

# Dalmia Bharat

Estimate change	↔
TP change	↑
Rating change	↔

**CMP: INR1,919**      **TP: INR2,230 (+16%)**      **Buy**

## Muted volume growth; lower opex/t drive profitability

### Near-term cost pressure; targeting above-industry growth in FY27

Bloomberg	DALBHARA IN
Equity Shares (m)	188
M.Cap.(INRb)/(USDb)	359.9 / 3.8
52-Week Range (INR)	2496 / 1717
1, 6, 12 Rel. Per (%)	-2/-2/-2
12M Avg Val (INR M)	723
Free float (%)	44.2

### Financial Snapshot (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	147.7	160.8	177.0
EBITDA	30.5	31.7	37.7
Adj. PAT	10.5	9.3	11.2
EBITDA Margin (%)	20.6	19.7	21.3
Adj. EPS (INR)	56.2	49.5	59.8
EPS Gr. (%)	51.5	-11.9	20.8
BV/Sh. (INR)	959	996	1,041

### Ratios

Net D:E	0.1	0.2	0.2
RoE (%)	6.0	5.1	5.9
RoCE (%)	6.0	5.5	6.2
Payout (%)	16.0	24.2	25.1

### Valuations

P/E (x)	34.3	38.9	32.2
P/BV (x)	2.0	1.9	1.8
EV/EBITDA(x)	11.4	11.6	10.3
EV/ton (USD)	75	70	67
Div. Yield (%)	0.5	0.6	0.8
FCF Yield (%)	0.7	-3.0	1.7

### Shareholding Pattern (%)

As of	Mar-26	Dec-25	Mar-25
Promoter	55.8	55.8	55.8
DII	20.4	19.1	16.6
FII	7.2	7.9	8.3
Others	16.6	17.1	19.3

FII includes depository receipts

- Dalmia Bharat's (DALBHARA) 4QFY26 EBITDA grew ~14% YoY to INR9.0b (9% beat), driven by lower-than-expected opex/t. EBITDA/t increased ~11% YoY to INR1,025 (est. INR928). OPM surged 1.9pp YoY to ~21% (+2.1pp vs. our estimate). Adjusted PAT was down ~9% YoY at INR3.3b (in line).
- Management highlighted that operating cost environment turned adverse due to the ongoing West Asia conflict. It is witnessing broad-based inflation across power & fuel, packaging, and logistics. Packaging costs have increased due to tight bag availability and higher granule prices, while fuel costs remain on an upward trend (rising sharply to ~USD160/t). Though it is implementing internal cost-control measures to cushion the impact. Further, price hikes have been taken in Apr'26 to partially offset the impact. It is adding capacity across West and South regions to reach 61.5mtpa by Dec'27 vs. 49.5mtpa currently. It is aiming to deliver industry-beating volume growth in FY27.
- We largely maintain our EBITDA estimates for FY27/FY28. We value the stock at 12x FY28E EV/EBITDA to arrive at our revised TP of INR2,230 (earlier INR2,110; raised mainly due to lower-than-expected cash outflow toward capex). **Reiterate BUY.**

### Volume up ~2% YoY; realization/t up ~1%YoY

- 4Q consol. revenue/EBITDA/adj. PAT stood at INR42.5b/INR9.0b/INR3.3b (+4%/+14%/-9% YoY and -2%/+9%/in line vs. estimates). Volume rose ~2% YoY to 8.8mt (in line). Realization grew ~1% YoY (+2% QoQ) to INR4,824/t (~1% below our estimates).
- Opex/t declined ~1% YoY (-3% vs. our estimates). Freight costs/employee expenses per ton declined ~6%/1% YoY, while variable cost/t remained flat YoY. Other expenses/t grew ~5% YoY. OPM expanded 1.9pp YoY to ~21%, and EBITDA/t increased ~11% YoY to INR1,025. Depreciation/interest costs increased ~16%/26% YoY. Other income declined ~52% YoY.
- In FY26, revenue/EBITDA/PAT stood at INR147.7b/INR30.5/INR10.5b, up 6%/27%/52% YoY. Volume grew only ~2% YoY to 30mtpa. Realization/t grew ~3% YoY and EBITDA/t was up ~24% YoY at INR1,015. OCF stood at INR22.8b vs. INR21.1b in FY25. Capex stood at INR20.6b vs. INR26.6b in FY25. FCF stood at INR2.4b vs. net cash outflow of INR5.1b in FY25.

