

## IPO NOTE

---



### IRCON International Limited

Delhi based IRCON International Limited is a government company (under the Ministry of Railways) engaged in the business of engineering and construction. It was incorporated in 1976.

The company is specialized in major infrastructure projects including Railways, Highways, Bridges, Flyovers, Electrical and Mechanical works, Development of Commercial, Residential and Industrial areas. It was ranked 248 in the list of 250 global contractors by USA Engineering News Record (ENR). IRCON has completed more than 300 infrastructure projects in India and more than 100 projects across the globe in more than 21 countries.

IRCON is headquartered in Delhi and has 26 project offices, 5 regional offices in India and 5 overseas project offices in United Kingdom, Malaysia, Nepal, Sri Lanka, Bangladesh, Mozambique, Ethiopia, Afghanistan and Algeria.

The company has 1175 full time employees on payroll.

#### Merits:

- Diversified business across many countries
- Strong financial performance with a robust credit profile
- Strong order book of Rs.223871 million as on 31 December 2017
- Continuously expanding footprint within and beyond India

#### Promoters:

The Promoter is President of India acting through Ministry of Railways. The Promoter, along with its nominees, holds 99.71% of the pre-offer paid up equity share capital of the company. After this offer the Promoter shall hold 89.18% of the post offer paid up equity capital of the company.

#### Financials:

Particulars	Rs. In Million (Consolidated)		
	31 March 2018	31 March 2017	31 March 2016
Total Assets	127782	92314	81394
Total Revenue	42124	33013	29086
Profit After Tax	4116	3840	3931

## **Objects of the issue:**

- To carry out disinvestment of up to 99,05,157 equity shares by the selling shareholder constituting 10.53% of the pre-offer paid up equity share capital of the company.
- To achieve the benefits of listing the equity shares on stock exchange.

*The company will not receive any proceeds from the offer and all proceeds shall go to the selling shareholder.*

## **Issue details:**

Issue opens on	-	17 September 2018
Issue closes on	-	19 September 2018
Issue size	-	99,05,157 equity shares of Rs.10/- face value
Issue price	-	Rs.470 - Rs.475 per equity share
Market lot	-	30 shares
Listing on	-	BSE/NSE

---

## **Confidentiality & Disclaimer:**

General Disclaimers: This Research Report (hereinafter called 'Report') is prepared and distributed by LFS BROKING PVT. LTD. for information purposes only.

The recommendations, if any, made here are expression of views and/or opinions and should not be deemed or construed to be advice for the purpose of purchase or sale of any security or derivative instrument through LFS BROKING PVT. LTD. or any solicitation or offering of any investment /trading opportunity on behalf of the issuer(s) of the respective security(ies) . These information / opinions / views are not meant to serve as a professional investment guide for the readers.

This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed to be reliable by LFS Broking Pvt. Ltd. LFS BROKING PVT. LTD. or its Research Analysts do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views. While it is endeavored to update the information herein on a reasonable basis, LFS BROKING PVT. LTD. is under no obligation to update or keep the information current. There may also be regulatory, compliance or other reasons that may prevent LFS BROKING PVT. LTD. from doing so. Though this report is disseminated to all the customers simultaneously, everyone may not receive it at the same time

Disclaimer for Risks: Trading and investment in securities are subject to market risks. There are no assurances or guarantees that the objectives of trading / investment in any security(ies) will be achieved. The security(ies) discussed and opinions expressed in this report may not be suitable to all categories of traders/investors. The value of security(ies) referred to herein may be adversely affected by the performance of the respective issuer companies, changes in the market conditions, micro and macro factors and forces affecting capital markets like interest rate risk, credit risk, liquidity risk and reinvestment risk. Derivative products may also be affected by various risks including but not limited to counter party risk, market risk, valuation risk, liquidity risk and other risks. Besides the price of the underlying asset, volatility, tenor and interest rates may affect the pricing of derivatives.

Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Forward-looking statements are not predictions and maybe subject to change without notice.

Disclaimers in respect of jurisdiction: This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject LFS BROKING PVT. LTD. to any registration or licensing requirement within such jurisdiction. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Any dispute arising out of this Report shall be subject to the exclusive jurisdiction of the Courts in India.

