



IPO Note

Afcons Infrastructure Limited

Recommendation: **APPLY!**

Company Background –

- **Incorporation:** The company originally began their operations as a civil construction company in 1959 was originally formed and incorporated as “Rodio Foundation Engineering Limited and Hazarat & Company” in Mumbai, Maharashtra. Subsequently, the name was changed to Afcons Infrastructure Limited and was incorporated on Aug 14, 1996.
- **Business Activity:** The company is engaged in infrastructure, engineering and construction of marine and industrial, surface transport, urban infrastructure, hydro and underground and oil and gas.
- **Revenue Stream:** The major revenue stream for the company is from urban infrastructure.
- **Human Resource:** The company had 3,972 permanent employees and 26,920 contract labourers as of June 30, 2024.

Objects of the Issue –

- Capital expenditure towards purchase of construction equipment
- Funding long term working capital requirements
- Repayment/prepayment, in full or part, of certain borrowings availed by the Company
- General Corporate Purposes

Promoters Name –

Goswami Infratech Private Limited, Shapoorji Pallonji and Company Private Limited, Floreat Investments Private Limited, Shapoorji Pallonji Mistry, Firoz Cyrus Mistry and Zahan Cyrus Mistry

Rationale for recommendation –

- ✓ The PE ratio is 41.67 post issue makes it fairly priced.
- ✓ The top line, bottom line and profitability margins have increased over the years.
- ✓ The company has a good order book of Rs. 31,747 Cr.
- ✓ The company has a strong brand value and is a part of Shapoorji Pallonji group.
- ✓ The company has a vast experience of over six decades in the industry.
- ✓ The management overview is satisfactory.

IPO Details

Opening Date	Oct 25, 2024
Closing Date	Oct 29, 2024
Allotment Date	Oct 30, 2024
Listing Date	Nov 04, 2024
Stock Exchange	BSE, NSE
Lot Size	32 Shares
Issue Price Per Share	₹440 to ₹463
Issue Size	5,430.00 Cr.
Fresh Issue	1,250.00 Cr.
Offer for Sale	4,180.00 Cr.
Application Amt	₹ 14,816 – ₹ 1,92,608 (32 to 416 shares)

INDUSTRY – Construction

Avg. PE Ratio as per RHP – 47.91

	KPIs (In Crores)			
KPI's	FY 22	FY 23	FY 24	Jun-24
Revenue	11,018.9	12,637.4	13,267.5	3,154.36
EBITDA	936.07	1,310.61	1,365.02	353.47
Net Profit	357.61	410.86	449.74	91.59
RoCE	10.10%	13.87%	13.70%	-0.03%
ROE	13.19%	12.94%	12.51%	2.49%
P/E	44.14	38.39	35.08	38.61*

*Annualized

Promoter Share Holding Pattern

Pre-Issue	Post Issue
99.00%	67.18%

Valuation Parameters

Particulars	Pre-Issue	Post Issue*
EPS	13.20	11.11
BVPS	105.53	142.77
P/E	35.08	41.67
P/BV	4.39	3.24
Mkt Cap (In Cr)	15,776.18	17,026.18

*Annualized

Lead Managers –

1. ICICI Securities Limited
2. DAM Capital Advisors Limited
3. Jefferies India Private Limited
4. Nomura Financial Advisory and Securities (India) Private Limited
5. Nuvama Wealth Management Limited
6. SBI Capital Markets Limited

Registrar –

Link Intime India Private Limited

Business Overview –

History:

Afcons Infrastructure Limited began their operations as a civil construction firm in 1959 as a partnership under the name “Rodio Foundation Engineering Limited and Hazarat & Company”. Subsequently, a company was incorporated under the name of ‘Asia Foundations and Constructions Private Limited’ and the entire business and undertaking of the partnership firm was transferred to the Company as a running concern. Then the name was changed to ‘Afcons Infrastructure Limited’ on Aug 14, 1996.

Business Operation:

The company is engaged in the infrastructure, engineering and construction. The company is a part of Shapoorji Pallonji group who have legacy of over 150 years. In the last 11 years they have completed 79 projects across 17 countries with a total historic executed contract value of ₹56,305.00 Cr. They have undertaken many complex, challenging, unique and ‘first of its kind’ infrastructure projects in India and abroad.