### Highlights from the management commentary

- Management indicated a steady medium-term demand outlook for the cement industry, expecting industry volume CAGR of 7-8%, led by strong infrastructure spending across industrial corridors, affordable housing, high-speed rail, smart cities, and increasing central and state government capex.
- The company reiterated its capacity target of 75mtpa by FY28-end, and likely to share specific details in near future. Total capex guidance of INR32b-34b for FY27, including INR22b for expansion projects.
- Management maintains adequate limestone reserves across all regions, with ~2.7b tons of limestone available at its operational plants. Additionally, it holds mines across the country, which will support future capacity expansion and entry into new geographies.

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**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

### Valuation and view

- DALBHARA's 4QFY26 operating performance was above our estimates due to lower opex/t. In the near term, rising costs of key input materials (fuel, pp bags, diesel) and their availability remain key challenges. Volume growth in 4Q was partially impacted by the unexpected breakdown at its clinker plant in East. It expects newly commissioned capacity in the northeast and an expected new line in Belgaum during the year will support volume growth in FY27E.
- We estimate a CAGR of 9%/11% in revenue/EBITDA over FY26-28. We estimate a volume CAGR of ~8% over FY26-28E and EBITDA/t of INR993/INR1,081 in FY27/FY28E vs. INR1,015 in FY26. We estimate ~3% PAT CAGR over FY26-28, due to higher depreciation/interest costs. The company's net debt is estimated to surge to INR32.6b by FY28 from INR14.2b in FY26. Net-debt-to-EBITDA ratio is estimated at 0.87x in FY28 vs. 0.47x in FY26.
- At CMP, the stock is trading at 12x/10x FY27E/FY28E EV/EBITDA EV/t of USD70/USD67. We value the stock at 12x FY28E EV/EBITDA to arrive at our revised TP of INR2,230 (earlier INR2,110; raised mainly due to lower-than-expected cash outflow towards capex). **Reiterate BUY.**

### Quarterly Performance (Consolidated)

Y/E March	(INR b)											
	FY25				FY26				FY25	FY26	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	(%)
<b>Net Sales</b>	<b>36.2</b>	<b>30.9</b>	<b>31.8</b>	<b>40.9</b>	<b>36.4</b>	<b>34.2</b>	<b>34.7</b>	<b>42.5</b>	<b>139.8</b>	<b>147.7</b>	<b>43.2</b>	<b>-2</b>
YoY Change (%)	-0.3	-2.0	-11.7	-5.0	0.4	10.7	9.1	3.8	-4.8	5.6	5.6	
Total Expenditure	29.5	26.5	26.7	33.0	27.5	27.2	29.0	33.4	115.7	117.2	34.9	-4
<b>EBITDA</b>	<b>6.7</b>	<b>4.3</b>	<b>5.1</b>	<b>7.9</b>	<b>8.8</b>	<b>7.0</b>	<b>5.7</b>	<b>9.0</b>	<b>24.1</b>	<b>30.5</b>	<b>8.3</b>	<b>9</b>
Margins (%)	18.5	14.1	16.1	19.4	24.3	20.4	16.3	21.2	17.2	20.6	19.1	212
YoY Change (%)	8.4	-26.3	-34.4	21.3	32.0	60.4	10.6	13.7	-8.8	26.5	4.2	
Depreciation	3.2	3.4	3.6	3.1	3.2	3.2	3.4	3.7	13.3	13.5	3.5	5
Interest	1.0	1.0	1.0	1.1	1.1	1.2	1.2	1.3	4.0	4.8	1.2	11
Other Income	0.5	0.7	0.4	0.9	0.5	0.7	0.6	0.5	2.5	2.2	0.8	-46
<b>PBT before EO Expense</b>	<b>3.1</b>	<b>0.7</b>	<b>0.8</b>	<b>4.7</b>	<b>5.0</b>	<b>3.2</b>	<b>1.7</b>	<b>4.5</b>	<b>9.3</b>	<b>14.4</b>	<b>4.4</b>	<b>2</b>
Extra-Ord expense	1.1	0.0	0.0	0.0	-0.2	0.0	-0.1	0.1	1.1	-0.1	0.0	
<b>PBT after EO Expense</b>	<b>1.9</b>	<b>0.7</b>	<b>0.8</b>	<b>4.7</b>	<b>5.2</b>	<b>3.2</b>	<b>1.7</b>	<b>4.4</b>	<b>8.2</b>	<b>14.5</b>	<b>4.4</b>	<b>-1</b>
Tax	0.5	0.2	0.2	0.3	1.2	0.8	0.5	0.5	1.2	2.9	1.2	
Prior Period Tax Adjustment	0.0	0.1	0.0	-0.8	0.0	0.0	0.0	-0.8	-0.7	-0.7	0.0	
Rate (%)	16.0	20.5	22.9	22.9	24.5	24.8	26.0	26.7	5.6	15.1	26.2	
<b>Reported PAT (Pre Minority)</b>	<b>1.5</b>	<b>0.5</b>	<b>0.7</b>	<b>4.4</b>	<b>4.0</b>	<b>2.4</b>	<b>1.3</b>	<b>4.0</b>	<b>7.0</b>	<b>11.6</b>	<b>3.3</b>	<b>21</b>
Minority + Associate	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.1	0.2	0.2	0.0	
<b>Adj. PAT</b>	<b>2.3</b>	<b>0.6</b>	<b>0.6</b>	<b>3.6</b>	<b>3.7</b>	<b>2.4</b>	<b>1.2</b>	<b>3.3</b>	<b>7.0</b>	<b>10.5</b>	<b>3.3</b>	<b>0</b>
YoY Change (%)	82.9	-53.8	-78.1	40.7	65.8	329.1	100.4	-8.5	-9.0	51.5	-8.7	

