Ambuja Cements

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	ACEM IN
Equity Shares (m)	2472
M.Cap.(INRb)/(USDb)	1100.7 / 11.6
52-Week Range (INR)	625 / 394
1, 6, 12 Rel. Per (%)	0/-16/-15
12M Avg Val (INR M)	1422
Free float (%)	32.7

Consol. Financial Snapshot (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	406.6	446.6	499.1
EBITDA	65.4	67.4	91.4
Adj. PAT	19.6	18.2	27.9
EBITDA Margin (%)	16.1	15.1	18.3
Adj. EPS (INR)	7.9	7.4	11.3
EPS Gr. (%)	-3.6	-7.5	53.6
BV/Sh. (INR)	240	245	255
Ratios			
Net D:E	-0.0	0.0	0.0
RoE (%)	3.5	3.0	4.5
RoCE (%)	9.1	3.6	5.3
Payout (%)	25.2	34.0	22.1
Valuations			
P/E (x)	49.2	53.1	34.6
P/BV (x)	1.6	1.6	1.5
EV/EBITDA(x)	17.2	17.6	13.2
EV/ton (USD)	109	99	93
Div. Yield (%)	0.4	0.6	0.6
FCF Yield (%)	-0.5	-0.8	-0.6

Shareholding Pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	67.6	67.6	67.5
DII	20.1	19.9	17.3
FII	5.9	5.8	8.7
Others	6.4	6.7	6.5

FII includes depository receipts

CMP: INR445 TP: INR530 (+19%) Buy

Weak performance; profitability hit by elevated opex/t

Weak industry demand outlook in FY27; expansion plans deferred

- Ambuja Cements' (ACEM) 4QFY26 EBITDA was below our estimates due to lower realization and higher opex/t vs. our estimates. Consolidated EBITDA declined ~22% YoY to INR14.6b (-17% miss). Sales volume grew ~9% YoY to 19.9mt (in line). EBITDA/t declined 28% YoY to INR736 (est. INR 884). Profit adjusted for tax reversals and exceptional items (before MI) declined ~26% YoY to INR5.4b (-20% miss).
- Management indicates a cautious near-term outlook, with demand expected to remain soft at ~5.0% growth YoY in FY27. Cost escalation in 4QFY26 was a negative surprise, driven by higher fuel, freight, packing costs, and operating inefficiencies in acquired assets. In 1QFY27, opex/t is estimated to remain flattish QoQ, and management believes this marks the peak of cost/t. The company targets cost reduction of INR250/t p.a. over FY27–FY28 through efficiency and sourcing initiatives. It has adopted a more calibrated and disciplined capex approach, marking a shift from earlier aggressive expansion plans. The capacity targets (140-155 mtpa) are now likely to be deferred by 1-2 years (towards FY30).
- We cut our EBITDA estimates by 13%/3% for FY27/FY28, led by a cut in our volume growth and cost saving estimates. We value the stock at 16x FY28E EV/EBITDA to arrive at our TP of INR530 (earlier INR560). **Reiterate BUY.**

Opex/t increases ~7% YoY; blended realization/t remains flat YoY

- Consol. revenue/EBITDA/adj. PAT (before MI) stood at INR109.2b/INR14.6b/INR5.4b (+9%/-22%/-26% YoY, and -1%/-17%/-20% vs. our estimates) in 4QFY26. Consol. volume increased ~9% YoY to 19.9mt. Blended realization/t remained flat YoY to INR5,485 (+1% QoQ; ~1% below estimates).
- Opex/t was up ~7% YoY/1% QoQ (~3% above estimates), led by an increase in other expenses/freight cost/variable cost per ton, rising ~26%/4%/3% YoY. EBITDA/t declined ~28% YoY to INR736, and OPM contracted 5.3pp YoY to ~13%. Depreciation/interest cost increased ~34%/46% YoY, while other income declined ~14% YoY.
- In FY26, revenue/EBITDA/PAT (before MI) stood at INR406.6b/INR65.4b/INR25.4b (+18%/+31%/+7% YoY). Sales volume grew ~16% YoY, aided by inorganic growth. Realization/t was up ~2% YoY to INR5,457. EBITDA/t grew ~13% YoY to INR878. OCF stood at INR53.6b vs. INR22.4b in FY25. Capex (net of proceeds) stood at INR59.6b vs. INR85.9b. Net cash outflow stood at INR5.9b vs. INR63.5b in FY25.

