



IPO Snapshot - RITES LTD.

Issue Open Date	20-Jun-18
Issue Closing Date	22-Jun-18
Price Band (Rs)	180-185
Issue Size (Shares)	2,52,00,000
Minimum Order Quantity	80
Market Lot	80
Face Value (Rs)	10
Maximum subscription	2,00,000

TENTATIVE SCHEDULE

Finalisation on allotment
Unblocking of ASBA
Credit to Demat account

Listing on NSE

IPO TIMINGS

10.00 a.m. to 5.00 p.m.

Registered Office Address

RITES LTD. CORE 1

SCOPE MINAR
LAXMI NAGAR
DELHI
110092

Industry	ENGINEERING
Chairman	RAJEEV MEHROTRA
Managing Director	RAJEEV MEHROTRA
Company Secretary	P T MITTAL

Name & Address of Registrar

LINK INTIME INDIA PVT LTD.
C-101 , 1ST FLOOR , 247 PARK
L.B.S. MARG , VIKHROTI (WEST)
MUMBAI , MAHARASHTRA
400083

Listing at

NSE ,BSE

ANALYSIS: Basically an offer for sale of upto 2.52 cr equity shares in the price band of Rs 180-185 with a retail discount of Rs 6 per share. It's a transport consultant government subsidiary to Indian railways and NHAI, DMRC and many others having order book of more than 4500 crores. On consolidated basis topline growth in last four years exceeds more than 9 % while bottom line growth is more than 11%. Well sitting on more than Rs 1300 cr cash and cash EPS of more than Rs 65 per share objective of this issue is only to exit some core investors. Also from last two years fy 17 and fy 18 profits going down and if we saw last 18 months psu listings , all are trading below their IPO price except two or three.

Recommendation: Subscribe only for long term.....

PROFILE

RITES LTD. was originally incorporated at New Delhi on April 26, 1974 under the Companies Act, 1956 as a private limited company under the name of 'Rail India Technical and Economic Services Private Limited'. The word 'private' was deleted from name of the company pursuant to section 43A of the Companies Act, 1956 on February 17, 1976. Subsequently, in accordance with section 21 of the Companies Act, 1956, the name of the company was changed to present name, 'RITES Limited', consequent to which the Registrar of Companies, Delhi and Haryana issued a fresh certificate of incorporation dated March 28, 2000. Subsequently, the company was converted into a public limited company pursuant to a fresh certificate of incorporation dated February 5, 2008 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Rites is a wholly owned Government Company, a Miniratna (Category - I) Schedule 'A' Public Sector Enterprise and a leading player in the transport consultancy and engineering sector in India and the only company having diversified services and geographical reach in this field under one roof.

PEER COMPARISON

Peer Group Comparison (Standalone)					(Rs in Crore)	
Company Name	Htachi Payment Serv	Krosslink Infrastructure	Pan India Infra proje	Rites Ltd	Techrip India Ltd	
Year End	201603	201403	201403	201703	201603	
Net Sales	1430.05	1779.39	1234.78	1303.35	1293.26	
PBIDT	182.85	15.03	230.47	522.10	224.23	
PAT	5.30	11.59	6.41	330.82	132.79	
Adj. EPS(Rs)	11.17	3.81	0.59	16.54	66.56	
PBIDIM%	12.79	0.84	18.66	40.06	17.31	
PAIM%	0.37	0.65	0.52	25.38	10.25	
ROCE%	8.87	12.52	5.89	25.05	57.97	
RCE%	2.40	9.87	0.52	16.91	38.07	

FINANCIALS

Inc/Exp Statement (Standalone)					(Rs in Crore)	
Description	201703	201603	201503	201403	201303	
Net Sales	1303.35	1086.01	1015.17	1093.46	952.96	
Total Income	1508.57	1277.61	1166.06	1255.67	1093.66	
Total Expenditure	986.47	728.98	681.95	848.02	730.17	
PBIDT	522.10	548.63	484.11	407.65	363.49	
PAT	330.82	339.44	306.14	263.61	245.44	
Dividend %	36.70	136.00	62.00	53.00	50.00	
Adj. EPS(Rs)	16.54	33.94	30.61	26.36	24.54	
Assets and Liabilities (Standalone) as on 201703					(Rs in Crore)	
Share Capital		200.00	Net Block		260.85	
Reserve		1833.65	Long term Investments		181.01	
Share Holder's Funds		2033.65	Short term investments		193.04	
Long Term Debt - Calc		0.00	Total Investments		374.05	
Short Term Debt - Calc		0.00	Cash and Bank Bal		2843.14	
Total Debt - Calc		0.00	Net Current Assets		1394.95	

Data Source : ACE Equity

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Note: Please refer our Derivative Report for recommendation on OPTION STRATEGIES.

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