

# Axis Annual Analysis 2025



**JK Lakshmi Cement Ltd**

## Capacity Expansion, Premiumization, and Efficiency Gains to Propel Growth

### Summary

- **Aim to Increase Total Capacity to 30 MTPA by 2030:** The company aims to increase its total capacity to 30 MTPA and boost its use of green power to 60% by 2030. Its 1.4 MTPA Grinding Unit in Surat is progressing well and is scheduled for commissioning in Q2FY26. The company plans a capacity expansion of 4.6 mtpa for cement grinding and 2.3 mtpa for clinker at a total capital cost of Rs 2,500 Cr (\$65/tonne). This will be commissioned in phases over FY26-28.
- **Merger with UCWL:** During the year, the company approved the merger of UCWL, along with 2 more subsidiaries, with the JKLC. The Scheme aims to enhance synergistic benefits across manufacturing, distribution, and logistics by improving alignment, reducing time to market, and delivering greater value to customers. It also offers scope for reduction in fixed costs and other benefits of economies of scale, including common procurement.
- **Blended Realisation:** The company reported revenue of Rs 6,192 Cr, marking a 9% YoY decline. Its blended realisation also contracted, driven by lower cement prices reaching Rs 5,100/tonne, down 10% YoY.
- **Increase in Sales of Smart Building Solution:** Sales of SBS products increased by 13% YoY to Rs 620 Cr. The company commissioned a new Putty plant and White cement plant at Alwar and three new RMC plants at Rajsamand, Bhilwara and Bhopal, taking the total SBS tally to 23 plants. Aggressive SBS expansion plans are underway to increase its contribution to its revenue share.

### Key Highlights

- **Decline in EBITDA Margins:** The company's EBITDA margins contracted by 150 bps to 14% during the year, primarily due to lower realisations. On the positive side, the overall cost of cement production declined by 8% to Rs 4,393/tonne, primarily led by lower P/F cost, which declined by 20% on a tonne basis during the year.
- **Nominal Growth in Cement Sales Volume:** In FY25, JKLC reported a cement sales volume of 12.1 MTPA, marking a 1% increase over FY24 levels. This growth was supported by above-average demand from both the trade and non-trade segments.
- **Digitisation Efforts Yielding Results:** Rapid digitisation across functions helped the company optimise its systems and processes and improve working capital management as well as its plant efficiency.
- **Brand Building Exercise Continues:** The company's brand building has helped increase the revenue share of premium products while strengthening product positioning and market share in its key markets.

### Key Competitive Strengths

a) One of the most efficient cost producers of cement in India; b) Robust sales and distribution network; c) Strong financial position; d) Experienced and competent management bandwidth; and e) Focus on premium and value-added product

### Strategies Implemented

a) Stepped up efforts towards digitisation of various functions across plants; b) Increased the use of green energy to reduce overall power cost; c) Enhanced geographical mix to increase realisation; d) Optimised product mix; and e) Implemented strategies to increase the sale of value-added products.

### Growth Drivers

a) Affordable housing; b) Real estate growth; c) Focus on infrastructure development, including roads, highways, metros, airports, and irrigation and water projects; and d) Rural road development.

### Key Focus Areas

a) Capacity expansion; b) Improving operational efficiency at all levels through sustainable operations; c) Focusing on value-added and premium products; d) Ensuring efficient supply chain management; and e) Enhancing product positioning and market share.

**Outlook & Recommendation:** Cement demand is anticipated to remain robust, driven by higher capital expenditure on infrastructure and housing projects. JKLC is expanding its capacity to meet the expected increase in demand and to gain market share in its operating regions while also exploring opportunities in new geographies. The stock is currently trading at 11x and 10x FY26E and FY27E EV/EBITDA. We value JKLC at 10.5x FY27E EV/EBITDA and assign a **BUY** rating with a TP of Rs 1,050/share, implying an upside of 16% from the CMP.

### Key Financials

Y/E Mar (Rs)	FY25	FY26E	FY27E
Net Sales	6,193	6,915	7,565
EBITDA	865	1,188	1,420
Net Profit	312	538	627
EPS (Rs)	27	43	51
PER (x)	34	21	18
P/BV (x)	3.1	2.8	2.5
EV/EBITDA (x)	14	11	10
RoE (%)	9	14	14

Source: Company, Axis Securities Research

(CMP as of 11<sup>th</sup> September, 2025)

CMP (Rs)	906
Upside /Downside (%)	16%
High/Low (Rs)	1,021/6,603
Market cap (Cr)	10,6679
Avg. daily vol. (6m) Shrs.	2,75,0000
No. of shares (Cr)	12.48

### Shareholding (%)

	Dec-24	Mar-25	Jun-25
Promoter	46.3	46.3	46.3
FII's	11.9	12.1	12.8
MFs / UTI	19.9	20.2	20.7
Banks/FIs	0.0	0.0	0.0
Others	21.8	21.4	20.2

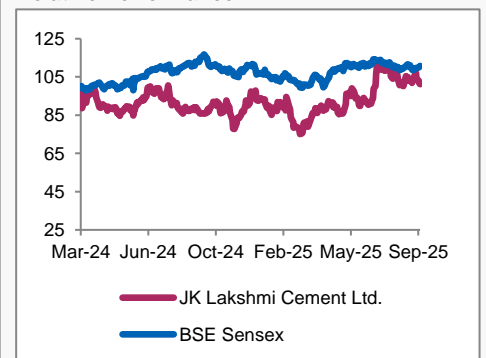
### Financial & Valuations

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EV/EBITDA (x)	14	11	10
RoE (%)	9	14	14

### Change in Estimates (%)

Y/E Mar	FY26E	FY27E
Sales	0	0
EBITDA	0	0
PAT	0	0

### Relative Performance



Source: Ace Equity

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## Company Overview

JK Lakshmi Cement (JKLC) is a key player in the cement industry, particularly strong in its primary markets of North and West India, where it generates 75% of its revenue. The company also maintains a significant presence in the eastern region of the country. Established in 1982 with an initial cement plant capacity of 0.5 MTPA, JKLC has since expanded its total capacity to 16.4 MTPA, with a clinker capacity of 10.2 MTPA on a consolidated basis. This growth has been supported by a robust network of over 7,000 cement dealers across Madhya Pradesh, Chhattisgarh, Rajasthan, Gujarat, Uttar Pradesh, Punjab, Delhi, Haryana, Jammu & Kashmir, Maharashtra, Odisha, and West Bengal, allowing it to serve customers effectively nationwide. JKLC operates 3 integrated plants and 4 grinding plants located strategically across India to maximise efficiency and market reach.

