

Company Name: Vishnu Prakash R Punglia Ltd

BSE CODE: 543974

NSE CODE: VPRPL

Sector: Infra. Developers & Operators

Industry: Construction

CMP (Rs): 188 | Buy Range: 183-188 | Target Price: 255 | Potential Upside: 35%
Duration of Recommendation: 9-12 months

Company Data

Market Cap (Rs Cr)	2,382
Enterprise value (Rs Cr)	2,691
52-Week High/Low (Rs)	242/141
EPS (TTM) (Rs)	9.80
P/E Ratio (x) TTM	19.4
Industry PE (x)	20.5
EV/EBITDA (x) TTM	12.3
P/PB (x) TTM	3.35

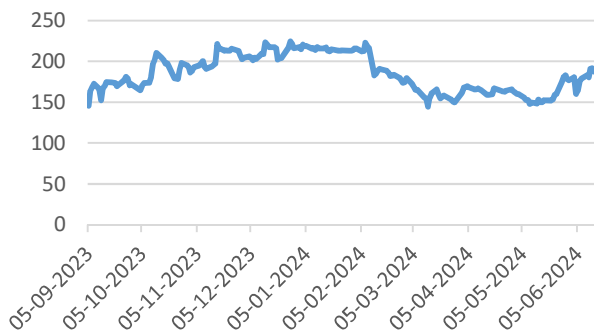
Shareholding %	Q2FY24	Q3FY24	Q4FY24
Promoters	67.81	67.81	67.81
FII's	4.66	3.06	1.11
DII's	4.94	4.96	4.16
Public	22.59	24.17	26.9
Others	0.00	0.00	0.00
Total	100.0	100.0	100.0
Pledged	0.00	0.00	0.00

Financial Performance (Standalone)

INR (Cr)	FY23	FY24	FY25E	FY26E
Revenue	1,168	1,474	1,916	2,491
Growth (%)	48.7%	26.1%	30.0%	30.0%
EBITDA	157	210	278	374
EBITDA growth	180.0%	34.0%	32.4%	34.5%
EBITDA margin	13.4%	14.2%	14.5%	15.0%
Net Profit	91	122	163	212
Profit growth	10.4%	10.4%	33.3%	30.0%
Profit margins	7.8%	8.3%	8.5%	8.5%
EPS	9.7	9.8	13.1	17.0
BVPS	33.7	57.9	67.7	84.7
P/E (x)	15.0	15.3	14.4	11.1
P/BV(x)	4.3	2.6	2.8	2.2
ROE (%)	38.3%	23.6%	24.0%	24.5%
RoCE	26.5%	17.8%	21.5%	24.9%
EV/EBITDA(x)	14.50	11.50	9.62	7.15

Source: Company, Share India Securities

Price Performance



Share India Securities | Retail Research

Our Recommendation: Company aims to maintain order book turnover ratio around 3 times & margin expansion by cost control, operational efficiency, and timely project execution. Company has robust bid pipeline with hopes of new opportunities materializing in coming months. The stock is currently trading at 11x its FY26E EPS & EV/EBITDA 7.10x of FY26E EBITDA. We value the stock at 15x its FY26E earnings given strong order book & Govt's increasing Capex on infra development. **We recommend BUY in price range of 183-188 with target price of 255 (based on 15x FY26E EPS) with potential upside 35%.**

About Company: Vishnu Prakash R Punglia Ltd is an integrated engineering, procurement, and construction company. Specializes in infrastructure projects for central and state governments, local bodies, public sector companies, and private bodies. Company has diversified business operations across water, roads, railways, and other projects.

Investment Rationale:

Robust Order Book: Order book as of March 31, 2024, stands at ₹4,717 crores to be executed over the next 24-36 months, which provides revenue visibility till FY26. Company has competencies to bid for large value projects and successfully secured projects in UK, UP, and MP.

Future Outlook: The company strives to keep its order book turnover ratio at approximately 3 times. Revenue growth has been robust, fueled by the successful execution of ongoing projects across various segments. Margins have expanded thanks to effective cost control, operational efficiency, and timely project completion. There is a strong bid pipeline, with anticipation of new opportunities emerging in the coming months.

Consistent Healthy Financial Performance: Revenue/EBITDA/ PAT have grown at CAGR of 45%/76%/86% respectively over FY20-24 period. EBITDA margins have improved to 14% from 10% in FY19. Company's ROE/ROCE stood at 23.6%/24.7% respectively in FY24. Company's leverage position is also good with D/E of 0.55.

Robust Financial Performance In Q4FY24:

- ❖ Consolidated Revenue/EBITDA/PAT up by 44.2%/63%/68% YoY to Rs. 657/105/67 crores respectively.
- ❖ EBITDA margins improved by 184 bps to 16% YoY from 14.1%.

Attractive Valuations: The stock is currently trading at 11x its FY26E EPS & EV/EBITDA 7.10x of FY26E EBITDA, which is quite attractive given current financial performance & Govt's increasing Capex on infra development.

Key Risks: Rising debtor days. Competition from other listed players.

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