



# ANTONY WASTE HANDLING CELL LIMITED

## Issue highlights

- Incorporated on January 17, 2001, **Antony Waste Handling Cell Limited** ("Antony Waste") is one of the top 5 players in the Indian MSW management industry with an established track record of 17 years, providing full spectrum of Municipal solid waste ("MSW") services which includes solid waste collection, transportation, processing and disposal services across the country, primarily catering to Indian municipalities.
- They are among the select few who have pioneered in MSW collection and transportation sector. They are among the key players in landfill construction and management sector with in-house expertise for landfill construction along with its management. They are also present in the emerging waste management area in India which is MSW based **Waste/gas-to-energy** ("WTE").
- As of January 31, 2020 they have undertaken 25 projects out of which 17 are ongoing comprises 11 MSW C&T projects, 2 MSW processing project and 4 mechanized sweeping projects.
- Antony Waste is currently undertaking projects for the Municipal Corporation of Greater Mumbai ("**MCGM**"), the Navi Mumbai Municipal Corporation ("**NMMC**"), the Thane Municipal Corporation ("**TMC**"), Pimpri Chinchwad Municipal Corporation ("**PCMC**"), the North Delhi Municipal Corporation ("**NDMC**"), the Mangalore Municipal Corporation ("**MMC**"), New Okhla Industrial Development Authority ("**NOIDA**"), Nagpur Municipal Corporation ("**NMC**") and the Greater Noida Industrial Development Authority ("**GNIDA**"). They are also currently undertaking a project for Jaypee International Sports.
- As of January 31, 2020, they had a fleet of 1,089 vehicles. They procure the components of its vehicles mostly from leading international suppliers, such as BUCHER Municipal AG and Compost System GmbH.
- The shares will be listed on BSE and NSE

## Brief Financial Details\*

(₹ In Cr)

Particulars	As at Sep'30,	As at March 31,		
	2019(06)	2019(12)	2018(12)	2017(12)
Equity Share Capital	7.15	1.31	1.31	1.31
Reserves as stated	67.83	40.94	1.51	(27.11)
Net worth as stated	176.99	150.09	120.12	91.50
Long Term Borrowings	118.55	105.51	80.60	106.31
Short Term Borrowings	31.08	30.71	30.68	32.91
Revenue from Operations	218.62	283.69	276.14	275.77
Revenue Growth (%)	-	2.73%	0.13%	-
EBITDA as stated	73.47	91.01	84.39	80.24
EBITDA (%) as stated	33.61%	32.08%	30.56%	29.10%
Profit Before Tax	48.97	47.68	48.79	43.82
Net Profit After Tax	37.84	34.42	39.88	41.04
Profit as % to Revenue	17.31%	12.13%	14.44%	14.88%
EPS (₹)	19.43	20.19	22.49	25.01
RONW(%)	15.70%	18.10%	24.48%	35.74%
Net Asset Value (₹)	123.74	111.55	91.86	69.98
Debt to Equity ratio	1.06	1.09	1.01	1.66

Source: RHP, \* Restated Consolidated, Net Worth' includes Equity share capital and Other equity (Securities premium, general reserve, capital reserve, equity component of compound financial instrument and surplus)

## Issue Details

Fresh Issue of Equity shares aggregating upto ₹ 35 Cr and Offer for sale of upto 5,700,000 Equity shares

## Issue highlights

Issue size: ₹ 203.15 - 206.00 Cr

No. of shares: 6,886,441 – 6,866,667

Equity Shares

Face value: ₹ 5

## Issue summary

Price band: ₹ 295 - 300

Bid Lot: 50 Shares and in multiple thereof

## Post Issue Implied Market Cap:

₹ 790 Cr – 803 Cr

**BRLMs:** Equirus Capital Pvt. Ltd.

**Registrar:** Link Intime India Pvt. Ltd.

**Issue opens on:** Wednesday, 4<sup>th</sup> Mar'2020

**Issue closes on:** Friday, 6<sup>th</sup> Mar'2020

## Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	12-03-2020
Refunds/Unblocking ASBA Fund	13-03-2020
Credit of equity shares to DP A/c	16-03-2020
Trading commences	17-03-2020

**Listing:** BSE and NSE

## Issue break-up

Cat	No. of Shares		% of Issue
	No. of Shares	₹ In Cr	
<b>QIB*</b>	3,443,220 – 3,433,333	101.58 - 103.00	<b>50%</b>
<b>NIB</b>	1,032,966 – 1,030,000	30.47 – 30.90	<b>15%</b>
<b>Retail</b>	2,410,254 – 2,403,334	71.10 – 72.10	<b>35%</b>
<b>Total</b>	<b>6,886,441 – 6,866,667</b>	<b>203.15 - 206.00</b>	<b>100%</b>

\* Company may allocate up to 60% Shares of the QIB Portion to Anchor Investors.

