

# Dalmia Bharat

Estimate change



TP change



Rating change



Bloomberg	DALBHARA IN
Equity Shares (m)	188
M.Cap.(INRb)/(USDb)	425.7 / 4.9
52-Week Range (INR)	2343 / 1601
1, 6, 12 Rel. Per (%)	9/16/25
12M Avg Val (INR M)	705
Free float (%)	44.2

## Financial Snapshot (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	157.1	170.7	186.1
EBITDA	34.9	39.1	43.6
Adj. PAT	13.7	13.0	15.6
EBITDA Margin (%)	22.2	22.9	23.4
Adj. EPS (INR)	73.2	69.6	83.5
EPS Gr. (%)	97.4	-4.9	20.0
BV/Sh. (INR)	988	1,042	1,111

## Ratios

Net D:E	0.1	0.2	0.2
RoE (%)	7.6	6.9	7.8
RoCE (%)	7.4	7.2	7.7
Payout (%)	16.4	21.6	18.0

## Valuations

P/E (x)	31.0	32.6	27.1
P/BV (x)	2.3	2.2	2.0
EV/EBITDA(x)	12.4	11.1	10.2
EV/ton (USD)	101	91	93
Div. Yield (%)	0.5	0.7	0.7
FCF Yield (%)	-2.6	-1.4	1.9

## Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	55.8	55.8	55.8
DII	17.5	16.6	13.8
FII	8.2	8.3	9.4
Others	18.4	19.3	21.0

FII includes depository receipts

**CMP: INR2,270**

**TP: INR2,660 (+17%)**

**Buy**

## Margin improves due to price hikes and lower input costs

### Anticipates industry volume growth at ~6-7% YoY in FY26

- Dalmia Bharat's (DALBHARA) 1QFY26 EBITDA grew ~32% YoY to INR8.8b (9% beat, led by lower-than-estimated opex/t). EBITDA/t increased 40% YoY to INR1,261 (~12% above our estimate), and OPM expanded 5.8pp/4.9pp YoY/QoQ to ~24% (vs. est. ~22%). Adjusted profit (adjusted for reversal of provisions) surged ~66% YoY to INR3.7b (~15% above our estimates).
- Management indicated cement demand growth of ~6-7% YoY in FY26, led by increased government spending and a recovery in the housing sector, despite a soft start to 1Q. Cement prices in its core markets have seen a healthy recovery and held steady despite the monsoon season. The company believes prices will hold well at these levels in the near term. Management also laid out its (clinker-backed) capacity expansion plan of 14.0-14.5mtpa across the South and Northeast markets to increase its grinding capacity to ~64mtpa by FY28 from 49.5mtpa currently. DALBHARA reiterated its aspiration to become a pan-India player in the medium to longer term.
- We raise our EBITDA estimate by ~6% for FY26, while we maintain the same for FY27. We also introduce our FY28 estimates with this note. We value the stock at 13x Jun'27E EV/EBITDA to arrive at our TP of INR2,660. **Reiterate BUY.**

### EBITDA/t improves 40% YoY to INR1,261 (vs. est. INR1,126)

- DALBHARA's consolidated revenue/EBITDA/adj. PAT stood at INR36.4b/INR8.8b/INR3.7b (flat/+32%/+66% YoY and -3%/+9%/+15% vs. our estimate) in 1QFY26. Sales volume declined ~5% YoY to 7.0mt. However, adjusted for the JPA volume of 0.4mt in the base, volume was flat YoY. Realization improved ~6%/9% YoY/QoQ to INR5,194/t.
- Opex/t declined 1% YoY, led by ~7% reduction in variable costs/t. Other expenses/Staff costs/Freight costs per ton increased ~7%/5%/1% YoY. OPM expanded 5.8pp YoY to ~24%, and EBITDA/t increased 40% YoY to INR1,261. Depreciation/interest cost increased ~2%/14% YoY, whereas other income declined ~2% YoY. ETR stood at 24.5% vs. 16.0% in 1QFY25.

## Highlights from the management commentary

- DALBHARA is consistently working on brand building, deepening the distribution network, and improving price positioning. The company's NSR has improved ~9% QoQ in 1FY26. In the near term, management will continue to balance volume growth and profitability.
- Management is committed to a cost reduction of INR150-200/t over the next two years. It believes cost savings from 1) renewable energy will kick in from 2HFY26, and 2) logistics optimization will accrue from 4QFY26.
- Capex is pegged at INR40b for FY26/FY27 each (incurred INR6.12b in 1QFY26); of this, ~70-75% will be towards growth and expansions, while the rest will be for renewable energy, maintenance, and cost efficiency measures.

