28 October 2026
2QFY27 Results Update | Sector: Cement

JSW Cement

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	JSWCEMEN IN
Equity Shares (m)	1363
M.Cap.(INRb)/(USDb)	156.8 / 1.6
52-Week Range (INR)	143 / 107
1, 6, 12 Rel. Per (%)	3/-2/-3
12M Avg Val (INR M)	420

Financial Snapshot (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	65.1	81.5	93.4
EBITDA	12.4	13.5	17.2
Adj. PAT	4.9	5.0	6.1
EBITDA Margin (%)	19.0	16.5	18.5
Adj. EPS (INR)	3.3	3.4	4.2
EPS Gr. (%)	n/m	2.9	23.2
BV/Sh. (INR)	48.8	50.5	53.9
Ratios			
Net D:E (x)	0.5	0.7	0.9
RoE (%)	10.0	7.0	8.1
RoCE (%)	7.9	6.5	7.2
Payout (%)	15.0	15.4	16.4
Valuations			
P/E (x)	34.6	33.7	27.3
P/BV (x)	2.4	2.3	2.1
EV/EBITDA(x)	14.6	14.8	12.3
EV/ton (USD)	79	78	67
Div. Yield (%)	0.4	0.5	0.6
FCF Yield (%)	-5.1	-6.7	-5.1

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	72.0	72.0	72.3
DII	12.3	11.5	7.9
FII	5.4	4.7	6.3
Others	10.3	11.8	13.5

FII includes depository receipts

CMP: INR115 TP: INR140 (+22%) Buy

Robust volume growth; North plant ramp-up encouraging

Capacity expansion on track; leverage to remain elevated in near term

- JSW Cement's (JSWC) 2QFY27 EBITDA was in line with our estimates, as lower realization/t was offset by higher-than-expected volume growth. Revenue/EBITDA rose ~33%/4% YoY to INR19.1b/INR2.8b. OPM contracted 4.1pp YoY to ~15% (est. ~16%). EBITDA/t declined ~18% YoY to INR707 (est. INR766). PAT dipped ~1% YoY to INR853m (in line).
- Management remains constructive on cement demand for the remainder of FY27, led by improving infrastructure execution and construction activity. In GGBS, it reiterated its full-year volume growth guidance of high single digits. Cement price hikes during Sep-Oct'26 is expected to support realizations in the coming quarters. JSWC remains focused on pricing discipline and broadly maintaining its pricing position. It reiterated its aggressive growth ambitions, led by capacity additions and improving demand. It remains committed to disciplined leverage management, with net debt/EBITDA likely to remain at ~3x for another year before declining below this level over the coming years.
- We maintain our estimates for FY27/FY28. We value JSWC at 14x FY28E EV/EBITDA to arrive at our TP of INR140. **We recently upgraded JSWC to BUY (Link).**

Overall volume up ~26% YoY; EBITDA/t declines ~18% YoY to INR707

- Consolidated revenue/EBITDA/PAT stood at INR19.1b/INR2.8b/INR853m (+33%/+4%/-1% YoY and +6%/-1%/+2% vs. our estimates) in 2QFY27. Sales volume rose ~26% YoY to 3.9mt (7% beat). Of this, cement volume rose 39% YoY to 2.29mt and GGBS volume rose 7% YoY to 1.47mt. Realization/t rose ~5% YoY (down 2% QoQ) to INR4,866/t (~1% below estimates).
- Opex/t surged ~11% YoY to INR4,159 (in line), led by ~19%/7%/3% increase in variable cost/other expenses/freight cost per ton. EBITDA/t declined ~18% YoY to INR707. Depreciation/finance cost increased ~25%/14% YoY. Other income declined ~27% YoY.
- In 1HFY27, revenue/EBITDA/PAT stood at INR38.1b/INR5.8b/INR2.1b (+27%/-2%/+5% YoY). OPM contracted 4.5pp YoY to ~15%. EBITDA/t declined ~19% YoY to INR745. OCF stood at INR4.2b vs. INR5.1b in 1HFY26. Capex stood at INR8.2b vs. INR9.6b in 1HFY26. Net cash outflow stood at INR4.0b vs. INR4.6b in 1HFY26.

