

UltraTech Cement | BUY



In-line quarter; market share gains to continue

UltraTech Cement's consolidated EBITDA declined 11% YoY/ increased 43% QoQ to INR 28.9bn, in line with our estimates and ~3% above consensus estimates. Blended EBITDA/tn fell 20% YoY/ 31% QoQ to INR 951. UltraTech aims to add ~68mt to India's grey cement capacity (vs. 141mt capacity as of Mar'24) by FY27E (14% CAGR). This will enable it to post industry leading volume growth, going forward, despite large scale. Directionally, it plans to achieve >200mt by FY27E through organic/ inorganic expansion as it intends to gain capacity market share (~450bps increase in share, to 27% by FY27E) which will be supported by the balance sheet. It has enough levers for structural cost improvement of INR 200-300/tn over the next 3 years. This will help it to either increase market share further or achieve industry leading profitability. We believe UltraTech is poised for structural improvement in return ratios over the next 3-4 years owing to i) rising asset turnover; ii) low cost of expansions; and iii) improving profitability. We broadly maintain our FY25E-27E estimates with unchanged Mar'26E TP of INR 13,000 based on 19x FY27E EV/E. UltraTech is our top pick in the sector.

- **Result summary:** UltraTech's consolidated volume grew by 11% YoY / 9% QoQ to 30.4 mt, while blended realisation declined 7.4% YoY/ 1.6% QoQ to INR 5,588 (JMFe: INR 5,591). Grey cement realisation fell 9.6% YoY/ rose 1.4% QoQ to INR 4,970. Capacity utilisation declined 400bps YoY (+400bps QoQ) to 73% in 3QFY25. Total cost/tn fell 5% YoY/ 4% QoQ to INR 4,711. Consolidated PAT declined 17% YoY/ increased 79% QoQ to INR 14.7bn. India operations EBITDA fell 12% YoY/ rose 44% QoQ to INR 27.8bn with blended EBITDA/tn at INR 964. Consolidated net debt increased by INR 74bn QoQ to ~INR 162bn as of Dec'24, including funds earmarked for open offer of India Cements.
- **What we liked:** Market share gains; robust demand outlook
- **What we did not like:** Increase in net debt
- **Earnings Call KTAs:** 1) The management highlighted that North and West saw best realisation improvement with +3% price rise in 3Q; 2) West and Central witnessed 1.5% price hike MoM in Jan'25; 3) UltraTech has purchased 8.42% stake of On Star cement for INR 7.8bn, which will help it to understand the North East market and eventually progress; 4) On India Cements (ICEM) – in which UltraTech holds ~81% stake post the open offer – the company highlighted that it is likely to take ~12 months to lift ICEM plants' production efficiencies nearer to that of UltraTech's plants. The management is likely to provide more details in the coming quarter. Besides, the company may look to gradually bring down its stake to 75% to follow compliance requirements; 5) The acquisition cost for acquiring ICEM is USD 98/tn; 6) There is around INR 20-25/bag price gap between UltraTech and ICEM's brands. The company is targeting to narrow this gap gradually with branding initiatives It is looking to consolidate Kesoram's operations by Mar'25; it also highlighted 4-5% potential improvement in Kesoram's utilisation level along with opportunities to improve realisation and cost structure; 6) The management has guided organic capex of INR 80bn-90bn / 90bn / 60bn-70bn (excluding capex requirement for ICEM plants) in FY25 / FY26 / FY27 respectively; 7) The management mentioned that net debt has largely peaked and is expected to fall gradually in the coming years; 8) UltraTech is targeting double-digit volume growth, suggesting market share gains could continue.