## Shareholding (No. of Shares)

	Pre issue	Post issue <sup>~</sup>	Post issue <sup>^</sup>
No of shares	25,588,758	26,775,199	26,755,425

<sup>~</sup>@ Upper price Band <sup>^</sup>@ Lower Price Band

## Shareholding (%)

	Pre-Issue	Post-Issue
<b>Promoters &amp; Promoters Gr</b>	51.10%	48.87%
<b>Public</b>	48.90%	51.13%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

## BACKGROUND

The company was incorporated as “Antony Waste Handling Cell Private Limited”, on January 17, 2001.

**Jose Jacob Kallarakal** is the Promoter, Chairman and Managing Director of the company. He is majorly responsible for the business development initiatives for the company. As one of the founders of the company, he has been associated with the company since its inception. He has 19 years of experience in the field of waste management.

**Shiju Jacob Kallarakal** is the Promoter, Executive Director and the Chief Financial Officer of the company. He overlooks the accounting and finance along with the legal functions of the company. As one of the founders of the company, he has been associated with the company since its inception. He has 19 years of experience in the field of waste management.

**Karthikeyan Muthuswamy** is the Nominee Director of the company. He has been nominated by the Investors. He has been associated with the company since 2008. He has over 11 years of experience in the field of equity research and investments.

**Ajit Kumar Jain, Suneet K Maheshwari and Priya Balasubramanian** are the Independent Director of the company

**Harshada Rane** is the Company Secretary and Compliance Officer of the company. She has been associated with the company since May 5, 2017. She has about 3 years of experience as a company secretary.

**Tarjindar Singh** is the Chief Operating Officer of the company. He has been associated with the company since February 13, 2014 and is managing the solid waste operations activities. He has 26 years of experience.

## OFFER DETAILS

The Offer	
Fresh Issue (₹ 35 Cr)	Upto 1,186,441 <sup>^</sup> - 1,166,667 <sup>~</sup> Equity Shares
	( <sup>^</sup> at upper price band and <sup>~</sup> lower price band)
* Offer for sale by:	Upto 5,700,000 Equity Shares
Leeds (Mauritius) Ltd – Selling shareholders	upto 1,390,322 Equity Shares
Tonbridge (Mauritius) Ltd – Selling shareholders	upto 2,085,502 Equity Shares
Cambridge (Mauritius) Ltd – Selling shareholders	upto 769,917 Equity Shares
Guildford (Mauritius) Ltd – Selling shareholders	upto 1,454,259 Equity Shares

## OBJECTS OF THE ISSUE

Objects	Amount
Reduction of the aggregate outstanding borrowings of the company on a consolidated basis	30.00
General Corporate Purposes	[ • ]
<b>Total</b>	<b>[ • ]</b>

## BUSINESS OVERVIEW

Antony Waste Handling Cell Ltd (“Antony Waste”) is one of the top 5 players in the Indian MSW management industry with an established track record of 17 years, providing full spectrum of MSW services which includes solid waste collection, transportation, processing and disposal services across the country, primarily catering to Indian municipalities. They are among the select few who have pioneered in MSW collection and transportation sector. They are among the key players in landfill construction and management sector with in-house expertise for landfill construction along with its management. They are also present in the emerging waste management area in India which is MSW based WTE (**Source: Frost & Sullivan Report**).

Antony Waste primarily undertake MSW C&T projects, MSW processing projects and mechanized sweeping projects through themselves and/or their Subsidiaries. Having undertaken more than 25 projects as of January 31, 2020, of which 17 are ongoing, they have demonstrated their track-record as a comprehensive service provider equipped with the resources to handle large-scale projects for municipalities as well as private players. Their portfolio of 17 ongoing projects as on January 31, 2020, comprised 11 MSW C&T projects, 2 MSW processing (including WTE) project and 4 mechanized sweeping projects.

