JK Cement | BUY

JM FINANCIAL

Execution strength merits valuation premium

JK Cement (JKCE) standalone EBITDA grew 41% YoY/ declined 8% QoQ to INR 6.8bn—beating our estimates by 4% (and consensus by 9%)—driven mainly by higher other operating income. Blended EBITDA/tn rose 23% YoY/ declined 1% QoQ to INR 1,247 (JMFe: INR 1,215). In 1Q, JKCE increased grey cement capacity by 0.5mt; it also announced 0.6mt wall putty expansion at a capex of INR 2bn to be commissioned by FY27. The company remains on track to expand its grey cement capacity to ~30mt by FY26 and 50mt by FY30, supporting strong volume growth and market share gains in the coming years. With structural cost-saving levers of INR 150–200/tn (targeting INR 40-50/tn in FY26), and despite factoring-in capex of INR 58bn through FY28E, we expect net debt to remain contained at INR 30bn-35bn, supported by healthy cash flow generation. Incorporating the 1Q outperformance, positive pricing outlook and expansion in wall putty segment, we raise our FY26–28 EBITDA estimates by 3-4%. We revise our target multiple to 17.5x (from 16.5x) given growth visibility, controlled leverage and improving return ratios. We maintain BUY with a revised Sep'26 target price of INR 7,050/sh post half yearly roll-over. JKCE remains our top pick in the mid-cap cement space.

- **Result Summary:** On a standalone basis, JKCE reported overall volume growth of ~14%YoY (decline of 7% QoQ) to 5.4mt in 1QFY26. Grey cement volume grew 15% YoY/ declined 8% QoQ to 5mt led by significant growth in Central (>50% YoY vols. growth) and Bihar markets along with higher clinker sales, while realisation grew ~6% YoY/ 1% QoQ to INR 4,938. Volume of white cement and wall putty grew ~8% YoY/ declined 2% QoQ to 0.42mt. Total cost/tn was flat YoY/ grew 2% QoQ to INR 4,584 (in line with our estimates). Other operating income increased ~38% YoY/ 3% QoQ to INR 1.22bn (~INR 226/tn). On a consolidated basis, overall volume grew by 15% YoY/ declined ~7% QoQ to ~5.6mt in 1QFY26 with blended EBITDA/tn of INR 1,226. Subsidiaries implied EBITDA grew 92% YoY/ declined 51% QoQ to INR 139mn led by higher losses in the paints business.

- **What we liked:** Better-than-expected profitability; higher other operating income

- **What we did not like:** Increase in net debt

  Earnings Call KTAs: 1) JKCE maintains grey cement vol. guidance of 20mt (+11% YoY) in FY26. 2) Spot cement prices are broadly flat compared to Jun'25 exit prices. 3) Maintains its cost/tn reduction target of INR 150-200/tn over the next 2-3 years; aims savings of INR 40-50/tn in FY26. 4) Paints revenue rose by 43% YoY/ 18% QoQ to INR 860mn in 1QFY26. 5) Targets to maintain Net debt:EBITDA below 2x. 6) Guided INR 20bn capex for FY26. 7) Project updates: i) Increased cement capacity by 0.5mt through debottlenecking in Ujjain plant; ii) Approved expansion to set up 0.6mt white cement based wall putty plant near Nathdwara, Rajasthan, at a proposed capex of INR 2bn to be commissioned by FY27; iii) 4mt clinker/ 1mt cement at Panna, 1mt capacities at Hamirpur and Prayagraj and 3mt split GU at Bihar are on track and expected to be commissioned by Dec'25.

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Recommendation and Price Target	
Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	7,050
Upside/(Downside)	9.9%
Previous Price Target	5,850
Change	20.5%

Key Data – JKCE IN	
Current Market Price	INR6,416
Market cap (bn)	INR495.8/US$5.7
Free Float	45%
Shares in issue (mn)	77.3
Diluted share (mn)	77.3
3-mon avg daily val (mn)	INR760.9/US$8.8
52-week range	6,668/3,891
Sensex/Nifty	82,200/25,091
INR/US$	86.3

Price Performance

%	1M	6M	12M
Absolute	12.7	40.1	49.7
Relative*	13.0	30.3	46.7

* To the BSE Sensex

Financial Summary (INR mn)

