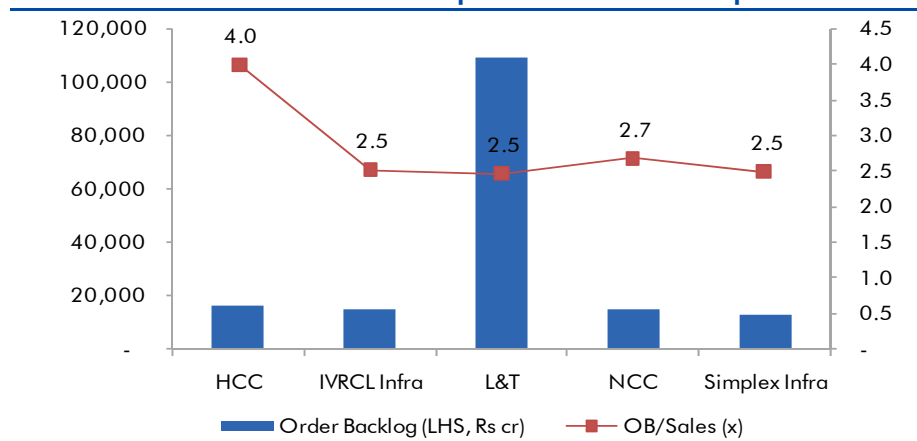
	Angel forecast	Bloomberg consensus	Variation (%)
FY2011E	7.2	7.9	8.9
FY2012E	8.4	10.0	19.9

Source: Company, Angel Research

Investment arguments

IVRCL at par with peers on the revenue visibility front: IVRCL has an order book of ~₹24,200cr (4x FY2011E revenue), of which ~37% is considered slow moving (₹6,000cr captive orders + ₹3,000cr AP orders), and markets are concerned about the same. However, we believe excluding these orders also IVRCL's order book position is decent (refer Exhibit 17) at ₹15,200cr (~2.5x FY2011E revenue). Hence, these concerns are overdone.

Exhibit 17: IVRCL fares in line with peers on OB-to-sales parameter



Source: Company, Angel Research, Note: Order book are adjusted with slow moving orders

Raising equity at subsidiary level: Given its equity commitment over the next 12–18 months, we believe IVRCL would dilute its stake in either IVRCL Assets or Hindustan Dorr-Oliver and infuse the money in IVRCL Assets for mobilising its captive road projects. If IVRCL is able to achieve this, it would not only improve its working capital cycle given that it constitutes ~23% of its order book, it would also lend a fillip to execution.

Exhibit 18: Recommendation summary

Company	CMP (₹)	TP (₹)	Rating	Top line (₹cr)				EPS (₹)				Adj. P/E			OB/ Sales(x)
				FY10	FY11E	FY12E	CAGR (%)	FY10	FY11E	FY12E	CAGR (%)	FY10	FY11E	FY12E	
CCCL	53	63	Buy	1,976	2,377	2,838	19.8	5.0	4.8	6.3	12.6	10.7	11.0	8.4	1.9
HCC	34	-	Neutral	3,629	4,146	4,990	17.3	1.3	1.3	1.6	9.8	-	-	-	4.0
IRB Infra	171	264	Buy	1,705	2,460	3,707	47.5	11.6	14.2	15.4	15.1	2.8	2.3	2.2	-
IVRCL	67	126	Buy	5,492	6,031	7,168	14.2	7.8	7.2	8.4	3.4	4.2	4.5	3.9	4.0
JP Assoc.	82	131	Buy	10,355	13,438	16,873	27.6	4.7	5.2	6.7	20.2	17.6	15.7	12.2	-
Punj Lloyd	71	-	Neutral	10,448	8,129	10,048	(1.9)	(10.9)	(1.0)	4.1	-	-	-	17.3	3.4
NCC	98	164	Buy	4,778	5,365	6,430	16.0	7.8	7.7	9.0	7.3	5.3	5.4	4.6	3.2
Sadbhav	99	156	Buy	1,257	1,766	2,330	36.2	3.9	7.4	8.7	49.1	7.6	4.0	3.4	4.1
Simplex In.	325	521	Buy	4,564	5,258	6,168	16.2	25.6	30.3	37.2	20.6	12.7	10.7	8.7	2.6
Patel Engg	200	-	Neutral	3,191	2,428	2,776	(6.7)	28.4	15.9	14.0	(29.7)	3.3	5.8	6.6	4.1
Madhucon	88	144	Buy	1,388	1,690	2,105	23.2	6.2	7.2	9.0	20.6	1.1	1.0	0.8	2.5
L&T	1,556	1,964	Buy	37,035	44,267	56,039	23.0	47.3	53.9	67.8	19.7	22.7	19.9	15.9	2.6
ITNL	223	285	Buy	2,403	3,204	4,690	39.7	17.7	20.4	22.6	12.8	12.6	10.9	9.9	8.9