Antony Waste is currently undertaking projects for the Municipal Corporation of Greater Mumbai (“MCGM”), the Navi Mumbai Municipal Corporation (“NMMC”), the Thane Municipal Corporation (“TMC”), Pimpri Chinchwad Municipal Corporation (“PCMC”), the North Delhi Municipal Corporation (“NDMC”), the Mangalore Municipal Corporation (“MMC”), New Okhla Industrial Development Authority (“NOIDA”), Nagpur Municipal Corporation (“NMC”) and the Greater Noida Industrial Development Authority (“GNIDA”). They are also currently undertaking a project for Jaypee International Sports.

In the past, they have also undertaken projects for Municipal Corporation of Delhi (“MCD”), Municipal Corporation, Gurgaon (“MCG”), Ulhasnagar Municipal Corporation (“UMC”) Amritsar Municipal Corporation (“AMC”), Kalyan Dombivali Municipal Corporation (“KDMC”) and Jaipur Municipal Corporation (“JMC”). Its strengths and capabilities are evidenced by the long-term servicing relationships that they have been able to maintain with some of their customers.

Its foothold in the solid waste management industry can be traced back to the incorporation of the company in 2001. Starting with a simple business of collection and transportation of waste, they have come a long way in the field of solid waste management with adoption of latest technologies and innovations thereby transforming this business itself into a complex operation system with the use of technologies in garbage compaction, processing, use of transfer stations, management of sanitary engineered landfills.

As of January 31, 2020, they had a fleet of 1,089 vehicles. They procure the components of its vehicles mostly from leading international suppliers, such as BUCHER Municipal AG and Compost System GmbH, who have been amongst their preferred vendors for over 4 years. Their fleet of modern vehicles provides them with a competitive advantage by ensuring easy availability of vehicles best suited for its projects as well as bolstering its project execution capabilities.

Urbanization is a critical factor driving the MSW generation in the country. Changing lifestyle patterns, increasing disposable incomes, have paved way for consumerism and, have also contributed to waste generation in urban India. MSW generation is expected to grow at a CAGR of 5% (Fiscals 2018-23) from 5.5 crore TPA in Fiscal 2018 to reach 7 crore TPA by Fiscal 2023. The MSW Management market is estimated at ₹3,000 crore for Fiscal 2018 and is expected to reach ₹6,200 crore by Fiscal 2023 at a CAGR of 15.6%. Increasing participation of professional players in collection and transportation services and development of scientific recycling and disposal methods for management of MSW is expected to be key driver for the market. (Source: Frost & Sullivan Report)

Construction and maintenance of sanitary landfills is a long-term opportunity in India. Landfills are seen as vital component in the integrated management of solid waste for cities having population more than 1 Million. **Kanjurmarg site in Mumbai is a key success story of scientific landfill in India. It is one of the largest single location waste processing plants in Asia. (Source: Frost & Sullivan Report). Antony Waste was awarded Kanjurmarg landfill project by MCGM in the Fiscal 2010.**

The project involves, *inter alia*, design, construction, operation and maintenance of integrated waste management facilities on Design, Build, Own, Operate and Transfer (“DBOOT”) basis. It is being undertaken by Antony Lara Enviro Solutions Pvt. Ltd. (“ALESPL”), which is a joint venture between Antony Waste and Lara Central De Tratamento De Residuos Ltd. As on December 31, 2019, the site has a bio-reactor landfill with a capacity of 4,000 TPD, and a sanitary landfill of 250 TPD. Moreover, the site also has a material recovery and compost facility with a capacity of 1,000 TPD. As of December 31, 2019, they had processed approximately 0.62 crore tons of waste at its Kanjurmarg site since Fiscal 2010. Further, as on December 31, 2019 its subsidiary ALESPL has been operating a 0.4 MW landfill gas-to-energy plant at Kanjurmarg facility since 2014 with the electricity produced being used for internal consumption.