## Valuation and view

- DALBHARA's operating performance was above our estimates, led by better cost control. Though volumes were slightly below estimates. We believe the resilient pricing in its core markets (East and South) and a likely recovery in cement demand post-monsoon will help the company drive healthy OPM. Further, the company announced expansion plans to fuel its medium-to-long-term growth and remain competitive in its core markets.

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

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- We estimate a revenue/EBITDA/PAT CAGR of 10%/22%/31% over FY25-28. We also estimate a volume CAGR of ~7% over FY25-28 and an EBITDA/t of INR1,130/INR1,170/INR1,210 in FY26/FY27/FY28E vs. INR820 in FY25E (avg. EBITDA/t of INR1,070 over FY20-24). At CMP, the stock is trading attractively at 12x/11x FY26E/FY27E EV/EBITDA and USD101/USD91 EV/t. We value DALBHARA at 13x Jun'27E EV/EBITDA to arrive at our TP of INR2,660. **Reiterate BUY.**

#### Quarterly Performance (Consolidated)

Y/E March	FY25				FY26E				FY25	FY26E	FY26	(INR b)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Var. (%)
<b>Net Sales</b>	<b>36.2</b>	<b>30.9</b>	<b>31.8</b>	<b>40.9</b>	<b>36.4</b>	<b>35.3</b>	<b>36.7</b>	<b>48.8</b>	<b>139.8</b>	<b>157.1</b>	<b>37.4</b>	<b>-3</b>
YoY Change (%)	-0.3	-2.0	-11.7	-5.0	0.4	14.4	15.4	19.2	-4.8	12.4	3.3	
Total Expenditure	29.5	26.5	26.7	33.0	27.5	28.0	29.1	37.6	115.7	122.2	29.3	-6
<b>EBITDA</b>	<b>6.7</b>	<b>4.3</b>	<b>5.1</b>	<b>7.9</b>	<b>8.8</b>	<b>7.3</b>	<b>7.6</b>	<b>11.2</b>	<b>24.1</b>	<b>34.9</b>	<b>8.1</b>	<b>9</b>
Margins (%)	18.5	14.1	16.1	19.4	24.3	20.6	20.6	23.0	17.2	22.2	21.7	254
YoY Change (%)	8.4	-26.3	-34.4	21.3	32.0	67.8	48.1	41.2	-8.8	44.9	21.5	
Depreciation	3.2	3.4	3.6	3.1	3.2	3.2	3.3	3.9	13.3	13.7	3.2	1
Interest	1.0	1.0	1.0	1.1	1.1	1.1	1.2	1.9	4.0	5.2	1.1	-2
Other Income	0.5	0.7	0.4	0.9	0.5	0.6	0.7	0.9	2.5	2.7	0.6	-18
<b>PBT before EO Expense</b>	<b>3.1</b>	<b>0.7</b>	<b>0.8</b>	<b>4.7</b>	<b>5.0</b>	<b>3.5</b>	<b>3.8</b>	<b>6.3</b>	<b>9.3</b>	<b>18.6</b>	<b>4.4</b>	<b>13</b>
Extra-Ord expense	1.1	0.0	0.0	0.0	-0.2	0.0	0.0	0.0	1.1	-0.2	0.0	
<b>PBT after EO Expense</b>	<b>1.9</b>	<b>0.7</b>	<b>0.8</b>	<b>4.7</b>	<b>5.2</b>	<b>3.5</b>	<b>3.8</b>	<b>6.3</b>	<b>8.2</b>	<b>18.8</b>	<b>4.4</b>	<b>17</b>
Tax	0.5	0.2	0.2	0.3	1.2	0.9	1.0	1.6	1.2	4.7	1.1	
Prior Period Tax Adjustment	0.0	0.1	0.0	-0.8	0.0	0.0	0.0	0.0	-0.7	0.0	0.0	
Rate (%)	16.0	20.5	22.9	22.9	24.5	25.6	25.6	25.9	5.6	25.2	25.6	
<b>Reported PAT (Pre Minority)</b>	<b>1.5</b>	<b>0.5</b>	<b>0.7</b>	<b>4.4</b>	<b>4.0</b>	<b>2.6</b>	<b>2.8</b>	<b>4.7</b>	<b>7.0</b>	<b>14.0</b>	<b>3.3</b>	<b>20</b>
Minority + Associate	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.2	0.2	0.1	
<b>Adj. PAT</b>	<b>2.3</b>	<b>0.6</b>	<b>0.6</b>	<b>3.6</b>	<b>3.7</b>	<b>2.6</b>	<b>2.8</b>	<b>4.6</b>	<b>7.0</b>	<b>13.7</b>	<b>3.2</b>	<b>15</b>
YoY Change (%)	82.9	-53.8	-78.1	40.7	65.8	365.4	371.2	29.4	-9.0	96.8	44.3	