Highlights from the management commentary

- Pricing remains a key challenge, with the industry witnessing only marginal price improvements INR10/bag (selective geographies seeing INR15–20) in Apr'26. Pricing power remains weak due to subdued demand conditions.
- The company is prioritizing improving utilization of existing assets and stabilizing past acquisitions before committing to the next leg of expansion. Organic growth remains the primary focus, while inorganic opportunities will be evaluated selectively.
- Capex is pegged at INR60b–65b in FY27. A large portion of this relates to projects already under execution, including capacity additions, WHRS, fly ash transportation systems, debottlenecking, and maintenance capex.

Sanjeev Kumar Singh - Research analyst (Sanjeev.Singh@MotilalOswal.com)
Research analyst - Mudit Agarwal (Mudit.Agarwal@MotilalOswal.com) | **Abhishek Sheth** (Abhishek.Sheth@MotilalOswal.com)

Valuation and view

- ACEM's 4QFY26 performance was below our as well as consensus estimates, mainly due to the cost overhang. It has reported lower profitability vs. peers (so far results announced). While management had indicated in its 3Q earnings concall that opex/t had normalized by end-Dec'25 and was likely to decline in 4QFY26, it instead remained elevated, led by higher branding and packing costs, along with incremental shutdown-related costs, higher lead distance, and additional goods tax in certain states. We estimate near-term performance to remain under pressure amid cost escalation and muted pricing, while, in the long term, various internal cost efficiency measures and a single cement platform will help the company improve overall performance.
- We estimate a CAGR of ~11%/18%/19% in consol. revenue/EBITDA/PAT over FY26-28, led by volume growth of ~9%. We estimate its EBITDA/t at INR856/ INR1,053 in FY27/FY28 vs. INR887 in FY26. ACEM currently trades at 18x/13x FY27E/FY28E EV/EBITDA and USD99/USD93 EV/t. We value the stock at 16x FY28E EV/EBITDA to arrive at our TP of INR530 (earlier INR560). **Reiterate BUY.**

Consolidated quarterly performance (INR b)

	FY25				FY26				FY25	FY26	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	(%)
Net Sales	**83.9**	**73.8**	**85.8**	**99.8**	**102.9**	**91.7**	**102.8**	**109.2**	**343.4**	**406.6**	**110.1**	**(1)**
YoY Change (%)	-3.7	-0.6	5.6	12.2	22.6	24.3	19.7	9.4	10.2	18.4	10.4	
EBITDA	**12.8**	**9.7**	**8.9**	**18.7**	**19.6**	**17.6**	**13.5**	**14.6**	**50.1**	**65.4**	**17.7**	**(17)**
YoY Change (%)	-23.2	-25.2	-48.9	9.9	53.2	80.9	52.8	-21.6	73.0	30.6	-21.6	
Margins (%)	15.3	13.2	10.3	18.7	19.1	19.2	13.2	13.4	14.6	16.1	16.0	(262)
Depreciation	4.8	5.2	6.1	7.9	8.0	8.9	9.6	10.5	23.9	37.0	9.8	8
Interest	0.7	0.7	0.7	0.1	0.7	0.8	0.6	0.2	2.2	2.2	0.6	(67)
Other Income	3.5	3.7	2.4	2.7	2.6	2.6	0.9	2.3	12.4	8.3	2.1	13
PBT before EO Item	**10.9**	**7.6**	**4.5**	**13.4**	**13.5**	**10.6**	**4.2**	**6.2**	**36.4**	**34.5**	**9.3**	**(33)**
Share of profit of JVs	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.2	0.1	-
Extraordinary Inc/(Exp)	0.0	-0.2	19.4	4.4	0.4	-2.2	-0.2	-1.0	23.5	-3.0	0.0	
PBT after EO Exp/(Inc)	**10.9**	**7.4**	**23.9**	**17.8**	**14.0**	**8.4**	**4.1**	**5.3**	**60.1**	**31.7**	**9.4**	**(44)**
Tax	3.1	2.5	5.4	4.6	4.0	2.5	1.5	-15.4	15.6	-7.4	2.6	
Prior period tax adj.	0.0	0.0	-8.1	0.4	-0.3	-17.1	-1.0	2.1	-7.7	-16.3	0.0	
Rate (%)	28.4	33.3	22.4	26.0	29.0	29.3	35.9	-292.1	25.9	-74.7	27.8	
Reported Profit	**7.8**	**5.0**	**26.6**	**12.8**	**10.2**	**23.0**	**3.7**	**18.6**	**52.2**	**55.4**	**6.8**	**173**
Adj PAT (before MI)	**7.8**	**5.1**	**3.4**	**7.3**	**9.6**	**7.6**	**2.7**	**5.4**	**42.3**	**46.3**	**6.8**	**(20)**
Minority Interest	1.4	0.2	5.0	3.3	1.8	5.4	1.6	0.3	9.9	9.1	3.0	-
Adj PAT (after MI)	**6.4**	**4.9**	**4.6**	**4.4**	**7.8**	**5.6**	**1.1**	**5.1**	**20.3**	**19.6**	**3.8**	**34**
YoY Change (%)	(29.3)	(38.0)	(44.5)	(17.0)	22.0	13.6	(75.7)	16.4	(28.0)	(3.2)	(13.3)	