Order Book: As of June 30, 2024, they have 65 active projects (i.e., ongoing projects) across 12 countries, aggregating to an order book of ₹31,747.00 Cr.

Subsidiaries: They have nine direct subsidiaries – Hazarat and Company Private Limited, Afcons Hydrocarbons Engineering Private Limited, Afcons Corrosion Protection Private Limited, Afcons Oil and Gas Services Private Limited, Afcons Overseas Singapore Pte. Ltd., Afcons Construction Mideast LLC, Afcons Infrastructures Kuwait for Building, Road & Marine Contracting WLL, Afcons Mauritius Infrastructure Limited and Afcons Contracting Company.

Completed Projects:



Ghana Rail



Atal Tunnel



Male to Thilafushi Link



Kolkata Metro

Business Verticals:

- Marine and Industrial:** It covers ports and harbour jetties, dry docks, wet basins, breakwaters, outfall and intake structures, liquefied natural gas (“LNG”) tanks, and material handling systems. They have executed 235 Marine and Industrial projects in 15 countries, including 206 projects in India. Also, they have constructed 8 LNG tanks in India.
- Surface Transport:** It covers highways and roads, interchanges, mining-related infrastructure, and railways. This includes laying of new roads, rehabilitation and strengthening of existing roads, construction of bridges and flyovers, including over rivers and other water bodies, construction of tunnels, railway bridges and other surface transport structures.
- Urban Infrastructure:** It covers elevated and underground metro works, bridges, flyovers and elevated corridors. They have constructed several high-value projects, over 120 km of elevated and underground metro networks, over 150 bridges, viaducts and flyovers and 32 elevated and underground metro stations, across 9 cities in India.
- Hydro and Underground:** It covers dams and barrages, tunnels (including large road tunnels), underground works, water and irrigation, and related infrastructure. They have executed 13 projects.
- Oil and Gas:** It covers onshore and offshore oil and gas projects.

Revenue Bifurcation Order-book wise:

(Amt in Cr.)

Particulars	FY 2022		FY 2023		FY 2024	
	Amt	%	Amt	%	Amt	%
Marine and Industrial	3,997.96	12.19	2,909.22	9.57	3,052.32	9.86
Surface Transport	4,017.32	12.25	3,986.95	13.11	3,338.50	10.78
Urban Infrastructure	17,474.99	53.27	12,719.51	41.83	15,337.08	49.54
Hydro and Underground	6,327.20	19.29	8,543.03	28.10	7,319.20	23.64
Oil and Gas	987.37	3.01	2,247.07	7.39	1,913.90	6.18
Total	32,804.83	100	30,405.77	100	30,960.99	100

Competition -

1. **Market Competition:** The industry is highly competitive and the key factors of competition are type of project, contract value and potential margins, the complexity and location of the project, the reputation of the client and risks relating to it.
2. **Geographic Competition:** The company faces competition from organized as well as unorganized players in both domestic as well as international market.
3. **Barriers to entry:** Moderate barriers to entry.
4. **Threat of Substitutes:** High threat of substitutes.
5. **Bargaining Power of Buyers:** The bargaining power is high with the customers.

Business Strategies -

1. The company maintains a strategic equipment base comprising a wide range of heavy machinery and specialized equipment. This enables them to meet project requirements.
2. The company targets large and technically complex projects in specialized areas since these projects offer better profit margins compared to less complex endeavours as there are fewer competitors.
3. The company intends to focus on expansion in East and West Africa, South Asia and Southeast Asia, Eastern Europe and Eurasia, and Saudi Arabia.
4. The company aims to manage cost following the “asset-right” approach focused on investing and maintaining a strategic equipment base while leasing non-core equipment from external parties, which has helped them control costs and keep capital expenditure in check.
5. The company aims to optimize project execution and management in three ways – optimizing project design, value engineering, and technical innovations.
6. The company has identified areas where automation can replace manual intervention and have implemented an SAP-based dashboard which provides real-time insights to management teams for informed decision-making. They have implemented Remote Monitoring System (“RMS”), an internet of things (“IOT”)-based technology, for equipment fleet management across business verticals. They are also in the process of migrating to a software for the preparation of annual project budgets.

Risk Factors -

The company has 74 outstanding cases against it for criminal, tax, and civil matters amounting to Rs. 5,005.03 Cr and they have filed 30 cases regarding criminal and civil matters amounting to Rs. 83,41.97 Cr.