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

<b>Sales Dispatches (m ton)</b>	<b>7.4</b>	<b>6.7</b>	<b>6.7</b>	<b>8.6</b>	<b>7.0</b>	<b>6.9</b>	<b>7.3</b>	<b>9.6</b>	<b>29.4</b>	<b>30.8</b>	<b>7.2</b>	<b>-3</b>
YoY Change (%)	6.2	8.1	-2.0	-2.3	-5.4	3.4	9.2	12.0	2.0	5.0	-2.4	
<b>Net Realization</b>	<b>4,893</b>	<b>4,607</b>	<b>4,773</b>	<b>4,757</b>	<b>5,194</b>	<b>5,094</b>	<b>5,044</b>	<b>5,062</b>	<b>4,760</b>	<b>5,095</b>	<b>5,176</b>	<b>0</b>
YoY Change (%)	-6.1	-9.3	-9.9	-2.8	6.2	10.6	5.7	6.4	-6.7	7.0	5.8	
RM Cost	818	664	768	891	667	870	870	974	793	856	920	-27
Employee Expenses	308	327	335	250	324	314	306	281	301	304	327	-1
Power, Oil & Fuel	1,023	1,055	999	899	1,036	950	940	860	988	939	970	7
Freight and Handling Outward	1,122	1,099	1,122	1,130	1,136	1,105	1,130	1,144	1,119	1,130	1,120	1
Other Expenses	719	815	782	665	770	804	759	640	739	734	713	8
<b>Total Expenses</b>	<b>3,989</b>	<b>3,960</b>	<b>4,006</b>	<b>3,835</b>	<b>3,933</b>	<b>4,043</b>	<b>4,004</b>	<b>3,899</b>	<b>3,940</b>	<b>3,964</b>	<b>4,050</b>	<b>-3</b>
<b>EBITDA</b>	<b>904</b>	<b>648</b>	<b>767</b>	<b>922</b>	<b>1,261</b>	<b>1,051</b>	<b>1,040</b>	<b>1,163</b>	<b>820</b>	<b>1,131</b>	<b>1,126</b>	<b>12</b>

Source: Company, MOFSL Estimates



## Key takeaways from the conference call

### Demand and pricing outlook

- Management reiterated its confidence in the strength of the economy, aided by robust government spending and a strong housing sector, which should support cement demand growth of ~6–7% for FY26, in line with long-term trends.
- However, while the medium-term demand outlook remains positive, the management highlighted that the start of FY26 was weaker than expected. Cement sales in 1Q grew in low-to-mid-single digits, mainly due to external challenges like cross-border tensions and an early arrival of the monsoon in key markets.
- On the pricing front, cement prices in key regions, especially South India, bounced back well during the quarter, reversing last year's decline. Prices in the Eastern region remained steady, holding on to the gains from recent quarters, even though construction activity slowed down due to the monsoons. Despite the early monsoon, spot prices are still close to the 1Q average, showing signs of better pricing discipline in the industry.