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We acknowledge the support of **Akshaan Agrawal** (akshaan.agrawal@jmfl.com) in preparation of this report

Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	13,000
Upside/(Downside)	13.8%
Previous Price Target	13,000
Change	0.0%

Key Data – UTCEM IN

Current Market Price	INR11,421
Market cap (bn)	INR3,297.2/US\$38.1
Free Float	38%
Shares in issue (mn)	288.7
Diluted share (mn)	288.7
3-mon avg daily val (mn)	INR3,323.9/US\$38.4
52-week range	12,145/9,250
Sensex/Nifty	76,520/23,205
INR/US\$	86.5

Price Performance

%	1M	6M	12M
Absolute	-0.5	-1.1	16.2
Relative*	2.2	4.0	6.8

* To the BSE Sensex

JM Financial Research is also available on:
Bloomberg - JMFR <GO>,
Thomson Publisher & Reuters,
S&P Capital IQ, FactSet and Visible Alpha

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

Financial Summary	(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E
Net Sales	6,23,380	6,98,100	7,29,787	8,50,738	9,60,875
Sales Growth (%)	20.6	12.0	4.5	16.6	12.9
EBITDA	1,06,198	1,29,686	1,27,793	1,72,093	2,08,636
EBITDA Margin (%)	16.8	18.3	17.2	19.9	21.4
Adjusted Net Profit	50,639	70,770	63,320	83,223	1,08,839
Diluted EPS (INR)	175.4	245.1	219.3	282.4	369.4
Diluted EPS Growth (%)	-10.6	39.8	-10.5	28.8	30.8
ROIC (%)	9.6	12.5	9.8	11.2	12.8
ROE (%)	9.7	12.4	10.1	11.8	13.7
P/E (x)	65.1	46.6	52.1	40.4	30.9
P/B (x)	6.1	5.5	5.1	4.4	4.0
EV/EBITDA (x)	31.3	25.7	27.0	20.1	16.4
Dividend Yield (%)	0.3	0.6	0.6	0.7	1.0

Source: Company data, JM Financial. Note: Valuations as of 23/Jan/2025

Exhibit 1. Actual vs. Estimate (3QFY25)

(INR mn)	Actual	Estimates		Variation %		Comment
		JM	Consensus	JM	Consensus	
Net sales	1,69,710	1,68,580	1,71,299	0.7	(0.9)	In-line quarter
EBITDA	28,871	28,659	27,980	0.7	3.2	
PAT	14,695	13,875	13,236	5.9	11.0	
Volumes (mt)	30.4	30.2		0.7		
Blended realisation (INR/tn)	5,588	5,591		(0.1)		
EBITDA (INR/tn)	951	950		0.0		

Source: Company, JM Financial

Exhibit 2. India Operations - Quarterly

India operations (INR mn)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	YoY (%)	QoQ (%)	9MFY24	9MFY25	YoY (%)
Net Sales	1,58,820	1,94,520	1,73,340	1,45,750	1,61,020	1.4	10.5	4,80,840	4,80,110	(0.2)
Other operating income	2,520	3,540	1,980	3,310	2,260	(10.3)	(31.7)	7,510	7,550	0.5
Revenue	1,61,340	1,98,060	1,75,320	1,49,060	1,63,280	1.2	9.5	4,88,350	4,87,660	(0.1)
Expenditure	1,29,860	1,57,870	1,45,520	1,29,730	1,35,500	4.3	4.4	4,02,370	4,10,750	2.1
Total RM	24,510	36,170	30,280	26,610	30,130	22.9	13.2	75,710	87,020	14.9
Power & Fuel	40,030	46,630	43,380	36,460	37,460	(6.4)	2.7	1,29,400	1,17,300	(9.4)
Freight	35,810	45,880	41,470	35,430	37,450	4.6	5.7	1,11,280	1,14,350	2.8
Staff cost	7,370	7,200	7,050	8,570	7,860	6.6	(8.3)	21,910	23,480	7.2
Other expenditure	22,140	21,990	23,340	22,660	22,600	2.1	(0.3)	64,070	68,600	7.1
EBITDA	31,480	40,190	29,800	19,330	27,780	(11.8)	43.7	85,980	76,910	(10.5)
Depreciation	7,540	7,860	8,140	8,500	8,570	13.7	0.8	22,420	25,210	12.4
EBIT	23,940	32,330	21,660	10,830	19,210	(19.8)	77.4	63,560	51,700	(18.7)
Other Income	1,400	1,540	1,790	1,820	2,060	47.1	13.2	5,070	5,670	11.8
Interest	2,370	2,270	2,200	2,820	3,420	44.3	21.3	6,400	8,440	31.9
PBT	22,970	31,600	21,250	9,830	17,850	(22.3)	81.6	62,230	48,930	(21.4)
Total Tax	5,860	8,380	4,490	1,850	3,520	(39.9)	90.3	15,840	9,860	(37.8)
Adjusted PAT	17,110	23,220	16,760	7,980	14,330	(16.2)	79.6	46,390	39,070	(15.8)
Adjusted EPS (INR)	59.3	80.4	58.1	27.6	49.6	(16.3)	79.6	161	135	(15.8)