Source: Company, Angel Research

Exhibit 19: SOTP break-up

Company	Core Const.		Real Estate		Road BOT		Invst. in subsidiaries		Others		Total ₹
	₹	% to TP	₹	% to TP	₹	% to TP	₹	% to TP	₹	% to TP	
CCCL	63	100	-	-	-	-	-	-	-	-	63
HCC	16	32	23	47	11	21	-	-	-	-	50
IRB Infra	125	48	-	-	134	51	5	2	-	-	264
IVRCL	92	73	-	-	-	-	34	27	-	-	126
JP Assoc.	57	44	36	27	-	-	-	-	38	29	131
Punj Lloyd	91	100	-	-	-	-	-	-	-	-	91
NCC	108	66	7	4	27	16	-	-	23	14	164
Sadbhav	87	56	-	-	69	44	-	-	-	-	156
Simplex In.	521	100	-	-	-	-	-	-	-	-	521
Patel Engg	112	51	56	26	16	7	-	-	36	16	220
Madhucon	63	44	4	3	52	36	-	-	25	18	144
L&T	1,491	76	-	-	-	-	473	24	-	-	1,964
ITNL	103	36	-	-	135	47	-	-	47	16	285

Source: Company, Angel Research

Profit and Loss (Standalone)

Y/E March (₹ cr)	FY2007	FY2008	FY2009	FY2010	FY2011E	FY2012E
Net Sales	2,346	3,661	4,980	5,492	6,031	7,168
Other operating income	-	-	-	-	-	-
Total operating income	2,346	3,661	4,980	5,492	6,031	7,168
% chg	54.2	56.0	36.1	10.3	9.8	18.8
Total Expenditure	2,116	3,299	4,559	4,961	5,467	6,494
Net Raw Materials	877	1,247	1,658	1,915	1,978	2,329
Other Mfg costs	1,164	1,899	2,687	2,825	3,196	3,799
Personnel	75	153	214	221	293	366
Other	-	-	-	-	-	-
EBITDA	230.2	361.4	421.8	531.3	564.2	673.6
% chg	75.0	57.0	16.7	26.0	6.2	19.4
(% of Net Sales)	9.8	9.9	8.5	9.7	9.4	9.4
Depreciation & Amortisation	21.6	32.8	47.3	54.3	67.4	82.2
EBIT	208.6	328.6	374.5	477.0	496.8	591.4
% chg	72.2	57.6	14.0	27.4	4.2	19.0
(% of Net Sales)	8.9	9.0	7.5	8.7	8.2	8.3
Interest & other Charges	56.1	47.8	198.0	212.0	275.0	337.5
Other Income	32.6	4.5	97.3	63.9	69.0	83.0
(% of PBT)	17.6	1.6	35.6	19.4	23.7	24.6
Share in profit of Associates	-	-	-	-	-	-
Recurring PBT	185.1	285.3	273.8	328.8	290.8	336.9
% chg	78.4	54.1	(4.0)	20.1	(11.6)	15.8
Extraordinary Expense/(Inc.)	-	-	-	-	-	-
PBT (reported)	185.1	285.3	273.8	328.8	290.8	336.9
Tax	43.6	74.9	47.8	117.5	96.0	111.2
(% of PBT)	23.6	26.2	17.5	35.7	33.0	33.0
PAT (reported)	141.5	210.5	226.0	211.3	194.9	225.7
Add: Share of earnings of asso.	-	-	-	-	-	-
Less: Minority interest (MI)	-	-	-	-	-	-
Prior period items	-	-	-	-	-	-
PAT after MI (reported)	141.5	210.5	226.0	211.3	194.9	225.7
ADJ. PAT	141.5	210.5	226.0	211.3	194.9	225.7
% chg	52.3	48.8	7.4	(6.5)	(7.8)	15.8
(% of Net Sales)	6.0	5.7	4.5	3.8	3.2	3.1
Basic EPS (₹)	10.7	15.5	16.7	7.8	7.2	8.4
Fully Diluted EPS (₹)	5.2	7.8	8.4	7.8	7.2	8.4
% chg	52.3	48.8	7.4	(6.5)	(7.8)	15.8