### Operational highlights and cost insights

- The decline in volumes was primarily due to the discontinuation of the tolling arrangement with Jaiprakash Associates, which had contributed to sales volumes in Q1FY25 (0.4mt). Excluding this one-off impact, the core volume numbers remained flat YoY.
- RM cost/t rose substantially due to the imposition of the new mineral tax by the Tamil Nadu government, which impacted cost structures in the Southern region. However, this was offset by the decline in power and fuel costs.
- Power and fuel costs declined, driven by a drop in international fuel prices to USD100 from USD106 in 1QFY25 and an increase in the share of renewable energy (RE) to 41% from 35% in 1QFY25.
- The blended fuel consumption cost stood at INR1.33/kcal vs. INR1.30/Kcal in 4QFY25. During 1Q, the company commissioned 26MW of renewable energy under a group captive model, taking its total operational renewable energy (RE) capacity to 294MW. The company is targeting 576MW of RE capacity in FY26E. Lead distance was 280km vs. 277km in 4QFY25.
- The C:C ratio improved to 1.71x from 1.67x in 1QFY25. The trade share stood at ~68% vs. 64% YoY. The premium cement sales share stood at ~22% vs. 24% in 4QFY25. Logistics costs were reduced through increased direct dispatches to 62% vs. 61% in 4QFY25.
- Incentives accrued during 1QFY26 stood at INR840m, while collections totaled INR420m. Incentives receivable stood at INR7.8b as on Jun'25, which includes a sizeable INR2.5b from the Government of West Bengal. The company noted that the retrospective revocation of the West Bengal incentive scheme remains a challenge, with the company optimistic about a favorable legal resolution.
- Management continues to drive multiple cost initiatives aimed at improving profitability. It aims to achieve cost savings of INR150–200/t over the next two years through higher renewable energy consumption, better logistics optimization, and operating efficiencies. Early benefits should start reflecting in 2HFY26 onwards.

### Expansion plans and capex

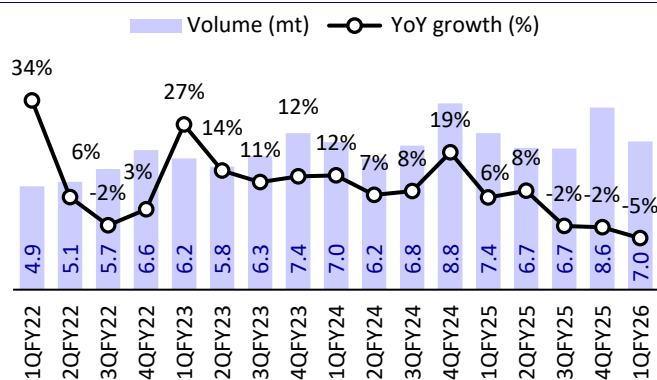
- The company has committed to adding 14–14mtpa of incremental cement capacity by FY28, which will lift its total cement capacity to 63.5–64mtpa. Key announced projects include a 3.6mtpa clinker unit and a 3mtpa grinding unit at its existing Belgaum facility, along with a 3mtpa greenfield grinding unit in Pune that will enable the company to strengthen its presence in Western Maharashtra and is likely to be commissioned by FY27.
- The company announced a new capacity expansion plan of 3.6mtpa (clinker) and 6.0mtpa (grinding) at its existing Kadapa plant in Andhra Pradesh (alongside a 3mtpa bulk terminal in Chennai to deepen its access to the underpenetrated North Tamil Nadu market), with an estimated capex of INR32.9b. The plant that is already operating at a higher utilization levels. In Northeast, commissioning of the 3.6mtpa Umrangso clinker unit will make the region clinker-surplus, allowing the company to evaluate an additional 2-2.5mtpa of split grinding capacity in due course of time. Trial runs for Umrangso are targeted for Sep'26, with commercial production expected by 3QFY26.
- The management highlighted that it is also pursuing a greenfield expansion of 6mtpa in Jaisalmer, Rajasthan, for which land acquisition and mining lease formalities have been completed, and environmental clearance is in process. The company expects to take a final call on this project by Mar'26, depending on the outcome of its bid for acquiring Jaiprakash Associates' cement assets, which could add an immediate 5mtpa of capacity in Central India.
- The management gave a capex guidance of INR40b for FY25, out of which INR6.1b has already been spent in 1QFY26.

### Debt position and other key highlights

- The company divested a 4.1% stake in IEX for INR7.4b, bringing its holding in IEX down to 10.8%. The company's net debt (including investment in IEX of INR18.6b vs. INR23.4b as of Mar'25) increased to INR8.7b from INR7.2b as of Mar'25.
- The net debt-to-EBITDA ratio stood at 0.33x vs. 0.30x as of Mar'25, which was within the management's range of staying below 2.0x net debt-to-EBITDA. It believes net debt is expected to peak at INR50b in the coming years, considering the current expansion projects.