Antony Waste is part of the ‘Antony’ group which has diversified business interests, including in the automotive body-building and ancillary industries. They are driven by Promoters, each having an experience of more than 19 years in the solid waste management industry and a qualified and dedicated management team. The Promoters,

namely Jose Jacob Kallarakal and Shiju Jacob Kallarakal, have been associated with the company since its incorporation and have played a significant role in the development of company business. As of January 1, 2020, they had 6,579 full-time employees, on a consolidated basis. The company received the “Municipal Waste Management Market Leadership Award 2009” from Frost & Sullivan. They were also awarded with “Certificate of Excellence-2013” for Solid Waste Management Projects by Confederation of Indian Industry.

As per the Restated Financial Statements:

- The Total Revenues from operations were ₹ 275.77 crore, ₹ 276.14 crore, ₹ 283.69 crore and ₹ 218.62 crore, respectively for Fiscals 2017, 2018, 2019, and the 6 month period ended September 30, 2019.
- The Profit after Tax were ₹ 41.04 crore, ₹ 39.88 crore, ₹ 34.42 crore and ₹ 37.84 crore, respectively for Fiscals 2017, 2018, 2019, and the 6 month period ended September 30, 2019.

From Fiscal 2017 to Fiscal 2019, as per the Restated Financial Statements, the EBITDA increased from ₹ 80.24 crore to ₹ 91.01 crore, representing a CAGR of 6.50%.

The Return on Net Worth for Fiscals 2017, 2018 and 2019 was 35.74%, 24.48% and 18.10%, respectively.

## COMPANY'S PROJECTS

### Details of the Ongoing Projects, as on November 30, 2018

No.	Name of Project	Type of Project		
		MSW C&T	Mechanized Sweeping	MSW Processing
1	Thane Project	✓	-	-
2	Navi Mumbai Project	✓	-	-
3	Mangalore Project	✓	✓	-
4	Greater Noida Project-Zone 1	✓	✓	-
5	Greater Noida Project- Zone 2	✓	✓	-
6	Jaypee Project	✓	-	-
7	North Delhi Project	✓	-	-
8	Dahisar Project	✓	-	-
9	Pimpri Chinchwad Municipal Corporation – South Zone Project	✓		
10	Nagpur Municipal Corporation Project	✓		
11	New Okhla Industrial Development Authority (“Noida”) Project	✓		
12	Navi Mumbai Sweeping Project	-	✓	-
13	Greater Noida Sweeping Project #1	-	✓	-
14	Greater Noida Sweeping Project #2	-	✓	-
15	Greater Noida Sweeping Project #3	-	✓	-
16	Kanjur Project	-	-	✓
17	Pimpri Chinchwad Municipal Corporation Project	-	-	✓

### Description of the ongoing MSW C&T Projects:

Company Name	Name of Customer & Location	Scope of the Project	Project Commencement   Duration   Completion	Salient Features
Antony waste Handling Cell Ltd	Thane Municipal Corporation, Maharashtra	C&T of MSW from community garbage bins and street sweeping in Thane	2012   8 Yr   2020	<ul style="list-style-type: none"> <li>• Revenue calculation is based on number of trips with escalation rate 5% (15% can be reached in the special conditions with the approval of Municipal commissioner)</li> <li>• The payment of satisfactory work done will be made usually within 30 days from the receipt of the bill, subject to terms and conditions of the agreement</li> </ul>
AG Enviro Infra Projects Pvt. Ltd.	Navi Mumbai Municipal Corporation, Maharashtra	Collection, transfer and transportation of municipal solid waste and related allied works	2015   7 Yr   2022	<ul style="list-style-type: none"> <li>• Revenue is calculated based on per Tonnes</li> <li>• Project shall be subjected to escalation from the second year, every 6-month equal to change in cost / index (labour, fuel and miscellaneous) /</li> </ul>

