Ambuja Cements | BUY

Lower opex/tn drives operational beat

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Ambuja Cements' consolidated adjusted EBITDA increased 52% YoY/ declined ~14% QoQ to INR 16.9bn (JMFe: INR 16.1bn) in 2Q, a 13% beat on consensus estimates led by lower-than-expected cost/tn. Blended EBITDA/tn rose 28% YoY/ fell 4% QoQ to INR 1,002 (JMFe: INR 930). The company has guided for further cost reduction of INR 200/tn in 2HFY26 through improved efficiencies and higher operating leverage and expects to maintain four-digit EBITDA/tn, while it has reiterated its EBITDA/tn guidance of 1,450-1,500 by FY28. The company has raised its capacity target to 155mt (vs. earlier 140mt) by FY28 with additional 15mt (clinker backed) expansion to be added through debottlenecking/new plants at a capex of ~USD 48/tn. Factoring in 2Q beat and capacity expansion, we raise our FY26E-27E EBITDA estimates by ~2-5% and broadly maintain them for FY28, and revise our TP to INR 700/sh based on 17x Dec'27E (post quarterly roll-over). We maintain our BUY rating, backed by Ambuja's strong market positioning, pan-India presence, industry-leading volume growth, and a net cash balance sheet. Within the group, we continue to prefer Ambuja over ACC, given its superior growth outlook.

- **Result summary:** Ambuja's consolidated adjusted EBITDA went up 52% YoY/ fell ~14% QoQ to INR 16.9bn in 2Q. Consolidated EBITDA/tn (on clinker and cement volume) increased 28% YoY/ declined 4% QoQ to INR 1,002 (JMFe: INR 930), a decline of INR 42/tn sequentially. Consolidated volume (clinker and cement) rose ~18% YoY/ declined 10% QoQ to 16.9mt; ~3% below our estimates. Blended realisation grew ~6% YoY/ fell 0.7% QoQ to INR 5,418 (vs. JMFe: INR 5,493). In 1HFY26, the company generated negative FCF of ~INR 75bn post w/cap blockage of INR 21.5bn and net capex spend of INR 90.7bn (including INR 59bn payment for Orient Cement acquisition). Net cash declined INR 83bn YoY/ ~INR 12bn QoQ to INR 18.1bn as of Sep'25.
- **What we liked:** Better profitability led by lower opex/tn; capacity additions at lower capex
- **What we did not like:** Working capital blockage and decline in cash position
- **Earnings Call KTAs:** 1) The company reiterates its EBITDA/tn guidance of INR 1,450-1,500 by FY28; it also expects EBITDA/tn for Penna and Sanghi to gradually ramp up and reach four-digit levels. 2) The company targets to reach capacity of 118mt and 130-135mt by FY26 and FY27, respectively, and has upgraded its FY28 target capacity from earlier 140mt to 155mt. This additional 15mt (clinker backed) expansion is to be added through debottlenecking/ new plants at a capex of ~USD 48/tn. 3) It aims to increase its clinker capacity from 73mt to 81mt by FY27 and 96mt (vs. earlier 84mt) by FY28, respectively. 4) The company targets to achieve total cost/tn of INR 4,000 by FY26 (~INR 200/tn reduction in 2H), and further ~5% reduction YoY for the next 2 years, translating to cost/tn of INR 3,800 by FY27 and INR 3,600-3,650/tn by FY28, respectively. This reduction mainly to be driven by ~INR 50/tn in RM cost, ~INR 200/tn in P&F cost, ~INR 100/tn in freight cost and ~INR 50/tn in other overheads. 5) Expansion updates: i) Commenced trial run at 4mt new kiln line at Bhatapara; ii) Commenced operations at 2mt Krishnapatnam GU, taking its total capacity to 4mt; iii) Targets to commission 2.4mt Salai Banwa, 2.4mt Marwar, 1.2mt Dahej and 1mt Kalamboli in 3QFY26 and remaining 5.6mt by 4QFY26; 6) Plants of Orient, Penna and Sanghi have moved ~100% into Adani Cement, which led to a higher sales promotion cost of INR 30/tn in 2Q, while maintenance cost for these assets stood at INR 42/tn. 7) Guided capex of ~INR 80bn p.a. 8) On the RMX front, it expects the segment to consume ~5% of cement by FY28 vs. current 2%.