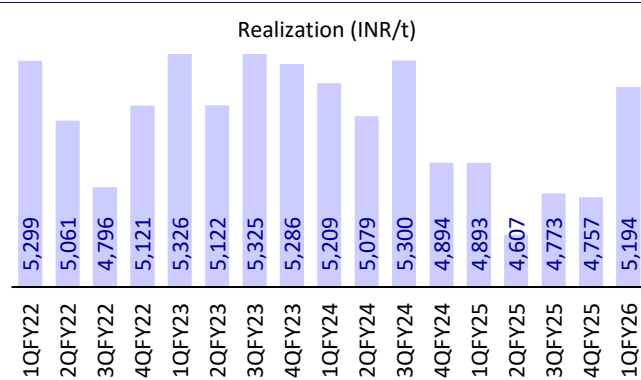
## Story in charts

**Exhibit 1: Sales volume down 5% YoY (like-for-like flat YoY)**



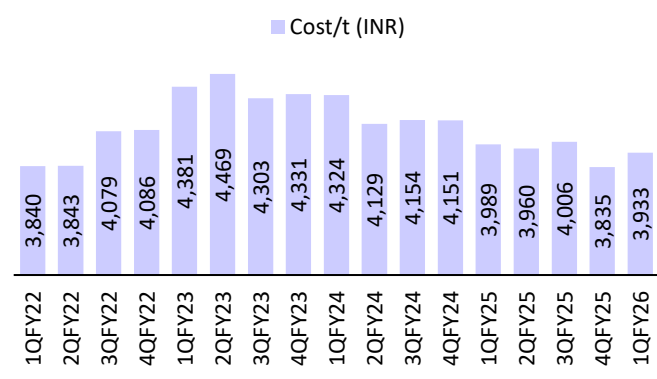
Source: Company, MOFSL

**Exhibit 2: Realization up 6% YoY/9% QoQ**



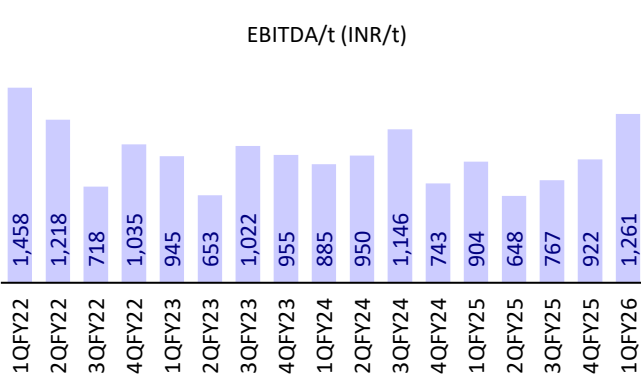
Source: Company, MOFSL

**Exhibit 3: Opex/t declined 1% YoY (up 3% QoQ)**



Source: Company, MOFSL

**Exhibit 4: EBITDA/t increased 40% YoY**



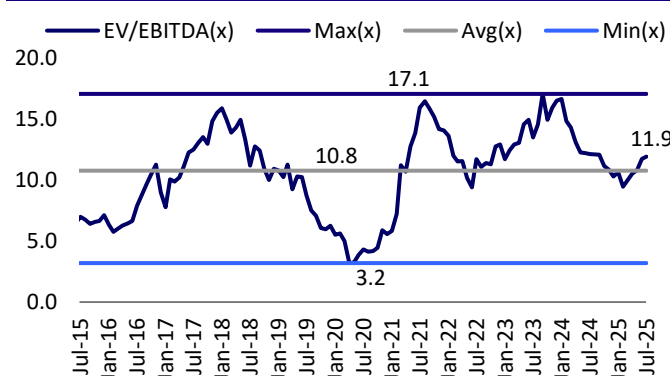
Source: Company, MOFSL

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

	1QFY26	1QFY25	YoY (%)	4QFY25	QoQ (%)
<b>Realization</b>	<b>5,194</b>	<b>4,893</b>	<b>6%</b>	<b>4,757</b>	<b>9%</b>
RM Cost	667	818	-18%	891	-25%
Staff Cost	324	308	5%	250	30%
Power and Fuel	1,036	1,023	1%	899	15%
Freight and Forwarding	1,136	1,122	1%	1,130	0%
Other Expenditure	770	719	7%	665	16%
<b>Total Expenditure</b>	<b>3,933</b>	<b>3,989</b>	<b>-1%</b>	<b>3,835</b>	<b>3%</b>
<b>EBITDA</b>	<b>1,261</b>	<b>904</b>	<b>40%</b>	<b>922</b>	<b>37%</b>