The directors have 23 cases against them regarding criminal, tax, regulatory and civil matters amounting to Rs. 381.41 Cr and 2 cases were filed by them for civil matters.

The promoters have 65 cases against them regarding criminal, tax, regulatory, and disciplinary actions by SEB and civil matters amounting to Rs. 951.232 Cr. and they have filed 21 cases for criminal and civil matters amounting to Rs. 19731.197 Cr.

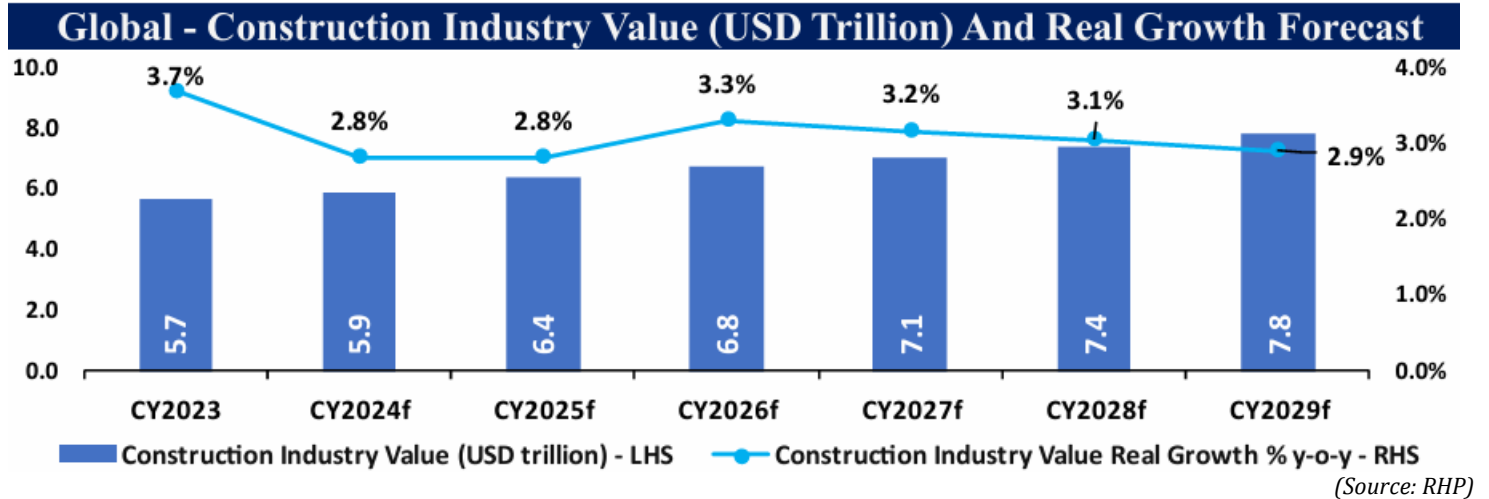
The company has contingent liabilities amounting to Rs. 1,435.30 Cr.

The company had negative cash flow from operations for Jun-2024.