Recommendation and Price Target	
Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	700
Upside/(Downside)	21.3%
Previous Price Target	670
Change	4.5%

Key Data – ACEM IN	
Current Market Price	INR577
Market cap (bn)	INR1,426.7/US$16.1
Free Float	25%
Shares in issue (mn)	2,463.1
Diluted share (mn)	2,484.8
3-mon avg daily val (mn)	INR1,740.2/US$19.6
52-week range	625/453
Sensex/Nifty	83,978/25,763
INR/US$	88.8

Price Performance

%	1M	6M	12M
Absolute	0.2	8.6	-0.9
Relative*	-3.1	4.1	-5.9

** To the BSE Sensex*

Financial Summary (INR mn)

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	325,298	337,340	416,658	473,190	525,766
Sales Growth	-15.3%	3.7%	23.5%	13.6%	11.1%
EBITDA	63,995	51,443	79,694	99,625	120,106
EBITDA Margin	19.3%	15.0%	19.0%	21.0%	22.8%
Adjusted Net Profit	33,652	10,187	25,937	38,762	49,240
Diluted EPS (INR)	15.3	4.1	10.4	15.6	19.8
Diluted EPS Growth	4.8%	-73.0%	152.4%	49.4%	27.0%
ROIC	12.4%	3.5%	5.6%	7.0%	7.6%
ROE	9.2%	2.1%	4.6%	6.3%	7.5%
P/E (x)	37.7	139.5	55.3	37.0	29.1
P/B (x)	3.1	2.7	2.4	2.3	2.1
EV/EBITDA (x)	21.2	27.7	18.4	15.4	13.1
Dividend Yield	0.3%	0.3%	0.3%	0.2%	0.3%

Source: Company data, JM Financial. Note: Valuations as of 03/Nov/2025

Exhibit 1. Actual vs. estimates (2QFY26)

INR mn	Actual	Estimates		% variation		Comment
		JMF	Consensus	JMF	Consensus	
Net sales	91,297	95,033	88,542	(3.9)	3.1	
EBITDA	**16,882**	**16,097**	**14,985**	**4.9**	**12.7**	**Lower opex/tn led to EBITDA beat**
PAT	2,060	5,567	5,210	(63.0)	(60.5)	
Volumes (mt)	17	17		(2.6)		
Blended realisation (INR/tn) – incl. incentives	5,418	5,493		(1.4)		
EBITDA (INR/tn)	**1,002**	**930**		**7.7**		