Highlights from the management commentary

- JSWC highlighted continued improvement in its North operations, with plant utilization reaching ~75% in 2QFY27. The North plant achieved EBITDA break-even in 2Q and is expected to deliver EBITDA/t of ~INR650-700 in 4QFY27.
- Blended fuel costs increased to INR1.84/kcal in 2QFY27 from INR1.80/kcal in 1QFY27. Fuel cost is expected to increase to INR2.10/kcal in 3Q, translating into an increase of ~INR90/t.
- Capacity expansion plans remain on track, with the 2.5mtpa Nagaur grinding unit expected to be commissioned in 4QFY28 and Fujairah GU targeted for commissioning in 1QFY28 (around May–June).

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Valuation and view

- JSWC's 2QFY27 operating performance was in line with our estimates, as strong volume growth offset weak realizations. Demand momentum is estimated to remain strong. Near-term profitability will remain under pressure from elevated fuel costs, although recent price hikes and an improving cost curve in the coming quarter are expected to partly offset the adverse impact. The North India plant is the key growth driver, providing both incremental capacity and access to a more profitable/balanced market.
- We estimate a CAGR of ~20%/18%/12% in revenue/EBITDA/PAT over FY26-28. EBITDA/t is estimated at INR807/INR914 in FY27/FY28 vs. INR888 in FY26. Net debt is expected to remain elevated at INR50.4b/INR63.9b in FY28 vs. INR35.8b as of FY26 due to aggressive capex. The net debt-to-EBITDA ratio is estimated to increase to 3.7x by FY27/FY28 vs. 2.9x in FY26. The stock is trading at 15x/12x FY27/FY28E EV/EBITDA. We value JSWC at 14x FY28E EV/EBITDA to arrive at a TP of INR140. Reiterate BUY.

Quarterly Performance (Consolidated)

Y/E March	FY26				FY27				FY26	FY27	FY27	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**15.6**	14.4	16.2	18.9	19.0	19.1	21.4	22.0	**65.1**	**81.5**	**18.1**	**6**
YoY Change (%)	7.8	17.4	13.2	10.9	21.6	33.1	32.2	15.9	12.0	25.1	26.0	
EBITDA	**3.2**	2.7	2.9	3.7	3.0	2.8	3.6	4.1	**12.4**	**13.5**	**2.8**	**-1**
YoY Change (%)	38.8	65.2	33.4	46.0	-7.5	3.8	26.4	12.2	44.5	8.6	5.1	
Margins (%)	20.7	18.6	17.6	19.3	15.7	14.5	16.8	18.7	19.0	16.5	15.5	-101
Depreciation	0.8	0.8	0.8	0.8	1.0	1.0	1.2	1.3	3.2	4.5	1.1	-10
Interest	1.0	1.0	0.9	0.9	1.0	1.1	1.2	1.2	3.8	4.5	1.0	12
Other Income	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.2	1.0	0.8	0.2	-12
PBT before EO Expense	**1.6**	**1.1**	**1.5**	**2.1**	**1.2**	**0.8**	**1.4**	**1.8**	**6.4**	**5.2**	**0.9**	**-8**
Extra-Ord loss/ (income)	14.7	-	-0.2	0.0	-0.6	-	-	-	14.5	-0.6	-	NA
PBT after EO Expense	**-13.0**	**1.1**	**1.7**	**2.1**	**1.8**	**0.8**	**1.4**	**1.8**	**-8.1**	**5.8**	**0.9**	**-8**
Tax	0.6	0.5	0.5	-1.5	0.4	0.2	0.4	0.4	0.2	1.4	0.2	6
Prior period tax adjustment	-	-	-	-2.1	-	-	-	-	-2.1	-	-	-
Rate (%)	-5.0	41.2	31.6	30.9	30.0	28.6	25.0	24.3	-28.2	24.0	25.0	
Reported PAT (pre minority)	**-13.7**	**0.7**	**1.2**	**3.6**	**1.4**	**0.6**	**1.1**	**1.4**	**-8.3**	**4.4**	**0.7**	**-12**
Share of loss/(profit) from JV	-0.0	-0.1	-0.1	-0.1	**-0.1**	-0.2	-0.2	-0.2	-0.3	-0.7	-0.1	
Minority	-0.1	-0.1	-0.1	-0.1	**-0.1**	-0.1	-0.1	-0.1	-0.4	-0.3	-0.1	-3
PAT Adj. for EO items & post MI	1.1	0.9	1.3	1.6	**1.2**	0.9	1.3	1.6	**4.9**	**5.0**	**0.8**	**2**
YoY Change (%)	1,087.9	NA	NA	291.4	10.7	-1.2	2.4	0.2	NA	2.9	-3.4	
Margins (%)	7.1	6.0	8.0	8.6	6.4	4.5	6.2	7.4	7.5	6.2	4.6	
Sales Dispatches (m ton)	**3.3**	**3.1**	**3.6**	**4.0**	**3.8**	**3.9**	**4.4**	**4.5**	**14.0**	**16.7**	**3.7**	7
YoY Change (%)	7.8	14.8	14.1	7.0	15.1	26.4	24.7	13.1	10.6	19.5	18.0	
Net realization	**4,712**	**4,619**	**4,554**	**4,749**	**4,977**	**4,866**	**4,827**	**4,867**	**4,662**	**4,881**	**4,932**	-1
YoY Change (%)	0.0	2.3	-0.8	3.6	5.6	5.3	6.0	2.5	1.3	4.7	6.8	
RM Cost	1,206	1,024	1,164	1,250	1,321	1,106	1,070	1,148	1,167	1,157	1,271	-13
Employee Expenses	245	271	254	215	256	255	228	231	245	242	269	-5
Power, Oil & Fuel	642	726	664	593	801	976	1,010	920	652	930	841	16
Freight	1,098	1,056	1,053	1,114	1,090	1,089	1,090	1,091	1,082	1,090	1,085	0
Other Expenses	547	682	618	662	725	733	618	569	628	656	699	5
Total Expenses	**3,738**	**3,759**	**3,753**	**3,834**	**4,194**	**4,159**	**4,015**	**3,959**	3,774	4,075	**4,166**	-0
EBITDA	**975**	**860**	**801**	**915**	**784**	**707**	**812**	**908**	**888**	**807**	**766**	-8