Disclaimer of Interest: LFS BROKING PVT. LTD. encourages independence in research report preparation and strives to minimize conflict in preparation of research report. Compensation of our Research Analysts is not based on any specific brokerage service transactions.

LFS BROKING PVT. LTD. or its Research Analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. LFS BROKING PVT. LTD. may have received a compensation from the said issuer company(ies) in last 12 months for the brokerage or non-brokerage services. Neither LFS BROKING PVT. LTD. nor the Research Analysts have been engaged in market making activity for the company(ies) mentioned in the report The research analysts have not served as an officer, director or employee of the said issuer company(ies)

LFS BROKING PVT. LTD. or its Research Analysts do not own 1% or more of the equity security(ies) of the company(ies) mentioned in the report as of the last day of the month preceding the publication of the research report. LFS BROKING PVT. LTD, its Associates, the research analysts or their relatives might have financial interest in the issuer company(ies) of the said security(ies). During the preparation of this report LFS BROKING PVT. LTD. or its Research Analysts, or their relatives did not have any known direct /indirect material conflict of interest including any long/short position(s) in any specific security(ies) on which views/opinions have been made. At a different point of time, LFS BROKING PVT. LTD. may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

The research analysts who have prepared this Report hereby certify that the views /opinions expressed in this Report are their personal independent views/opinions in respect of the securities and their respective issuers.

Disclaimer of Exclusivity: This Report shall only be read by those persons to whom it has been delivered. Reprinting, reproduction, copying, distribution of this Report in any manner whatsoever, in whole or in part, is not permitted without the prior express written consent of LFS BROKING PVT. LTD...

LFS BROKING PVT. LTD.'s activities were neither suspended nor have defaulted with any stock exchange with whom LFS BROKING PVT. LTD. is registered. Further, there is no material disciplinary action taken on LFS BROKING PVT. LTD. by any Regulatory Authority impacting Research Analysis activities. There does not exist any material enquiry of whatsoever nature instituted or pending against LFS BROKING PVT. LTD. as on the date of this Report.

Important: These disclaimers, risks and other disclosures must be read in conjunction with the information / opinions / views of which they form part of.

## IPO NOTE

---



### Garden Reach Shipbuilders & Engineers Limited

Is a Mini Ratna Category I Company incorporated in 1913 engaged in shipbuilding under the administrative control of the MOD.

The company primarily adheres to the requirements of the Indian Navy and the Indian Coast Guard. It is also engaged in the engineering and engine production activities and manufacturers deck machinery items, pre-fabricated portable steel bridges, and marine pumps.

The company has three separate facilities for shipbuilding located at Kolkata, India. The ships are built at the main works unit and the Rajabagan Dockyard. The third facility is mainly used for fitting out and repair of ships.

The company has an achievement in the domestic shipbuilding industry such as to integrate carbon composite superstructure with steel hull for the construction of the third ASW Corvette for the Indian Navy.

It is also the first and the only Indian shipyard to build and subsequently deliver a fleet tanker to the Indian Navy and to deliver hovercraft to Indian Coast Guards among others.

Shipbuilding division contributes majorly to the company's revenue from operations. It has contributed more than 75% of the gross revenue from operations during 2015 - 2017.

#### Merits:

- Strong order book of Rs.208033 million as on 28 February 2018
- Diversified products and services
- Modern infrastructure with integrated shipbuilding capabilities

#### Promoters:

The Promoter is President of India through Ministry of Defence. The Promoter, along with its nominees, holds 100% of the pre-offer paid up equity share capital of the company.

## **Financials:**

Particulars	Rs. In Million (Consolidated)		
	31 Sept 2017	31 March 2017	31 March 2016
Total Assets	46999	45650	44514
Total Revenue	58583	11579	18467
Profit After Tax	180	122	1620

## **Objects of the issue:**

- To carry out disinvestment of equity shares by the selling shareholder.
- To achieve the benefits of listing the equity shares on stock exchange.

## **Issue details:**

Issue opens on	-	24 September 2018
Issue closes on	-	26 September 2018
Issue size	-	2,00,46,600 equity shares of Rs.10/- face value
Issue price	-	Rs.115 - Rs.118 per equity share
Market lot	-	120 shares
Listing on	-	BSE/NSE

---

## **Confidentiality & Disclaimer:**

General Disclaimers: This Research Report (hereinafter called 'Report') is prepared and distributed by LFS BROKING PVT. LTD. for information purposes only.