Source: Company, JM Financial

Exhibit 3. India Operations – Quarterly analysis on a per-tonne basis

INR/tn	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	YoY (%)	QoQ (%)	9MFY24	9MFY25	YoY (%)
Cement volumes (mt)	26.1	33.9	30.9	26.4	28.8	10.6	9.0	80.7	86.1	6.7
Blended Realization	6,094	5,736	5,610	5,517	5,589	(8.3)	1.3	5,956	5,574	(6.4)
Raw Material	941	1,067	980	1,007	1,046	11.2	3.8	938	1,010	7.7
Power & Fuel	1,536	1,375	1,404	1,380	1,300	(15.4)	(5.8)	1,603	1,362	(15.0)
Freight	1,374	1,353	1,342	1,341	1,300	(5.4)	(3.1)	1,378	1,328	(3.7)
Staff cost	283	212	228	324	273	(3.5)	(15.9)	271	273	0.4
Other expenditure	850	648	755	858	784	(7.7)	(8.5)	794	796	0.4
Operating cost	4,983	4,656	4,709	4,910	4,703	(5.6)	(4.2)	4,984	4,769	(4.3)
Other operating income	97	104	64	125	78	(18.9)	(37.4)	93	88	(5.8)
EBITDA/tn	1,208	1,185	964	732	964	(20.2)	31.8	1,065	893	(16.2)

Source: Company, JM Financial

Exhibit 4. Consolidated financials (Quarterly)

INR mn	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	YoY (%)	QoQ (%)	9MFY24	9MFY25	YoY (%)
Net Sales	1,64,870	2,00,690	1,78,790	1,53,080	1,69,710	2.9	10.9	4,97,410	5,01,580	0.8
Other operating income	2,530	3,499	1,905	3,267	2,223	(12.1)	(32.0)	7,482	7,396	(1.2)
Revenue	1,67,400	2,04,189	1,80,695	1,56,347	1,71,933	2.7	10.0	5,04,892	5,08,976	0.8
Expenditure	1,34,854	1,63,050	1,50,303	1,36,165	1,43,062	6.1	5.1	4,16,346	4,29,530	3.2
Total RM	26,554	38,094	32,239	29,165	32,962	24.1	13.0	80,936	94,366	16.6
Power & Fuel	41,780	48,388	44,937	38,377	39,802	(4.7)	3.7	1,34,445	1,23,116	(8.4)
Freight	36,209	46,472	41,813	35,835	38,112	5.3	6.4	1,12,335	1,15,760	3.0
Staff cost	7,689	7,494	7,382	9,139	8,500	10.5	(7.0)	22,882	25,021	9.3
Other expenditure	22,622	22,602	23,931	23,649	23,687	4.7	0.2	65,749	71,267	8.4
EBITDA	32,546	41,139	30,392	20,183	28,871	(11.3)	43.0	88,546	79,446	(10.3)
Depreciation	7,835	8,149	8,425	9,039	9,167	17.0	1.4	23,304	26,631	14.3
EBIT	24,711	32,990	21,967	11,144	19,704	(20.3)	76.8	65,243	52,815	(19.0)
Other Income	1,405	1,356	1,657	2,207	2,443	73.9	10.7	4,813	6,308	31.0
Interest	2,622	2,612	2,556	3,171	3,819	45.7	20.4	7,069	9,546	35.0
PBT	23,494	31,735	21,069	10,180	18,328	(22.0)	80.0	62,988	49,577	(21.3)
Total Tax	5,804	8,519	4,471	1,914	3,580	(38.3)	87.0	15,663	9,965	(36.4)
Adjusted PAT	17,690	23,215	16,598	8,266	14,748	(16.6)	78.4	47,324	39,612	(16.3)
(Profit)/loss from JV's/Ass/MI	80	86	43	(66)	(53)	(166.1)	(20.1)	142	(76)	(153.2)
PAT after MI	17,770	23,301	16,640	8,200	14,695	(17.3)	79.2	47,467	39,536	(16.7)
Extra ordinary items	-	(720)	325	-	-			-	325	
Reported PAT	17,770	22,581	16,965	8,200	14,695	(17.3)	79.2	47,467	39,861	(16.0)
Adjusted EPS (INR)	61.6	80.7	57.6	28.4	50.9	(17.3)	79.2	164	137	(16.7)