Highlights from the management commentary

Demand and volume guidance

- Management remains constructive on demand for the remainder of FY27, led by improving infrastructure execution and construction activity.
- Overall, total volumes increased 26% YoY to 3.93mt in 2QFY27. Cement volumes grew 40% YoY to 2.29mt. Volume growth was led by its regional presence and market mix rather than aggressive price cuts. Excluding North, cement volumes increased ~13% YoY, while GGBS volumes grew ~7% YoY. In East, its volumes grew ~20% YoY, while in South, volumes grew ~13%.
- In GGBS, the company reiterated its full-year volume growth guidance of high single digits, led by improving momentum, accelerating growth from ~2% in 1Q to ~7% in 2Q.
- Demand trends remain positive across the company's operating markets, with infrastructure activity providing additional support in Maharashtra, particularly the Mumbai metropolitan region, where the company's Dolvi plant benefits from a short cement lead distance of ~110km. It is not witnessing any material drought-related impact across its areas and has reported healthy volume trends in Oct'26.

Cement Prices

- Cement prices increased across regions during Sep-Oct'26, which should support realizations in the coming quarters. It maintained its pricing position broadly in line with 1QFY27. Its focus is on pricing discipline despite competitive dynamics across markets. It continues to follow a stable pricing strategy.
- In Oct'26, non-trade cement prices increased by INR15-20/bag in the South, INR25-30/bag in the East, ~INR10/bag in the West, and ~INR20/bag in the North. In the trade segment, price increases of INR10-15/bag have been observed only in the East, while other regions are yet to reflect the hikes.
- The company expects prices to remain firm, supported by industry-wide cost pressures and healthy demand across cement and GGBS.