INDUSTRY OVERVIEW

Global Construction Industry -

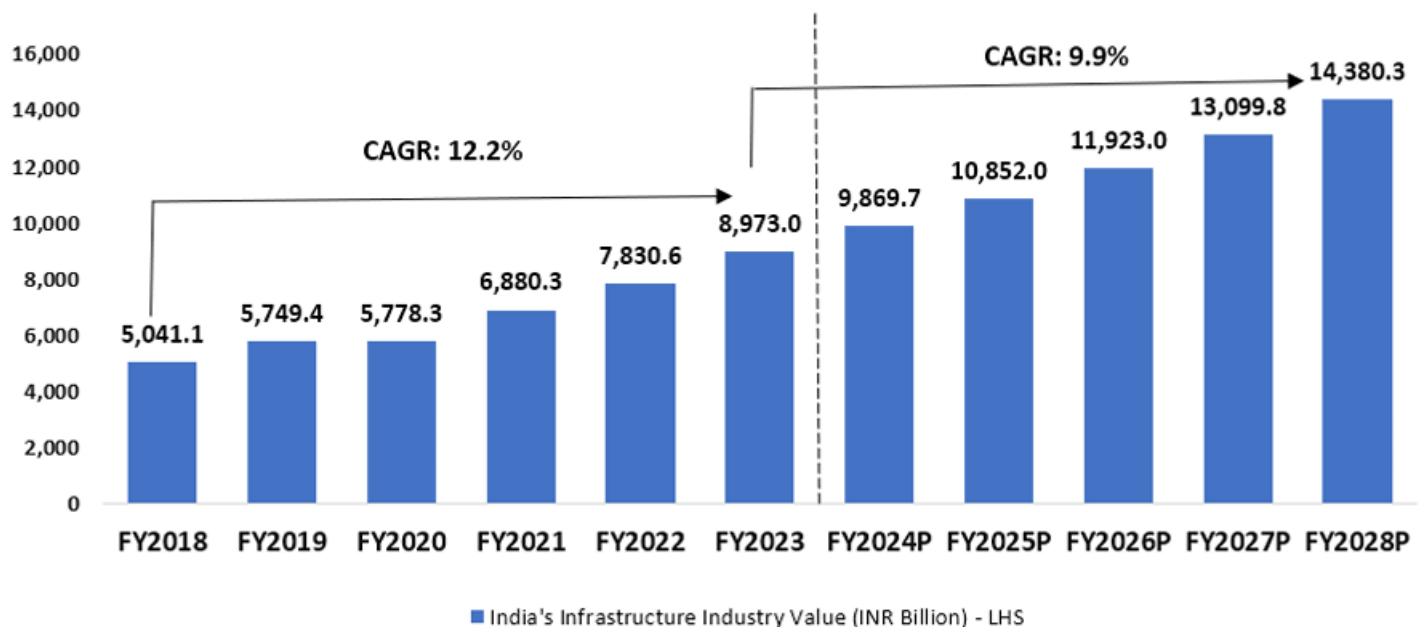
FSIAPL's construction industry growth forecasts for markets globally imply that the value of the global construction industry will grow in real terms by 2.8% y-o-y in CY2024 and by 2.8% y-o-y in CY2025. Over the next ten years, FSIAPL projects that the global construction industry will expand annually in real terms by 3.0% y-o-y on average.



Indian Construction Industry -

The Indian Construction industry value stood at INR 23,978.0 billion as of FY2023, having grown at a CAGR of 12.1% from INR 13,521.2 billion as of FY2018. FSIAPL forecasts India's construction industry to grow at a CAGR of 9.5%-10.0% from INR 23,978.0 billion in FY2023 to INR 38,508.9 billion in FY2028 driven by stable government support for infrastructure development and expanded private involvement in key sectors and public-private partnerships.

India's Infrastructure Industry Size (INR Billion)



FSIAPL expects the capital outlay for the road sector to increase at a CAGR of 6%, the railway sector to increase at a CAGR of 6%, Urban Infra to increase at a CAGR of 5% and the ports sector to increase at a CAGR of 4.5% during the period FY2023–FY2028. The irrigation, oil & gas and metals sector would post CAGR of 4–4.2% during the period FY2023–FY2028.

Key Management -

Key Management Persons Name -	Shapoorji Pallonji Mistry
Age	60
Designation and No. of experience	Promoter, Chairman and Non-Executive Director, 37+ years of experience in construction, real estate, infrastructure, water, oil & gas and renewable energy sector.
Qualification	Bachelor's degree in arts (business administration and economics)
Other Directorships	Cyrus Investments Private Limited, Pallonji Shapoorji and Company Private Limited, Shapoorji Pallonji and Company Private Limited etc.

Key Management Persons Name -	Subramanian Krishnamurthy
Age	66
Designation and No. of experience	Executive Vice Chairman (Whole-Time Director), 40+ years of experience in construction and engineering sector
Qualification	Bachelor's degree (honours) in mechanical engineering, Postgraduate diploma in industrial engineering
Other Directorship	-

Key Management Persons Name -	Paramasivan Srinivasan
Age	65
Designation and No. of experience	Managing Director, 22+ years of experience in finance, secretarial and legal of the Company
Qualification	Bachelor's degree in commerce, Member of ICAI and ICSI, Stanford Certified Project Manager
Other Directorships	Afcons Corrosion Protection Private Limited