## FY25- Key Financial and Operational Activities

- **Decline in Revenue/EBITDA/PAT:** The company reported a decline in financial performance in FY25, with Revenue/EBITDA/PAT falling 9%/18%/35%, respectively, primarily due to lower realisation driven by increased competitive intensity and a reduction in cement prices. The blended realisation for the year declined to Rs 5,100/tonne, down 9% YoY.
- **Marginal Volume Growth:** The volume growth in FY25 increased marginally by 1% YoY (FY24–11.99 MTPA vs.FY25–12.13 MTPA).
- **Decline in EBITDA Margin:** The company reported a lower EBITDA margin of 14% in FY25, compared to 15.5% in FY24. This was owing to lower cement prices and higher operating expenses. On the positive side, P/F cost declined by 20% YoY on a per-tonne basis, which resulted in the offsetting impact of lower cement prices.
- **Sale of Smart Building Solution Increased:** The sale of SBS increased by 12% to Rs 620 Cr in FY25. Aggressive SBS expansion plans are underway to increase its contribution to the company's revenue share.
- **Growth in Blended Cement Sales:** The Blended Cement Sale was 65% during the year, which was marginally higher compared to last year.
- **Debt Capital:** During the year, leverage increased by Rs 500 Cr, and Gross debt/Net debt to equity stood at 0.69x and 0.47x.
- **Capacity Utilisation:** The company's capacity utilisation declined to 70% against 81% previous year as new capacity was commissioned during the year.
- **Dividend of Rs 6.5/share:** The company also declared a dividend of Rs 6.5/share (130%) for FY25.
- **Digitisation Efforts:** Various digital initiatives are underway and are at various stages of implementation to make the organisation more effective. Some of these efforts include the digitisation of HR processes, automation for higher productivity, and the digitisation of emergency management systems, among others.
- **Cost Optimisation through Sustainable Operation:** JKLC is one of the most efficient cement manufacturers in India and aims to gain a competitive advantage in the market by implementing all possible efficiency measures to further optimise its cost structure. The company's green energy now accounts for 49% of its total energy mix. JKLC has also increased its use of alternative fuels to reduce its carbon footprint and make operations more sustainable. The company is also looking to increase sales of cement mixes.
- **Brand Building:** The share of premium products during the year increased to 23% and the company aims to take it to 27%. It leveraged digital media and increased customer connectivity across segments.

## Key Growth Drivers

- **Government Infrastructure Investments:** Increased spending on infrastructure projects such as roads, railways, and urban development.
- **Housing Demand:** Strong growth driven by initiatives like PM Awas Yojana (Grameen) and ongoing residential construction projects.
- **Urbanisation:** Continuous urban growth leading to higher demand for cement in housing and infrastructure development.
- **Industrial Growth:** Expansion in industrial sectors, including manufacturing, leading to greater demand for cement in industrial construction.
- **Government Schemes:** Initiatives like the Smart Cities Mission, AMRUT, and Swachh Bharat Mission that support infrastructure and housing projects
- **Private Capex:** The Government's efforts to kick-start an investment cycle, led by robust public Capex, coupled with strong corporate and bank balance sheets, are likely to provide impetus to private investments and consumption.
- **Sustainability Focus:** Growing demand for green cement and energy-efficient construction materials due to environmental concerns.

*Infrastructure spending by the government, real estate demand and housing for all will remain the key growth drivers from a medium to long-term perspective.*

## Key Strategies Moving Forward

- **Capacity Expansion:** The company will selectively expand its capacity in northern and western India over the next few years to optimise the use of the new limestone mines recently allotted to it. It aims to create a capacity of 30 MTPA on a consolidated basis by 2030.
- **Consolidate Market Position:** The company aims to consolidate its market position in the North, West, and East regions and develop new markets in the North-East region.
- **Achieve Higher Realisations:** Cement demand in India is expected to be robust in the coming years, as per-capita cement consumption in India is extremely low compared to the global average, and significant investments are being made in the country's infrastructure and housing sector. The company aims to increase realisations by superior product mix and geographic mix, launching new brands, expanding the distribution network, and optimising distribution costs.
- **Value-Added Products:** The company continues to focus on introducing value-added products and plans to launch additional products in this category to strengthen its market presence. It acquired the AAC block plant in Aligarh to expand its RMC business in key markets like Delhi NCR. It aims to increase the sale of VAP products to Rs 1,200 Cr over the medium to long term.

## Business Outlook

- **Robust Growth in Indian Cement Industry:** The Indian cement industry, the world's second-largest after China, continues to serve as a cornerstone of the nation's infrastructure and construction landscape. As of 2025, the sector is experiencing healthy growth, with cement demand expanding at an annual rate of 6–8%. This momentum is fueled by large-scale government initiatives such as PM Gati Shakti, Bharatmala, the Smart Cities Mission, and the Pradhan Mantri Awas Yojana (PMAY), alongside accelerating urbanisation and rising housing demand in rural and semi-urban regions.
- **Capacity Expansion and Industry Consolidation Drive Outlook:** The industry remains focused on capitalising on emerging growth opportunities across the country. In FY24-25, total installed capacity reached ~667 Mn tonnes, up from 631 Mn tonnes in the previous year, with the industry leader contributing more than half of this expansion. The top two players continued to pursue aggressive capacity growth strategies, both organically and through acquisitions. Annual capacity additions of 4%–6% are not expected to disrupt the demand-supply balance, as demand growth is projected to outpace new supply. Alongside continued industry consolidation, these trends are expected to create a more favourable business environment over the medium to long term.
- **Sustainable Growth and Competitive Advantage Ahead:** The Indian cement industry is well-positioned for long-term growth, underpinned by robust domestic demand and sustained government investment in infrastructure. However, the sector faces the twin challenges of sustainability and cost efficiency. Companies that successfully innovate, lower their carbon footprint, and adopt digital transformation are expected to gain a competitive edge and establish leadership in an increasingly competitive and environmentally conscious market.