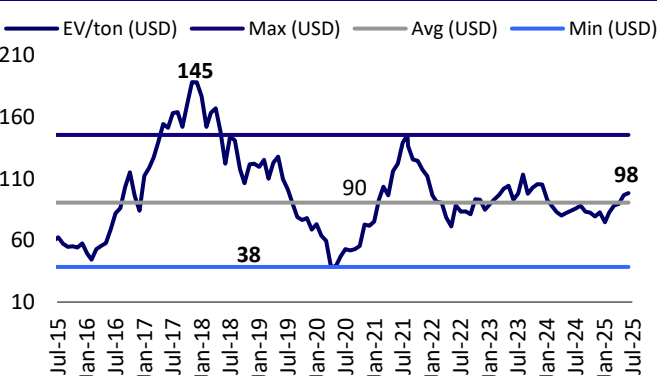
Source: Company, MOFSL

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



Source: Company, MOFSL

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



Source: Company, MOFSL

## Financials and valuations (Consolidated)

Income Statement								(INR m)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Net Sales</b>	<b>1,01,100</b>	<b>1,12,860</b>	<b>1,35,400</b>	<b>1,46,910</b>	<b>1,39,800</b>	<b>1,57,121</b>	<b>1,70,690</b>	<b>1,86,143</b>
Change (%)	4.5	11.6	20.0	8.5	-4.8	12.4	8.6	9.1
<b>EBITDA</b>	<b>27,620</b>	<b>24,260</b>	<b>23,160</b>	<b>26,390</b>	<b>24,070</b>	<b>34,879</b>	<b>39,072</b>	<b>43,551</b>
Margin (%)	27.3	21.5	17.1	18.0	17.2	22.2	22.9	23.4
Depreciation	12,500	12,350	13,050	14,980	13,310	13,712	16,598	17,421
<b>EBIT</b>	<b>15,120</b>	<b>11,910</b>	<b>10,110</b>	<b>11,410</b>	<b>10,760</b>	<b>21,167</b>	<b>22,474</b>	<b>26,129</b>
Int. and Finance Charges	2,950	2,020	2,340	3,860	3,990	5,230	7,602	7,905
Other Income - Rec.	1,810	1,600	1,380	3,150	2,530	2,657	2,789	2,929
<b>PBT bef. EO Exp.</b>	<b>13,980</b>	<b>11,490</b>	<b>9,150</b>	<b>10,700</b>	<b>9,300</b>	<b>18,594</b>	<b>17,661</b>	<b>21,153</b>
EO Expense/(Income)	-3,330	20	-3,850	0	1,130	0	0	0
<b>PBT after EO Exp.</b>	<b>17,310</b>	<b>11,470</b>	<b>13,000</b>	<b>10,700</b>	<b>8,170</b>	<b>18,594</b>	<b>17,661</b>	<b>21,153</b>
Current Tax	2,120	250	320	2,160	1,180	4,727	4,490	5,377
Deferred Tax	3,330	2,900	2,100	1,310	40	0	0	0
Tax Rate (%)	40.4	26.5	29.6	25.4	20.4	25.4	25.4	25.4
<b>Reported PAT</b>	<b>11,860</b>	<b>8,320</b>	<b>10,580</b>	<b>7,230</b>	<b>6,950</b>	<b>13,867</b>	<b>13,171</b>	<b>15,775</b>
Minority and Associates	-130	-240	-190	-270	-160	-150	-130	-130
<b>PAT Adj. for EO items</b>	<b>8,400</b>	<b>8,203</b>	<b>6,850</b>	<b>7,640</b>	<b>6,950</b>	<b>13,717</b>	<b>13,041</b>	<b>15,645</b>
Change (%)	275.0	-2.3	-16.5	11.5	-9.0	97.4	-4.9	20.0
Margin (%)	8.3	7.3	5.1	5.2	5.0	8.7	7.6	8.4