Key Management Persons Name -	Giridhar Rajagopalan
Age	67
Designation and No. of experience	Deputy Managing Director, 42+ years of experience in methods and technology sector
Qualification	Bachelor's degree in Engineering
Other Directorships	Institute for Lean Construction Excellence and Afcons Corrosion Protection Private Limited

Key Management Persons Name -	Umesh Narain Khanna
Age	67
Designation	Non-Executive Director, 42+ years of experience in launching and expanding businesses & markets, business policy & planning and in International Marketing and Contracts Management for power and non-power industries
Qualification	Bachelor's degree of science in engineering (electrical), master's degree in engineering (electrical) and master of business administration
Other Directorships	Sterling and Wilson Renewable Energy Limited, Shapoorji Pallonji Energy Private Limited, Armada 98/2 Pte. Ltd etc.

Key Management Persons Name -	Anurag Kumar Sachan
Age	64
Designation and No. of experience	Independent Director, 37+ years of experience in infrastructure, railways and freight
Qualification	Bachelor's degree in engineering (civil), Completed the Indian Railways Higher Administrative Grade Program, fellow of the Indian Institution of Technical Arbitrators and a member of the Chartered Institute of Logistics & Transport – India
Other Directorships	Rahee Infratech Limited and Shrem Infra Investment Manager Private Limited

Key Management Persons Name -	Sitaram Janardan Kunte
Age	62
Designation	Independent Director, 36+ years of experience in administration, revenue, health and housing
Qualification	Bachelor's degree in arts (honours course), Bachelor's degree in law and master's degree in arts
Other Directorships	Deepak Fertilizers and Petrochemicals Corporation Limited, Performance Chemiserve Limited and Protium Finance Limited

Key Management Persons Name -	Rukhshana Jina Mistry
Age	68
Designation	Independent Director, 34+ years of experience as a CA
Qualification	Qualified chartered accountant
Other Directorships	Allied Blenders and Distillers Limited, Sterling and Wilson Renewable Energy Limited, Sterling and Wilson International Solar FZCO etc.

Key Management Persons Name -	Atul Sobti
Age	65
Designation	Independent Director, 43+ years of experience in administration, finance and management
Qualification	Bachelor's degree in engineering (mechanical), Diploma course in project management and postgraduate diploma in international management
Other Directorships	Eureka Conveyor Beltings Limited

Key Management Persons Name -	Cherag Sarosh Balsara
Age	55
Designation	Independent Director, 31+ years of experience as an advocate
Qualification	Bachelor's degree in commerce, bachelor's and a master's degree in law
Previous Association	Sterling and Wilson Renewable Energy Limited and The New Piece Goods Bazar Company Limited.

- The overall management of the company is satisfactory.
- The promoters and management have vast experience.
- Rajesh Kumar Jha (CFO) has 25+ years of experience in finance and management.
- The senior management have 19 personnel's. They have an average of 35 years of experience in their respective fields and an average of 23 years of experience in the organization.

FINANCIAL SNAPSHOT

Statement of Profit and Loss

Amt in Crores

Particulars	FY 22	FY 23	FY 24	Jun-24
Revenue from Operations	11,018.97	12,637.382	13,267.50	3,154.36
Other Income	250.58	206.71	379.38	59.11
Total Income	11,269.55	12,844.09	13,646.87	3,213.47
Expenses				
Cost of Material Consumed	3,176.31	3,851.71	4,012.47	798.47
Cost of Construction	4,939.64	5,200.65	5,293.97	1,385.89
Employee Benefit Expenses	1,084.98	1,298.23	1,383.42	344.82
Finance Cost	424.73	446.66	577.26	146.91
Depreciation and amortisation expense	355.37	471.58	494.53	130.23
Other expenses	881.97	976.18	1,212.61	271.71
Total Expenses	10,863.00	12,245.02	12,974.27	3,078.03
EBITDA	936.07	1,310.61	1,365.02	353.47
EBITDA Margin	8.50%	10.37%	10.29%	11.21%
Profit/(Loss) before tax	406.55	599.08	672.60	135.44
Tax Expense				
Current tax	124.57	189.43	200.24	37.03
Tax for earlier years	3.10	28.58	15.38	0.18
Deferred Tax	-78.72	-29.788	7.242	6.65
Total Tax	48.95	188.22	222.87	43.86
Profit/(Loss) for the year	357.61	410.86	449.74	91.59
Net Profit Margin	3.17%	3.20%	3.30%	2.85%