### Per Ton Analysis (Blended) INR/t

<b>Sales Dispatches (m ton)</b>	<b>7.4</b>	<b>6.7</b>	<b>6.7</b>	<b>8.6</b>	<b>7.0</b>	<b>6.9</b>	<b>7.3</b>	<b>8.8</b>	<b>29.4</b>	<b>30.0</b>	<b>8.9</b>	<b>-1</b>
YoY Change (%)	6.2	8.1	-2.0	-2.3	-5.4	3.0	9.5	2.3	2.0	2.1	3.5	
<b>Net Realization</b>	<b>4,893</b>	<b>4,607</b>	<b>4,773</b>	<b>4,757</b>	<b>5,194</b>	<b>4,952</b>	<b>4,752</b>	<b>4,824</b>	<b>4,760</b>	<b>4,922</b>	<b>4,851</b>	<b>-1</b>
YoY Change (%)	-6.1	-9.3	-9.9	-2.8	6.2	7.5	-0.4	1.4	-6.7	3.4	2.0	
RM Cost	818	664	768	891	667	732	800	889	793	779	826	8
Employee Expenses	308	327	335	250	324	328	307	247	301	298	263	-6
Power, Oil & Fuel	1,023	1,055	999	899	1,036	1,039	1,019	902	988	993	1,020	-12
Freight and Handling Outward	1,122	1,099	1,122	1,130	1,136	1,055	1,059	1,066	1,119	1,078	1,072	-1
Other Expenses	719	815	782	665	770	790	793	695	739	758	741	-6
<b>Total Expenses</b>	<b>3,989</b>	<b>3,960</b>	<b>4,006</b>	<b>3,835</b>	<b>3,933</b>	<b>3,943</b>	<b>3,978</b>	<b>3,799</b>	<b>3,940</b>	<b>3,907</b>	<b>3,923</b>	<b>-3</b>
<b>EBITDA</b>	<b>904</b>	<b>648</b>	<b>767</b>	<b>922</b>	<b>1,261</b>	<b>1,009</b>	<b>774</b>	<b>1,025</b>	<b>820</b>	<b>1,015</b>	<b>928</b>	<b>10</b>

Source: Company, MOFSL Estimates



## Key takeaways from the management commentary

### Demand and pricing

- Management remains constructive on India's growth story and expects cement demand to grow at ~7-8% in the medium term, supported by strong infrastructure spending across industrial corridors, affordable housing, high-speed rail, smart cities, and increasing central and state government capex. For FY27, the company expects industry demand to remain healthy and is targeting volume growth above the industry level.
- Volume growth in 4QFY26 was impacted by an unexpected breakdown in East, which resulted in the loss of nearly 0.15m ton of clinker and 0.3m ton of cement volumes. It indicated that without this one-off disruption, growth would have been stronger. Newly commissioned lines in the Northeast and upcoming commissioning in other regions are expected to support better volume growth in FY27.
- On the pricing front, management noted a positive development, with cement prices witnessing improvement across most key markets in Apr'26. The company remains optimistic that this upward pricing momentum will sustain in the near term and potentially offset the ongoing cost inflation.