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	112,030	114,930	129,696	146,048	168,196
Sales Growth (%)	17.9	2.6	12.8	12.6	15.2
EBITDA	20,598	20,271	25,568	30,370	35,948
EBITDA Margin (%)	17.8	17.1	19.1	20.2	20.8
Adjusted Net Profit	7,963	7,588	11,517	14,277	18,150
Diluted EPS (INR)	103.1	98.2	149.1	184.8	234.9
Diluted EPS Growth (%)	86.8	-4.7	51.8	24.0	27.1
ROIC (%)	12.5	11.2	14.5	15.3	17.2
ROE (%)	15.8	13.2	17.5	18.6	20.0
P/E (x)	62.3	65.3	43.0	34.7	27.3
P/B (x)	9.2	8.1	7.0	6.0	5.0
EV/EBITDA (x)	25.4	25.9	20.7	17.4	14.5
Dividend Yield (%)	0.3	0.2	0.3	0.4	0.5

Source: Company data, JM Financial. Note: Valuations as of 21/Jul/2025

Exhibit 1. Actual vs. estimates (1QFY26)

INR mn	Actual	Estimates		Variation (%)		Comments
		JMFe	Consensus	JMFe	Consensus	
Net sales	30,280	29,819	29,711	1.5	1.9	
EBITDA	**6,738**	**6,467**	**6,161**	**4.2**	**9.4**	Higher other operating income led to beat estimates
PAT	3,356	3,340	2,920	0.5	15.0	
Volumes (mt)	5.4	5.3		1.5		
Blended realisation (INR/tn)	5,468	5,487		(0.3)		
Blended EBITDA (INR/tn)	**1,247**	**1,215**		**2.7**		

Source: Company, JM Financial

Exhibit 2. Standalone – Quarterly results

INR mn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	YoY (%)	QoQ (%)
Net Sales	25,550	23,220	26,060	32,250	30,280	18.5	(6.1)
Other operating income	881	697	1,095	1,180	1,218	38.3	3.3
Revenue	**26,431**	**23,917**	**27,155**	**33,430**	**31,498**	**19.2**	**(5.8)**
Expenditure	**21,641**	**21,189**	**22,259**	**26,065**	**24,760**	**14.4**	**(5.0)**
Total RM	4,471	4,364	4,405	5,705	5,216	16.7	(8.6)
Power & Fuel	5,369	4,587	5,151	5,276	5,626	4.8	6.6
Freight	5,908	5,368	6,118	7,686	7,160	21.2	(6.8)
Staff cost	1,992	2,037	2,041	2,072	2,206	10.8	6.5
Other expenditure	3,902	4,835	4,545	5,327	4,552	16.6	(14.6)
EBITDA	**4,790**	**2,727**	**4,896**	**7,364**	**6,738**	**40.7**	**(8.5)**
Depreciation	1,245	1,263	1,247	1,329	1,225	(1.5)	(7.8)
EBIT	**3,545**	**1,465**	**3,649**	**6,035**	**5,513**	**55.5**	**(8.7)**
Other Income	438	368	441	442	554	26.6	25.5
Interest	1,066	1,196	1,142	1,089	1,055	(1.0)	(3.1)
PBT	**2,918**	**636**	**2,948**	**5,388**	**5,012**	**71.8**	**(7.0)**
Total Tax	891	185	900	1,758	1,656	85.8	(5.8)
Adjusted PAT	**2,027**	**452**	**2,048**	**3,629**	**3,356**	**65.6**	**(7.5)**
Extra ordinary items	-	-	-	544	-	NA	NA
Reported PAT	**2,027**	**452**	**2,048**	**4,173**	**3,356**	**65.6**	**(19.6)**
Adjusted EPS (INR)	**26.2**	**5.8**	**26.5**	**47.0**	**43.4**	**65.6**	**(7.5)**
Margins (%)	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	YoY (bps)	QoQ (bps)
EBIDTA	18.1	11.4	18.0	22.0	21.4	(327)	(64)
EBIT	13.4	6.1	13.4	18.1	17.5	(409)	(55)
EBT	11.0	2.7	10.9	16.1	15.9	(487)	(20)
PAT	7.7	1.9	7.5	10.9	10.7	(299)	(20)
Effective Tax rate	30.5	29.0	30.5	32.6	33.0	(250)	40