Source: Company, JM Financial

Exhibit 2. Quarterly analysis – Consolidated

INR mn	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	YoY (%)	QoQ (%)	H1FY25	H1FY26	YoY (%)
Net Sales	73,048	84,153	98,025	1,02,441	91,297	25.0	(10.9)	1,55,163	1,93,738	24.9
Other operating income	2,477	869	861	450	448	(81.9)	(0.4)	3,477	897	(74.2)
Revenue	**75,525**	**85,022**	**98,886**	**1,02,891**	**91,745**	**21.5**	**(10.8)**	**1,58,639**	**1,94,636**	**22.7**
Expenditure	**64,410**	**76,167**	**80,211**	**83,280**	**74,863**	**16.2**	**(10.1)**	**1,34,727**	**1,58,143**	**17.4**
Total RM	14,224	18,054	18,268	15,245	13,085	(8.0)	(14.2)	29,997	28,330	(5.6)
Power & Fuel	18,153	20,623	22,988	25,131	23,531	29.6	(6.4)	38,823	48,662	25.3
Freight	18,252	20,438	23,361	24,225	20,632	13.0	(14.8)	39,213	44,857	14.4
Staff cost	3,486	3,823	3,555	4,177	4,051	16.2	(3.0)	6,656	8,229	23.6
Other expenditure	10,295	13,229	12,039	14,502	13,564	31.8	(6.5)	20,038	28,066	40.1
EBITDA	**11,114**	**8,855**	**18,676**	**19,611**	**16,882**	**51.9**	**(13.9)**	**23,912**	**36,492**	**52.6**
Depreciation	5,205	6,640	7,864	7,984	8,852	70.1	10.9	9,965	16,835	68.9
EBIT	**5,910**	**2,215**	**10,812**	**11,627**	**8,030**	**35.9**	**(30.9)**	**13,947**	**19,657**	**40.9**
Other Income	3,740	2,426	1,445	2,561	2,570	(31.3)	0.4	7,288	5,131	(29.6)
Interest	669	670	143	671	768	14.9	14.4	1,347	1,440	6.9
PBT	**8,982**	**3,971**	**12,114**	**13,517**	**9,832**	**9.5**	**(27.3)**	**19,888**	**23,349**	**17.4**
Total Tax	2,477	5,449	4,973	3,789	2,450	(1.1)	(35.3)	5,586	6,239	11.7
Profit from assoc.	22	30	47	42	44	97.7	5.5	56	86	52.4
Minority Int.	169	5048	3260	1818	5366	3,069.3	195.2	1,603	7,184	348.3
Adjusted PAT	**6,357**	**(6,497)**	**3,928**	**7,952**	**2,060**	**(67.6)**	**(74.1)**	**12,756**	**10,012**	**(21.5)**
Extra ordinary items	(1,562)	27,650	5,635	400	15,597	NA	3,799.3	(1,562)	15,997	NA
Reported PAT	**4,795**	**21,153**	**9,563**	**8,352**	**17,657**	**268.2**	**111.4**	**11,194**	**26,009**	**132.3**
Adjusted EPS (INR)	**2.6**	**(2.6)**	**1.6**	**3.2**	**0.8**	**(67.9)**	**(74.1)**	**5.1**	**4.0**	**(21.5)**
Margins (%)	**Q2FY25**	**Q3FY25**	**Q4FY25**	**Q1FY26**	**Q2FY26**	**YoY (bps)**	**QoQ (bps)**	**H1FY25**	**H1FY26**	**YoY (bps)**
EBIDTA	14.7	10.4	18.9	19.1	18.4	368	(66)	15.1	18.7	368
EBIT	7.8	2.6	10.9	11.3	8.8	93	(255)	8.8	10.1	131
EBT	11.9	4.7	12.3	13.1	10.7	(118)	(242)	12.5	12.0	(54)
PAT	8.4	(7.6)	4.0	7.7	2.2	(617)	(548)	8.0	5.1	(290)
Effective Tax rate	27.6	137.2	41.1	28.0	24.9			28.1	26.7	