Statement of Assets and Liabilities

Amt in Crores

Particulars	FY 22	FY 23	FY 24	Jun-24
EQUITY AND LIABILITIES				
1. Shareholders' funds				
Share Capital	71.97	71.97	340.74	340.74
Instruments entirely equity in nature	450	450	0	0
Other Equity	2,190.11	2,653.75	3,255.22	3,342.52
Total Shareholder's fund	2,712.08	3,175.72	3,595.96	3,683.26
Minority Interest	-9.28	1.56	1.56	1.56
Total Equity	2,702.80	3,177.28	3,597.52	3,684.824
2. Non-current liabilities				
Financial Liabilities				
(i) Borrowings	401.89	596.47	597.69	663.05
(ii) Lease Liabilities	34.20	15.68	35.15	53.57
(iii) Trade Payables				
(a) Outstanding Dues to MSME	29.05	51.95	23.21	23.18
(b) Outstanding Dues to other than MSME	410.68	420.89	407.79	396.00
(iv) Other financial liabilities	188.09	156.88	126.53	118.77
Contract Liabilities	1,766.30	1,524.03	1,451.29	1,663.17
Provisions	86.29	8.87	9.32	11.84
Deferred tax liabilities	129.75	99.29	103.67	111.66
Total Non-current liabilities	3,046.24	2,874.06	2,754.65	3,041.23
3. Current liabilities				
Financial Liabilities				
(i) Borrowings	1,153.31	966.34	1,857.31	2,702.05
(ii) Lease Liabilities	33.84	33.75	33.08	34.68
(iii) Trade Payables				
(a) Outstanding Dues to MSME	303.81	375.93	198.45	184.14
(b) Outstanding Dues to other than MSME	2,393.51	3,132.57	4,127.16	4,096.64
(iv) Other Financial Liabilities	494.78	362.37	269.85	272.85
Contract Liabilities	2,713.84	3,015.28	2,998.16	2,791.11
Provisions	68.54	150.01	227.22	205.67

Particulars	FY 22	FY 23	FY 24	Jun-24
Current Tax Liabilities (net)	15.39	93.56	83.89	103.91
Other current liabilities	47.70	120.10	86.35	67.48
Total Current liabilities	7,224.73	8,249.92	9,881.47	10,458.52
Total Liabilities	10,270.97	11,123.97	12,636.12	13,499.75
Total Equity and Liabilities	12,973.77	14,301.25	16,233.64	17,184.58
ASSETS				
1. Non-current assets				
Property, Plant and Equipment	2,251.39	2,448.75	2,715.14	2,635.60
Capital work-in-progress	17.53	183.60	43.07	46.77
Right-to-use assets	65.56	48.72	67.91	90.32
Goodwill	0.14	0.14	0.14	0.14
Intangible Assets	0.66	0.61	0.60	0.59
Financial Assets				
(i) Investments	0.89	0.51	0.78	0.87
(ii) Trade Receivables	678.88	651.21	499.21	490.50
(iii) Other financial assets	308.96	365.92	417.99	413.68
Contract Assets	1,491.29	1,416.50	1,271.01	1,267.72
Non-Current Tax Assets (net)	68.73	28.81	53.64	91.48
Other non-current assets	196.64	181.54	190.87	198.33
Total Non-Current assets	5,080.67	5,326.30	5,260.35	5,235.99
2. Current assets				
Inventories	1,270.24	1,585.79	1,626.57	1,709.22
Financial Assets				
(i) Trade receivables	2,303.87	2,196.64	3,120.98	3,099.61
(ii) Cash and cash equivalents	447.09	319.32	413.26	628.23
(iii) Bank balances other than (ii)	79.33	58.12	253.00	268.99
(iv) Loans	55.09	53.35	61.84	60.55
(v) Other financial assets	92.38	398.31	501.34	503.65
Contract Assets	2,471.53	3,272.51	3,954.39	4,541.46
Other Current Assets	1,173.58	1,090.92	1,041.92	1,136.89
Total Current assets	7,893.10	8,974.96	10,973.29	11,948.58
Total Assets	12,973.77	14,301.25	16,233.64	17,184.58

