

IVRCL bags orders worth Rs 2229 crore

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NEW DELHI: IVRCL Ltd has announced it has bagged orders worth Rs 2,228.94 crore, including a road project that entails widening a stretch of 311 km Nechipu to Hoj in Arunachal Pradesh worth Rs1486 crore on DBFOT basis, annuity basis.

IVRCL Assets and Holdings has been awarded a Rs 1,486-crore highway contract by the Ministry of Road Transport and Highways, a release from the company stated today.

The ministry shall provide cash support of Rs 1,004 crore to the concessionaire to implement the project. Besides widening the existing road, it also includes construction of realignments of grade intersections, major bridges, minor bridges and culverts.

"The company would additionally put in Rs 500 cr in addition to the grant of Rs 1004 cr by the ministry to execute the project," said S Ramachandran, director, IVRCL Infra Ltd in an interview with ET Now.

"The project will be jointly implemented by IVRCL Assets & Holdings Ltd (IVRCL A&H) and Sushee Infra Private Ltd, by incorporating an SPV company wherein IVRCL A&H shall hold 26% of the equity and IVRCL Ltd will undertake the construction work of the proposed project," said S Ramachandran, director, IVRCL Infra Ltd, in an interview with ET Now.

The concession period for the project is 17 years from the appointed date and the project is slated to be completed within a period of 54 months.

Additionally, the IVRCL group has bagged orders nearly 793 cr in its power, building, transportation, water and mining divisions.

Analyst Take: "If you look at IVRCL Ltd in recent past, it has come down dramatically and has not been able cross its 50 DMA," said Rajat Bose of rajatkbose.com.

"In my view, if the stock slides down below Rs 40 once again, then it could retest its 52-week low of around Rs 31. The crucial support for the stock is in between Rs 39-40 and if it breaks, it would go down further," added Mr Bose.

At 03:00 p.m., the shares in the company were trading 6.9% lower at Rs 38.05. The stock has hit a low of Rs 38.05 and a high of Rs 40.35.

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