Balance Sheet (Standalone)

Y/E March (₹ cr)	FY2007	FY2008	FY2009	FY2010	FY2011E	FY2012E
SOURCES OF FUNDS						
Equity Share Capital	25.9	26.7	26.7	54.0	54.0	54.0
Preference Capital	-	-	-	-	-	-
Reserves & Surplus	1,292	1,579	1,784	1,800	1,970	2,170
Shareholder's Funds	1,318	1,606	1,811	1,854	2,024	2,224
Minority Interest	-	-	-	-	-	-
Total Loans	556	1,068	1,398	1,613	2,187	2,848
Deferred Tax Liability	5.6	10.3	11.7	12.5	12.5	12.5
Total Liabilities	1,879	2,684	3,220	3,479	4,224	5,085
APPLICATION OF FUNDS						
Gross Block	259	418	662	750	910	1,110
Less: Acc. Depreciation	66.4	98.4	141.7	183.8	251.1	333.3
Net Block	193	319	521	566	659	777
Capital Work-in-Progress	50.6	54.1	19.6	35.3	41.1	48.4
Goodwill	-	-	-	-	-	-
Investments	283	341	389	614	664	664
Current Assets	2,513	3,058	4,014	4,952	5,783	6,937
Inventories	82.5	194.3	209.3	244.7	268.7	335.3
Debtors	797	834	1,343	2,196	2,234	2,411
Cash	224	177	101	164	144	535
Loans & Advances	862	922	1,199	661	1,448	1,649
Other	548	930	1,162	1,686	1,689	2,007
Current liabilities	996	913	1,523	2,437	2,672	3,090
Mobilisation Advance	164	175	200	251	251	251
Net Current Assets	1,353	1,970	2,291	2,264	2,860	3,596
Misc. Exp. not written off	-	-	-	-	-	-
Total Assets	1,879	2,684	3,220	3,479	4,224	5,085

Cash Flow (Standalone)