Source: Company, JM Financial

Exhibit 3. Standalone quarterly analysis on a per-tonne basis

INR/tn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	YoY (%)	QoQ (%)
Grey Cement volumes (mt)	4.3	3.8	4.3	5.4	5.0	14.9	(7.6)
White Cement + Wall putty volumes (mt)	0.4	0.4	0.4	0.4	0.4	8.0	(2.1)
Total volume (mt)	**4.7**	**4.2**	**4.7**	**5.8**	**5.4**	**14.3**	**(7.2)**
Grey Cement realization	4,670	4,707	4,757	4,899	4,938	5.7	0.8
White Cement realization	12,521	12,136	12,103	12,271	11,729	(6.3)	(4.4)
Blended Realization (incl. paints)	**5,408**	**5,527**	**5,535**	**5,541**	**5,606**	**3.6**	**1.2**
Raw Material	946	1,039	936	980	966	2.0	(1.5)
Power & Fuel	1,136	1,092	1,094	906	1,042	(8.3)	14.9
Freight	1,251	1,278	1,299	1,321	1,325	6.0	0.4
Staff cost	422	485	433	356	408	(3.1)	14.7
Other expenditure	826	1,151	965	915	843	2.0	(7.9)
Operating cost	**4,581**	**5,044**	**4,728**	**4,478**	**4,584**	**0.1**	**2.4**
Other operating income	186	166	233	203	226	20.9	11.3
Blended EBITDA/tn	**1,014**	**649**	**1,040**	**1,265**	**1,247**	**23.0**	**(1.4)**

Source: Company, JM Financial

Exhibit 4. Consolidated – Quarterly basis

INR mn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	YoY (%)	QoQ (%)
Net Sales	27,190	24,900	28,190	34,660	32,420	19.2	(6.5)
Other operating income	886	701	1,113	1,152	1,105	24.8	(4.0)
Revenue	**28,076**	**25,601**	**29,303**	**35,812**	**33,525**	**19.4**	**(6.4)**
Expenditure	**23,214**	**22,762**	**24,382**	**28,163**	**26,649**	**14.8**	**(5.4)**
Total RM	4,789	4,516	4,774	6,097	5,516	15.2	(9.5)
Power & Fuel	5,697	4,928	5,531	5,644	5,981	5.0	6.0
Freight	6,195	5,755	6,604	8,244	7,649	23.5	(7.2)
Staff cost	2,186	2,245	2,288	2,298	2,474	13.2	7.7
Other expenditure	4,347	5,318	5,184	5,881	5,029	15.7	(14.5)
EBITDA	**4,862**	**2,840**	**4,921**	**7,649**	**6,877**	**41.4**	**(10.1)**
Depreciation	1,473	1,463	1,457	1,623	1,464	(0.6)	(9.8)
EBIT	**3,389**	**1,377**	**3,465**	**6,026**	**5,412**	**59.7**	**(10.2)**
Other Income	447	378	446	459	564	26.2	23.0
Interest	1,105	1,228	1,124	1,135	1,085	(1.8)	(4.3)
PBT	**2,732**	**527**	**2,786**	**5,350**	**4,891**	**79.1**	**(8.6)**
Total Tax	884	189	894	1,736	1,649	86.6	(5.0)
Share of JV	-	-	-	(1)	0	NA	NA
Minority Interest	(5)	103	(4)	10	(2)	NA	NA
Adjusted PAT	**1,853**	**235**	**1,896**	**3,604**	**3,244**	**75.1**	**(10.0)**
Extra ordinary items	-	1,024	-	-	-	NA	NA
Reported PAT	**1,853**	**1,258**	**1,896**	**3,604**	**3,244**	**75.1**	**(10.0)**
Adjusted EPS (INR)	**24.0**	**3.0**	**25.5**	**46.6**	**42.0**	**75.1**	**(10.0)**
Margins (%)	**Q1FY25**	**Q2FY25**	**Q3FY25**	**Q4FY25**	**Q1FY26**	**YoY (bps)**	**QoQ (bps)**
EBIDTA	17.3	11.1	16.8	21.4	20.5	333	456
EBIT	12.1	5.4	11.8	16.8	16.1	372	500
EBT	9.7	2.1	9.5	14.9	14.6	407	543
PAT	6.6	0.9	6.5	10.1	9.7	329	359
Effective Tax rate	32.3	35.8	32.1	32.5	33.7	(530)	37