### Operational highlights and cost insights

- Trade sales accounted for 67% vs. 67%/62% in 4QFY25/3QFY26. Premium products contributed 24% vs. 24%/23% in 4QFY25/3QFY26.
- Renewable energy share on a consumption basis stood at ~47% vs. 39%/48% in 4QFY25/3QFY26. The company plans to commission an additional 1.8MW of renewable energy capacity shortly, taking total RE capacity to 546MW.
- Blended fuel consumption cost stood at INR1.36/kcal vs. INR1.30/INR1.36/kcal in 4QFY25/3QFY26. Lead distance was 281km vs. 277km/277km in 4QFY25/3QFY26. Direct dispatches stood at 65% vs. 61%/62% in 4QFY25/3QFY26. The C:C ratio stood at 1.6x vs. 1.7x/1.6x in 4QFY25/3QFY26
- Incentive accrued during 4QFY26 stood at INR450m, while total outstanding incentives increased to INR8.4b due to delayed state government payouts amid elections. Collections in 4QFY26 were only INR140m, though management expects normalization soon. For FY27, incentive booking is expected at ~INR2b .
- The company has delivered the lowest quarterly total cost/t in the last five years, reinforcing its position as one of the lowest-cost cement producers. Total cost per ton has been reduced by INR183 since 1QFY25, while adjusted cost (excluding Tamil Nadu mineral tax, incentives, and fuel impact) has been decreased by a sharp INR211/t. On a full-year basis, adjusted cost was lower by INR100/t YoY.
- Raw material cost/t declined 1% YoY to INR734/t despite an additional mineral tax levy of INR160/t in Tamil Nadu.
- Petcoke prices have jumped to ~USD160/t, further aggravated by INR depreciation. Additionally, supply tightening in packaging materials, particularly bag availability and rising granule costs, has led to higher packing expenses. Fuel costs have also moved up and may rise further in the near term. Despite these headwinds, management indicated that the company is undertaking multiple internal cost-control measures to mitigate the impact to the extent possible.

Packing cost inflation alone is expected to contribute INR80-90/t to the projected near-term cost increase .

- Looking ahead, management expects cost inflation of INR125-150/t from 4QFY26 to 1QFY27, driven by packaging, logistics, and power & fuel costs. However, it remains focused on internal cost-reduction initiatives and continues to target annual cost reduction of INR50-100/t going forward.

#### **Expansion plans and capex**

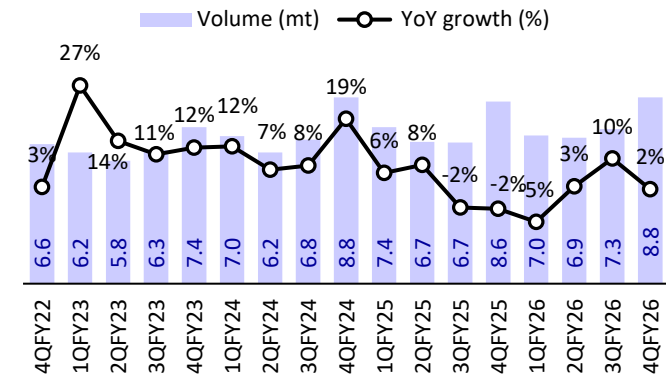
- The ongoing expansion projects at Belgaum, Pune, and Kadapa will increase cement capacity to 61.5mt from ~50mt currently over the next 18-20 months. Civil work at Belgaum has been completed and E&I work has commenced, with commissioning expected slightly ahead of the earlier announced schedule. Ordering for all key equipment at Kadapa is completed; however, minor delays in 4Q pushed the commissioning timeline to between 2QFY28 and 3QFY28 .
- Work on the Pune grinding unit and Chennai bulk terminal is also going on. Management reiterated its capacity target of 75mt by FY28-end, and it will share specific details of new capacity expansions plans in near future.
- Total project capex outflow over the last two financial years stood at INR32b. For FY27, expansion-linked cash outflow is expected at INR22b-23b, while total capex guidance stands at INR32-34b, including maintenance capex, efficiency projects, renewable investments, and regular plant capex .

#### **Debt position and other key highlights**

- The company's net debt (including investment in IEX of INR11.1b vs. INR12.9b as of Dec'25) declined to INR14.3b from INR17.9b as of Dec'25. The net debt-to-EBITDA ratio stood at 0.47x vs. 0.6x as of Dec'25.

