



# MSEARCH

## IPO OFFERING

### Antony Waste Handling Cell Ltd



### About Company

### Recommendation: Subscribe with caution

Antony Waste Handling Cell Limited (Antony Waste) is amongst the leading top 5 players in the Indian MSW management industry. Antony Waste primarily undertakes MSW C&T projects, MSW processing projects and mechanized sweeping projects through themselves and/or their Subsidiaries. It has an established track record of 19 years primarily catering to Indian municipalities. As on date they have undertaken more than 25 projects out of which 18 are ongoing comprising 12 MSW C&T projects, 2 MSW processing projects and 4 mechanized sweeping projects. As of November 15, 2020, they had a fleet of 1,147 vehicles of which 969 were equipped with GPS technology. They procure the components of its vehicles mostly from leading international suppliers including from Compost System GmbH.

Price Band	: Rs. 313 to 315 per share
Bid Lot size	: 47 Shares
Issue size	: Rs. 300 Cr
Issue Opens	: December 21 <sup>st</sup> 2020, Monday
Issue Closes	: December 23 <sup>rd</sup> 2020, Wednesday
Min App Amount	: Rs. 14,805/- at upper band

**Important Note:** All retail applications compulsory in UPI mode\*. Currently IPO through UPI Mechanism in Retail Category is available only on BHIM App. Application made using third party UPI Id Or ASBA Bank A/c are liable to be rejected.

**Msearch View:** We believe Antony Waste is one among the top 5 leaders in municipal solid waste management companies with an established track record of 19 years, providing full spectrum of Municipal solid waste services. We see business apprehensions on high revenue dependency from limited 5 municipal authorities as a large proportion of revenue comes from them which accounts for 82 percent FY20. So any contracts here and there will impact Antony financials adversely. On valuations parse at upper price band (Rs 315/-), the issue is asking for market cap Rs 891 Cr and seeking PE 15 times on HYFY21 EPS. Hence, based on all the above rationale we are neutral with no wow factor and advise only high risk investors can look into this issue and subscribe with caution note.



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BASIC FINANCIAL DETAILS				
Particulars ₹ (in Cr)	2018	2019	2020	H1 FY21
Equity Share Capital	1.31	7.15	12.79	12.79
Reserves as stated	1	41	197	217
Net worth as stated	120	150	210	230
Long Term Borrowings	80	106	145	130
Short Term Borrowings	31	31	30	32
Revenue from Operations	276	284	451	207
Revenue Growth (%)		2.73%	58.80%	-
EBITDA as stated	84	91	140	60
EBITDA (%)	29.02%	30.49%	30.06%	27.71%
Profit Before Tax	49	48	82	30
Net Profit for the period	40	35	62	29
Net Profit (%) as stated	14.44%	12.22%	13.78%	14.01%
EPS (₹)	22.49	20.38	27.48	7.68
RoNW (%)	24.48%	18.24%	20.09%	8.54%
Net Asset Value (₹)	91.86	111.74	136.81	89.87
D/E Ratio	0.90	0.89	0.73	0.66

Source: Company RHP