

Ashoka Buildcon | BUY

HAM assets monetization to complete by Dec-25

Ashoka Buildcon (ABL) has entered into a SPA with Epic Concesiones 2 for sale of its 11 HAM assets for equity value of INR 23.2bn at a 1.8x P/B valuation. This portfolio, with BPC of INR 133bn, includes 10 operational assets and one under construction asset. The proceeds are expected to come in multiple tranches by Dec-25. Following are the details of the transaction:-

- ABL has a portfolio of 11 HAM assets with combined BPC of INR 133bn. Of this, 10 HAM assets have received PCOD/COD and 1 HAM asset is under construction (expected to be completed by Mar-25E).
- At fully invested stage, equity investment in the HAM portfolio will be INR 13bn (INR 12bn invested till date including PIM) and debt will be INR 41.5bn.
- Equity valuation of INR 23.2bn implies valuation of 1.8x P/B.
- It is expected that the SPVs where the construction works are complete shall be disposed-off by Sept-25 and others shall follow thereafter in accordance with respective transaction documents.
- Proceeds are expected to come in multiple tranches by Dec-25.
- ABL also recently concluded sale of 5 BOT assets at equity valuation of INR 25.4bn.
- Proceeds from either deal, whichever comes first will be used to pay the guaranteed return of INR 15.3bn to SBI-Macquarie and remainder money will be used for deleveraging and as growth capital.
- Apart from this, ABL is also looking to monetize Chennai-ORR and Jaora Nayagaon assets in FY26E.

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