## Risks and Mitigation

### *Key Risks Identified, Assessed, and Mitigated During the Year Under Review Include:*

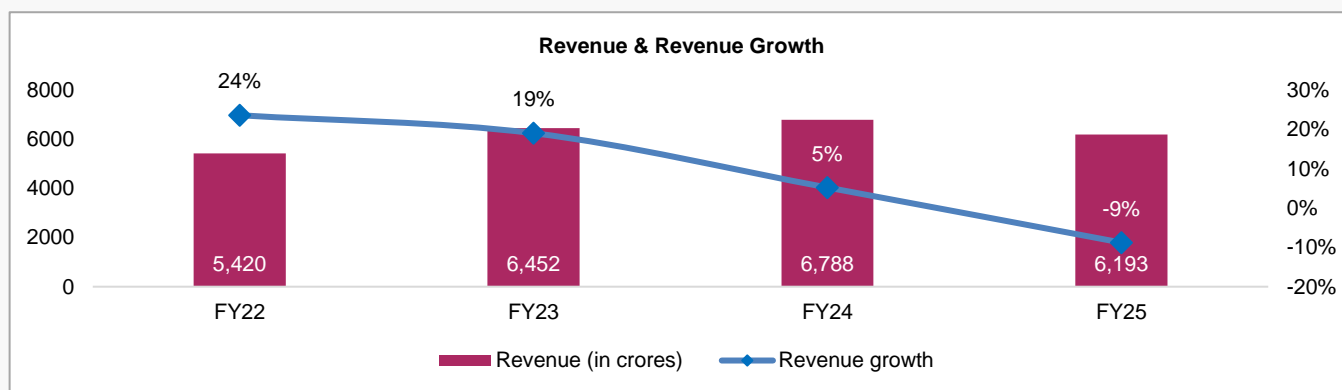
- **Business Continuity Risk:** The pandemic disrupted the overall operational flow, including labour exodus, restrictions on inter-state movements, and challenges in the availability of raw materials and fly ash. To mitigate these risks, the company established a core leadership group that served as a nerve centre to assess, plan, and respond to evolving risks with agility and inclusivity.
- **Cybersecurity Risk:** With remote working and virtual connectivity becoming the new normal, many organisations, including JKLC, have been exposed to increased cybersecurity risks. In response, the company has taken urgent and appropriate measures to secure data privacy. It has implemented a detailed surveillance program, conducted vulnerability assessments, and upgraded its network security to align with international standards, ensuring the ability to swiftly counteract any cyber threat.
- **Compliance Risk:** The company's operations ensure compliance with all the guidelines promptly. Any non-compliance, however, may pose a serious risk to its seamless operations. It has taken appropriate measures to ensure proper compliance as required.
- **Legal/ Contractual Obligations Risks:** The company is required to fulfil several legal and contractual obligations as per its agreements with various parties, ensuring proper compliance and regular monitoring to maintain smooth operations. To mitigate related risks, JKLC conducts impact assessments of all contracts, particularly those with take-or-pay obligations or guaranteed commitments. Additionally, it opportunistically renegotiates contracts to reduce or remove guaranteed commitments, enhancing flexibility and safeguarding against future volatility.
- **Higher Input Cost Risk:** The rising costs of pet coke, coal, diesel, fly ash, and packing bags have put pressure on the company's margins, as these components form a significant portion of production costs. To mitigate this risk, JKLC has implemented various measures, including shifting fuel use from pet coke to coal, direct dispatch of cement, consistent monitoring of vehicles, and leveraging advanced technology to combat higher costs.
- **Demand Risk:** Cement demand growth is closely correlated with the country's GDP growth. Any slowdown in GDP can adversely affect cement sales and production, impacting the entire industry. A demand-supply imbalance can exacerbate this issue, leading to a sector-wide slowdown. To mitigate these risks, the company is expanding its capacity to serve unpenetrated markets, introducing new and value-added products, enhancing product marketing through various channels, and focusing on cost optimisation through more efficient and sustainable production methods.

### Profitability Analysis (Rs Cr)

Particulars	FY24	FY25	Change (%)	Comments/Analysis
Sales	6788	6193	-9%	Revenue growth was negative owing to lower cement prices.
Gross Profits	2273	2152	-5%	Gross Profits were lower due to lower realisation during the year.
Operating Expenses	1220	1287	-5%	Operating expenses were higher owing to higher staff costs and a significant increase in packing material costs.
EBITDA	1052	865	-18%	EBITDA declined owing to lower realisation and higher operating costs.
Depreciation	246	299	22%	Depreciation was elevated as new assets were capitalised during the year.
EBIT	874	612	-30%	EBIT was lower on account of lower revenue and high depreciation.
Interest	150	182	21%	Interest cost was higher as the company raised debt to meet capex.
PBT	732	394	-46%	Lower owing to the above attributes
Tax	244	118	-52%	The tax was lower as profit decreased during the year.
PAT	488	276	-43%	PAT was lower due to the combined impact of the above-mentioned attributes
EPS	40	24	-43%	EPS is in line with PAT.
Volume	11.99	12.13	1%	Volume was higher marginally.

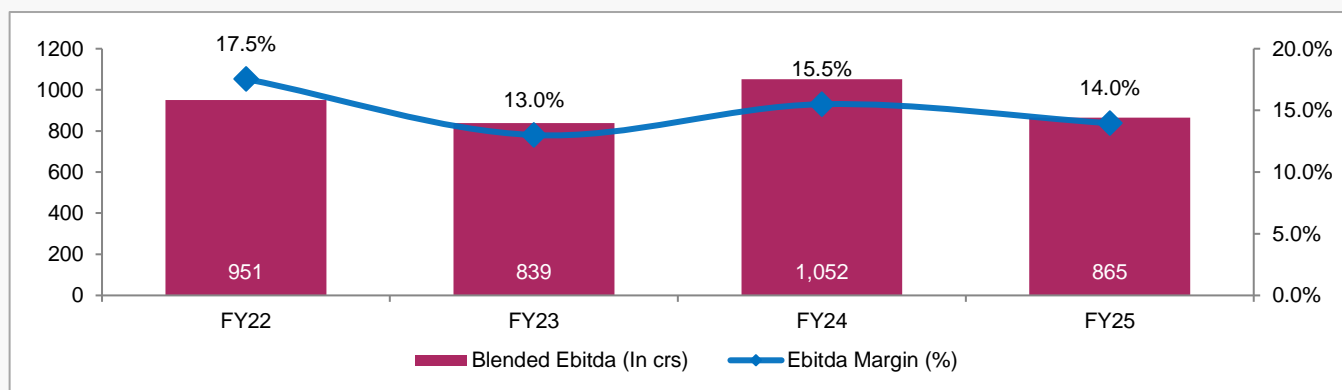
Source: Company; Axis Securities Research

