



# IPO NOTE

## AFCONS INFRASTRUCTURE LIMITED



Rating:  
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(For Long Term)



### ISSUE OFFER

Issue Opens on	OCT 25, 2024
Issue Close on	OCT 29, 2024
Total IPO size (cr)	₹5,430.00
Fresh issue (cr)	₹1,250.00
Offer For Sale (cr)	₹4,180.00
Price Band (INR)	440-463
Market Lot	32
Face Value (INR)	₹10
Listing At	NSE, BSE
Market Capitalization (cr)	17026.18

### ISSUE BREAK-UP (%)

QIB Portion	<div style="width: 50%;"></div>	50%
NII Portion	<div style="width: 15%;"></div>	15%
Retail Portion	<div style="width: 35%;"></div>	35%

### PROMOTER HOLDING %

Pre Issue	Post Issue
99.48%	67.18%

### INDICATIVE TIMETABLE

Basis of Allotment	30-10-2024
Refunds/Unblocking ASBA Fund	31-10-2024
Credit of Share to Demat A/c	31-10-2024
Listing Date	04-11-2024

Afcons Infrastructure Limited the flagship infrastructure, engineering and construction company of the Shapoorji Pallonji group, a diversified Indian conglomerate, and have a legacy of over six decades.

### OBJECTS OF THE ISSUE

- Capital expenditure towards purchase of construction equipment.
- Funding long term working capital requirements.
- Payment of borrowings.

### FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (IN CRORE)	FY 2024	FY 2023	FY 2022
Equity Share Capital	340.7	71.9	71.9
Net Worth	3597	3177	2702
ROCE %	20.18%	20.04%	17.30%
Revenue	13267.49	12637.38	11018.96
Operating Profit Margin %	11.60%	10.70%	9.48%
Net Profit of the year	449.73	410.86	357.6

### FINANCIAL RATIOS OF FY24



D/E



P/E



Asset Turnover

### OUTLOOK & VALUATION

- Part of the well-established Shapoorji Pallonji Group.
- Accomplished numerous renowned infrastructure projects.
- Strong order book supports future growth.
- Stable financial performance over the years.
- IPO is reasonably priced.
- Long-term prospects look promising, but listing performance may be impacted by current market conditions.
- Recommended for long-term investors willing to withstand potential listing volatility.



## COMPANY PROFILE

- In last 11 years, it has successfully completed 79 projects across 17 countries with a total historic executed contract value of ₹563.05 billion.
- As of June 30, 2024, it has 65 active projects across 12 countries, aggregating to an order book of ₹317.47 billion.
- It has expanded its presence globally and in particular across Asia, Africa and the Middle East.
- It has undertaken many complex, challenging, unique and 'first of its kind' infrastructure projects in India and the rest of the world.



## COMPETITIVE STRATEGIES

- Selectively Pursue Large Value and Complex Projects.
- Maximizing Opportunities in Existing Markets and Expanding Footprint in Overseas Markets.
- Focus on Cost Management.
- Optimizing Project Execution and Management.
- Growing a highly skilled and motivated workforce and strengthening its equipment base.



## KEY CONCERNS

- Business is capital intensive.
- Majorly depends on projects awarded by the government.
- It is subject to risks arising from interest rate fluctuation.
- It requires various statutory and regulatory permits and approvals in the ordinary course of its business.
- Exposure to risk related to international operations.
- The actual cost incurred in completing a project may vary.



## KEY STRENGTHS

- Strong Track Record of Timely Execution of Large-Scale, Complex and High-Value Projects.
- Diversified Order Book.
- Collaboration among Internal Teams and with JV counterparties.
- Knowledge Management and Innovation Practices.
- Experienced Leadership Team.
- Strong Risk Management.

**COMPARISON WITH LISTED INDUSTRY PEERS**

Name of the Company	EPS (Basic)	NAV	P/E	TOTAL INCOME (In CR.)	ROCE (%)
<b>Afcons Infrastructure Limited</b>	<b>13.20</b>	<b>104.92</b>	<b>35</b>	<b>13267.49</b>	<b>20.18%</b>
<b>Peer Group</b>					
Larsen & Toubro Limited	93.96	623.15	37.14	221112.91	15.02%
KEC International Limited	13.49	155.32	74.67	19914.17	14.47%
Kalpataru Project International Limited	31.37	308.36	42.20	19626.43	13.67%
Dilip Buildcon Limited	13.75	298.85	37.63	12011.90	8.60%


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