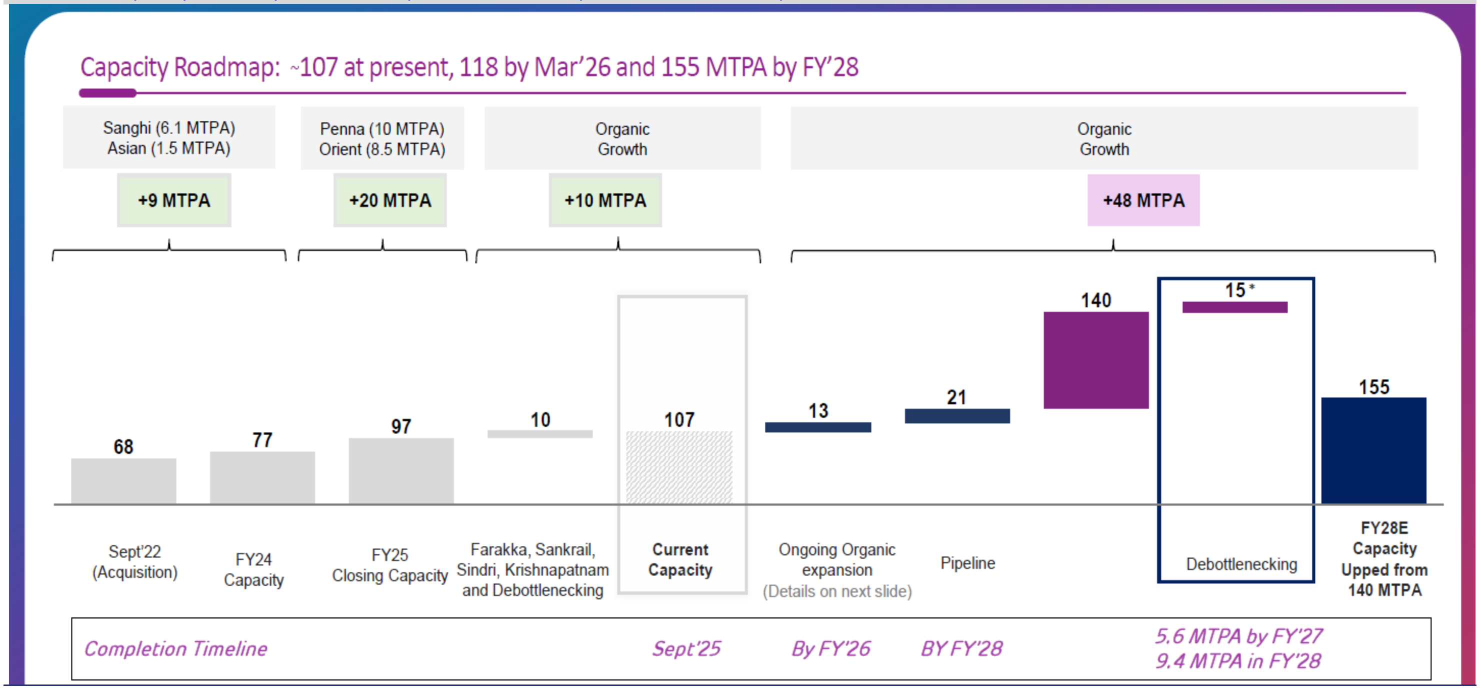
Source: Company, JM Financial

Exhibit 3. Quarterly analysis on a per tonne basis – Consolidated

INR/tonne	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	YoY (%)	QoQ (%)	H1FY25	H1FY26	YoY (%)
Volume (mt)	14.2	16.5	18.2	18.8	16.9	18.3	(10.3)	29.6	35.6	20.5
Blended Realisation	**5,304**	**5,158**	**5,442**	**5,479**	**5,445**	**2.7**	**(0.6)**	**5,367**	**5,463**	**1.8**
Raw Material	999	1,095	1,005	812	777	(22.3)	(4.3)	1,015	795	(21.6)
Power & Fuel	1,275	1,251	1,265	1,338	1,397	9.5	4.4	1,313	1,366	4.0
Freight	1,282	1,240	1,286	1,290	1,224	(4.5)	(5.1)	1,327	1,259	(5.1)
Staff cost	245	232	196	222	240	(1.8)	8.1	225	231	2.6
Other expenditure	723	803	663	772	805	11.3	4.2	678	788	16.2
Operating cost	**4,523**	**4,621**	**4,414**	**4,434**	**4,443**	**(1.8)**	**0.2**	**4,558**	**4,438**	**(2.6)**
EBITDA/tn	**780**	**537**	**1,028**	**1,044**	**1,002**	**28.4**	**(4.1)**	**809**	**1,024**	**26.6**

Source: Company, JM Financial

Exhibit 4. Capacity roadmap: ~107mt at present, 118mt by FY26 and 155mt by FY28



Source: Company, JM Financial

Exhibit 5. Incremental capacity of 12.6mt to get commissioned by FY26

Projects under execution	Unit	State	Capacity (MTPA) Clinker	Capacity (MTPA) Cement	Expected Completion
Bhatapara Line 3	CU	Chhattisgarh	4.0	-	Q3 FY26
Salai Banwa	GU	Uttar Pradesh	-	2.4	Q3 FY26
Marwar	GU	Rajasthan	-	2.4	Q3 FY26
Dahej Line-2	GU	Gujarat	-	1.2	Q3 FY26
Kalamboli	GU	Maharashtra	-	1.0	Q3 FY26
Bathinda	GU	Punjab	-	1.2	Q4 FY26
Jodhpur - Penna	IU	Rajasthan	3.0	2.0	Q4 FY26
Warisaliganj	GU	Bihar	-	2.4	Q4 FY26
Maratha Line 2	CU	Maharashtra	4.0	-	Q1 FY27
Total Capacity			11.0	12.6	

Particulars	Capacity (MTPA)
Existing Capacity	107
Incremental Capacity	12.6
Less: Capacity with higher operating cost used selectively (Jamul & Sindri)	(1.6)
Total available capacity by FY26	118