### Exhibit 1: Revenue and Growth Trend



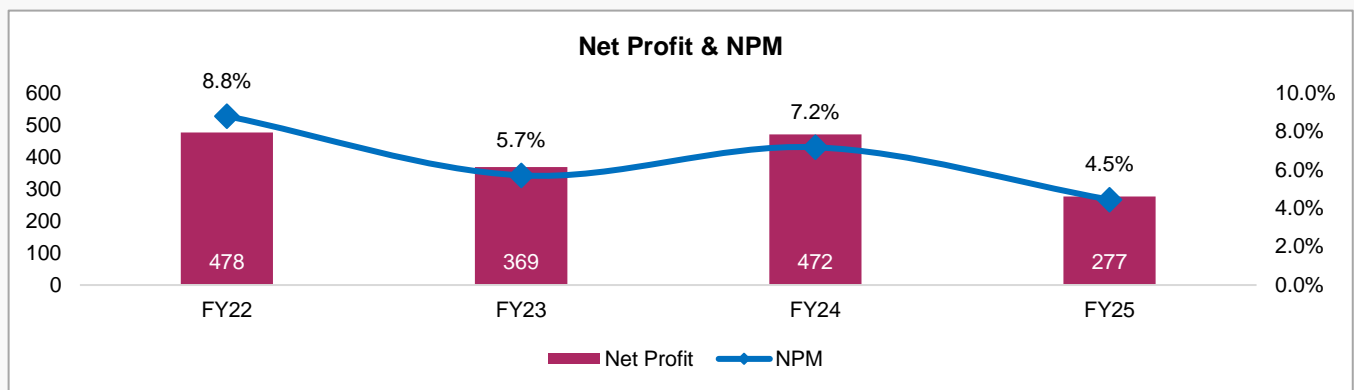
Source: Company, Axis Securities Research

### Exhibit 2: Blended EBITDA & EBITDA Margin

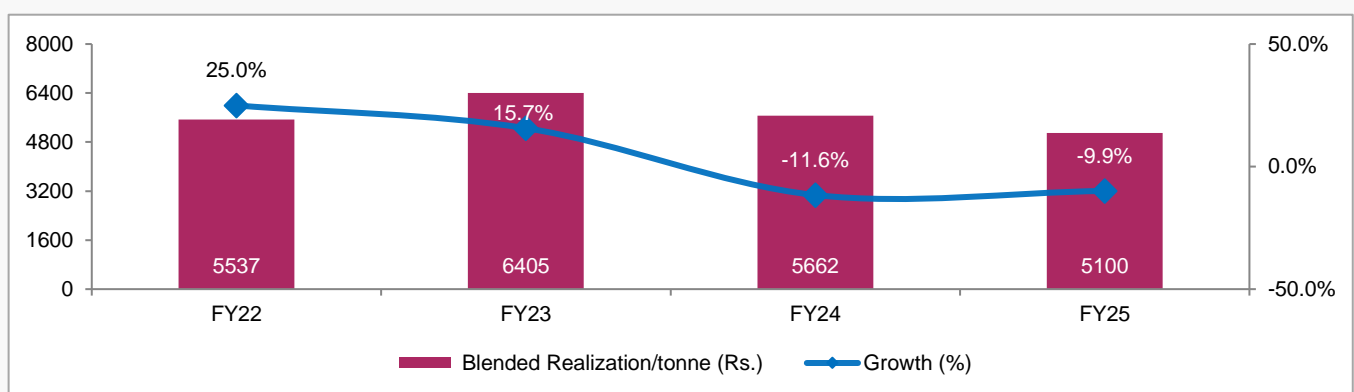


Source: Company, Axis Securities Research

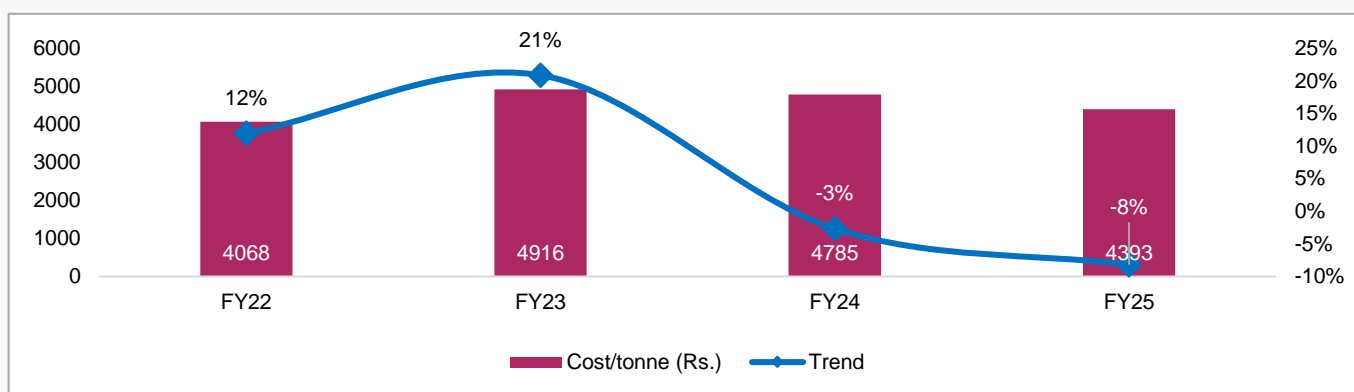


**Exhibit 3: Net Profit & NPM**


Source: Company, Axis Securities Research

**Exhibit 4: Blended Realisation/tonne & Growth**


Source: Company, Axis Securities Research

**Exhibit 5: Cost/Tonne Trend**


Source: Company, Axis Securities Research



## Profitability Margins

Particulars	FY24	FY25	Change	Comments/Analysis
GPM	33.5%	34.8%	130bps	GPM was higher as P/F costs declined in FY25 by 20% on a tonne basis.
EBITDAM	15.5%	14%	150bps	EBITDA margins were lower as input costs declined and realisation improved.
PATM	7.2%	4.5%	273bps	PATM was lower owing to a decline in profitability.