Company Name	Name of Customer & Location	Scope of the Project	Project Commencement   Duration   Completion	Salient Features
		in Navi Mumbai		wholesale price index
Antony waste Handling Cell Ltd	MMC, Karnataka	Sanitization work in Mangalore	2015   7 Yr   2022	<ul style="list-style-type: none"> <li>Revenue calculation is based on Tonnes / Day</li> <li>Escalation rate is based on average consumer price index for Industrial workers for Mercara Centre, and Escalation for fuel and lubricants are based on retail price of fuels</li> <li>The minimum assured quantity of monthly average of 175 Tonnes of MSW per day (both zones)</li> </ul>
AG Enviro Infra Projects Pvt. Ltd.	GNIDA, Uttar Pradesh	Collection, sweeping, cleaning, transportation & disposal of MSW to the landfill site.	2018   1 Yr   2019	<ul style="list-style-type: none"> <li>Fixed revenue of ₹ 148,504 per day from the above scope of the project.</li> <li>No Escalation during the contract period</li> </ul>
AG Enviro Infra Projects Pvt. Ltd.	GNIDA, Uttar Pradesh	Collection, sweeping, cleaning, transportation & disposal of MSW to the landfill site.	2018   1 Yr   2019	<ul style="list-style-type: none"> <li>Fixed revenue of ₹ 396,191 per day from the above scope of the project</li> <li>No Escalation during the contract period</li> </ul>
Antony Infrastructure and Waste Management Services Pvt. Ltd.	Jaypee International Sports, Uttar Pradesh	Collection, segregation, transportation and disposal of MSW generated with concerned area at the landfill site.	2012   8 Yr   2020	-
AG Enviro Infra Projects Pvt. Ltd.	North Delhi Municipal Corporation, Delhi	Sanitization work in North Delhi	2018   4 Mn   2018	<ul style="list-style-type: none"> <li>Revenue is calculated based on per tonne</li> <li>No escalation during the contract period</li> </ul>
AG Enviro Infra Projects Private Limited	MCGM, Dahisar and Borivali	Collection, segregation, transportation and disposal of MSW generated	2018   7 Yr   2025	<ul style="list-style-type: none"> <li>Revenue calculation is based on MT / Day as specified in the contract</li> <li>5% flat escalation rate</li> <li>Payment will be made on the basis of reports generated from IT systems deployed by MCGM</li> </ul>
AG Enviro Infra Projects Private Limited	Pimpri Chinchwad Municipal Corporation	Collection and transportation of municipal solid waste	2019   8 Yr   2027	<ul style="list-style-type: none"> <li>Revenue is calculated based on per Ton Escalation is provided for components which includes Labour, Fuel and Misc (Spare parts &amp; repairs and maintenance) as per formulas provided in agreement.</li> </ul>
AG Enviro Infra Projects Private Limited	Nagpur, Maharashtra	Collection and transportation of municipal solid waste from Zone 1 to Zone 5 identified by Nagpur Municipal Corporation	2019   10 Yr   2029	<ul style="list-style-type: none"> <li>The work order has been received. However, the concession agreement has not been executed.</li> </ul>
AG Enviro Infra Projects Pvt. Ltd.	NOIDA, Uttar Pradesh	Collection of MSW on a BOOT basis, including its scientific handling, storage & transportation to the designated waste processing and disposal site	2019   10 Yr   2029	<ul style="list-style-type: none"> <li>Revenue is calculated based on per Ton</li> <li>User fees will be collected from designated persons and rates specified by authority as prescribed in agreement.</li> <li>Escalation is provided for components which includes Labour, Fuel and Misc (Spare parts &amp; repairs and maintenance) as per terms.</li> <li>User fee is escalated 5% every year.</li> </ul>

#### Details of past MSW C&T Projects:

Company Name	Name of Customer & Location	Scope of the Project	Project Commencement   Completion
Antony waste Handling Cell Ltd	GNIDA, Greater Noida	Collection, sweeping, cleaning & transportation of MSW to the landfill site.	2001   2004
AG Enviro Infra	GNIDA,	Collection, sweeping, cleaning, transportation & disposal of MSW to the	2013   2018

Company Name	Name of Customer & Location	Scope of the Project	Project Commencement   Completion
Projects Pvt. Ltd.	Greater Noida	landfill site.	
AG Enviro Infra Projects Pvt. Ltd.	Municipal Corporation of Delhi, Delhi	Collection, segregation, transportation and delivery of MSW and design, financing, procurement, construction, operation and maintenance of project related facilities	2005   2018
KL EnviTech Pvt. Ltd.	Municipal Corporation, Gurgaon	Collection & transportation of MSW to the disposal site	2010   2017