Balance Sheet								(INR m)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	374	375	375	375	375	375	375	375
Total Reserves	1,27,726	1,60,235	1,55,905	1,63,590	1,73,360	1,84,827	1,95,057	2,07,890
<b>Net Worth</b>	<b>1,28,100</b>	<b>1,60,610</b>	<b>1,56,280</b>	<b>1,63,965</b>	<b>1,73,735</b>	<b>1,85,202</b>	<b>1,95,432</b>	<b>2,08,265</b>
Deferred capital investment subsidy	1,240	1,250	1,660	1,560	1,740	1,740	1,740	1,740
Deferred Liabilities	16,590	15,640	16,100	17,580	19,810	19,810	19,810	19,810
Minority Interest	340	720	1,160	1,100	1,260	1,410	1,540	1,670
Total Loans	37,080	31,190	37,420	46,300	52,580	68,580	76,580	84,580
<b>Capital Employed</b>	<b>1,83,350</b>	<b>2,09,410</b>	<b>2,12,620</b>	<b>2,30,505</b>	<b>2,49,125</b>	<b>2,76,742</b>	<b>2,95,102</b>	<b>3,16,065</b>
Gross Block	1,86,160	2,00,360	2,16,590	2,39,020	2,66,140	3,17,300	3,47,300	3,89,300
Less: Accum. Deprn.	49,910	59,020	68,760	81,710	93,490	1,07,202	1,23,800	1,41,222
<b>Net Fixed Assets</b>	<b>1,36,250</b>	<b>1,41,340</b>	<b>1,47,830</b>	<b>1,57,310</b>	<b>1,72,650</b>	<b>2,10,098</b>	<b>2,23,500</b>	<b>2,48,078</b>
Capital WIP	10,060	10,450	18,710	23,950	26,160	15,000	25,000	15,000
<b>Current Investment</b>	<b>32,930</b>	<b>43,990</b>	<b>29,350</b>	<b>38,720</b>	<b>44,440</b>	<b>39,660</b>	<b>39,660</b>	<b>39,660</b>
Non-current Investment	7,410	13,060	5,900	5,910	7,160	7,160	7,160	7,160
<b>Curr. Assets, Loans and Adv.</b>	<b>32,210</b>	<b>37,840</b>	<b>53,400</b>	<b>51,225</b>	<b>51,295</b>	<b>59,351</b>	<b>56,679</b>	<b>68,215</b>
Inventory	7,600	9,460	13,160	12,180	13,860	15,577	16,922	18,455
Account Receivables	5,110	6,730	7,000	8,360	8,890	9,991	10,854	11,837
Cash and Bank Balance	2,470	1,600	2,850	3,920	1,580	6,925	1,864	10,609
Loans and Advances	17,030	20,050	30,390	26,765	26,965	26,858	27,039	27,314
<b>Curr. Liability and Prov.</b>	<b>35,510</b>	<b>37,270</b>	<b>42,570</b>	<b>46,610</b>	<b>52,580</b>	<b>54,527</b>	<b>56,898</b>	<b>62,049</b>
Account Payables	32,820	34,600	39,370	43,160	48,300	49,717	51,672	56,350
Provisions	2,690	2,670	3,200	3,450	4,280	4,810	5,226	5,699
<b>Net Current Assets</b>	<b>-3,300</b>	<b>570</b>	<b>10,830</b>	<b>4,615</b>	<b>-1,285</b>	<b>4,825</b>	<b>-218</b>	<b>6,166</b>
<b>Appl. of Funds</b>	<b>1,83,350</b>	<b>2,09,410</b>	<b>2,12,620</b>	<b>2,30,505</b>	<b>2,49,125</b>	<b>2,76,742</b>	<b>2,95,102</b>	<b>3,16,065</b>