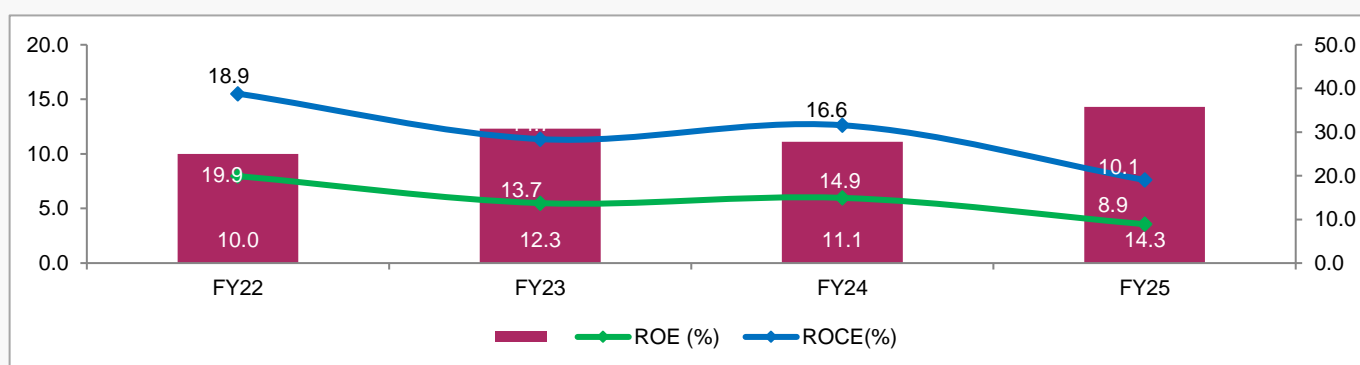
Source: Company; Axis Securities Research

## Financial Ratios

Particulars	FY24	FY25	Change	Comments/Analysis
ROE	15%	9%	-600bps	ROE declined due to lower profitability during the year.
ROCE	17%	10%	-700bps	ROCE was lower as the EBIT margin declined.
Asset Turn	1.1	0.9	-20bps	Asset turnover was lower as revenue declined by 9% during the year.
Net Debt/Equity	0.41	0.47	-06bps	Net debt increased owing to loans raised during the year.
EV/EBITDA	11x	13x	200x	The EV/EBITDA trend showed that higher market capitalisation increased.

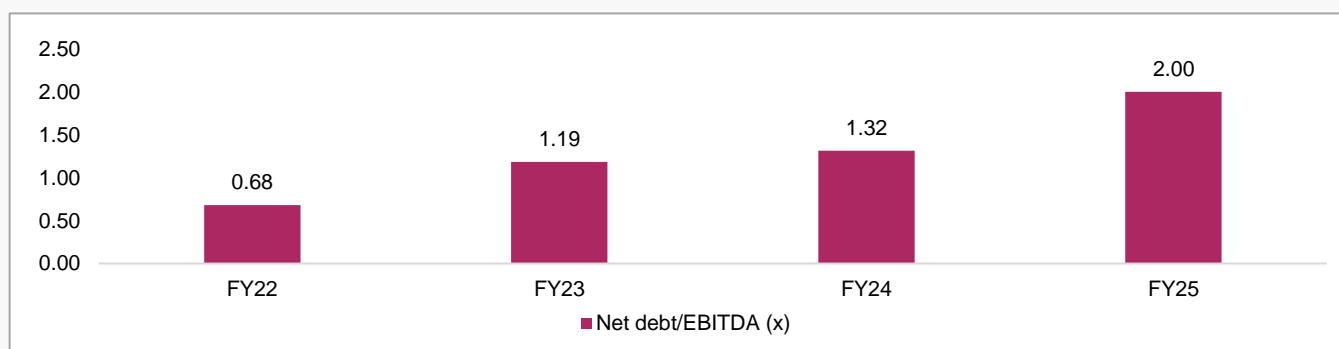
Source: Company; Axis Securities Research

### Exhibit 6: EV/EBITDA, ROE & ROCE Trend



Source: Company, Axis Securities Research

### Exhibit 7: Leverage Ratio



Source: Company, Axis Securities Research

## Key Balance Sheet Takeaways

### Working Capital Management

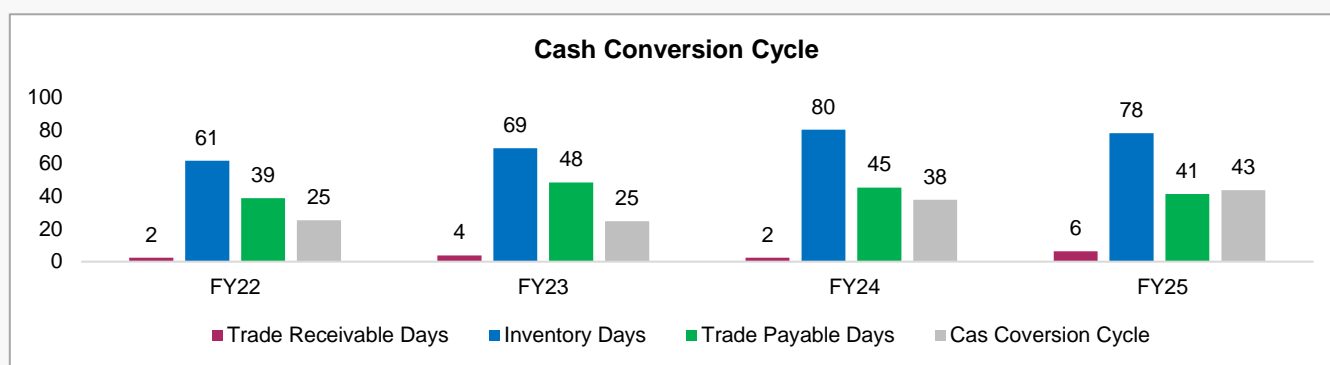
- The working capital intensity increased in FY25, with the cash conversion cycle rising to 43 days from 38 days in FY24. This change was due to higher receivable days, while inventory days were lower. During the year, the OCF to EBITDA ratio improved to 91% compared to 84% in FY24.
- From FY20 to FY25, the company generated a total OCF of Rs 4,678 Cr, of which 68% (Rs 3,178 Cr) was allocated to its Capex program, reflecting medium to high Capex intensity. While the CFO remained the primary source of funding, it generated an FCF of Rs 1,500 Cr over the same period. The company utilised its OCF to reduce long-term debt, paying off Rs 2,423 Cr during this period after accounting for debt raised.