#### Description of ongoing Mechanized Sweeping Projects:

Company Name	Name of Customer & Location	Scope of the Project	Project Commencement   Duration   Completion	Salient Features
Antony Waste Handling Cell Ltd	GNIDA, Uttar Pradesh	Integrated mechanical and manual sweeping of main roads in Greater Noida – Part I	2016   7 Yr   2023	<ul style="list-style-type: none"> <li>Revenue calculation is based on per hectare per day of scope of the work.</li> <li>Escalation rate depend on adjusted for inflation or deflation in diesel prices and increase in labor wages as per the Minimum Wages Act.</li> </ul>
Antony Waste Handling Cell Ltd	GNIDA, Uttar Pradesh	Integrated mechanical and manual sweeping of main roads in Greater Noida – Part II	2012   7 Yr   2019	<ul style="list-style-type: none"> <li>Revenue calculation is based on per hectare per day of scope of the work</li> <li>Escalation rate depend on adjusted for inflation or deflation in diesel prices and increase in labor wages as per orders by Uttar Pradesh Government under the Minimum Wages act, 1948</li> </ul>
Antony Waste Handling Cell Ltd	GNIDA, Uttar Pradesh	Integrated mechanical and manual sweeping of main roads in Greater Noida – Part III	2016   7 Yr   2023	<ul style="list-style-type: none"> <li>Revenue calculation is based on per hectare per day of scope of the work</li> <li>Escalation rate depend on adjusted for inflation or deflation in diesel prices and increase in labor wages as per the Minimum Wages Act, 1948</li> </ul>
Antony Infrastructure and Waste Management Services Pvt. Ltd.	Navi Mumbai Municipal Corporation, Maharashtra	Power sweeping in Navi Mumbai	2012   7 Yr   2019	<ul style="list-style-type: none"> <li>Revenue calculation is based on per km with the escalation rate being 5% as fixed</li> </ul>

#### Description of past Mechanized Sweeping Projects:

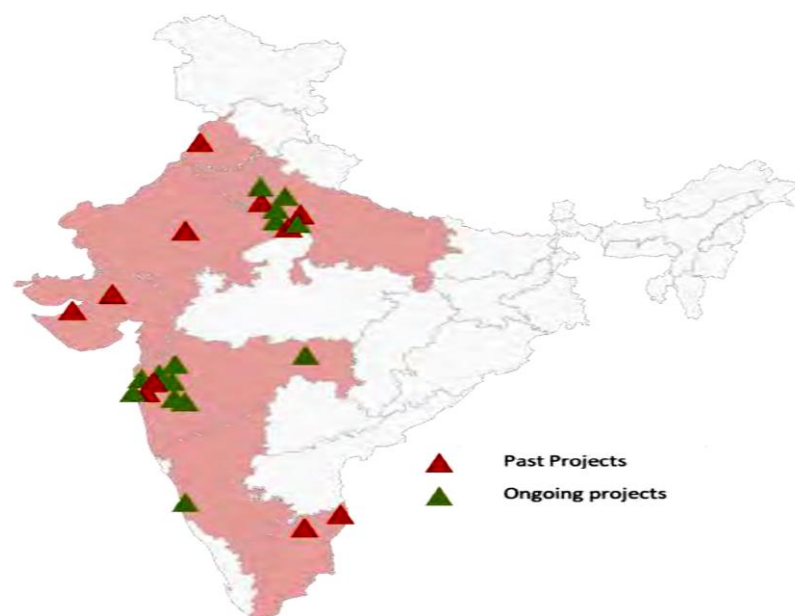
Company Name	Name of Customer & Location	Scope of the Project	Project Commencement   Completion
KL EnviTech Pvt. Ltd.	Municipal Corporation of Delhi, Delhi	Mechanized sweeping of roads having a right of way greater than or equal to 100 feet within the jurisdiction of Municipal Corporation of Delhi.	2011   2018
Antony Waste Handling Cell Ltd.	GNIDA, Uttar Pradesh	Mechanized sweeping of main roads in Greater Noida – Part I	2009   2015
KL EnviTech Private Limited	Ulhasnagar Municipal Corporation	Power sweeping in Ulhasnagar	2010   2019