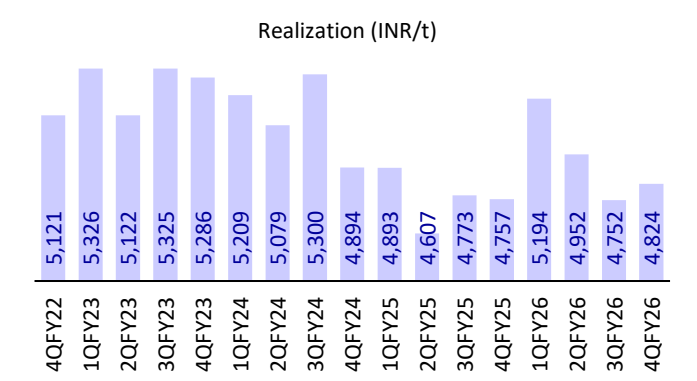
## Story in charts

**Exhibit 1: Sales volume rose 2% YoY**



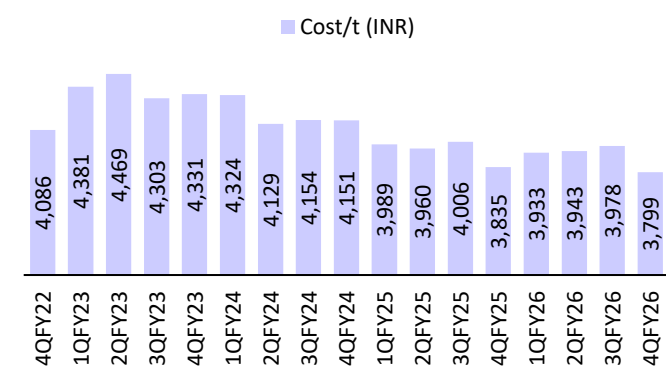
Source: Company, MOFSL

**Exhibit 2: Realization increased ~1% YoY/2% QoQ**



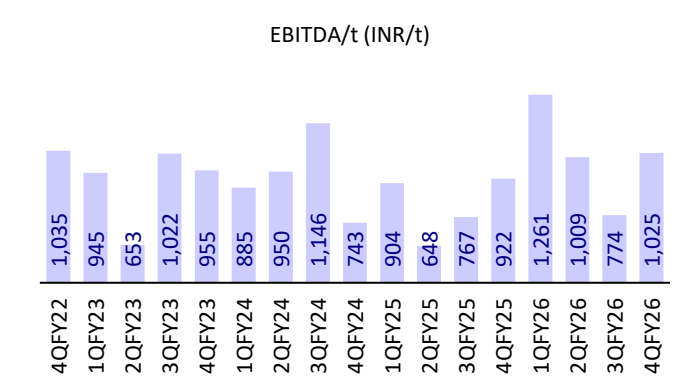
Source: Company, MOFSL

**Exhibit 3: Opex/t declined ~1% YoY/5% QoQ**



Source: Company, MOFSL

**Exhibit 4: EBITDA/t increased ~11% YoY**



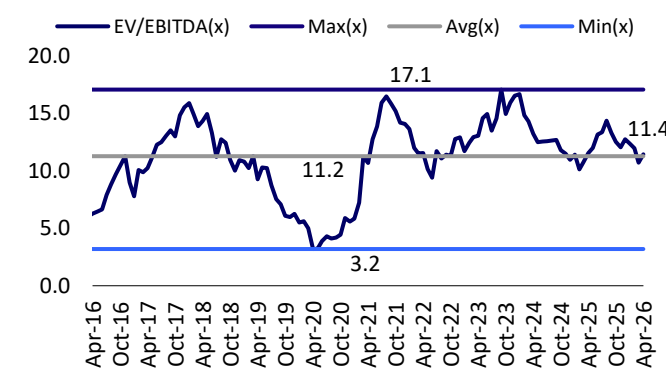
Source: Company, MOFSL

**Exhibit 5: Key operating metrics (blended)**

	4QFY26	4QFY25	YoY (%)	3QFY26	QoQ (%)
<b>INR/t</b>					
<b>Realization</b>	<b>4,824</b>	<b>4,757</b>	<b>1%</b>	<b>4,752</b>	<b>2%</b>
RM Cost	889	891	0%	800	11%
Staff Cost	247	250	-1%	307	-20%
Power and Fuel	902	899	0%	1,019	-11%
Freight and Forwarding	1,066	1,130	-6%	1,059	1%
Other Expenditure	695	665	5%	793	-12%
<b>Total Expenditure</b>	<b>3,799</b>	<b>3,835</b>	<b>-1%</b>	<b>3,978</b>	<b>-5%</b>
<b>EBITDA</b>	<b>1,025</b>	<b>922</b>	<b>11%</b>	<b>774</b>	<b>32%</b>