Margins (%)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	YoY (bps)	QoQ (bps)	9MFY24	9MFY25	YoY (bps)
EBIDTA	19.4	20.1	16.8	12.9	16.8	(265)	388	17.5	15.6	(193)
EBIT	14.8	16.2	12.2	7.1	11.5	(330)	433	12.9	10.4	(255)
EBT	14.0	15.5	11.7	6.5	10.7	(337)	415	12.5	9.7	(273)
PAT	10.6	11.4	9.2	5.3	8.6	(199)	329	9.4	7.8	(159)
Effective Tax rate	24.7	26.8	21.2	18.8	19.5			24.9	20.1	(477)

Source: Company, JM Financial

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

INR/tn	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	YoY (%)	QoQ (%)	9MFY24	9MFY25	YoY (%)
Volumes (mt)	27.3	35.1	32.0	27.8	30.4	11.2	9.1	84.0	90.2	7.4
Blended Realization	6,035	5,721	5,596	5,499	5,588	(7.4)	1.6	5,924	5,563	(6.1)
Raw Material	972	1,086	1,009	1,048	1,085	11.7	3.6	964	1,047	8.6
Power & Fuel	1,529	1,379	1,406	1,378	1,311	(14.3)	(4.9)	1,601	1,366	(14.7)
Freight	1,325	1,325	1,309	1,287	1,255	(5.3)	(2.5)	1,338	1,284	(4.0)
Staff cost	281	214	231	328	280	(0.6)	(14.7)	272	278	1.8
Other expenditure	828	644	749	849	780	(5.8)	(8.2)	783	790	1.0
Operating cost	4,936	4,648	4,704	4,891	4,711	(4.6)	(3.7)	4,958	4,764	(3.9)
Other operating income	93	100	60	117	73	(20.9)	(37.6)	89	82	(7.9)
EBITDA/tn	1,191	1,173	951	725	951	(20.2)	31.1	1,055	881	(16.4)

Source: Company, JM Financial

Exhibit 6. Annual analysis

Key Assumptions	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	CAGR (%)	
									FY20-25E	FY25E-27E
Capacity (mt)	115	118	121	135	148	179	201	216	9.3	9.9
Volumes (mt)	82	86	94	106	119	131	152	169	9.7	13.5
Utilisation (%)	77	74	78	83	80	73	75	78		
Blended Realisation (INR/tn)	5,038	5,118	5,502	5,895	5,864	5,569	5,610	5,687	2.0	1.1
EBITDA/tn (INR/tn)	1,144	1,338	1,225	1,004	1,089	975	1,135	1,235	(3.1)	12.5
P&L (INR bn)										
Revenue	421	447	526	632	709	742	864	976	12.0	14.7
EBITDA	94	116	115	106	130	128	172	209	6.3	27.8
Adj. Net Profit	38	56	57	51	71	63	83	109	10.5	31.1
Balance Sheet (INR bn)										
Equity	391	442	504	544	603	647	760	836		
Net Debt	169	67	39	27	28	147	151	112		
Net Debt: EBITDA	1.8	0.6	0.3	0.3	0.2	1.1	0.9	0.5		
Net Debt: Equity	0.4	0.2	0.1	0.0	0.0	0.2	0.2	0.1		
Cash Flow (INR bn)										
OCF before NWC change	65	87	93	74	104	102	129	158		
Change in NWC	5	23	(5)	(3)	(5)	(2)	(1)	(1)		
Capex	(17)	(18)	(56)	(61)	(89)	(190)	(90)	(90)		
FCF	53	91	32	10	10	(90)	38	66		
Return ratios (%)										
RoE	11.4	13.4	12.0	9.7	12.3	10.1	11.8	13.6		
RoCE	8.6	11.6	10.4	8.9	11.2	8.6	10.2	12.1		
RoC	9.3	11.0	10.8	9.3	12.3	10.1	11.6	13.1		
Valuations (x)										
PE					46.6	52.1	40.4	30.9		
EV/EBITDA					26.2	26.6	20.4	16.9		
EV/tn (USD)					262	225	204	188		