Source: Company, JM Financial

Exhibit 5. Consolidated quarterly analysis on a per-tonne basis

INR/tn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	YoY (%)	QoQ (%)
Grey Cement volumes (mt)	4.4	3.8	4.3	5.5	5.1	15.9	(7.3)
White Cement + Wall putty volumes (mt)	0.5	0.5	0.6	0.6	0.5	7.2	(8.0)
Total volume (mt)	**4.9**	**4.4**	**4.9**	**6.1**	**5.6**	**15.0**	**(7.4)**
Grey Cement realization	4,675	4,709	4,754	4,901	4,945	5.8	0.9
White Cement realization	12,076	11,996	11,719	11,950	12,759	5.7	6.8
Blended Realization (incl. paints)	**5,575**	**5,703**	**5,728**	**5,722**	**5,779**	**3.7**	**1.0**
Raw Material	982	1,034	970	1,007	983	0.1	(2.3)
Power & Fuel	1,168	1,129	1,124	932	1,066	(8.7)	14.4
Freight	1,270	1,318	1,342	1,361	1,363	7.3	0.2
Staff cost	448	514	465	379	441	(1.6)	16.2
Other expenditure	891	1,218	1,053	971	896	0.6	(7.7)
Operating cost	**4,760**	**5,213**	**4,954**	**4,650**	**4,750**	**(0.2)**	**2.2**
Other operating income	182	161	226	190	197	8.5	3.6
Blended EBITDA/tn	**997**	**650**	**1,000**	**1,263**	**1,226**	**23.0**	**(2.9)**

Source: Company, JM Financial

Exhibit 6. Annual analysis – Consolidated

Key Assumptions	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	CAGR FY20-25	CAGR FY25-28E
Grey											
Capacity (mt)	14.7	14.7	15.0	20.7	22.2	24.3	31.3	35.8	40.3	10.7	18.3
Volumes (mt)	8.4	10.3	12.1	14.2	16.9	18.0	20.2	22.7	25.6	16.4	12.5
Utilisation (%)	58	70	81	69	76	74	65	63	64		
Realisations	4,527	4,495	4,774	4,971	5,013	4,770	4,889	4,962	5,024		
White											
Capacity (mt)	2.1	2.1	2.5	2.5	2.5	2.5	2.5	2.5	3.1	3.1	7.6
Volumes (mt)	1.8	1.7	1.9	2.0	2.2	2.2	2.3	2.3	2.7	4.3	6.5
Utilisation (%)	85	79	77	84	91	90	92	94	87		
Total											
Volumes (mt)	10.2	11.9	14.0	16.2	19.1	20.2	22.4	25.0	28.3	14.6	11.9
Blended Realisation (INR/tn)	5,603	5,449	5,592	5,854	5,868	5,684	5,782	5,843	5,941	0.3	1.5
EBITDA (INR/tn)	**1,186**	**1,320**	**1,057**	**810**	**1,079**	**1,002**	**1,140**	**1,215**	**1,270**	**(3.3)**	**8.2**
P&L (INR bn)											
Revenue	58	66	80	97	116	119	134	151	173	15.4	13.4
EBITDA	**12**	**16**	**15**	**13**	**21**	**20**	**26**	**30**	**36**	**10.8**	**21.0**
Adj. Net Profit	5	8	7	4	8	8	12	14	18	9.0	33.7
Balance Sheet (INR bn)											
Equity	30	37	43	47	54	61	71	83	98		
Net Debt	**23**	**17**	**22**	**34**	**30**	**32**	**36**	**34**	**28**		
Net Debt/EBITDA	1.9	1.1	1.5	2.6	1.5	1.6	1.4	1.1	0.8		
Net Debt/Equity	0.8	0.4	0.5	0.7	0.6	0.5	0.5	0.4	0.3		
Cash Flow (INR bn)											
OCF before NWC change	9	12	16	7	10	13	19	24	28		
Change in NWC	3	2	(4)	2	1	0	(1)	(1)	(1)		
Capex	(12)	(8)	(15)	(19)	(12)	(17)	(20)	(19)	(19)		
FCF	**(1)**	**7**	**(4)**	**(9)**	**(1)**	**(4)**	**(2)**	**4**	**9**		
Return ratios (%)											
RoE	17.2	22.8	17.0	9.5	15.8	13.2	17.5	18.6	20.0		
RoCE	10.9	13.3	10.5	6.6	10.0	8.6	11.2	12.2	13.6		
RoIC	**12.8**	**15.8**	**13.2**	**7.9**	**11.9**	**10.9**	**14.1**	**14.6**	**16.3**		
Valuations (X)											
PE							43.0	34.7	27.3		
EV/EBITDA							**20.6**	**17.5**	**14.7**		
EV/tn (USD)							191	168	148		