Source: Company, JM Financial

Exhibit 6. Debottlenecking of 15mt by FY28

Debottlenecking (FY'27)	Additional Capacity
Jamul	0.3
Chanda	0.3
Sindri	0.3
Nalagarh	0.3
Ropar	1.1
Roorkee	1.1
Maratha	2.2
Total FY'27	5.6

Debottlenecking (FY'28)	Additional Capacity
Boyareddypalli	1.1
Rabriyawas	1.1
Tandur	1.1
Bhatapara	1.2
Wadi	2.2
Tikaria	2.7
Total FY'28	9.4
Total Debottlenecking	15

Source: Company, JM Financial

Exhibit 7. We increase our EBITDA estimates by ~2-5% for FY26E-27E, while broadly maintaining them for FY28E

	FY26E			FY27E			FY28E		
INR bn	Old	New	% chg	Old	New	% chg	Old	New	% chg
Revenue	426	419	(1.7)	494	475	(3.8)	565	528	(6.6)
EBITDA	**76**	**80**	**4.6**	**97**	**100**	**2.2**	**120**	**120**	**0.4**
PAT	26	26	(1.0)	37	39	4.2	48	49	2.3

Source: JM Financial

Exhibit 8. Annual analysis – Consolidated

										CAGR (%)	
Key Assumptions	**CY19**	**CY20**	**CY21**	**15MFY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**	**CY19-FY25**	**FY25-28E**
Capacity (mt)	63	63	66	66	77	104	114	130	140	10.5	10.5
Volumes (mt)	54	49	56	69	59	64	77	87	95	3.6	14.1
Utilisation (%)	85	77	85	104	76	62	68	67	68		
Blended Realisation (INR/tn)	5,035	5,017	5,134	5,643	5,602	5,334	5,409	5,483	5,537	1.2	1.3
EBITDA/tn (INR/tn)	**854**	**1,051**	**1,101**	**742**	**1,081**	**801**	**1,030**	**1,150**	**1,260**	**(1.3)**	**16.3**
P&L (INR bn)											
Revenue	271	245	290	389	332	343	419	475	528	4.8	15.5
EBITDA	**46**	**51**	**62**	**51**	**64**	**51**	**80**	**100**	**120**	**2.3**	**32.7**
Adj. Net Profit	18	22	29	29	34	10	26	39	49	(11.2)	69.1
Balance Sheet (INR bn)											
Equity	241	228	254	317	415	534	594	630	675		
Net Debt	**(93)**	**(89)**	**(117)**	**(115)**	**(160)**	**(101)**	**(62)**	**3**	**27**		
Net Debt/EBITDA (x)	(2.0)	(1.7)	(1.9)	(2.3)	(2.5)	(2.0)	(0.8)	0.0	0.2		
Net Debt/Equity (x)	(0.4)	(0.4)	(0.5)	(0.4)	(0.4)	(0.2)	(0.1)	0.0	0.0		
Cash Flow (INR bn)											
OCF	46	51	54	9	63	22	31	49	66		
Capex	(16)	(17)	(23)	(41)	(63)	(128)	(95)	(125)	(100)		
FCF	**30**	**33**	**31**	**(32)**	**0**	**(106)**	**(64)**	**(76)**	**(34)**		
Return ratios (%)											
RoE	7.9	9.6	12.1	10.2	9.2	2.1	4.6	6.3	7.5		
RoCE	8.0	9.7	12.1	10.1	7.6	1.9	4.0	5.5	6.4		
RoIC	**6.3**	**7.5**	**9.4**	**8.2**	**8.4**	**2.0**	**4.1**	**5.4**	**6.1**		
Valuations (x)											
PE							55.3	37.0	29.1		
EV/EBITDA							**18.5**	**15.2**	**13.1**		
EV/tn (USD)							151	137	132		

Source: Company, JM Financial

Exhibit 9. Annual analysis on a per tonne basis – Consolidated

INR/tonne	15MFY23	FY24	FY25	FY26E	FY27E	FY28E
Blended realisation	**5,565**	**5,496**	**5,253**	**5,385**	**5,460**	**5,515**
% YoY		**(1.2)**	**(4.4)**	**2.5**	**1.4**	**1.0**
Raw materials consumed	741	832	1,033	806	798	790
Power & fuel costs	1,704	1,370	1,284	1,361	1,345	1,318
Freight costs	1,380	1,352	1,293	1,251	1,244	1,238
Staff cost	269	229	219	214	210	206
Other expenses	806	739	706	748	737	726
Total OpEx	**4,900**	**4,521**	**4,533**	**4,379**	**4,334**	**4,277**
% YoY		**(7.7)**	**0.3**	**(3.4)**	**(1.0)**	**(1.3)**
Other operating income	78	106	81	24	23	22
Blended EBITDA	**742**	**1,081**	**801**	**1,030**	**1,150**	**1,260**
% YoY		**45.6**	**(25.9)**	**28.6**	**11.6**	**9.6**