Source: Company, JM Financial

Exhibit 7. Annual analysis on per tonne basis

INR/tn	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Blended realisation	5,038	5,118	5,502	5,895	5,864	5,569	5,610	5,687
% YoY	4.6	1.6	7.5	7.1	(0.5)	(5.0)	0.8	1.4
Raw materials consumed	767	820	847	919	1,000	1,016	1,025	1,034
Power & fuel costs	1,029	964	1,291	1,749	1,536	1,337	1,221	1,225
Freight costs	1,181	1,162	1,246	1,325	1,334	1,299	1,284	1,275
Staff cost	305	272	270	259	255	272	268	261
Other expenses	691	618	717	725	742	759	764	744
Total OpEx	3,973	3,836	4,371	4,976	4,867	4,683	4,562	4,539
Other operating income	79	56	95	85	92	90	87	87
Blended EBITDA	1,144	1,338	1,225	1,004	1,089	975	1,135	1,235
% YoY	28.7	17.0	(8.5)	(18.0)	8.5	(10.5)	16.4	8.8

Source: Company, JM Financial

Exhibit 8. We broadly maintain our estimates for FY25E-27E

INR mn	FY25E			FY26E			FY27E		
	Old	New	% chg	Old	New	% chg	Old	New	% chg
Revenues	7,40,872	7,41,537	0.1	8,63,173	8,63,898	0.1	9,74,836	9,75,614	0.1
EBITDA	1,27,127	1,27,793	0.5	1,71,368	1,72,093	0.4	2,07,859	2,08,636	0.4
PAT	62,972	63,320	0.6	82,925	83,223	0.4	1,08,336	1,08,839	0.5

Source: Company, JM Financial

Exhibit 9. Maintain BUY with unchanged TP of INR 13,000 based on 19x FY27 EV/E

EV/E method

Mar27E EBITDA (INR bn)	209
EV/E multiple (x)	19.0
EV (INR bn)	3,975
Net debt (Mar26E)	151
Equity value	3,830
No. of shares (mn)	295
Mar'26 Target Price (INR)	13,000

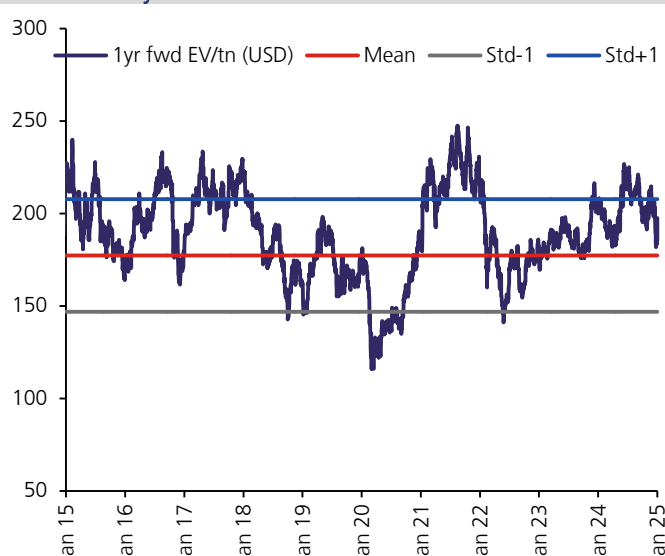
Source: JM Financial; *including investment in Star Cement

Exhibit 10. One-year forward EV / EBITDA



Source: Bloomberg, JM Financial

Exhibit 11. One-year forward EV/tn



Source: Bloomberg, JM Financial

Financial Tables (Consolidated)