Cash Flow Statement				Amt in Crores
Particulars	FY 22	FY 23	FY 24	Jun-24
Net Cash Flow from Operating Activities	610.45	1,215.48	707.45	-502.21
Net Cash Flow from Investing Activities	-250.62	-870.21	-858.57	-34.43
Net Cash Flow from Financing Activities	-521.01	-482.55	245.53	750.03

Key Ratios

Per Share Data	FY 22	FY 23	FY 24	Valuation Ratios (x)	FY 22	FY 23	FY 24
Diluted EPS	10.49	12.06	13.2	EV/EBITDA	4.00	3.33	3.94
BV per share	376.83	441.25	105.53	Market Cap / Sales	1.55	1.35	1.28
Operating Ratios				P/E	44.14	38.39	35.08
EBITDA Margins	8.50%	10.37%	10.29%	Price to Book Value	1.23	1.05	4.39
PAT Margins	3.17%	3.20%	3.30%	Solvency Ratios			
Inventory days	42.08	45.80	44.75	Debt / Equity	0.57	0.49	0.68
Debtor days	76.31	63.44	85.86	Current Ratio	1.09	1.09	1.11
Creditor days	309.96	332.48	393.48	Quick Ratio	0.92	0.90	0.95
Return Ratios				Asset Turnover	0.85	0.88	0.82
RoCE	10.10%	13.87%	13.70%	Interest Coverage Ratio	1.37	1.41	2.00
RoE	13.19%	12.94%	12.51%				

FINANCIAL ANALYSIS –

1. The top line has increased over the years. For FY2023 it increased by 14% which was due to increase in construction contract revenue driven by increase in business in urban infrastructure and hydro and underground business, both in India and abroad. For FY2024, it increased by 4.99% due to an increase revenue from sale of goods (construction materials) and increase in construction contract revenue. This increase was partially offset by decrease in sale of scrap.
2. The net profit growth has also increased over the years. For FY2023, it increased by 14.89% and for FY2024 it increased by 9.46%.
3. The PAT margin has increased consistently over the years with very low percentage and EBITDA margin has seen a very slight dip in FY2024.
4. The RoCE and RoE have seen slight dip in FY2024.
5. The PE ratio has improved over the years.
6. The company had negative cash flow from operations for Jun-2024.

PEER ANALYSIS

Particulars	Afcons Infrastructure Limited			Larsen & Turbo Limited			KEC International Limited		
	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24
NP Margin	3.2%	3.3%	3.4%	5.5%	5.6%	5.8%	2.4%	1.0%	1.7%
EBITDA Margin	8.5%	10.4%	10.3%	16.8%	16.1%	15.0%	7.1%	5.6%	7.1%
RoCE	14.0%	13.5%	13.7%	14.9%	15.8%	18.5%	19.4%	18.3%	27.0%
ROE	13.2%	12.9%	12.5%	10.5%	11.7%	15.1%	9.2%	4.7%	8.5%
EPS (INR)	10.49	12.06	13.20	61.71	74.51	93.95	12.92	6.85	13.49
P/E	44.14	38.39	35.08	29.01	29.05	40.06	29.82	66.62	51.46

Particulars	Afcons Infrastructure Limited			Kalpataru Project International Limited			Dilip Buildcon Limited		
	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24
NP Margin	3.2%	3.3%	3.4%	3.6%	2.7%	2.6%	-5.7%	0.0%	1.6%
EBITDA Margin	8.5%	10.4%	10.3%	10.4%	10.0%	9.5%	7.8%	12.7%	15.1%
RoCE	14.0%	13.5%	13.7%	16.1%	18.2%	19.4%	3.5%	11.8%	15.3%
ROE	13.2%	12.9%	12.5%	12.6%	9.3%	9.9%	-15.5%	0.0%	5.5%
EPS (INR)	10.49	12.06	13.20	36.28	28.31	31.37	-38.79	0.06	13.27
P/E	44.14	38.39	35.08	10.36	18.87	34.10	-	2815.00	34.43

Interpretation –

- The market cap of the company is less compared to L&T, KEC International and Kalpataru Project International.
- The cash conversion cycle of the company is better than L&T, Kalpataru Projects International and Dilip Buildcon.
- The NP Margin of the company is better than KEC International, Kalpataru Project International and Dilip Buildcon.
- The EBITDA margin of the company is better than KEC International and Kalpataru Project International.
- The PE ratio of the company is low compared to L&T and KEC International.
- The RoCE of the company is less compared to its peers.
- The ROE of the company is low compared to L&T.