Note: Adj. PAT (after MI) of 2QFY26 is also adjusted for ACC's tax reversal impact

Per ton analysis

Y/E March	FY25				FY26				FY25	FY26	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	(%)
Volume	15.3	14.2	16.5	18.2	18.8	16.9	18.9	19.9	64.2	74.5	20.0	(0)
Change (YoY %)	(1)	9	17	10	23	19	15	9	16	16	10	
Blended Realization	**5,485**	**5,181**	**5,203**	**5,484**	**5,473**	**5,429**	**5,437**	**5,485**	**5,345**	**5,457**	**5,515**	(1)
Change (YoY %)	-3.1	-8.6	-9.7	2.2	-0.2	4.8	4.5	0.0	-5.1	2.1	0.6	
Raw Material	963	997	1,094	1,004	811	774	1,008	1,007	1,016	905	1,170	(14)
Staff Cost	207	245	232	195	222	240	203	199	218	215	211	(6)
Power and fuel	1,419	1,276	1,250	1,263	1,337	1,349	1,380	1,317	1,300	1,345	1,252	5
Freight	1,370	1,282	1,239	1,284	1,289	1,221	1,250	1,331	1,352	1,275	1,220	9
Other expenditure	689	697	852	712	771	803	880	895	739	839	778	15
Total cost	**4,649**	**4,498**	**4,666**	**4,458**	**4,430**	**4,387**	**4,721**	**4,750**	**4,626**	**4,579**	**4,631**	3
EBITDA	**836**	**684**	**537**	**1,026**	**1,043**	**1,042**	**716**	**736**	**719**	**878**	**884**	(17)
Change (YoY %)	(23)	(31)	(56)	0	25	52	33	(28)	(3)	22	(14)	

CONFERENCE CALL

Highlights from the management commentary

Demand and pricing

- Management indicated that the demand environment remains moderate to weak in the near term, impacted by inflationary pressures and expectations of a subdued monsoon, which could weigh on construction activity. Industry demand for FY27 is guided at ~5% growth. It guided ~8% volume growth to 80mt, driven by internal levers such as stabilization of acquired assets (Sanghi and Penna) and commissioning of ongoing expansions.
- It emphasized that growth will be value-focused rather than volume-led, with higher thrust on trade sales and premium products. Overall utilization is expected to remain in the range of ~70%–75% range, indicating sufficient headroom for growth without aggressive capacity addition.
- Pricing remains a key challenge, with the industry witnessing only marginal price improvements INR10/bag (selective geographies seeing INR15–20) in Apr'26. Pricing power remains weak due to subdued demand conditions, limiting the industry's ability to pass on rising costs.
- Despite significant cost inflation, the sector is struggling to implement meaningful price hikes, and near-term pricing outlook remains under pressure. The company's realizations remained largely stable YoY, with marginal improvement QoQ. It believes that premiumization benefits are yet to fully reflect in the company's realization.
- Going forward, pricing recovery is contingent on demand revival, and it expects only partial cost pass-through in the near term, keeping margins under pressure.