Income Statement		(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Net Sales	6,23,380	6,98,100	7,29,787	8,50,738	9,60,875	
Sales Growth	20.6%	12.0%	4.5%	16.6%	12.9%	
Other Operating Income	9,020	10,981	11,750	13,160	14,739	
Total Revenue	6,32,400	7,09,081	7,41,537	8,63,898	9,75,614	
Cost of Goods Sold/Op. Exp	97,150	1,19,029	1,33,102	1,55,481	1,74,638	
Personnel Cost	27,390	30,376	35,616	40,602	44,128	
Other Expenses	4,01,662	4,29,991	4,45,026	4,95,722	5,48,212	
EBITDA	1,06,198	1,29,686	1,27,793	1,72,093	2,08,636	
EBITDA Margin	16.8%	18.3%	17.2%	19.9%	21.4%	
EBITDA Growth	-7.8%	22.1%	-1.5%	34.7%	21.2%	
Depn. & Amort.	28,880	31,453	36,635	47,367	52,798	
EBIT	77,318	98,233	91,158	1,24,725	1,55,838	
Other Income	5,031	6,170	7,426	7,901	8,166	
Finance Cost	8,227	9,680	13,674	21,058	18,127	
PBT before Excep. & Forex	74,122	94,722	84,910	1,11,568	1,45,877	
Excep. & Forex Inc./Loss(-)	0	0	0	0	0	
PBT	74,122	94,722	84,910	1,11,568	1,45,877	
Taxes	23,429	24,183	21,482	28,227	36,907	
Extraordinary Inc./Loss(-)	0	-720	325	0	0	
Assoc. Profit/Min. Int.(-)	54	-231	108	119	131	
Reported Net Profit	50,639	70,050	63,645	83,223	1,08,839	
Adjusted Net Profit	50,639	70,770	63,320	83,223	1,08,839	
Net Margin	8.0%	10.0%	8.5%	9.6%	11.2%	
Diluted Share Cap. (mn)	288.7	288.7	288.7	294.7	294.7	
Diluted EPS (INR)	175.4	245.1	219.3	282.4	369.4	
Diluted EPS Growth	-10.6%	39.8%	-10.5%	28.8%	30.8%	
Total Dividend + Tax	10,970	20,208	19,093	24,967	32,652	
Dividend Per Share (INR)	38.0	70.0	66.1	84.7	110.8	

Source: Company, JM Financial

Cash Flow Statement		(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Profit before Tax	74,122	94,722	84,910	1,11,568	1,45,877	
Depn. & Amort.	28,880	31,453	35,597	46,299	51,697	
Net Interest Exp. / Inc. (-)	8,227	9,680	13,674	21,058	18,127	
Inc (-) / Dec in WCap.	14,119	1,605	-5,529	3,602	766	
Others	-2,364	-4,661	-7,209	-8,020	-8,297	
Taxes Paid	-23,429	-24,183	-21,482	-28,227	-36,907	
Operating Cash Flow	99,555	1,08,616	99,961	1,46,280	1,71,264	
Capex	-72,855	-94,753	-1,90,000	-90,000	-90,000	
Free Cash Flow	26,700	13,863	-90,039	56,280	81,264	
Inc (-) / Dec in Investments	-1,065	-6,870	7,000	-5,000	-5,000	
Others	5,031	6,170	7,426	7,901	8,166	
Investing Cash Flow	-68,889	-95,454	-1,75,574	-87,099	-86,834	
Inc / Dec (-) in Capital	0	0	0	0	0	
Dividend + Tax thereon	-10,970	-20,208	-19,093	-24,967	-32,652	
Inc / Dec (-) in Loans	-3,021	3,976	1,28,600	-10,000	-27,000	
Others	-8,772	-594	-17,417	-20,878	-17,936	
Financing Cash Flow	-22,762	-16,826	92,089	-55,845	-77,587	
Inc / Dec (-) in Cash	7,904	-3,664	16,476	3,336	6,843	
Opening Cash Balance	3,592	11,496	7,832	24,308	27,644	
Closing Cash Balance	11,496	7,832	24,308	27,644	34,487	