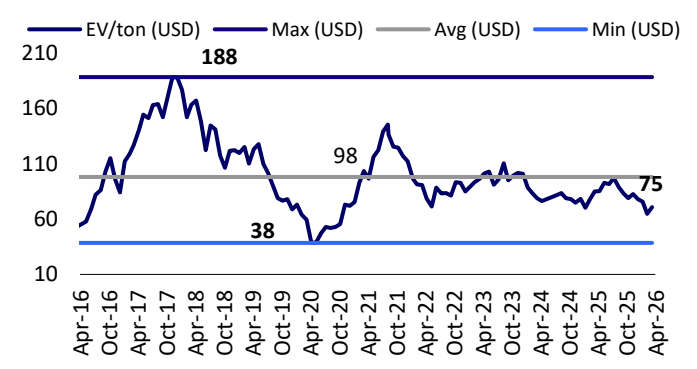
Source: Company, MOFSL

**Exhibit 6: One-year forward EV/EBITDA**



Source: Company, MOFSL

**Exhibit 7: One-year forward EV/ton**



Source: Company, MOFSL

## Financials and valuations (Consolidated)

Income Statement							(INR m)	
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
<b>Net Sales</b>	<b>1,01,100</b>	<b>1,12,860</b>	<b>1,35,400</b>	<b>1,46,910</b>	<b>1,39,800</b>	<b>1,47,670</b>	<b>1,60,783</b>	<b>1,76,995</b>
Change (%)	4.5	11.6	20.0	8.5	-4.8	5.6	8.9	10.1
<b>EBITDA</b>	<b>27,620</b>	<b>24,260</b>	<b>23,160</b>	<b>26,390</b>	<b>24,070</b>	<b>30,460</b>	<b>31,714</b>	<b>37,664</b>
Margin (%)	27.3	21.5	17.1	18.0	17.2	20.6	19.7	21.3
Depreciation	12,500	12,350	13,050	14,980	13,310	13,490	15,046	16,828
<b>EBIT</b>	<b>15,120</b>	<b>11,910</b>	<b>10,110</b>	<b>11,410</b>	<b>10,760</b>	<b>16,970</b>	<b>16,667</b>	<b>20,835</b>
Int. and Finance Charges	2,950	2,020	2,340	3,860	3,990	4,800	6,295	7,986
Other Income - Rec.	1,810	1,600	1,380	3,150	2,530	2,220	2,287	2,422
<b>PBT bef. EO Exp.</b>	<b>13,980</b>	<b>11,490</b>	<b>9,150</b>	<b>10,700</b>	<b>9,300</b>	<b>14,390</b>	<b>12,658</b>	<b>15,271</b>
EO Expense/(Income)	-3,330	20	-3,850	0	1,130	-110	0	0
<b>PBT after EO Exp.</b>	<b>17,310</b>	<b>11,470</b>	<b>13,000</b>	<b>10,700</b>	<b>8,170</b>	<b>14,500</b>	<b>12,658</b>	<b>15,271</b>
Current Tax	2,120	250	320	1,410	1,140	290	3,220	3,884
Deferred Tax	3,330	2,900	2,100	750	40	2,630	0	0
Tax Rate (%)	40.4	26.5	29.6	25.4	20.4	25.4	25.4	25.4
<b>Reported PAT</b>	<b>11,860</b>	<b>8,320</b>	<b>10,580</b>	<b>8,540</b>	<b>6,990</b>	<b>11,580</b>	<b>9,439</b>	<b>11,387</b>
Minority and Associates	-130	-240	-190	-270	-160	-180	-160	-180
<b>PAT Adj. for EO items</b>	<b>8,400</b>	<b>8,203</b>	<b>6,850</b>	<b>7,640</b>	<b>6,950</b>	<b>10,530</b>	<b>9,279</b>	<b>11,207</b>
Change (%)	275.0	-2.3	-16.5	11.5	-9.0	51.5	-11.9	20.8
Margin (%)	8.3	7.3	5.1	5.2	5.0	7.1	5.8	6.3