Operational highlights

- Management highlighted that the key disappointment during the quarter was the elevated cost structure, particularly in acquired assets.
- Existing ACEM and ACC assets are expected to operate at ~75%–80% utilization. Premium cement account for ~36% of trade sales and volumes are growing ~22% YoY.
- Cost escalation was a major negative surprise in 4Q, with costs rising to INR4,500/t compared to earlier expectations of INR4,000/t. The increase was driven by multiple factors, including higher fuel and freight costs, increased lead distance, elevated packing costs due to geopolitical disruptions, higher heat consumption, and increased branding/advertisement spend. Additionally, acquired assets (Sanghi and Penna) operated at sub-optimal utilization and efficiency, further inflating costs.
- It believes INR4,500/ton cost/t is at peak, with a target reduction of INR250/t in FY27-FY28 (each). Key cost-saving levers include improvement in raw material sourcing (fly ash), increased share of green energy, logistics optimization, and operational efficiency gains in acquired plants. However, near-term costs in 1QFY27 are expected to remain flattish at elevated levels, given ongoing geopolitical uncertainties. Margin recovery is, therefore, expected to be gradual and driven primarily by internal efficiencies rather than pricing.
- Green power contributed to ~32% of total power requirement vs. ~26%/37% in 4QFY25/3QFY26. It stood at 31% in FY26 v/s 21% in FY25. Management guided for at least INR150–200/t savings from raw material and green energy

improvements and reiterated a broader target of INR250/t cost reduction in FY27 and another INR250/t reduction in FY28.

- Kiln fuel cost was at INR1.61/Kcal vs. INR1.58/INR1.65 in 4QFY25/3QFY26. On the logistics front, the company further reduced its primary lead distance by 1km YoY to 262km in 4QFY26, while it reduced 4km YoY in FY26 to 261km.

Strategy for subsidiaries/acquired assets

- Sanghi operated at ~57% utilization for FY26, while Penna operated at ~46%, both significantly below desired levels. Management stated that turnaround initiatives took longer than expected, particularly at Penna, where higher-than-expected maintenance capex and asset upkeep were required. For FY27, the target is to improve utilization by ~5%–10% across these assets. Management guided Sanghi utilization at ~65%–70% and Penna at ~55%–60%.
- It highlighted significant progress on portfolio integration during FY26. The amalgamation of Sanghi Industries and Penna Cement with ACEM has been completed, while ACC and Orient Cement integration remains under process. It stated that the 'One Cement Platform' is a strategic initiative aimed at sharper operational focus, stronger synergies, and improved compliance across the group.
- Among acquired assets, Sanghi and Penna remain the key turnaround focus. These assets are still not operating at desired levels and are the primary reason for the current profitability gap. Excluding acquired assets, management indicated EBITDA for ACEM and ACC would have been INR70–80/t higher.
- Sanghi's ramp-up strategy is being driven primarily through marine logistics rather than dependence on the Naliya railway line. Management stated that seven vessels have already been ordered and will be delivered progressively starting next year, strengthening Sanghi's evacuation capabilities. The railway line is considered an incremental benefit rather than part of the base model.
- For Penna, management indicated that the asset required significantly higher maintenance capex and repairs than originally anticipated. The turnaround has taken longer due to machine breakdowns, operational inefficiencies, and the weak South India market during the quarter. However, management stated that both Sanghi and Penna are now nearing operational readiness and should show better performance going forward.

Capacity expansion and capex plan

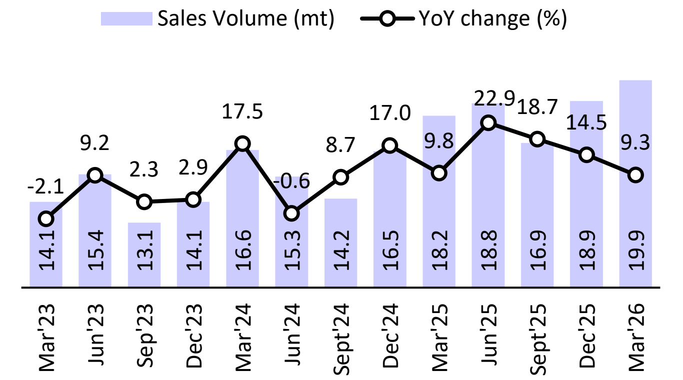
- During FY26, ACEM's cement capacity increased to 109mt following the commissioning of 10.7mt of grinding capacity across Marwar, Farakka, Sankrail, Sindri, and Krishnapatnam, along with 7mt of clinker capacity additions at Jodhpur and Bhatapara.
- Management expects capacity to reach 119mt by end-FY27 through the commissioning of 10mt of ongoing grinding unit expansions, including projects such as Salai Banwa and Warisaliganj. Current clinker capacity stands at 73mt, with an additional 4mt clinker capacity to be added during FY27 through Marwar and Penna.
- The company has recalibrated its longer-term capacity expansion strategy. While the earlier target was to reach 140mt–155mt by FY28, management stated that timelines are being reset and FY30 is now considered a safer target.

It clarified that the ambition remains unchanged, but timelines are being pushed back due to weaker-than-expected operational delivery and the need for better capital discipline.