North plant progress

- It highlighted continued improvement in North operations, with plant utilization reaching ~75% in 2QFY27. The North plant achieved EBITDA break-even during the quarter. The commissioning of an additional 1mtpa grinding capacity in Oct'26 has strengthened its ability to serve regional demand. It expects operating costs to decline further over the coming quarters as operations stabilize and utilization improves.
- Nagaur's volumes are expected to improve from current levels, following sales of ~0.58mt in 2Q, including clinker sales. With an additional 1mtpa grinding capacity now operational, it expects volumes to ramp up progressively.
- The North plant's EBITDA/t is expected to improve to ~INR650–700 in 4Q, while profitability remains constrained by underutilization of the clinker line. The plant currently has ~3.5mtpa of grinding capacity and a similar clinker capacity of ~3.3mtpa, while the targeted cement volumes require only ~2.2–2.3mt of clinker. A meaningful improvement in utilization and profitability is expected

once the additional 2.5mtpa grinding capacity becomes operational, potentially bringing margins closer to industry levels.

- The North plant's trade mix currently stands at ~53%, targeting an increase to ~60% by the end of the year.

Operational highlights

- Cement trade mix remained steady at 52%, while the clinker-to-cement ratio increased to 58% during the ramp-up of North operations. Lead distance rose by 9km QoQ to 294km. The addition of 36MW of wind capacity at Nandyal and Vijayanagar, alongside the Nagaur WHRS unit, increased its green power share to 41% in 2QFY27.
- Blended fuel costs increased to INR1.84/kcal in 2QFY27 from INR1.80/kcal in 1QFY27. Fuel costs are expected to increase from INR1.84 to INR2.10/kcal, translating into an estimated increase of ~INR90/t in cement costs based on the clinker factor. It expects the impact to be largely offset by an increase in green energy contribution from 41% to +50%, along with price hikes implemented in the second half of Sep'26 and continuing through Oct'26.
- While rising fuel costs remain the key concern, it has adequate fuel availability until Dec'26/early-Jan'27, with subsequent costs dependent on market developments. Current spot prices are ~INR3.08–3.17/kcal for petcoke and ~INR3/kcal for imported coal, while domestic coal remains relatively cheaper.
- Logistics costs remained stable QoQ, as the impact of higher lead distance was offset by railway busy-season surcharge waivers and volume reallocation between the Vijayanagar and Dolvi plants.
- It expects opex/t to decline by INR550-600/t despite higher fuel costs. The anticipated improvement is supported by the commencement of the overland belt conveyor (OLBC), higher contributions from waste heat recovery (WHR) and alternative fuels (AF), and an increase in volumes and clinker utilization as operations ramp up.
- The clinker-to-cement ratio at the North plant declined from 1.82x to 1.72x in 2Q and is expected to remain around current levels in the near term. However, it expects the ratio to improve as the product mix shifts toward OPC and operations ramp up.

Capex and leverage position

- The company recorded net debt of INR42.9b as of Sep'26, with net-debt/EBITDA at 3.2x. The average cost of debt remained stable QoQ at 7.67%. it incurred capex of INR4.8b in 2QFY27 and INR8.2b in H1FY27.
- Capex continues in the North, including land acquisition, with ongoing projects being funded largely through IPO proceeds. It reiterated its FY27 capex target of ~INR22–23b.
- Capacity expansion plans remain on track, with the 2.5mtpa Nagaur grinding unit expected to be ready in 4QFY28 and the Fujairah project targeted for commissioning in 1QFY28 (around May-June). At Dolvi, work on the initial 2mtpa grinding unit is expected to commence in Jan'27, with commissioning likely in 2Q/early-3QFY29. It is expediting this project to align with JSW Steel's blast furnace readiness in CY28. It continues to evaluate land acquisition near the PNP

jetty for the remaining 2mtpa expansion, taking the total planned addition to 4mtpa.