Source: Company, JM Financial

Exhibit 7. Annual analysis on a per-tonne basis

INR/tn	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	CAGR FY20-25	CAGR FY25-28E
Grey Cement realisation	4,527	4,495	4,774	4,971	5,013	4,770	4,889	4,962	5,024	1.1	1.7
White Cement realisation	10,686	11,403	10,821	11,968	11,647	11,928	11,871	11,990	12,113	2.2	0.5
Blended realisation	**5,603**	**5,449**	**5,592**	**5,854**	**5,868**	**5,684**	**5,782**	**5,843**	**5,941**	**0.3**	**1.5**
% YoY	**10.5**	**(2.8)**	**2.6**	**4.7**	**0.2**	**(3.1)**	**1.7**	**1.1**	**1.7**		
Raw materials consumed	851	896	918	981	961	998	1,003	1,011	1,016		
Power & fuel cost	1,069	975	1,178	1,579	1,357	1,078	1,063	1,043	1,054		
Freight cost	1,077	1,089	1,179	1,252	1,265	1,325	1,340	1,329	1,333		
Staff cost	445	387	399	393	410	446	438	442	434		
Other expenses	1,040	860	967	973	980	1,025	995	988	1,005		
Total Operating Cost	**4,483**	**4,208**	**4,641**	**5,178**	**4,974**	**4,872**	**4,838**	**4,813**	**4,842**	**1.7**	**(0.2)**
% YoY	3.5	(6.1)	10.3	11.6	(4.0)	(2.0)	(0.7)	(0.5)	0.6		
Other operating income	65	79	107	134	185	191	196	185	171		
Blended EBITDA	**1,186**	**1,320**	**1,057**	**810**	**1,079**	**1,002**	**1,140**	**1,215**	**1,270**	**(3.3)**	**8.2**
% YoY	**45.2**	**11.4**	**(19.9)**	**(23.4)**	**33.2**	**(7.1)**	**13.7**	**6.6**	**4.5**		

Source: Company, JM Financial

Exhibit 8. Segmental breakup analysis – Consolidated

Segmental break-up	FY25	FY26E	FY27E	FY28E
Volumes (mt)				
Grey Cement	18.0	20.2	22.7	25.6
White Cement+Wall Putty - (India)	1.6	1.7	1.7	2.1
UAE operations	0.6	0.6	0.6	0.6
Total	**20.2**	**22.4**	**25.0**	**28.3**
EBITDA (INR mn)*				
Grey Cement	16,380	21,535	25,811	30,063
White Cement+Wall Putty - (India)	3,397	3,361	3,463	4,382
UAE operations	944	1,033	1,096	1,151
Paints	(450)	(362)	-	353
Total	**20,271**	**25,568**	**30,370**	**35,948**
EBITDA mix (%)				
Grey Cement	81	84	85	84
White Cement+Wall Putty - (India)	17	13	11	12
UAE operations	5	4	4	3
Paints	(2)	(1)	-	1
Total	100	100	100	100

Source: Company, JM Financial; *Estimates

Exhibit 9. We increase our EBITDA estimates by ~3-4% for FY26E-28E

INR bn	FY26E			FY27E			FY28E		
	Old	New	% chg	Old	New	% chg	Old	New	% chg
Revenue	134	134	0.2	151	151	0.1	170	173	2.0
EBITDA	**25**	**26**	**2.7**	**29**	**30**	**3.1**	**34**	**36**	**4.4**
PAT	11	12	4.9	14	14	5.3	17	18	7.2