Balance Sheet							(INR m)	
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity Share Capital	374	375	375	375	375	375	375	375
Total Reserves	1,27,726	1,60,235	1,55,905	1,63,590	1,73,360	1,79,410	1,86,439	1,94,834
<b>Net Worth</b>	<b>1,28,100</b>	<b>1,60,610</b>	<b>1,56,280</b>	<b>1,63,965</b>	<b>1,73,735</b>	<b>1,79,785</b>	<b>1,86,814</b>	<b>1,95,209</b>
Deferred capital investment subsidy	1,240	1,250	1,660	1,560	1,740	2,100	2,100	2,100
Deferred Liabilities	16,590	15,640	16,100	17,580	19,810	21,840	21,840	21,840
Minority Interest	340	720	1,160	1,100	1,260	1,440	1,600	1,780
Total Loans	37,080	31,190	37,420	46,300	52,580	67,520	84,020	97,520
<b>Capital Employed</b>	<b>1,83,350</b>	<b>2,09,410</b>	<b>2,12,620</b>	<b>2,30,505</b>	<b>2,49,125</b>	<b>2,72,685</b>	<b>2,96,374</b>	<b>3,18,449</b>
Gross Block	1,86,160	2,00,360	2,16,590	2,39,020	2,66,140	2,99,913	3,34,173	3,84,173
Less: Accum. Deprn.	49,910	59,020	68,760	81,710	93,490	1,06,613	1,21,659	1,38,488
<b>Net Fixed Assets</b>	<b>1,36,250</b>	<b>1,41,340</b>	<b>1,47,830</b>	<b>1,57,310</b>	<b>1,72,650</b>	<b>1,93,300</b>	<b>2,12,513</b>	<b>2,45,685</b>
Capital WIP	10,060	10,450	18,710	23,950	26,160	27,260	25,000	5,000
<b>Current Investment</b>	<b>32,930</b>	<b>43,990</b>	<b>29,350</b>	<b>38,720</b>	<b>44,440</b>	<b>51,050</b>	<b>51,050</b>	<b>51,050</b>
Non-current Investment	7,410	13,060	5,900	5,910	7,160	8,140	8,140	8,140
<b>Curr. Assets, Loans and Adv.</b>	<b>32,210</b>	<b>37,840</b>	<b>53,400</b>	<b>51,225</b>	<b>51,295</b>	<b>52,835</b>	<b>55,135</b>	<b>69,631</b>
Inventory	7,600	9,460	13,160	12,180	13,860	11,920	14,271	15,709
Account Receivables	5,110	6,730	7,000	8,360	8,890	8,640	9,407	10,356
Cash and Bank Balance	2,470	1,600	2,850	3,920	1,580	2,240	2,071	13,866
Loans and Advances	17,030	20,050	30,390	26,765	26,965	30,035	29,386	29,699
<b>Curr. Liability and Prov.</b>	<b>35,510</b>	<b>37,270</b>	<b>42,570</b>	<b>46,610</b>	<b>52,580</b>	<b>59,900</b>	<b>55,465</b>	<b>61,057</b>
Account Payables	32,820	34,600	39,370	43,160	48,300	55,330	50,489	55,580
Provisions	2,690	2,670	3,200	3,450	4,280	4,570	4,976	5,478
<b>Net Current Assets</b>	<b>-3,300</b>	<b>570</b>	<b>10,830</b>	<b>4,615</b>	<b>-1,285</b>	<b>-7,065</b>	<b>-330</b>	<b>8,574</b>
<b>Appl. of Funds</b>	<b>1,83,350</b>	<b>2,09,410</b>	<b>2,12,620</b>	<b>2,30,505</b>	<b>2,49,125</b>	<b>2,72,685</b>	<b>2,96,374</b>	<b>3,18,448</b>