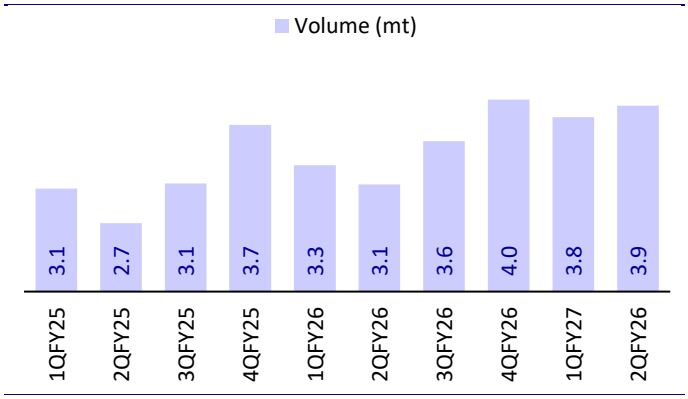
- At Vijayanagar, work is scheduled to commence in Dec'26, with commissioning expected in ~18 months, aligning with JSW Steel's planned capacity expansion from 18mtpa to 24mtpa.
- It reiterated its aggressive growth strategy while maintaining a disciplined approach to leverage, with net debt/EBITDA expected to remain around 3x for another year or so before declining below 3x in the coming years.

Other highlights

- RMC revenue stood at ~INR1.70b in 2Q. However, margins remain minimal as the business is in the initial phase of operations, with volumes yet to scale up sufficiently to absorb fixed costs. Profitability is expected to improve as utilization ramps up.
- It continues to evaluate opportunities to improve GGBS realizations amid rising OPC prices; however, its immediate focus remains on increasing GGBS penetration in concrete mix designs from the current ~35–40% to 50%. Any price increase will be evaluated if the price differential with OPC becomes sufficiently attractive.
- Trade payables remain elevated at ~80 days, above the industry average of 30-40 days, partly reflecting its ongoing expansion phase and reliance on acceptances. It expects the payables cycle to normalize in the near term while balancing working capital requirements against its commitment to contain debt levels.
- It expects trade payables to decline meaningfully once the Rajasthan operations start generating sufficient cash flow, likely by the end of 4QFY27 or in 1QFY28. The current elevated payables reflect the time lag between capex deployment and cash flow generation from new investments, while it continues to fund its expansion plans and manage leverage.

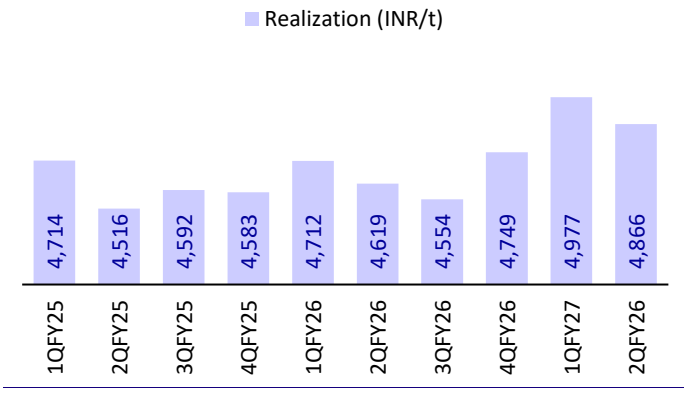
Story in charts

Exhibit 1: Sales volume increased ~26% YoY/3% QoQ



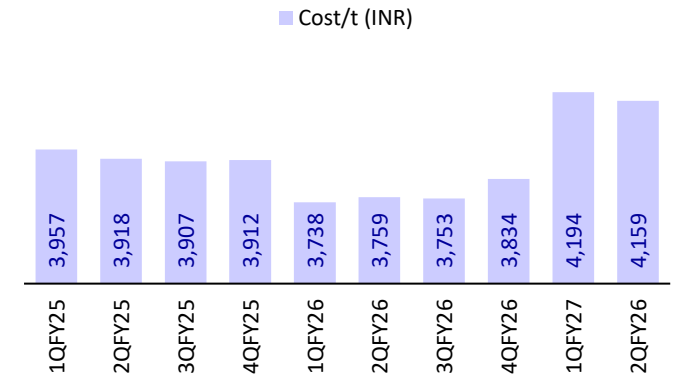
Source: Company, MOFSL

Exhibit 2: Blended realization increased ~5% YoY



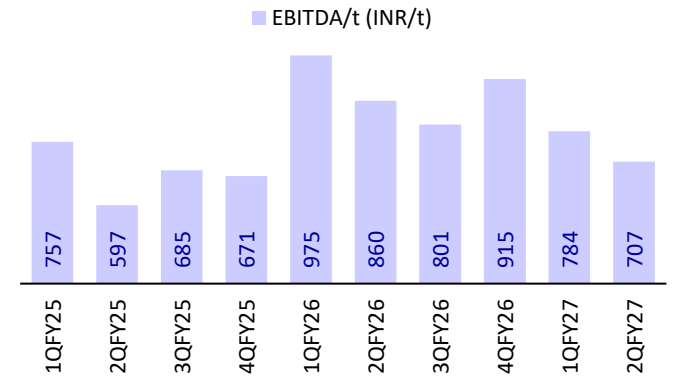
Source: Company, MOFSL

Exhibit 3: Opex/t increased 11% YoY (down 1% QoQ)