The recommendations, if any, made here are expression of views and/or opinions and should not be deemed or construed to be advice for the purpose of purchase or sale of any security or derivative instrument through LFS BROKING PVT. LTD. or any solicitation or offering of any investment /trading opportunity on behalf of the issuer(s) of the respective security(ies) . These information / opinions / views are not meant to serve as a professional investment guide for the readers.

This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed to be reliable by LFS Broking Pvt. Ltd. LFS BROKING PVT. LTD. or its Research Analysts do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views. While it is endeavored to update the information herein on a reasonable basis, LFS BROKING PVT. LTD. is under no obligation to update or keep the information current. There may also be regulatory, compliance or other reasons that may prevent LFS BROKING PVT. LTD. from doing so. Though this report is disseminated to all the customers simultaneously, everyone may not receive it at the same time

Disclaimer for Risks: Trading and investment in securities are subject to market risks. There are no assurances or guarantees that the objectives of trading / investment in any security(ies) will be achieved. The security(ies) discussed and opinions expressed in this report may not be suitable to all categories of traders/investors. The value of security(ies) referred to herein may be adversely affected by the performance of the respective issuer companies, changes in the market conditions, micro and macro factors and forces affecting capital markets like interest rate risk, credit risk, liquidity risk and reinvestment risk. Derivative products may also be affected by various risks including but not limited to counter party risk, market risk, valuation risk, liquidity risk and other risks. Besides the price of the underlying asset, volatility, tenor and interest rates may affect the pricing of derivatives.

Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Forward-looking statements are not predictions and maybe subject to change without notice.

Disclaimers in respect of jurisdiction: This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject LFS BROKING PVT. LTD. to any registration or licensing requirement within such jurisdiction. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Any dispute arising out of this Report shall be subject to the exclusive jurisdiction of the Courts in India.

Disclaimer of Interest: LFS BROKING PVT. LTD. encourages independence in research report preparation and strives to minimize conflict in preparation of research report. Compensation of our Research Analysts is not based on any specific brokerage service transactions.

LFS BROKING PVT. LTD. or its Research Analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. LFS BROKING PVT. LTD. may have received a compensation from the said issuer company(ies) in last 12 months for the brokerage or non-brokerage services. Neither LFS BROKING PVT. LTD. nor the Research Analysts have been engaged in market making activity for the company(ies) mentioned in the report The research analysts have not served as an officer, director or employee of the said issuer company(ies)

LFS BROKING PVT. LTD. or its Research Analysts do not own 1% or more of the equity security(ies) of the company(ies) mentioned in the report as of the last day of the month preceding the publication of the research report. LFS BROKING PVT. LTD, its Associates, the research analysts or their relatives might have financial interest in the issuer company(ies) of the said security(ies). During the preparation of this report LFS BROKING PVT. LTD. or its Research Analysts, or their relatives did not have any known direct /indirect material conflict of interest including any long/short position(s) in any specific security(ies) on which views/opinions have been made. At a different point of time, LFS BROKING PVT. LTD. may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

The research analysts who have prepared this Report hereby certify that the views /opinions expressed in this Report are their personal independent views/opinions in respect of the securities and their respective issuers.

Disclaimer of Exclusivity: This Report shall only be read by those persons to whom it has been delivered. Reprinting, reproduction, copying, distribution of this Report in any manner whatsoever, in whole or in part, is not permitted without the prior express written consent of LFS BROKING PVT. LTD...

LFS BROKING PVT. LTD. 's activities were neither suspended nor have defaulted with any stock exchange with whom LFS BROKING PVT. LTD. is registered. Further, there is no material disciplinary action taken on LFS BROKING PVT. LTD. by any Regulatory Authority impacting Research Analysis activities. There does not exist any material enquiry of whatsoever nature instituted or pending against LFS BROKING PVT. LTD. as on the date of this Report.

Important: These disclaimers, risks and other disclosures must be read in conjunction with the information / opinions / views of which they form part of.