- The focus remains strongly on organic growth rather than inorganic acquisitions. Management stated that the priority is stabilizing existing assets, improving utilization, and completing ongoing expansions before pursuing further large-scale growth. Inorganic opportunities may still be evaluated, but greenfield and organic expansion remain the primary focus.
- Capex for FY27 is pegged at INR60b–65b. A large portion of this relates to projects already under execution, including capacity additions, WHRS, fly ash transportation systems, debottlenecking, and maintenance capex.
- New clinker projects include Assam (following the limestone block win) and Mundra, both seen as strategic projects for improving cost efficiency and expanding into new geographies. Capacity additions will also focus on regions where ACEM already has strong market share and brand recall, helping improve logistics efficiency and market penetration.
- The company's net cash balance stood at INR17.7b vs. INR15.1b as of Dec'25 and INR101.3b as of Mar'25.

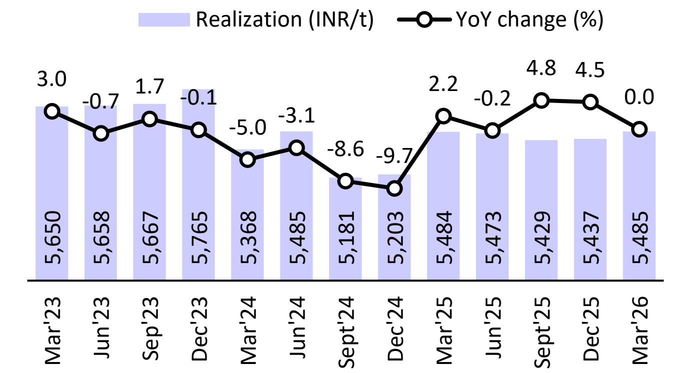
Story in charts

Exhibit 1: Consol. sales volume up ~9% YoY



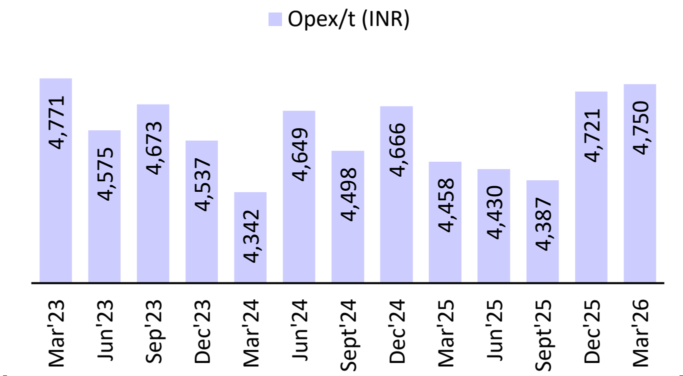
Source: Company, MOFSL

Exhibit 2: Realization remained flat YoY



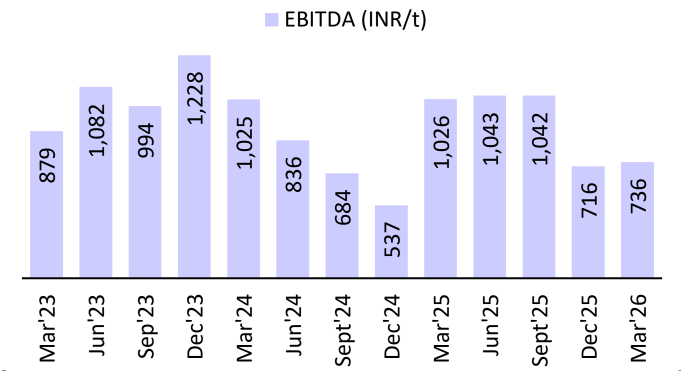
Source: Company, MOFSL

Exhibit 3: OPEX/t up 7% YoY (up ~1% QoQ)



Source: Company, MOFSL

Exhibit 4: EBITDA/t declined 28% YoY



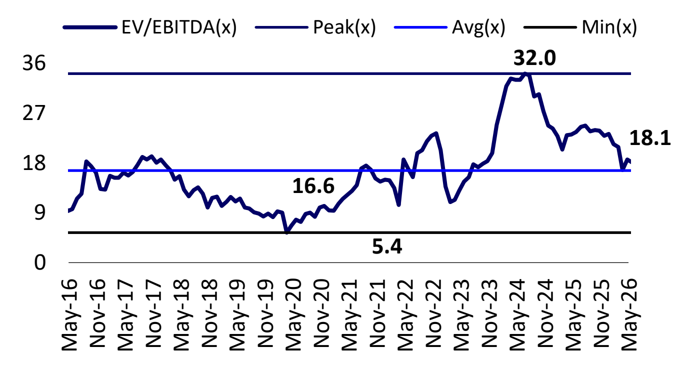
Source: Company, MOFSL

Exhibit 5: Key performance indicators – per ton analysis (consolidated)