Source: Company, MOFSL

Exhibit 4: EBITDA/t declined 18% YoY/10% QoQ



Source: Company, MOFSL

Exhibit 5: Key performance indicators – per ton analysis

INR/t	2QFY27	2QFY26	YoY (%)	1QFY26	QoQ (%)
Blended Realization	**4,866**	**4,619**	**5**	**4,977**	**-2**
RM Costs	1,106	1,024	8	1,321	-16
Employee Expenses	255	271	-6	256	-1
Power and Fuel	976	726	34	801	22
Freight and Handling Outward	1,089	1,056	3	1,090	0
Other Expenses	733	682	7	725	1
Total Expenses	**4,159**	**3,759**	**11**	**4,194**	**-1**
EBITDA	**707**	**860**	**-18**	**784**	**-10**

Source: Company, MOFSL

Financials and valuations (consolidated)

Income Statement (INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Net Sales	**38,582**	**46,686**	**58,367**	**60,281**	**58,131**	**65,125**	**81,484**	**93,408**
Change (%)	31.8	21.0	25.0	3.3	-3.6	12.0	25.1	14.6
EBITDA	**8,187**	**7,569**	**8,168**	**10,742**	**8,582**	**12,403**	**13,465**	**17,247**
Change (%)	36.0	-7.5	7.9	31.5	-20.1	44.5	8.6	28.1
Margin (%)	21.2	16.2	14.0	17.8	14.8	19.0	16.5	18.5
Depreciation	1,787	2,385	3,732	2,783	3,103	3,222	4,478	5,659
EBIT	**6,401**	**5,185**	**4,436**	**7,959**	**5,478**	**9,180**	**8,987**	**11,587**
Int. and Finance Charges	2,907	3,154	4,456	5,760	5,946	3,780	4,542	5,549
Other Income - Rec.	655	1,949	1,455	865	1,016	988	790	798
PBT bef. EO Exp.	**4,149**	**3,980**	**1,435**	**3,064**	**548**	**6,389**	**5,235**	**6,837**
Share of loss/(profit) from JV	0	13	187	820	985	-308	-700	-750
Gains from subsidiary interest	0	0	0	0	0	0	0	0
PBT after EO Exp.	**4,149**	**3,967**	**1,249**	**2,244**	**-436**	**6,697**	**5,935**	**7,587**
Tax	1,296	1,641	208	1,623	1,201	176	1,387	1,778
Tax Rate (%)	31	41	17	72	-275	2.6	23.4	23.4
EO loss/(profits)	354	-	-	-	-	14,509	-552	-
Reported PAT	**2,499**	**2,327**	**1,041**	**620**	**-1,638**	**-7,988**	**5,100**	**5,809**
PAT Adj for EO items	**2,742**	**2,327**	**1,041**	**620**	**-1,638**	**4,467**	**4,714**	**5,809**
Change (%)	77.7	-15.1	-55.3	-40.4	n/m	n/m	5.5	23.2
Margin (%)	7.1	5.0	1.8	1.0	-2.8	6.9	5.8	6.2
Add: Loss through CCPS	-	8	1,354	1,413	1,444	-	-	-
Adj. PAT pre CCPS loss	**2,742**	**2,332**	**2,056**	**1,680**	**-554**	**4,467**	**4,714**	**5,809**
Minority Interest	-89	-116	-327	-278	-497	-425	-318	-303
Adj. PAT pre CCPS loss (after MI)	**2,831**	**2,449**	**2,383**	**1,958**	**-58**	**4,892**	**5,032**	**6,112**