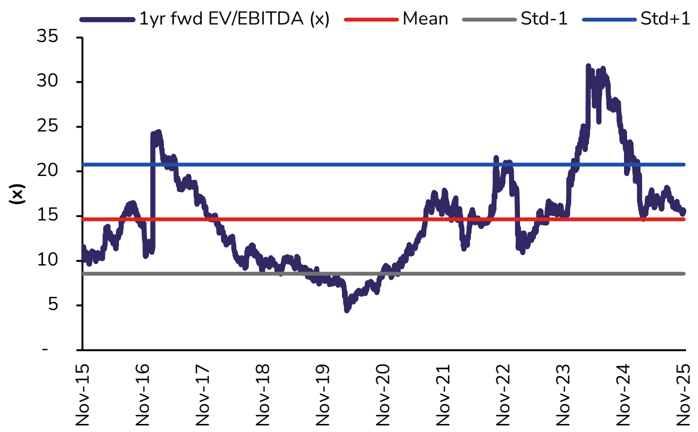
Source: Company, JM Financial

Exhibit 10. Maintain BUY with a revised TP of INR 700/sh based on 17x Dec'27E EV/E

EV/E method	
Dec'27E consolidated EBITDA (INR bn)	115
EV/E multiple (x)	17
EV (INR bn)	**1,924**
Dec'26 consolidated net debt (INR bn)	(13)
Equity value (INR bn)	**1,937**
ACC – 50% stake	(185)
Orient Cement – 28% stake	(13)
SOTP value (INR bn)	**1,739**
No. of shares (mn)	2,485
Dec'26 Target Price (INR)	**700**

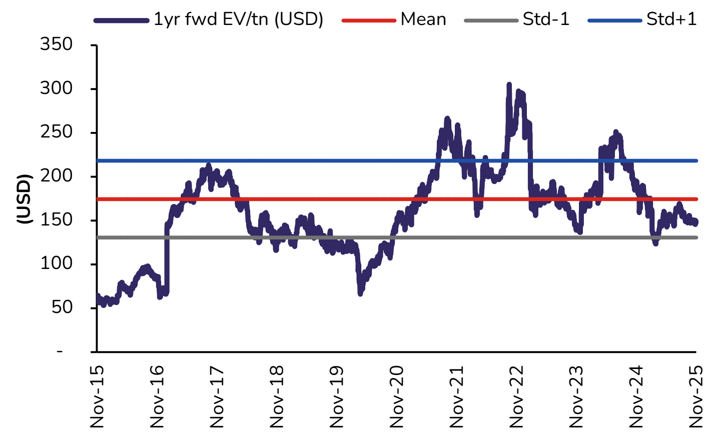
Source: JM Financial

Exhibit 11. One-year forward EV/EBITDA



Source: Bloomberg, JM Financial

Exhibit 12. One- year forward EV/tonne



Source: Bloomberg, JM Financial

Financial Tables (Consolidated)