Source: Company, JM Financial

Balance Sheet		(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Shareholders' Fund	5,43,245	6,02,275	6,46,826	7,59,082	8,35,270	
Share Capital	2,887	2,887	2,887	2,947	2,947	
Reserves & Surplus	5,40,359	5,99,388	6,43,939	7,56,135	8,32,323	
Preference Share Capital	0	0	0	0	0	
Minority Interest	556	559	668	787	918	
Total Loans	99,008	1,02,984	2,31,584	2,43,584	2,16,584	
Def. Tax Liab. / Assets (-)	62,536	64,429	60,577	60,637	60,698	
Total - Equity & Liab.	7,05,345	7,70,247	9,39,655	10,64,090	11,13,469	
Net Fixed Assets	6,69,029	7,29,679	8,76,322	9,96,023	10,34,326	
Gross Fixed Assets	7,37,926	8,02,389	9,59,851	11,35,111	12,41,780	
Intangible Assets	63,293	63,455	63,455	63,455	63,455	
Less: Depn. & Amort.	1,72,539	2,03,992	2,39,589	2,85,888	3,37,585	
Capital WIP	40,349	67,828	92,605	83,345	66,676	
Investments	72,970	82,490	83,250	88,250	93,250	
Current Assets	1,71,806	1,95,802	2,21,565	2,58,487	2,95,394	
Inventories	66,118	83,297	90,352	1,05,329	1,19,358	
Sundry Debtors	38,670	42,782	45,271	52,774	59,606	
Cash & Bank Balances	11,496	7,832	24,308	27,644	34,487	
Loans & Advances	53,870	60,241	59,983	71,089	80,292	
Other Current Assets	1,651	1,651	1,651	1,651	1,651	
Current Liab. & Prov.	2,08,459	2,37,724	2,41,481	2,78,669	3,09,501	
Current Liabilities	72,093	84,783	79,398	91,226	1,01,903	
Provisions & Others	1,36,366	1,52,941	1,62,084	1,87,444	2,07,598	
Net Current Assets	-36,654	-41,922	-19,917	-20,183	-14,106	
Total - Assets	7,05,345	7,70,247	9,39,655	10,64,090	11,13,469	

Source: Company, JM Financial

Dupont Analysis						
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Net Margin	8.0%	10.0%	8.5%	9.6%	11.2%	
Asset Turnover (x)	0.9	1.0	0.9	0.9	0.9	
Leverage Factor (x)	1.3	1.3	1.4	1.4	1.4	
RoE	9.7%	12.4%	10.1%	11.8%	13.7%	

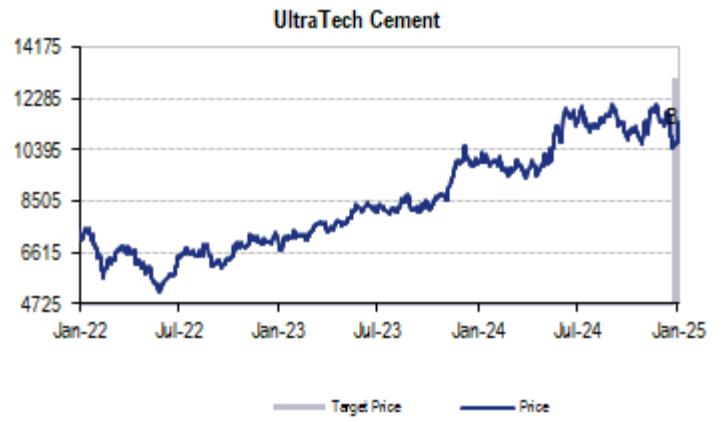
Key Ratios						
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
BV/Share (INR)	1,881.8	2,086.2	2,240.6	2,576.1	2,834.7	
ROIC	9.6%	12.5%	9.8%	11.2%	12.8%	
ROE	9.7%	12.4%	10.1%	11.8%	13.7%	
Net Debt/Equity (x)	0.0	0.0	0.2	0.2	0.1	
P/E (x)	65.1	46.6	52.1	40.4	30.9	
P/B (x)	6.1	5.5	5.1	4.4	4.0	
EV/EBITDA (x)	31.3	25.7	27.0	20.1	16.4	
EV/Sales (x)	5.3	4.7	4.7	4.0	3.5	
Debtor days	22	22	22	22	22	
Inventory days	38	43	44	45	45	
Creditor days	50	53	47	48	48	

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
14-Jan-25	Buy	13,000	

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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* REITs refers to Real Estate Investment Trusts.

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