E: MOFSL estimates

## Financials and valuations (Consolidated)

### Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
<b>Basic (INR)*</b>								
EPS	44.9	43.8	36.5	40.8	37.1	56.2	49.5	59.8
Cash EPS	111.7	109.7	106.1	120.6	108.0	128.1	129.7	149.5
BV/Share	684.6	857.2	833.6	874.6	926.7	959.0	996.4	1,041.2
DPS	1.3	9.0	9.0	9.0	9.0	9.0	12.0	15.0
Payout (%)	3.0	20.6	24.6	22.1	24.3	16.0	24.2	25.1
<b>Valuation (x)*</b>								
P/E	42.9	43.9	52.7	47.2	51.9	34.3	38.9	32.2
Cash P/E	17.2	17.5	18.1	15.9	17.8	15.0	14.8	12.9
P/BV	2.8	2.2	2.3	2.2	2.1	2.0	1.9	1.8
EV/Sales	3.5	3.0	2.6	2.3	2.4	2.4	2.3	2.2
EV/EBITDA	12.8	13.8	15.0	12.9	14.2	11.4	11.6	10.3
EV/t (USD)	122	99	95	81	73	75	70	67
Dividend Yield (%)	0.1	0.5	0.5	0.5	0.5	0.5	0.6	0.8
<b>Return Ratios (%)</b>								
ROIC	6.7	6.0	4.5	5.2	5.0	6.9	6.1	6.7
RoE	7.2	5.7	4.3	4.8	4.1	6.0	5.1	5.9
RoCE	6.1	5.6	4.2	5.4	4.8	6.0	5.5	6.2
<b>Working Capital Ratios</b>								
Asset Turnover (x)	0.6	0.5	0.6	0.6	0.6	0.5	0.5	0.6
Inventory (Days)	27	31	35	30	36	29	32	32
Debtor (Days)	18	22	19	21	23	21	21	21
<b>Leverage Ratio (x)</b>								
Current Ratio	0.9	1.0	1.3	1.1	1.0	0.9	1.0	1.1
Debt/Equity	0.3	0.2	0.2	0.3	0.3	0.4	0.4	0.5

### Cash Flow Statement

(InR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
OP/(Loss) before Tax	13,640	11,620	13,210	10,690	8,170	14,500	12,658	15,271
Depreciation	12,500	12,360	13,050	14,980	13,310	13,490	15,046	16,828
Interest and Finance Charges	3,190	1,930	2,310	3,860	3,990	4,800	6,265	7,956
Direct Taxes Paid	440	240	-140	-540	-710	-990	-3,220	-3,884
(Inc.)/Dec. in WC	7,810	-5,150	-770	460	-2,300	-6,590	-7,418	2,256
<b>CF from Operations</b>	<b>37,580</b>	<b>21,000</b>	<b>27,660</b>	<b>29,450</b>	<b>22,460</b>	<b>25,210</b>	<b>23,333</b>	<b>38,427</b>
Others	-1,540	-1,680	-5,140	-3,100	-1,290	-2,430	-2,287	-2,422
<b>CF from Operations incl. EO</b>	<b>36,040</b>	<b>19,320</b>	<b>22,520</b>	<b>26,350</b>	<b>21,170</b>	<b>22,780</b>	<b>21,046</b>	<b>36,005</b>
(Inc.)/Dec. in FA	-10,270	-17,560	-27,010	-27,230	-26,260	-20,410	-32,000	-30,000
<b>Free Cash Flow</b>	<b>25,770</b>	<b>1,760</b>	<b>-4,490</b>	<b>-880</b>	<b>-5,090</b>	<b>2,370</b>	<b>-10,954</b>	<b>6,005</b>
(Pur.)/Sale of Investments	6,050	6,380	2,980	-1,610	2,200	-10,490	-12	-14
Others	370	410	1,080	1,340	1,360	670	2,287	2,422
<b>CF from Investments</b>	<b>-3,850</b>	<b>-10,770</b>	<b>-22,950</b>	<b>-27,500</b>	<b>-22,700</b>	<b>-30,230</b>	<b>-29,725</b>	<b>-27,592</b>
Issue of Shares	-4,000	50	0	0	0	0	0	0
Inc./(Dec.) in Debt	-25,340	-5,800	6,670	8,890	6,480	15,310	17,026	14,150
Interest Paid	-3,960	-2,320	-2,970	-4,390	-4,440	-4,460	-6,265	-7,956
Dividend Paid	0	-1,000	-1,690	-1,690	-1,690	-1,690	-2,250	-2,812
Others	-450	-350	-330	-590	-740	-1,080	0	0
<b>CF from Fin. Activity</b>	<b>-33,750</b>	<b>-9,420</b>	<b>1,680</b>	<b>2,220</b>	<b>-390</b>	<b>8,080</b>	<b>8,510</b>	<b>3,382</b>
<b>Inc./Dec. of Cash</b>	<b>-1,560</b>	<b>-870</b>	<b>1,250</b>	<b>1,070</b>	<b>-1,920</b>	<b>630</b>	<b>-168</b>	<b>11,794</b>
Opening Balance	4,030	2,470	1,600	2,850	3,500	1,610	2,240	2,071
<b>Closing Balance</b>	<b>2,470</b>	<b>1,600</b>	<b>2,850</b>	<b>3,920</b>	<b>1,580</b>	<b>2,240</b>	<b>2,071</b>	<b>13,866</b>

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BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
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NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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