Income Statement					(INR mn)
Y/E March	**FY24A**	**FY25A**	**FY26E**	**FY27E**	**FY28E**
Net Sales	325,298	337,340	416,658	473,190	525,766
Sales Growth	*-15.3%*	*3.7%*	*23.5%*	*13.6%*	*11.1%*
Other Operating Income	6,299	5,207	1,882	2,003	2,093
Total Revenue	**331,596**	**342,547**	**418,540**	**475,192**	**527,859**
Cost of Goods Sold/Op. Exp	49,228	66,320	62,334	69,116	75,267
Personnel Cost	13,528	14,034	16,573	18,190	19,609
Other Expenses	204,846	210,751	259,939	288,262	312,877
EBITDA	**63,995**	**51,443**	**79,694**	**99,625**	**120,106**
EBITDA Margin	*19.3%*	*15.0%*	*19.0%*	*21.0%*	*22.8%*
EBITDA Growth	*24.9%*	*-19.6%*	*54.9%*	*25.0%*	*20.6%*
Depn. & Amort.	16,234	24,468	33,766	38,156	43,116
EBIT	47,761	26,974	45,927	61,469	76,989
Other Income	11,664	11,158	5,244	4,982	4,733
Finance Cost	2,764	2,159	2,904	3,224	3,579
PBT before Excep. & Forex	56,662	35,973	48,267	63,227	78,144
Excep. & Forex Inc./Loss(-)	0	0	0	0	0
PBT	56,662	35,973	48,267	63,227	78,144
Taxes	11,626	16,009	14,750	15,174	18,754
Extraordinary Inc./Loss(-)	2,116	31,723	24,378	0	0
Assoc. Profit/Min. Int.(-)	11,841	10,042	7,924	9,703	10,645
Reported Net Profit	35,768	41,910	50,314	38,762	49,240
Adjusted Net Profit	**33,652**	**10,187**	**25,937**	**38,762**	**49,240**
Net Margin	*10.1%*	*3.0%*	*6.2%*	*8.2%*	*9.3%*
Diluted Share Cap. (mn)	2,197.7	2,463.1	2,484.8	2,484.8	2,484.8
Diluted EPS (INR)	**15.3**	**4.1**	**10.4**	**15.6**	**19.8**
Diluted EPS Growth	*4.8%*	*-73.0%*	*152.4%*	*49.4%*	*27.0%*
Total Dividend + Tax	4,395	4,926	3,774	2,907	3,693
Dividend Per Share (INR)	2.0	2.0	1.5	1.2	1.5

Source: Company, JM Financial

Cash Flow Statement					(INR mn)
Y/E March	**FY24A**	**FY25A**	**FY26E**	**FY27E**	**FY28E**
Profit before Tax	56,662	35,973	48,267	63,227	78,144
Depn. & Amort.	16,234	24,783	33,766	38,156	43,116
Net Interest Exp. / Inc. (-)	-9,369	-24,339	-5,244	-4,982	-4,733
Inc (-) / Dec in WCap.	1,941	-34,012	-25,451	-23,415	-22,182
Others	147	19,643	-5,517	-8,957	-9,786
Taxes Paid	-9,156	-3,802	-14,750	-15,174	-18,754
Operating Cash Flow	**56,458**	**18,246**	**31,070**	**48,855**	**65,805**
Capex	-44,825	-86,871	-95,301	-125,000	-100,000
Free Cash Flow	*11,634*	*-68,624*	*-64,231*	*-76,145*	*-34,195*
Inc (-) / Dec in Investments	-31,820	11,002	8,607	16,120	15,000
Others	44,377	-47,265	5,244	4,982	4,733
Investing Cash Flow	**-32,268**	**-123,134**	**-81,449**	**-103,897**	**-80,267**
Inc / Dec (-) in Capital	66,610	83,391	0	0	0
Dividend + Tax thereon	-5,848	-5,630	-3,774	-2,907	-3,693
Inc / Dec (-) in Loans	-241	-11,711	13,100	17,500	0
Others	-3,633	-10,130	23,380	8,897	9,792
Financing Cash Flow	**56,888**	**55,920**	**32,706**	**23,490**	**6,099**
Inc / Dec (-) in Cash	**81,078**	**-48,967**	**-17,673**	**-31,553**	**-8,363**
Opening Cash Balance	29,610	110,689	61,722	44,049	12,496
Closing Cash Balance	110,689	61,722	44,049	12,496	4,133