INR/t	Mar'26	Mar'25	YoY (%)	Dec'25	QoQ (%)
Blended Realization	**5,485**	**5,484**	**0**	**5,437**	**1**
Raw Material	1,007	1,004	0	1,008	(0)
Staff Cost	199	195	2	203	(2)
Power and Fuel	1,317	1,263	4	1,380	(5)
Freight	1,331	1,284	4	1,250	6
Other exp.	895	712	26	880	2
Total Cost	**4,750**	**4,458**	**7**	**4,721**	**1**
EBITDA	**736**	**1,026**	**(28)**	**716**	**3**

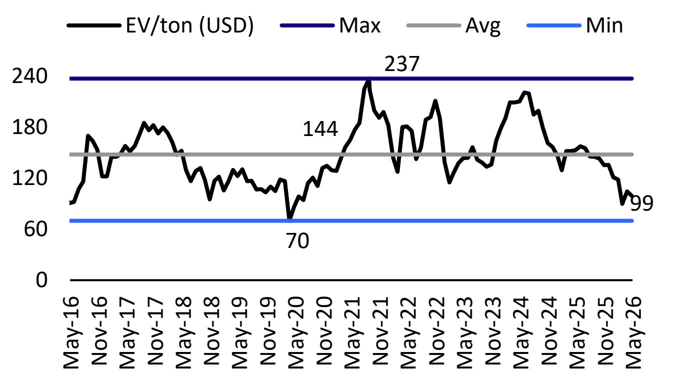
Source: Company, MOFSL

Exhibit 6: One-year forward EV/EBITDA chart



Source: Company, MOFSL

Exhibit 7: One-year forward EV/t chart



Source: Company, MOFSL

Consolidated financials and valuations

Income Statement								(INR m)
Y/E March	**CY20**	**CY21**	**FY23***	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Net Sales	**2,45,162**	**2,89,655**	**3,89,370**	**3,31,596**	**3,43,357**	**4,06,557**	**4,46,554**	**4,99,115**
Change (%)	-9.5	18.1	7.5	6.5	3.5	18.4	9.8	11.8
Total Expenditure	1,95,106	2,27,551	3,38,147	2,67,601	2,93,295	3,41,167	3,79,142	4,07,731
As a Percentage of Sales	79.6	78.6	86.8	80.7	85.4	83.9	84.9	81.7
EBITDA	**50,056**	**62,104**	**51,224**	**63,995**	**50,063**	**65,389**	**67,412**	**91,384**
Change (%)	8.2	24.1	-34.0	56.2	-21.8	30.6	3.1	35.6
Margin (%)	20.4	21.4	13.2	19.3	14.6	16.1	15.1	18.3
Depreciation	11,618	11,525	16,447	16,234	22,970	35,704	37,916	45,093
EBIT	**38,438**	**50,579**	**34,777**	**47,761**	**27,092**	**29,685**	**29,496**	**46,292**
Interest	1,402	1,457	1,949	2,764	2,159	2,236	2,180	2,097
Other Income – Rec.	4,438	3,524	7,377	11,664	12,435	8,343	8,761	9,199
PBT Before EO Exp.	**41,474**	**52,647**	**40,205**	**56,662**	**37,368**	**35,793**	**36,076**	**53,394**
EO Exp./(Inc.)	1,702	1,205	3,190	-2,116	-23,304	3,320	0	0
PBT After EO Exp.	**39,772**	**51,442**	**37,015**	**58,777**	**60,672**	**32,473**	**36,076**	**53,394**
Tax Expense	8,848	14,534	7,051	11,626	7,863	-23,697	9,236	13,669
Tax Rate (%)	22.2	28.3	19.0	19.8	13.0	-73.0	25.6	25.6
Add: Share of Profit from Associate	144	202	280	229	132	201	201	201
Less: Minority Interest	7,414	9,307	4,410	11,612	9,910	9,089	8,863	12,012
Reported PAT	**23,654**	**27,804**	**25,834**	**35,768**	**43,031**	**47,282**	**18,179**	**27,914**
PAT Adj. for EO Items	**25,357**	**28,707**	**28,227**	**30,545**	**20,308**	**19,648**	**18,179**	**27,914**
Change (%)	20.9	13.2	-21.3	35.3	-33.5	-3.2	-7.5	53.6
Margin (%)	10.3	9.9	7.2	9.2	5.9	4.8	4.1	5.6