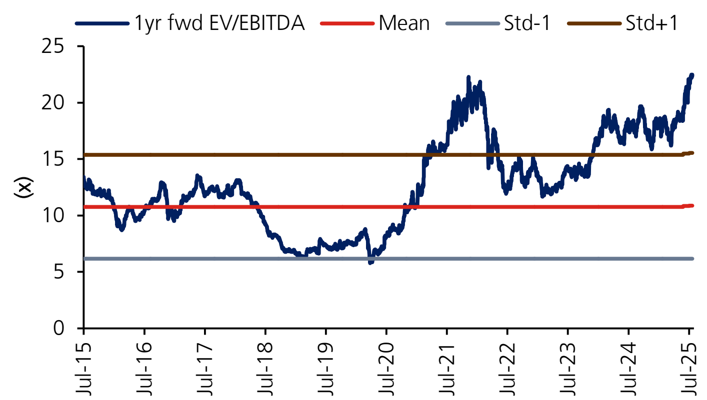
Source: JM Financial

Exhibit 10. Maintain BUY with revised Sep'26 TP of INR 7,050 on 17.5x FY27 EV/E

EV/E method	
Sep'27E EBITDA (INR bn)	33
Implied EV/E multiple (x)	17.5
EV (INR bn)	**579**
Sep'26 Net debt (INR bn)	35
Equity value	**545**
No. of shares (mn)	77
Sep'26 Target Price (INR)	**7,050**

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	112,030	114,930	129,696	146,048	168,196
Sales Growth	17.9%	2.6%	12.8%	12.6%	15.2%
Other Operating Income	3,530	3,862	4,402	4,622	4,853
Total Revenue	**115,560**	**118,792**	**134,098**	**150,670**	**173,050**
Cost of Goods Sold/Op. Exp	18,347	20,175	22,499	25,278	28,778
Personnel Cost	7,838	9,017	9,823	11,044	12,291
Other Expenses	68,778	69,327	76,209	83,978	96,033
EBITDA	**20,598**	**20,271**	**25,568**	**30,370**	**35,948**
EBITDA Margin	17.8%	17.1%	19.1%	20.2%	20.8%
EBITDA Growth	56.7%	-1.6%	26.1%	18.8%	18.4%
Depn. & Amort.	5,726	6,015	6,617	7,896	8,530
EBIT	14,872	14,257	18,951	22,474	27,418
Other Income	1,451	1,730	1,773	1,862	1,955
Finance Cost	4,531	4,592	5,179	5,111	4,973
PBT before Excep. & Forex	11,791	11,395	15,544	19,225	24,400
Excep. & Forex Inc./Loss(-)	0	0	0	0	0
PBT	11,791	11,395	15,544	19,225	24,400
Taxes	3,837	3,702	3,933	4,864	6,173
Extraordinary Inc./Loss(-)	-55	1,024	0	0	0
Assoc. Profit/Min. Int.(-)	-9	105	94	85	76
Reported Net Profit	7,908	8,611	11,517	14,277	18,150
Adjusted Net Profit	**7,963**	**7,588**	**11,517**	**14,277**	**18,150**
Net Margin	6.9%	6.4%	8.6%	9.5%	10.5%
Diluted Share Cap. (mn)	77.3	77.3	77.3	77.3	77.3
Diluted EPS (INR)	**103.1**	**98.2**	**149.1**	**184.8**	**234.9**
Diluted EPS Growth	86.8%	-4.7%	51.8%	24.0%	27.1%
Total Dividend + Tax	1,545	1,159	1,728	2,141	2,723
Dividend Per Share (INR)	20.0	15.0	22.4	27.7	35.2

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	53,671	60,890	70,680	82,815	98,242
Share Capital	773	773	773	773	773
Reserves & Surplus	52,899	60,117	69,907	82,042	97,470
Preference Share Capital	0	0	0	0	0
Minority Interest	-455	-338	-422	-528	-659
Total Loans	52,412	58,955	58,955	57,455	55,955
Def. Tax Liab. / Assets (-)	10,756	12,215	12,992	13,953	15,173
Total - Equity & Liab.	**116,384**	**131,723**	**142,205**	**153,696**	**168,712**
Net Fixed Assets	97,746	108,472	121,905	133,059	143,580
Gross Fixed Assets	129,641	137,389	163,398	181,398	199,398
Intangible Assets	0	0	0	0	0
Less: Depn. & Amort.	36,535	42,092	48,659	56,504	64,983
Capital WIP	4,639	13,175	7,166	8,166	9,166
Investments	16,151	14,739	14,739	14,739	14,739
Current Assets	34,124	43,605	41,477	42,825	49,541
Inventories	11,816	11,751	13,345	14,927	17,006
Sundry Debtors	5,663	7,867	8,433	9,022	9,870
Cash & Bank Balances	8,800	13,697	10,119	10,246	14,713
Loans & Advances	7,846	10,290	9,580	8,630	7,951
Other Current Assets	0	0	0	0	0
Current Liab. & Prov.	31,637	35,093	35,915	36,928	39,148
Current Liabilities	8,804	10,981	11,215	11,294	11,705
Provisions & Others	22,834	24,112	24,700	25,634	27,443
Net Current Assets	2,487	8,512	5,561	5,898	10,393
Total – Assets	**116,384**	**131,723**	**142,205**	**153,696**	**168,712**