Balance Sheet (INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity Share Capital	9,864	9,864	9,864	9,864	9,864	13,413	13,755	13,755
Total Reserves	8,391	11,443	13,057	14,783	13,662	52,092	55,753	60,387
Net Worth	**18,255**	**21,307**	**22,921**	**24,647**	**23,526**	**65,504**	**69,508**	**74,142**
Deferred Liabilities	1,187	1,734	1,828	2,777	3,329	3,531	3,531	3,531
Minority Interest	(70)	(186)	(514)	(792)	198	(226)	(544)	(847)
Total Loans (includes CCPS)	27,840	46,221	54,215	58,358	61,666	40,816	53,816	66,816
Capital Employed	**47,212**	**69,075**	**78,451**	**84,990**	**88,718**	**1,09,626**	**1,26,311**	**1,43,643**
Gross Block	43,261	46,565	51,829	67,851	75,791	95,618	1,17,618	1,39,618
Less: Accum. Deprn.	5,442	7,468	9,971	12,372	14,159	16,879	21,357	27,016
Net Fixed Assets	**37,820**	**39,097**	**41,858**	**55,478**	**61,632**	**78,739**	**96,261**	**1,12,602**
Capital WIP	2,942	8,762	15,907	7,700	10,376	9,764	10,000	10,000
Right to use assets	2,122	4,299	2,257	4,237	4,045	3,888	3,888	3,888
Total Investments	**3,539**	**4,836**	**7,142**	**4,323**	**2,659**	**2,901**	**2,901**	**2,901**
Goodwill	**2,303**	**2,332**	**2,332**	**2,169**	**2,169**	**2,169**	**2,169**	**2,169**
Curr. Assets, Loans&Adv.	**20,710**	**32,880**	**31,863**	**38,253**	**37,930**	**46,391**	**47,442**	**55,445**
Investments	**-**	**-**	**-**	**3,268**	**795**	-	-	-
Inventory	3,493	4,602	4,485	4,753	4,285	6,018	6,628	7,906
Account Receivables	6,194	7,663	7,108	7,828	7,818	8,538	9,038	10,781
Cash and Bank Balance	1,354	5,549	550	3,160	1,235	4,997	3,415	2,925
Loans and Advances	990	903	2,382	2,279	2,971	2,123	2,525	3,012
Other assets	8,680	14,162	17,338	16,965	20,826	24,716	25,837	30,821
Curr. Liability & Prov.	**22,223**	**23,131**	**22,908**	**27,171**	**30,093**	**34,227**	**36,351**	**43,364**
Sundry Creditors	9,136	10,828	10,841	12,222	12,376	14,391	16,067	19,166
Other liabilities	12,591	11,406	11,212	14,066	16,757	18,824	19,079	22,760
Provisions	497	897	855	882	960	1,013	1,205	1,438
Net Current Assets	**(1,513)**	**9,748**	**8,955**	**11,082**	**7,837**	**12,164**	**11,091**	**12,081**
Total Assets	**47,212**	**69,075**	**78,451**	**84,990**	**88,718**	**1,09,626**	**1,26,311**	**1,43,642**

E: MOFSL Estimates

Financials and valuations (consolidated)