### Cash Conversion Cycle

Particulars	FY24	FY25	Change	Comments/Analysis
Inventory Days	80	78	-2	Inventory days decreased owing to a reduction in inventory.
Trade Receivables	2	6	4	Receivable days increased owing to higher credit allowed.
Trade Payables	45	41	4	Trade payable days increased on account of tight credit terms with suppliers.
Cash Conversion Cycle	38	43	5	Overall, CCC increased by 5 days

Source: Company; Axis Securities Research

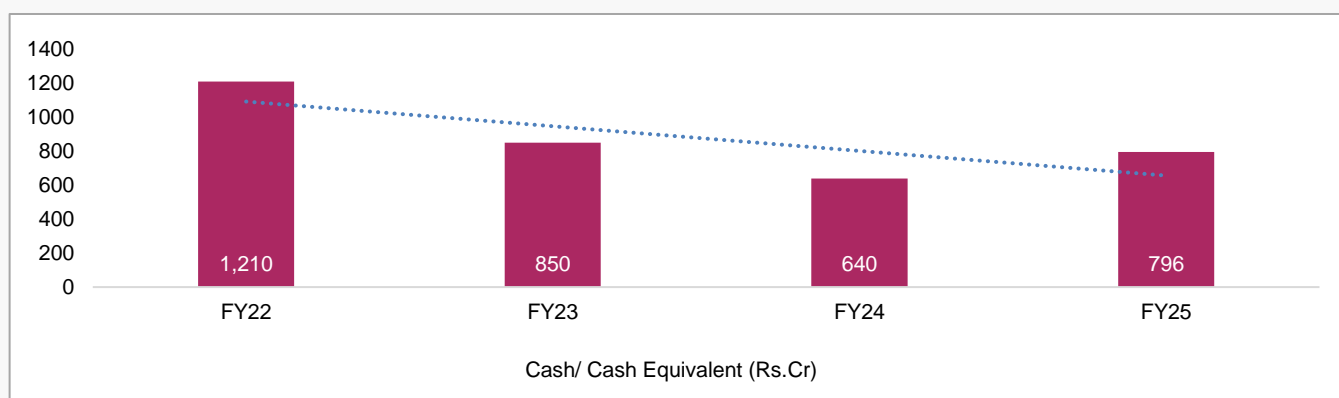
### Exhibit 8: Cash Conversion Cycle



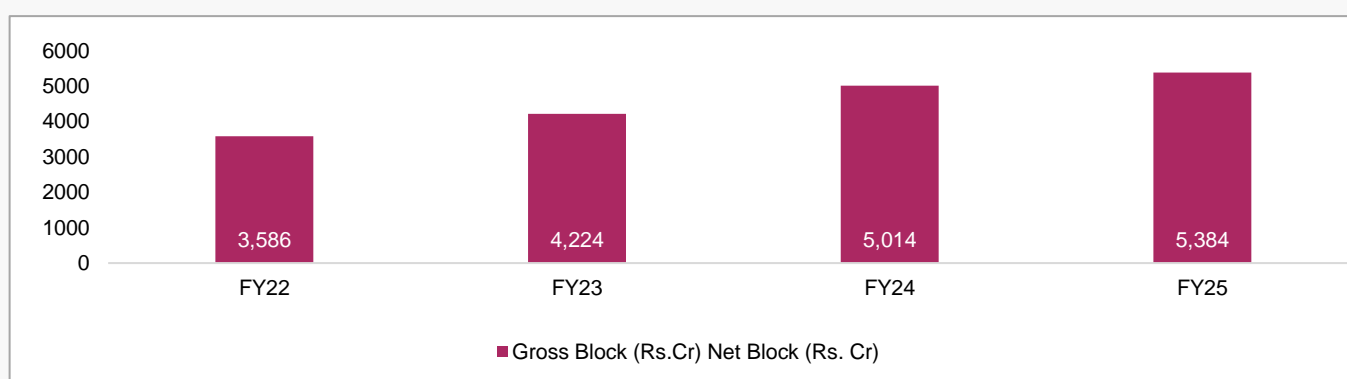
Source: Company, Axis Securities Research

## Key Balance Sheet Takeaways (Cont...)

- Debt Levels:** The company's debt/equity stood at 0.70x against 0.60x in FY24 and Net debt/Equity increased to 0.47 owing to higher capex during the year.
- Fixed Capital Formation:** Gross Fixed Capital Formation improved from Rs 7,236 Cr in FY25 to Rs 6,460 Cr in FY24, an improvement of 12% as the company incurred Capex on capacity expansion.
- Capex Plans:** The company has proposed to expand its current capacity to 30 mtpa by 2030. To achieve this, JKLC is expanding its capacity to 22 mtpa, with completion targeted by FY28. This will entail capex in the range of Rs 2,500 cr to Rs 2,800 Cr. In FY24, it spent Rs 606 Cr in Capex towards new growth and maintenance expenses.
- Cash & Liquidity Position:** The cash & cash equivalent stood at Rs 795 Cr as of 31st March 2025, against Rs 635 Cr in FY24, up 24% YoY. This was on account of new loan raised and lower capex during the year.