E: MOFSL estimates



## Financials and valuations (Consolidated)

### Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Basic (INR)*</b>								
<b>EPS</b>	<b>44.9</b>	<b>43.8</b>	<b>36.5</b>	<b>40.8</b>	<b>37.1</b>	<b>73.2</b>	<b>69.6</b>	<b>83.5</b>
Cash EPS	111.7	109.7	106.1	120.6	108.0	146.3	158.1	176.3
BV/Share	684.6	857.2	833.6	874.6	926.7	987.8	1,042.4	1,110.9
DPS	1.3	9.0	9.0	9.0	9.0	12.0	15.0	15.0
Payout (%)	3.0	20.6	24.6	22.1	24.3	16.4	21.6	18.0
<b>Valuation (x)*</b>								
P/E	50.5	51.7	62.0	55.6	61.1	31.0	32.6	27.1
Cash P/E	20.3	20.7	21.3	18.8	21.0	15.5	14.3	12.8
P/BV	3.3	2.6	2.7	2.6	2.4	2.3	2.2	2.0
EV/Sales	4.1	3.5	3.0	2.8	2.9	2.7	2.5	2.4
EV/EBITDA	15.1	16.5	17.8	15.3	16.8	12.4	11.1	10.2
EV/t (USD)	157	129	123	105	100	101	91	93
Dividend Yield (%)	0.1	0.4	0.4	0.4	0.4	0.5	0.7	0.7
<b>Return Ratios (%)</b>								
ROIC	6.7	6.0	4.5	5.2	5.0	8.1	7.6	8.1
RoE	7.2	5.7	4.3	4.8	4.1	7.6	6.9	7.8
RoCE	6.1	5.6	4.2	5.4	4.8	7.4	7.2	7.7
<b>Working Capital Ratios</b>								
Asset Turnover (x)	0.6	0.5	0.6	0.6	0.6	0.6	0.6	0.6
Inventory (Days)	27	31	35	30	36	36	36	36
Debtor (Days)	18	22	19	21	23	23	23	23
<b>Leverage Ratio (x)</b>								
Current Ratio	0.9	1.0	1.3	1.1	1.0	1.1	1.0	1.1
Debt/Equity	0.3	0.2	0.2	0.3	0.3	0.4	0.4	0.4

### Cash Flow Statement

(INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	13,640	11,620	13,210	10,690	8,170	18,594	17,661	21,153
Depreciation	12,500	12,360	13,050	14,980	13,310	13,712	16,598	17,421
Interest and Finance Charges	3,190	1,930	2,310	3,860	3,990	5,200	7,572	7,875
Direct Taxes Paid	440	240	-140	-540	-710	-4,727	-4,490	-5,377
(Inc.)/Dec. in WC	7,810	-5,150	-770	460	-2,300	-1,240	-390	1,938
<b>CF from Operations</b>	<b>37,580</b>	<b>21,000</b>	<b>27,660</b>	<b>29,450</b>	<b>22,460</b>	<b>31,540</b>	<b>36,952</b>	<b>43,010</b>
Others	-1,540	-1,680	-5,140	-3,100	-1,290	-2,657	-2,789	-2,929
<b>CF from Operations incl. EO</b>	<b>36,040</b>	<b>19,320</b>	<b>22,520</b>	<b>26,350</b>	<b>21,170</b>	<b>28,883</b>	<b>34,162</b>	<b>40,081</b>
(Inc.)/Dec. in FA	-10,270	-17,560	-27,010	-27,230	-26,260	-40,000	-40,000	-32,000
<b>Free Cash Flow</b>	<b>25,770</b>	<b>1,760</b>	<b>-4,490</b>	<b>-880</b>	<b>-5,090</b>	<b>-11,117</b>	<b>-5,838</b>	<b>8,081</b>
(Pur.)/Sale of Investments	6,050	6,380	2,980	-1,610	2,200	4,765	-12	-13
Others	370	410	1,080	1,340	1,360	2,657	2,789	2,929
<b>CF from Investments</b>	<b>-3,850</b>	<b>-10,770</b>	<b>-22,950</b>	<b>-27,500</b>	<b>-22,700</b>	<b>-32,578</b>	<b>-37,222</b>	<b>-29,084</b>
Issue of Shares	-4,000	50	0	0	0	0	0	0
Inc./(Dec.) in Debt	-25,340	-5,800	6,670	8,890	6,480	16,489	8,383	8,437
Interest Paid	-3,960	-2,320	-2,970	-4,390	-4,440	-5,200	-7,572	-7,875
Dividend Paid	0	-1,000	-1,690	-1,690	-1,690	-2,250	-2,812	-2,812
Others	-450	-350	-330	-590	-740	0	0	0
<b>CF from Fin. Activity</b>	<b>-33,750</b>	<b>-9,420</b>	<b>1,680</b>	<b>2,220</b>	<b>-390</b>	<b>9,040</b>	<b>-2,001</b>	<b>-2,251</b>
<b>Inc./Dec. of Cash</b>	<b>-1,560</b>	<b>-870</b>	<b>1,250</b>	<b>1,070</b>	<b>-1,920</b>	<b>5,345</b>	<b>-5,061</b>	<b>8,746</b>
Opening Balance	4,030	2,470	1,600	2,850	3,500	1,580	6,924	1,863
<b>Closing Balance</b>	<b>2,470</b>	<b>1,600</b>	<b>2,850</b>	<b>3,920</b>	<b>1,580</b>	<b>6,924</b>	<b>1,863</b>	<b>10,609</b>

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SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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