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Basic (INR)								
Adj. fully diluted EPS	**2.9**	**2.4**	**2.1**	**1.7**	**-0.6**	**3.3**	**3.4**	**4.2**
Cash EPS	4.6	4.8	5.9	4.5	2.6	5.7	6.7	8.3
BV/Share	18.5	21.6	23.2	25.0	23.9	48.8	50.5	53.9
DPS	-	-	-	-	-	0.5	0.5	0.7
Payout (%)	-	-	-	-	-	15.0	15.4	16.4
Valuation (x)								
P/E	40.2	48.8	55.4	67.7	(205.3)	34.6	33.7	27.3
Cash P/E	180.8	173.6	141.5	183.5	44.7	20.1	17.3	13.8
P/BV	6.2	5.3	5.0	4.6	4.8	2.4	2.3	2.1
EV/Sales	4.6	3.7	3.0	3.0	3.2	2.8	2.4	2.3
EV/EBITDA	21.8	22.7	21.6	16.9	21.6	14.6	14.8	12.3
EV/Ton (US$)	134	124	114	93	95	79	78	67
EV/Ton (US$)- adj. capacity	265	186	162	124	109	82	88	91
Dividend Yield (%)	-	-	-	-	-	0.4	0.5	0.6
FCF per share	1.8	(7.3)	(9.9)	4.8	(4.2)	(5.9)	(7.7)	(5.9)
Return Ratios (%)								
RoIC	13.2	6.8	7.1	3.5	5.7	8.2	6.8	7.5
RoE	16.4	11.8	9.3	7.1	-2.3	10.0	7.0	8.1
RoCE	11.2	7.4	6.8	3.0	5.7	7.9	6.5	7.2
Working Capital Ratios								
Asset Turnover (x)	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.7
Inventory (Days)	33	36	28	29	27	34	30	31
Debtor (Days)	59	60	44	47	49	48	40	42
Creditor (Days)	86	85	68	74	78	81	72	75
Working Capital Turnover (Days)	-27	33	53	48	41	40	34	36
Leverage Ratio (x)								
Current Ratio	0.9	1.4	1.4	1.4	1.3	1.4	1.3	1.3
Interest Cover Ratio	2.2	1.6	1.0	1.4	0.9	2.4	2.0	2.1
Debt/Equity	1.5	2.2	2.4	2.4	2.6	0.6	0.8	0.9

Cash Flow Statement

(INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
PBT	3,795	3,967	1,248	2,244	(436)	(7,812)	5,935	7,587
Depreciation	1,787	2,385	3,732	2,783	3,103	3,222	4,478	5,659
Interest & Finance Charges	2,822	3,146	3,102	4,347	4,501	3,780	4,542	5,549
Direct Taxes Paid	(567)	(691)	(1,071)	(1,057)	(311)	(77)	(1,387)	(1,778)
(Inc)/Dec in WC	181	(3,686)	(1,271)	2,992	(1,603)	(1,241)	(509)	(1,481)
Others	167	(1,731)	791	2,769	2,112	13,830	(1,384)	(1,600)
CF from Operations	**8,184**	**3,390**	**6,532**	**14,077**	**7,367**	**11,702**	**11,675**	**13,937**
EO items	-	-	-	-	-	-	-	-
CF from Operating incl EO	**8,184**	**3,390**	**6,532**	**14,077**	**7,367**	**11,702**	**11,675**	**13,937**
(Inc)/Dec in FA	(6,449)	(10,545)	(16,337)	(9,322)	(11,517)	(19,615)	(22,237)	(22,000)
Free Cash Flow	**1,735**	**(7,155)**	**(9,806)**	**4,755**	**(4,150)**	**(7,913)**	**(10,562)**	**(8,063)**
(Pur)/Sale of Investments	(1,051)	(67)	(6,337)	-	3,310	1,328	-	-
Others	482	(4,685)	4,745	(1,876)	2,626	1,796	850	850
CF from Investments	**(7,019)**	**(15,297)**	**(17,929)**	**(11,198)**	**(5,580)**	**(16,491)**	**(21,387)**	**(21,150)**
Issue of Shares	-	16,000	-	-	795	15,980	342	-
Inc/(Dec) in Debt	2,325	(468)	13,603	2,615	1,950	(2,526)	13,000	13,000
Interest Paid	(2,863)	(2,728)	(2,922)	(4,502)	(4,656)	(4,425)	(4,542)	(5,549)
Dividend Paid	-	-	-	-	-	-	(671)	(728)
Others	(415)	(205)	(271)	(321)	(407)	(422)	-	-
CF from Fin. Activity	**(953)**	**12,599**	**10,410**	**(2,209)**	**(2,318)**	**8,608**	**8,129**	**6,723**
Inc/Dec of Cash	**212**	**692**	**(988)**	**670**	**(531)**	**3,819**	**(1,582)**	**(490)**
Opening Balance (inc. Bank bal.)	1,142	4,858	1,538	2,490	1,766	1,178	4,997	3,415
Closing Balance	**1,354**	**5,549**	**550**	**3,160**	**1,235**	**4,997**	**3,415**	**2,925**

Source: Company, MOFSL estimates

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SELL	< - 10%
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