Y/E March (₹ cr)	FY2007	FY2008	FY2009	FY2010	FY2011E	FY2012E
Profit Before Tax	185	285	274	329	291	337
Depreciation	22	33	47	54	67	82
Change in Working Capital	628	663	398	248	616	346
Less: Other income	33	5	97	64	69	83
Direct taxes paid	44	75	48	129	96	111
Cash Flow from Operations	(497)	(425)	(222)	(58)	(423)	(121)
(Inc.)/ Dec. in Fixed Assets	(125)	(162)	(210)	121	(166)	(207)
(Inc.)/ Dec. in Investments	(6)	(58)	(48)	(105)	(50)	-
Other income	33	5	97	64	69	83
Cash Flow from Investing	(99)	(215)	(161)	79	(147)	(124)
Issue of Equity	719	100	-	-	-	-
Inc./(Dec.) in loans	(123)	512	330	220	575	661
Dividend Paid (Incl. Tax)	(15)	(22)	(19)	(21)	(25)	(25)
Others	(5)	3	(4)	(156)	-	-
Cash Flow from Financing	575	593	307	42	550	636
Inc./(Dec.) in Cash	(21)	(47)	(76)	63	(20)	391
Opening Cash balances	244	224	177	101	164	144
Closing Cash balances	224	177	101	164	144	535

Key Ratios

Y/E March	FY2007	FY2008	FY2009	FY2010	FY2011E	FY2012E
Valuation Ratio (x)						
P/E (on FDEPS)	12.7	8.5	8.0	8.5	9.2	8.0
P/CEPS	11.0	7.4	6.6	6.8	6.9	5.8
P/BV	1.4	1.1	1.0	1.0	0.9	0.8
Dividend yield (%)	1.5	2.1	2.1	2.3	2.4	2.6
EV/Sales	0.9	0.7	0.6	0.6	0.6	0.6
EV/EBITDA	9.3	7.4	7.3	6.1	6.8	6.1
EV / Total Assets	1.1	1.0	1.0	0.9	0.9	0.8
Per Share Data (₹)						
EPS (Basic)	10.7	15.5	16.7	7.8	7.2	8.4
EPS (fully diluted)	5.2	7.8	8.4	7.8	7.2	8.4
Cash EPS	6.0	9.0	10.1	9.8	9.7	11.4
DPS	1.0	1.4	1.4	1.5	1.6	1.7
Book Value	48.8	59.5	67.1	68.7	75.0	82.4
DuPont Analysis						
EBIT margin	8.9	9.0	7.5	8.7	8.2	8.3
Tax retention ratio	76.4	73.8	82.5	64.3	67.0	67.0
Asset turnover (x)	1.2	1.8	1.8	1.7	1.6	1.7
ROIC (Post-tax)	8.5	11.6	11.0	9.5	9.0	9.2
Cost of Debt (Post Tax)	7.7	4.3	13.3	9.1	9.7	9.0
Leverage (x)	0.3	0.4	0.6	0.7	0.9	1.0
Operating ROE	8.7	14.6	9.5	9.9	8.4	9.4
Returns (%)						
ROACE (Pre-tax)	11.1	14.4	12.7	14.2	12.9	12.7
Angel ROIC (Pre-tax)	11.1	15.8	13.3	14.8	13.4	13.7
ROE	10.7	14.4	13.2	11.5	10.1	10.6
Turnover ratios (x)						
Asset Turnover (Gross Block)	9.0	10.8	9.2	7.8	7.3	7.1
Inventory / Sales (days)	13	14	15	15	16	15
Receivables (days)	124	81	80	118	134	118
Payables (days)	130	99	94	142	167	158
W.cap cycle (ex-cash) (days)	176	146	146	143	146	147
Solvency ratios (x)						
Net debt to equity	0.3	0.6	0.7	0.8	1.0	1.0
Net debt to EBITDA	1.4	2.5	3.1	2.7	3.6	3.4
Interest Coverage	3.7	6.9	1.9	2.2	1.8	1.8

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Disclosure of Interest Statement

	IVRCL
1. Analyst ownership of the stock	No
2. Angel and its Group companies ownership of the stock	Yes
3. Angel and its Group companies' Directors ownership of the stock	No
4. Broking relationship with company covered	No

Note: We have not considered any Exposure below ₹1 lakh for Angel, its Group companies and Directors.

Ratings (Returns):

Buy (> 15%)

Reduce (-5% to 15%)

Accumulate (5% to 15%)

Sell (< -15%)

Neutral (-5 to 5%)