LEAD MANAGER TRACK RECORD -

The lead managers to the issue are ICICI Securities Limited, DAM Capital Advisors Limited, Jefferies India Private Limited, Nomura Financial Advisory and Securities (India) Private Limited, Nuvama Wealth Management Limited and SBI Capital Markets Limited. A table has been set below highlighting the details of the IPO of the last companies handled by the Lead Manager in recent times –

ICICI Securities Limited –

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Northern Arc Capital Limited	777.00	263.00	Sep 24, 2024	243.45
2.	Premier Energies Limited	2,830.40	450.00	Sep 03, 2024	997.80
3.	Ola Electric Mobility Limited	6,145.56	76.00	Aug 09, 2024	81.70

The company has handled 49 mandates in the past three years (including the current year).

DAM Capital Advisors Limited –

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Bansal Wire Industries Limited	745.00	256.00	Jul 10, 2024	411.90
2.	Le Travenues Technology Limited	740.10	93.00	Jun18, 2024	146.95
3.	Entero Healthcare Solutions Limited	1,600.00	1,258.00	Feb 16, 2024	1,367.40

The company has handled 15 mandates in the past three years (including the current year).

Jefferies India Private Limited –

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Emcure Pharmaceuticals Limited	1,952.03	1,008.00	Jul 10, 2024	1,393.70
2.	TBO Tek Limited	1,550.81	920.00	May 15, 2024	1,608.85
3.	Vodafone Idea Limited	18,000.00	11.00	Apr 25, 2023	8.25

The company has handled 7 mandates in the past three years (including the current year).

Nomura Financial Advisory and Securities (India) Private Limited –

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Aadhar Housing Finance Limited	3,000.00	315.00	May 15, 2024	419.90
2.	Indegene Limited	1,841.76	452.00	May 13, 2024	674.35
3.	Protean eGov Technologies Limited	490.33	792.00	Nov 13, 2023	1,865.95

The company has handled 6 mandates in the past three years (including the current year).

Nuvama Wealth Management Limited –

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	P N Gadgil Jewellers Limited	1,100.00	480.00	Sep 17, 2024	694.25
2.	Allied Blenders and Distillers Limited	1,500.00	281.00	Jul 02, 2024	313.75
3.	Go Digit General Insurance Limited	2,614.65	272.00	May 23, 2023	347.55

The company has handled 15 mandates in the past three years (including the current year).

SBI Capital Markets Limited –

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Bajaj Housing Finance Limited	6,560.00	70.00	Sep 16, 2024	136.55
2.	Ola Electric Mobility Limited	6,145.56	76.00	Aug 09, 2024	81.66
3.	Bansal Wire Industries Limited	745.00	256.00	Jul 10, 2024	427.30

The company has handled 22 mandates in the past three years (including the current year).

*CMP for the above-mentioned companies is taken as of 22nd Oct 2024.

As per the offer document, the above-mentioned mandates all have opened at a premium on the listing day.

Recommendation -

Afcons Infrastructure Limited has been in the industry since 1959 and has vast experience of over six decades in the industry. The management overview of the company is satisfactory.

The P/E on a post-IPO basis is 41.67 which makes it fairly priced compared to its peer's PE.

The company's top line, bottom line and profitability margins have increased over the years and looks sustainable in the long run. The RoCE and RoE of the company is slightly low but that should not be a major concern as the peer companies have also seen a similar trend.

The company is a part of Shapoorji Pallonji Group (they have a legacy of over 150 years). Also, the company has a good order book of Rs. 31,747 Cr. with 65 active projects across 12 countries.

They have a strong and diversified global presence with 28.94% of the revenue coming from exports. Their clients include NHAI, ONGC, Arcelor Mittal, ARISE Integrated Industrial Products (IIP) and Reliance Industries Limited.

The industry is growing with an expected CAGR of 9.90% during FY2023-2028.

Thus, investors can **APPLY** to this IPO.

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The analysis and recommendations are based on the current market and company-specific scenario, along with the data available in the prospectus. Market and company-specific conditions may change after the company's listing, potentially impacting its performance and outlook. We will not be providing any follow-up reports or updates on this analysis post-listing.

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