**Exhibit 9: Cash & Cash Equivalent (Rs Cr)**


Source: Company, Axis Securities Research

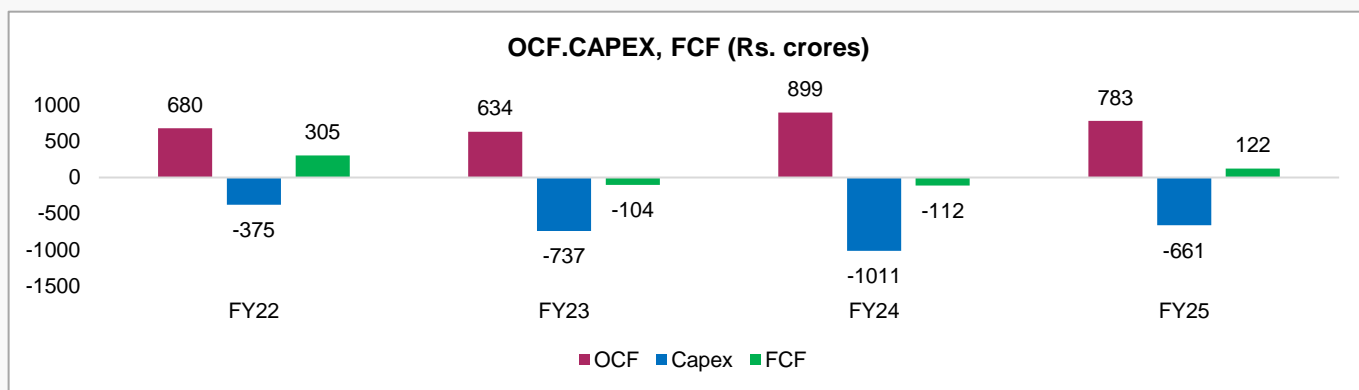
**Exhibit 10: Gross & Net Block**


Source: Company, Axis Securities Research

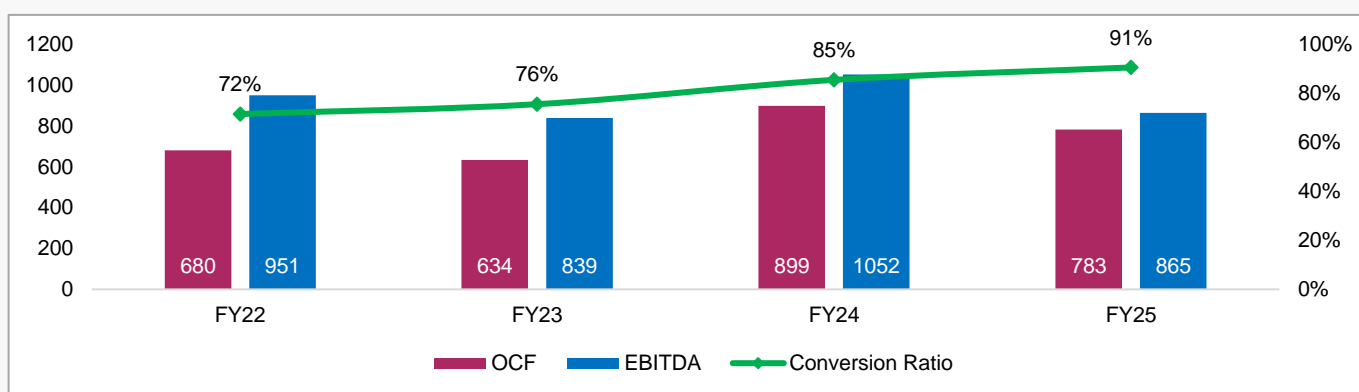
### Key Cash Flow Takeaways

Particulars (Rs Cr)	FY24	FY25	Change (%)	Comments/Analysis
PBT	732	430	-41%	PBT was lower owing to a decline in operating performance during the year.
Non-cash expenses				
Depreciation	246	299	22%	Depreciation cost increased as a new plant was commissioned during the year.
Finance Cost	150	181	20%	Finance costs increased due to the additional loan raised during the period.
Others	-74	-54	-27%	Lower due to the decline in other income.
Working Capital Adjustments	-43	-49	14%	Higher owing to increased CCC days.
CFO	900	782	-13%	Lower YoY owing to subdued operating profits during the year.
CFI	-1151	-880	-31%	Lower as the company expended less on capex
CFF	-36	318	-	Higher as new loan were raised during the year
Capex	-1011	-660	-35%	Lower owing to lower Capex during the year.
Free Cash Flow Generation	-112	122	-	Higher owing to lower capex during the year.

Source: Company; Axis Securities Research

**Exhibit 11: OCF, Capex, FCF Trend (in Cr)**


Source: Company, Axis Securities Research

**Exhibit 12: OCF, EBITDA, and Conversion ratio trend (Cr)**


Source: Company, Axis Securities Research

**Financials (Consolidated)**
**Profit & Loss**

(Rs Cr)

Y/E March	FY24	FY25	FY26E	FY27E
<b>Net sales</b>	<b>6788</b>	<b>6193</b>	<b>6915</b>	<b>7565</b>
Other operating income	0	0	0	0
<b>Total income</b>	<b>6788</b>	<b>6193</b>	<b>6915</b>	<b>7565</b>
Raw Material	1451	1235	1230	1316
Power & Fuel	1745	1404	1494	1592
Freight & forwarding	1320	1401	1577	1687
Employee benefit expenses	418	439	498	548
Other Expenses	803	848	928	1002
<b>EBITDA</b>	<b>1052</b>	<b>865</b>	<b>1188</b>	<b>1420</b>
Other income	68	46	59	53
<b>PBIDT</b>	<b>1120</b>	<b>911</b>	<b>1247</b>	<b>1473</b>
Depreciation	246	299	312	382
Interest & Fin Chg.	150	181	202	233
E/o income / (Expense)	0	0	0	0
<b>Pre-tax profit</b>	<b>724</b>	<b>430</b>	<b>733</b>	<b>858</b>
Tax provision	245	118	194	232
Minority Interests				
Associates	0	0	0	0
RPAT	<b>479</b>	<b>312</b>	<b>538</b>	<b>627</b>
Other Comprehensive Income	0	0	0	0
<b>APAT after Comprehensive Income</b>	<b>479</b>	<b>312</b>	<b>538</b>	<b>627</b>

Source: Company, Axis Securities Research

**Balance Sheet**

(Rs Cr)

Y/E March	FY24	FY25	FY26E	FY27E
<b>Total assets</b>	<b>7650</b>	<b>8479</b>	<b>9303</b>	<b>10426</b>
Net Block	5014	5384	6144	7502
CWIP	383	278	278	278
Investments	11	11	11	11
Wkg. cap. (excl cash)	480	517	417	447
Cash / Bank balance	267	197	332	227
Misc. Assets	150	209	212	196
<b>Capital employed</b>	<b>7650</b>	<b>8479</b>	<b>9303</b>	<b>10426</b>
Equity capital	59	59	62	62
Reserves	3128	3412	3899	4487
Minority Interests	0	0	0	0
Borrowings	2025	2527	2827	3327
DefTax Liabilities	0	0	0	0
Other Liabilities and Provision	2438	2481	2515	2549