Source: Company, JM Financial

Cash Flow Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	11,791	11,395	15,544	19,225	24,400
Depn. & Amort.	5,726	6,015	6,617	7,896	8,530
Net Interest Exp. / Inc. (-)	4,435	4,507	5,179	5,111	4,973
Inc (-) / Dec in WCap.	631	92	-628	-209	-28
Others	-1,450	-616	-1,090	-985	-811
Taxes Paid	-1,542	-2,004	-3,933	-4,864	-6,173
Operating Cash Flow	**19,591**	**19,388**	**21,690**	**26,174**	**30,891**
Capex	-11,782	-16,983	-20,000	-19,000	-19,000
Free Cash Flow	7,809	2,405	1,691	7,174	11,891
Inc (-) / Dec in Investments	-4,116	127	0	0	0
Others	931	1,627	1,773	1,862	1,955
Investing Cash Flow	**-14,967**	**-15,229**	**-18,227**	**-17,138**	**-17,045**
Inc / Dec (-) in Capital	0	0	0	0	0
Dividend + Tax thereon	-1,158	-1,544	-1,728	-2,141	-2,723
Inc / Dec (-) in Loans	1,201	6,594	0	-1,500	-1,500
Others	-4,200	-4,312	-5,314	-5,267	-5,156
Financing Cash Flow	**-4,157**	**738**	**-7,042**	**-8,908**	**-9,378**
Inc / Dec (-) in Cash	**467**	**4,897**	**-3,578**	**127**	**4,467**
Opening Cash Balance	8,333	8,800	13,697	10,119	10,246
Closing Cash Balance	8,800	13,697	10,119	10,246	14,713

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	6.9%	6.4%	8.6%	9.5%	10.5%
Asset Turnover (x)	1.0	1.0	1.0	1.0	1.1
Leverage Factor (x)	2.2	2.2	2.1	1.9	1.8
RoE	15.8%	13.2%	17.5%	18.6%	20.0%

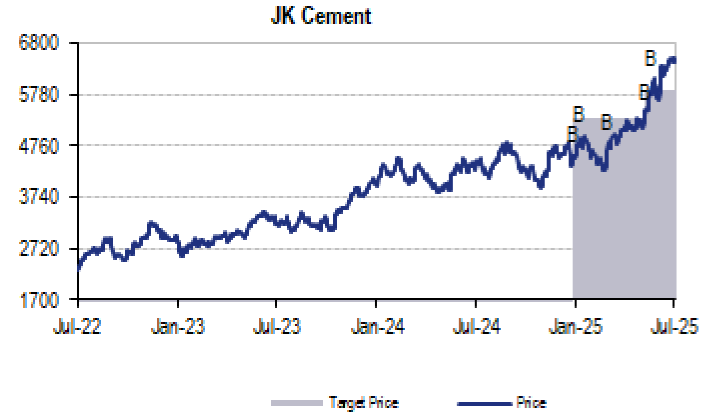
Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	694.6	788.0	914.7	1,071.8	1,271.4
ROIC	12.5%	11.2%	14.5%	15.3%	17.2%
ROE	15.8%	13.2%	17.5%	18.6%	20.0%
Net Debt/Equity (x)	0.6	0.5	0.5	0.4	0.3
P/E (x)	62.3	65.3	43.0	34.7	27.3
P/B (x)	9.2	8.1	7.0	6.0	5.0
EV/EBITDA (x)	25.4	25.9	20.7	17.4	14.5
EV/Sales (x)	4.5	4.4	3.9	3.5	3.0
Debtor days	18	24	23	22	21
Inventory days	37	36	36	36	36
Creditor days	34	41	38	34	31

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
14-Jan-25	Buy	5,300	
27-Jan-25	Buy	5,300	0.0
19-Mar-25	Buy	5,300	0.0
26-May-25	Buy	5,850	10.4
6-Jun-25	Buy	5,850	0.0

Recommendation History



APPENDIX I

JM Financial Institutional Securities Limited

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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.
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