#### Description of the ongoing MSW Processing Project:

Company Name	Name of Customer & Location	Scope of the Project	Project Commencement   Duration   Completion
Antony Lara Enviro Solutions Private Limited	MCGM, Maharashtra	Design, construction, operation and maintenance of integrated waste management facilities on DBOOT basis	2010   25 Yr   2035

**Details of the ongoing MSW Processing Projects:**

Company Name	Name of Customer & Location	Scope of the Project	Project Commencement   Duration
Antony Lara Enviro Solutions Pvt. Ltd.	MCGM, Mumbai	Design, construction, operation and maintenance of integrated waste management facilities on DBOOT basis	2010   25 Yr
Antony Lara Renewables Energy Pvt. Ltd.	Pimpri Chinchwad Municipal Corporation	MSW Processing	2019   21 Yr

**Geographical Footprint****COMPETITIVE STRENGTH**

- A leading service provider in MSW management sector with end-to-end capabilities**

The company is one of the top 5 players in the Indian MSW management industry and among the key players in landfill construction and management sector with in-house expertise for landfill construction along with its management. They are also present in the emerging waste management area in India which is MSW based WTE. (Source: Frost & Sullivan Report). They have developed internal capabilities across various stages of solid waste management projects, commencing from collection to disposal, which has enabled them to grow into a comprehensive service provider.

- Strong track record of project execution**

Antony Waste has an established track record of 17 years in executing solid waste projects. They primarily undertake specialized MSW C&T projects, MSW Processing projects and mechanized sweeping projects for municipalities and private players. Having undertaken more than 25 projects as of January 1, 2020, of which 17 are ongoing, they have a demonstrated track record as a comprehensive service provider equipped with the resources to handle large-scale projects for municipalities and private players.

The company was awarded Kanjurmarg landfill project by MCGM in Fiscal 2010 which involve, inter alia, design, construction, operation and maintenance of integrated waste management facilities on Design, Build, Own, Operate and Transfer (“DBOOT”) basis. As on December 31, 2019, the site has a bio-reactor landfill with a capacity of 4,000 TPD, and a sanitary landfill of 250 TPD. Moreover, the site also has a material recovery and compost facility with a capacity of 1,000 TPD. As of December 31, 2019, they had processed approximately 6.17 million metric tons of waste at its Kanjurmarg site since Fiscal 2010.

- **De-risked business model with diverse portfolio of projects**

In this industry, the number, size and duration, of simultaneously ongoing projects is considered an indicator of future performance since they provide an indication of anticipated future revenue.

Company's project portfolio is diversified across services provided, counterparties, project duration, nature of contracts and geographical areas where they operate. By diversifying its internal capabilities and ongoing project portfolio across multiple municipalities with favourable dynamics, they have been able to pursue a broader range of projects in urban or semi-urban areas with limited counter-party risk, and therefore, optimize its business volume and operating margins. Its project contracts has different time periods, thus expire at different times, thus de-risking its business model by giving them a staggered revenue stream.

- **Strong base of modern and well-maintained fleet of vehicles**

The company has consistently invested in its fleet of vehicles. They own modern vehicles, which help them in operating its projects more efficiently. As of January 1, 2020, they had a fleet of 1,089 vehicles. They procure the components of its vehicles mostly from leading international suppliers, such as BUCHER Municipal AG and Compost System GmbH, who have been amongst its preferred vendors for over 4 years.

- **Experienced Promoters and Management Team with Strong Domain Expertise**

The individual Promoters, namely Jose Jacob and Shiju Jacob associated with the company since its incorporation, have an experience of more than 19 years in the solid waste management industry. Further, 2 of its Promoters also serve as Whole Time Directors on its Board and have been intrinsically involved in the business operations.

They have a qualified key management team, with diversified experience in the areas of operations, logistics, marketing and finance, which assists the Board in implementing its business strategies and furthering its growth. They will continue to leverage the experience of its Promoters and management team and their understanding of the solid waste industry, to take advantage of current and future market opportunities.