Source: Company, Axis Securities Research

**Cash Flow**
**(Rs Cr)**

Y/E March	FY24	FY25	FY26E	FY27E
<b>Profit before tax</b>	732	430	733	858
Depreciation	246	299	312	382
Interest Expenses	150	181	202	233
Non-operating/ EO item	-14	-9	-59	-53
Change in W/C	-43	-49	100	-30
Income Tax	-113	-34	-194	-232
<b>Operating Cash Flow</b>	959	819	1094	1158
Capital Expenditure	-1011	-661	-1072	-1740
Investments	151	-214	0	200
Others	44	46	59	53
<b>Investing Cash Flow</b>	-816	-829	-1013	-1487
Borrowings	498	486	300	500
Interest Expenses	-203	-197	-202	-233
Dividend paid	-67	-53	-47	-43
<b>Financing Cash Flow</b>	227	237	51	224
Change in Cash	371	226	133	-105
Opening Cash	142	126	75	211
Closing Cash	126	75	211	106

Source: Company, Axis Securities Research

**Ratio Analysis**

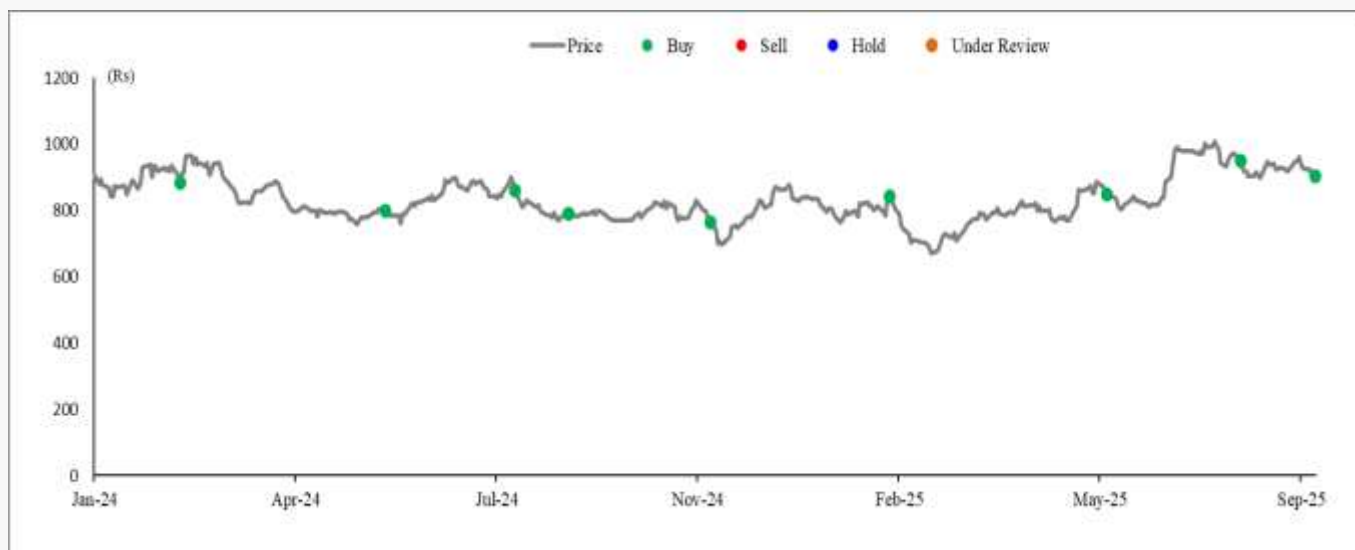
(%)

Y/E March	FY24	FY25	FY26E	FY27E
<b>Operational Ratios</b>				
Gross profit margin	33.5%	34.8%	37.8%	39.3%
EBITDA margin	15.5%	14.0%	17.2%	18.8%
PAT margin	7.2%	4.5%	7.8%	8.3%
Depreciation / G. block	4%	4%	4%	4%
<b>Growth Indicator</b>				
Sales growth	5%	-9%	12%	9%
Volume growth	5%	1%	8%	7%
EBITDA growth	25%	-18%	37%	20%
PAT growth	32%	-43%	95%	16%
<b>Efficiency Ratios</b>				
Sales/Gross block (x)	1.1	0.9	0.8	0.8
Sales/Net block(x)	1.4	1.2	1.1	1.0
Working capital/Sales (%)	0.17	0.22	0.19	0.15
<b>Valuation Ratios</b>				
PE (x)	22	34	21	18
P/BV (x)	3.23	3.07	2.84	2.47
EV/Ebitda (x)	11.1	14.3	11.1	9.8
EV/Sales (x)	1.7	2.0	1.9	1.8
MCap/ Sales (x)	1.5	1.7	1.6	1.5
EV/Tonne \$	104	125	87	73
<b>Return Ratios</b>				
	15	9	14	14
ROE	17	10	14	14
ROCE	19	12	16	15
ROIC				
<b>Leverage Ratios</b>				
Debt/equity (x)	0.60	0.69	0.68	0.70
Net debt/ Equity (x)	0.41	0.47	0.46	0.57
Net debt/Ebitda	1.32	2.00	1.60	1.90
Interest Coverage ratio (x)	5.8	3.4	4.6	4.7
<b>Cash Flow Ratios</b>				
OCF/Sales	13%	13%	16%	15%
OCF/Ebitda	85%	91%	92%	82%
OCF/Capital Employed	16%	12%	15%	14%
FCF/Sales	-2%	2%	0%	-8%
<b>Other Ratios</b>				
AEPS (Rs)	39	27	43	51
AEPS Growth (%)	25	-33	62	18
CEPS (Rs)	61	49	68	82
DPS (Rs)	5	7	4	4

Source: Company, Axis Securities Research



## JK Lakshmi Cement Price Chart and Recommendation History



Date	Reco	TP	Research
14-Feb-24	BUY	1,000	Result Update
28-May-24	BUY	950	Result Update
02-Aug-24	BUY	950	Result Update
29-Aug-24	BUY	950	AAA
11-Nov-24	BUY	900	Result Update
10-Feb-25	BUY	930	Result Update
29-May-25	BUY	940	Result Update
05-Aug-25	BUY	1,050	Result Update
12-Sep-25	BUY	1,050	AAA

Source: Axis Securities Research

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HOLD	Between 10% and -10%
SELL	Less than -10%
NOT RATED	We have forward looking estimates for the stock, but we refrain from assigning valuation and recommendation.
UNDER REVIEW	We will revisit our recommendation, valuation and estimates on the stock following recent events
NO STANCE	We do not have any forward-looking estimates, valuation or recommendation for the stock

Note: Returns stated in the rating scale are our internal benchmark.