Balance Sheet								(INR m)
Y/E March	**CY20**	**CY21**	**FY23***	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Equity Share Capital	3,971	3,971	3,971	4,395	4,926	4,944	4,944	4,944
Money Received Against Issue of Warrants			50,000	27,797				
Total Reserves	2,23,605	2,49,566	2,63,010	3,82,325	5,30,863	5,88,530	6,01,469	6,24,144
Net Worth	**2,27,576**	**2,53,537**	**3,16,982**	**4,14,517**	**5,35,789**	**5,93,473**	**6,06,413**	**6,29,087**
Minority Interest	63,409	71,450	70,584	93,908	1,03,682	1,24,989	1,33,007	1,44,173
Def. Liabilities	6,260	7,562	7,004	13,214	24,285	34,337	34,337	34,337
Total Loans	436	435	477	368	268	528	15,819	50,819
Capital Employed	**2,97,681**	**3,32,985**	**3,95,046**	**5,22,007**	**6,64,024**	**7,53,327**	**7,89,575**	**8,58,416**
Gross Block	1,85,238	2,13,828	2,43,254	3,36,585	4,43,873	6,08,517	7,14,604	8,07,654
Less: Accum. Depn.	59,140	69,989	86,436	1,02,669	1,25,640	1,61,344	1,96,734	2,36,800
Net Fixed Assets	**1,26,099**	**1,43,839**	**1,56,818**	**2,33,916**	**3,18,233**	**4,47,173**	**5,17,870**	**5,70,854**
Capital WIP	24,219	21,964	25,259	26,585	98,583	91,209	49,147	44,122
Capital Advances	6,050	4,234	4,810	14,266	15,548	15,548	15,548	15,548
Goodwill	78,761	78,697	78,697	88,028	1,09,428	1,35,455	1,35,455	1,35,455
Investments in Subsidiaries	1,546	1,705	1,861	623	604	736	736	736
Investments – Trade	7,026	8,861	276	7,863	18,511	396	396	396
Curr. Assets	**1,53,507**	**1,92,773**	**2,49,495**	**2,79,388**	**2,50,113**	**2,05,222**	**2,27,997**	**2,56,180**
Inventory	16,486	27,380	32,728	36,086	42,480	45,523	55,724	54,723
Debtors	5,611	6,458	11,544	11,896	15,903	18,685	26,914	33,107
Cash and Bank Bal.	82,457	1,08,358	1,15,610	1,43,985	61,722	9,586	7,931	27,922
Others	48,953	50,577	89,613	87,422	1,30,008	1,31,428	1,37,428	1,40,428
Curr. Liability and Prov.	**99,526**	**1,19,088**	**1,22,168**	**1,28,660**	**1,46,996**	**1,42,413**	**1,57,574**	**1,64,874**
Creditors	96,601	1,16,026	1,19,373	1,25,671	1,43,904	1,37,458	1,52,619	1,59,919
Provisions	2,926	3,062	2,795	2,989	3,092	4,955	4,955	4,955
Net Current Assets	**53,980**	**73,685**	**1,27,327**	**1,50,728**	**1,03,117**	**62,810**	**70,423**	**91,306**
Appl. of Funds	**2,97,681**	**3,32,985**	**3,95,046**	**5,22,007**	**6,64,024**	**7,53,327**	**7,89,575**	**8,58,416**

Source: Company, MOFSL; * Note: 15-month period due to a change in the accounting year from December to March