## KEY BUSINESS STRATEGIES

- **Capitalize on the growth opportunities in the MSW management sector by continued focus on bidding for MSW projects**

The MSW Management market is estimated at ₹ 3,000 crore for Fiscal 2018 and is expected to reach ₹ 6,200 crore by Fiscal 2023 at a CAGR of 15.6%. MSW generation is expected to grow at a CAGR of 5% (Fiscal 2018-23) to reach 7 crore TPA by Fiscal 2023 from 5.5 crore TPA in Fiscal 2018. As per the report from Frost & Sullivan, only 25% of municipal solid waste generated in India gets processed. In a major cleanliness drive, the Central Government had set a target to move up from 25% to 100% scientific processing and disposal of Municipal Solid Waste by 2019 under 'Swachh Bharat Mission'. Swachh Bharat Mission aims to achieve 100% collection, transportation, processing and disposal of municipal waste across 4,041 cities/towns in the country by Oct 2019. (Source: Frost & Sullivan Report)

The MSW management sector in India is poised for significant expansion and the company intends to partake in the sectoral growth. Company's business is largely dependent on its bidding for and winning new projects.

- **Continue with rational selection of projects and strategically expand the geographical footprint**

Company's experience in operating multiple project sites, existing presence across various geographies and service verticals combined with in-depth understanding of operating efficiencies, cost pressures and regulatory landscape, law and order situation of the prospective customers will help the company in scientific selection of projects and calibrated growth by avoiding projects that may require significant investments in vehicles or manpower or which may prove to be economically unviable. They have undertaken / currently undertaking projects in multiple States / Union Territories such as Maharashtra, Uttar Pradesh, Delhi, Karnataka, Rajasthan, Haryana and Punjab. They will continue to expand into states with high GDP, growing urbanization, high standard of living, favourable geographic and climatic conditions.

Traditionally in India, municipal waste management services have been controlled by relevant municipal corporations with only 30-35% being managed by professional waste management players. While, the trend toward privatization has grown slowly since 2013, with the Central Government's push (through Swachh Bharat Mission and Smart City Mission) more and more municipalities will move towards privatization in coming years.

- **Moving up the MSW value chain by increasing the presence in the emerging waste management areas in India**

WTE segment offers huge potential in the long run. The company believe that with assured raw material and a power off-take agreement, the business offers limited risks and will help in improving predictability of its cash-flows. Waste segregation is considered a crucial activity as it involves separation of organic waste from recyclables and inert materials. They, through their step-down subsidiary Antony Lara Renewables Energy Pvt. Ltd. (“ALREPL”), has been awarded a contract for setting up and operating a WTE plant having a capacity of up to 1,000 TPD by PCMC.

- **Continue to focus on enhancing operational efficiency**

The company intends to continue to focus on improving its project execution and operational efficiencies in order to maintain its credentials as well as profit margins. They attempt to utilize advanced vehicles, equipment and technologies as well as project management tools to increase productivity and maximize asset utilization. They will also continue to invest in new equipment and vehicles, manpower resources and training to improve its ability to execute its projects with quality and efficiency.

## INDUSTRY OVERVIEW

### Waste-to-Energy Plants in India

Company	Location	Waste Processing Capacity (TPD)	Installed Capacity (MW)	WTE Technology
Antony Lara Enviro Solutions	Mumbai, Maharashtra	4,000	0.50	Bio-reactor
Ramky Enviro	Narela-Bawana, Delhi	2,000	24.00	Incineration
Jindal Urban Infrastructure	Okhla, Delhi	2,000	16.00	Incineration
IL&FS	Ghazipur, Delhi	1,300	12.00	RDF
Essel Infrastructure	Jabalpur, MP	600	9.00	Incineration
Solapur Bio-energy Systems	Solapur, Maharashtra	400	3.00	Bio-methanation
Elephant Energy	Shimla, HP	100	1.75	RDF
		<b>10,400</b>	<b>66.25</b>	

Source: MNRE and Frost & Sullivan Analysis

### MSWM Competition Service Mapping

Player	Collection & Transportation	Treatment & Disposal	Landfills
IL&FS	✓	✓	
Hanjer Biotech		✓	
A2Z	✓	✓	
UPL Environmental Engineers	✓	✓	✓
Antony Waste	✓	✓	✓
SPML Infra	✓	✓	
Ramky Enviro Engineers	✓	✓	✓
Terra Firma	✓	✓	
Kivar Environ	✓	✓	✓
Essel Group	✓	✓	

Source: Frost & Sullivan Analysis

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