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E March	**FY24A**	**FY25A**	**FY26E**	**FY27E**	**FY28E**
Shareholders' Fund	414,551	534,433	593,990	629,844	675,391
Share Capital	4,395	4,926	4,970	4,970	4,970
Reserves & Surplus	410,155	529,506	589,020	624,875	670,421
Preference Share Capital	0	0	0	0	0
Minority Interest	93,908	103,682	104,700	113,402	122,995
Total Loans	368	268	13,368	30,868	30,868
Def. Tax Liab. / Assets (-)	15,491	24,076	9,043	9,238	9,438
Total - Equity & Liab.	**524,318**	**662,458**	**721,101**	**783,352**	**838,691**
Net Fixed Assets	350,469	523,982	585,516	672,360	729,243
Gross Fixed Assets	344,361	444,355	549,476	665,637	775,359
Intangible Assets	82,193	108,561	108,561	108,561	108,561
Less: Depn. & Amort.	102,669	127,138	160,904	199,060	242,177
Capital WIP	26,585	98,204	88,384	97,222	87,500
Investments	58,155	59,565	50,957	34,837	19,837
Current Assets	244,354	225,908	227,583	229,641	256,368
Inventories	36,086	42,480	28,240	45,825	63,678
Sundry Debtors	12,131	15,903	25,502	36,220	46,602
Cash & Bank Balances	110,689	61,722	44,049	12,496	4,133
Loans & Advances	85,449	105,803	129,792	135,099	141,955
Other Current Assets	0	0	0	0	0
Current Liab. & Prov.	128,660	146,996	142,956	153,485	166,757
Current Liabilities	31,088	27,595	40,246	45,817	53,821
Provisions & Others	97,573	119,401	102,710	107,669	112,936
Net Current Assets	115,694	78,912	84,627	76,156	89,611
Total – Assets	**524,318**	**662,458**	**721,101**	**783,352**	**838,691**

Source: Company, JM Financial

Dupont Analysis					
Y/E March	**FY24A**	**FY25A**	**FY26E**	**FY27E**	**FY28E**
Net Margin	10.1%	3.0%	6.2%	8.2%	9.3%
Asset Turnover (x)	0.7	0.6	0.6	0.6	0.7
Leverage Factor (x)	1.3	1.3	1.2	1.2	1.2
RoE	9.2%	2.1%	4.6%	6.3%	7.5%

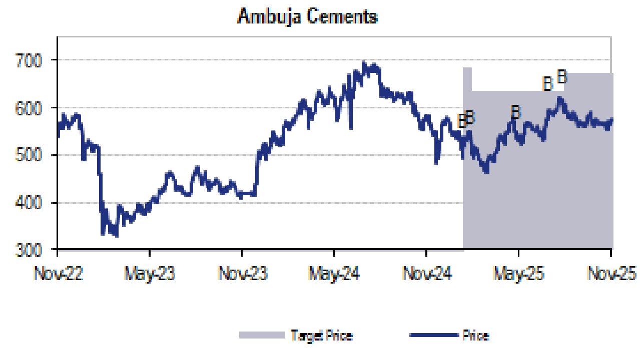
Key Ratios					
Y/E March	**FY24A**	**FY25A**	**FY26E**	**FY27E**	**FY28E**
BV/Share (INR)	188.6	217.0	239.1	253.5	271.8
ROIC	12.4%	3.5%	5.6%	7.0%	7.6%
ROE	9.2%	2.1%	4.6%	6.3%	7.5%
Net Debt/Equity (x)	-0.4	-0.2	-0.1	0.0	0.0
P/E (x)	37.7	139.5	55.3	37.0	29.1
P/B (x)	3.1	2.7	2.4	2.3	2.1
EV/EBITDA (x)	21.2	27.7	18.4	15.4	13.1
EV/Sales (x)	4.1	4.2	3.5	3.2	3.0
Debtor days	13	17	22	28	32
Inventory days	40	45	25	35	44
Creditor days	42	35	43	45	48

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
14-Jan-25	Buy	685	
29-Jan-25	Buy	635	-7.2
29-Apr-25	Buy	635	-0.1
2-Jul-25	Buy	635	0.0
1-Aug-25	Buy	675	6.4

Recommendation History



APPENDIX I

JM Financial Institutional Securities Limited

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New Rating System: Definition of ratings	
Rating	**Meaning**
BUY	Expected return >= 15% over the next twelve months.
ADD	Expected return >= 5% and < 15% over the next twelve months.
REDUCE	Expected return >= -10% and < 5% over the next twelve months.
SELL	Expected return < -10% over the next twelve months.

Note: For REITs (Real Estate Investment Trust) and InvIT (Infrastructure Investment Trust) total expected returns include dividends or DPU (distribution per unit)

Previous Rating System: Definition of ratings	
Rating	**Meaning**
BUY	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
HOLD	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
SELL	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* REITs refers to Real Estate Investment Trusts.

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