Consolidated financials and valuations

Ratios

Y/E December/March	CY20	CY21	FY23*	FY24	FY25	FY26	FY27E	FY28E
Basic (INR)								
EPS	**12.8**	**14.5**	**14.2**	**13.9**	**8.2**	**7.9**	**7.4**	**11.3**
Cash EPS	18.6	20.3	22.5	21.3	17.6	22.4	22.7	29.5
BV/Share	114.6	127.7	159.6	188.6	217.5	240.1	245.3	254.5
DPS	18.5	6.3	2.5	2.0	2.0	2.0	2.5	2.5
Payout (%)	144.9	43.6	17.6	14.4	24.3	25.2	34.0	22.1
Valuation (x)								
P/E Ratio	30.6	27.0	27.5	28.1	47.4	49.2	53.1	34.6
Cash P/E Ratio	21.0	19.3	17.4	18.4	22.2	17.5	17.2	13.2
P/BV Ratio	3.4	3.1	2.4	2.1	1.8	1.6	1.6	1.5
EV/Sales Ratio	3.7	3.0	2.2	2.8	3.0	2.8	2.7	2.4
EV/EBITDA Ratio	17.9	14.1	17.0	14.5	20.9	17.2	17.6	13.2
EV/t (Cap) - USD	152	140	137	127	123	109	99	93
Dividend Yield (%)	4.2	1.4	0.6	0.4	0.4	0.4	0.6	0.6
Return Ratios (%)								
RoE	10.9	12.0	10.0	8.4	4.3	3.5	3.0	4.5
RoCE	12.8	15.2	9.9	10.5	5.0	9.1	3.6	5.3
RoIC	14.5	18.6	12.4	12.7	5.5	8.9	3.2	4.5
Working Capital Ratios								
Asset Turnover (x)	0.8	0.9	1.0	0.6	0.5	0.5	0.6	0.6
Debtor (Days)	8.4	8.1	10.8	13.1	16.9	16.8	22.0	24.2
Inventory (Days)	25	35	31	40	45	41	46	40
Work Cap (Days)	80.4	92.9	119.4	165.9	109.6	56.4	57.6	66.8
Leverage Ratio (x)								
Current Ratio	1.5	1.6	2.0	2.2	1.7	1.4	1.4	1.6
Debt/Equity Ratio	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1

Cash Flow Statement (INR m)

Y/E December	CY20	CY21	FY23*	FY24	FY25	FY26	FY27E	FY28E
OP/(Loss) Before Tax	39,916	51,645	37,295	59,006	61,037	32,988	36,277	53,594
Depreciation	11,618	11,525	16,447	16,234	22,970	35,704	35,390	40,066
Interest and Finance Charges	1,699	1,402	1,905	2,764	2,159	2,236	2,236	2,180
Direct Taxes Paid	-11,702	-6,476	-7,385	-9,156	-3,802	2,822	-9,236	-13,669
(Inc.)/Dec. in WC	8,492	-3,602	-40,913	-12,390	-59,991	-20,135	-9,268	-892
CF from Operations	**50,022**	**54,494**	**7,349**	**56,458**	**22,374**	**53,615**	**55,399**	**81,280**
Others	0	0	0	0	0	0	0	0
CF from Operations incl. EO	**50,022**	**54,494**	**7,349**	**56,458**	**22,374**	**53,615**	**55,399**	**81,280**
(Inc.)/Dec. in FA	-17,253	-22,963	-40,659	-39,611	-85,915	-59,557	-64,025	-88,025
Free Cash Flow	**32,769**	**31,530**	**-33,310**	**16,847**	**-63,541**	**-5,942**	**-8,626**	**-6,745**
(Pur.)/Sale of Investments	4,080	2,893	2,668	-49,893	10,604	-19,795	0	0
Others	19,865	-1,963	8,585	4,533	-85,246	-10,105	0	0
CF from Investments	**6,692**	**-22,034**	**-29,407**	**-84,971**	**-1,60,557**	**-89,457**	**-64,025**	**-88,025**
Issue of Shares	0	0	0	424	531	0	0	0
Inc./(Dec.) in Debt	0	0	-1,155	-1,533	-20,083	-9,121	15,291	35,000
Interest Paid	-1,699	-1,402	-1,581	-2,341	-1,758	-1,523	-2,236	-2,180
Dividend Paid	-37,959	-3,334	-12,514	-4,964	-4,926	-4,918	-6,180	-6,180
Others	-1,603	-1,823	44,560	65,302	82,157	-732	95	95
CF from Fin. Activity	**-41,261**	**-6,560**	**29,310**	**56,888**	**55,920**	**-16,294**	**6,971**	**26,736**
Inc./Dec. in Cash	**15,453**	**25,901**	**7,253**	**28,375**	**-82,263**	**-52,136**	**-1,655**	**19,991**
Opening Balance	67,003	82,457	1,08,358	1,15,610	1,43,985	61,722	9,586	7,931
Closing Balance	**82,457**	**1,08,357**	**1,15,610**	**1,43,985**	**61,722**	**9,586**	**7,931**	**27,922**

Source: Company, MOFSL; * Note: 15-month period due to a change in the accounting year from December to March

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Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
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Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
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Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

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