

### Sharp uptick in grey cement profitability

JK Cements (JKCE) reported good set of numbers for 3QFY24 with 20%/17% beat on EBITDA compared to our/consensus estimates. The beat was driven by better than expected realizations and profitability for the grey cement operations. JKCE has delivered industry beating EBITDA/mt of ~Rs1250/mt for its grey cement operations which was a big surprise. The company maintained its strong volume growth momentum by delivering grey/white cement growth of 14%/13%. Company commissioned 1.5mn mt Ujjain (MP) grinding unit this quarter while its 2mn mt grinding capacity at Prayagraj (UP) is expected to be commissioned by 2QFY25. JKCE has also announced new set of capex of 6mn mt at a cost of Rs28.5bn (US\$57/mt) which would be funded by a mix of debt (Rs18.5bn) and internal accruals. We believe this expansion would ensure consistent volume growth and fuel its future growth, as a result, we have revised our EBITDA estimate for FY25/FY26 higher by 16% /15%. We continue to assign Add rating for the stock and value it based on 13x Sep25 EV/EBITDA to arrive at our revised TP of Rs4,210 (Rs 3,547 earlier).

#### 3QFY24 result highlights

Revenue at Rs29.3bn is 4.9% ahead of our estimate and up 20.5% YoY. Volumes at 4.7mn mt increased by 13.5% YoY in-line with our expectation. Blended realizations were higher than our expectations and up 6.2% YoY. Grey cement volume increased by 14% while white cement volumes were higher by 13% YoY (Including JK Cement UAE operations). Grey/white cement realizations were up 6%/5% YoY. Operating cost at Rs4,909 declined by 7% YoY and 2.6% QoQ. Power & fuel costs were lower on QoQ as well as YoY basis. Freight costs increased by 4.6% YoY. EBITDA at Rs6.2bn is 20%/17% ahead of our/consensus estimate. EBITDA/mt came in at Rs1,329 against our expectation of Rs1,120.

#### Competitive pressure persists in White cement; Paints to turn EBITDA positive in FY26

Management highlighted that intense competition persists in putty, exerting an impact on white cement business. The profitability for 9MFY24 has been flat YoY. Company expects margins of 15%-18% this year. The paints business recorded revenue of Rs260mn this quarter crossing Rs1bn in 9MFY24. Elevated branding cost is impacting the profitability of paints business, however, company expects the business to clock in revenue of Rs2.5bn/Rs4bn by FY25/FY26 and turn EBITDA positive by FY26.

#### Capex update

The Ujjain GU (1.5mn mt) has been commissioned in 3QFY24. Construction of Prayagraj GU (2mn mt) is in full swing and is expected to be commissioned by 2QFY25. JKCE has also announced new set of capex of 6mn mt at a cost of Rs28.5bn (USD57/mt) which would be funded by a mix of debt (Rs18.5bn) and internal accruals. Capex plan includes setting up 3mn mt clinker line 2 at Panna, 3mn mt greenfield GU at Bihar, and 1mn mt GU each at Panna, Hamirpur and Prayagraj. Total Capex for FY25/FY26 is pegged at Rs22bn/Rs18bn.

#### Maintain Add; Revised TP of Rs4,210 (Rs 3,547 earlier)

We believe, the new capex will help JKCE to maintain its consistent volume growth in its existing market and foray in Bihar market would enhance its revenue diversification and provide an impetus for future growth. As a result, we have revised our EBITDA estimate for FY25/FY26 higher by 16% /15%. We continue to assign Add rating for the stock and value it based on 13x Sep25 EV/EBITDA to arrive at our revised TP of Rs4,210 (Rs 3,547 earlier).

#### Financial and valuation summary

YE Mar (Rs mn)	3QFY24A	3QFY23A	YoY (%)	2QFY24A	QoQ (%)	FY24E	FY25E	FY26E
Revenues	29,348	24,361	20.5	27,528	6.6	1,16,951	1,30,009	1,44,503
EBITDA	6,251	2,473	152.7	4,670	33.9	21,333	25,123	28,480
EBITDA margin (%)	21.3	10.2	109.8	17.0	25.6	18.2	19.3	19.7
Adj. Net profit	2,838	372	662.3	1,757	61.5	11,261	13,535	15,053
Adj. EPS (Rs)	36.7	4.8	662.3	22.7	61.5	145.7	175.2	194.8
EPS growth (%)						100.2	20.2	11.2
PE (x)						27.2	22.6	20.4
EV/EBITDA (x)						15.3	13.2	11.7
PBV (x)						5.4	4.4	3.7
RoE (%)						21.7	21.5	19.9
RoCE (%)						16.6	16.9	16.1

Source: Company, Centrum Broking

#### Result Update

India I Cement

23 January, 2024

#### ADD

Price: Rs3,948

Target Price: Rs4,210

Forecast return: 7%

Institutional Research

#### Market Data

Bloomberg:	JKCE IN
52 week H/L:	4,211/2,540
Market cap:	Rs305.1bn
Shares Outstanding:	77.3mn
Free float:	42.6%
Avg. daily vol. 3mth:	1,43,353

Source: Bloomberg

#### Changes in the report

Rating:	ADD; Unchanged
Target price:	+19 % from Rs3,547 to Rs4,210
EBITDA:	FY24: +15%; FY25: +16%

Source: Centrum Broking

#### Shareholding pattern

	Dec-23	Sep-23	Jun-23	Mar-23
Promoter	45.7	45.8	45.8	45.8
FIIs	15.3	14.4	15.5	15.5
DIIIs	24.0	24.3	23.2	22.5
Public/other	15.0	15.6	15.6	16.2

Source: BSE

#### Centrum estimates vs Actual results

YE Mar (Rs mn)	Centrum Q3FY24	Actual Q3FY24	Variance (%)
Revenue	27,988	29,348	4.9
EBITDA	5,188	6,251	20.5
EBITDA margin	18.5	21.3	276 bps
Adj. PAT	2,119	2,838	34.0
EPS (Rs)	27.4	36.7	34.0

Source: Bloomberg, Centrum Broking



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Cement

# Thesis Snapshot

## Estimate revision

YE Mar (Rs mn)	FY24 New	FY24E Old	% chg	FY25E New	FY25E Old	% chg
Revenue	1,16,951	1,07,091	9.2	1,30,009	1,20,472	7.9
EBITDA	21,333	18,557	15.0	25,123	21,678	15.9
EBITDA margin	18.2	17.3	91 bps	19.3	18.0	133 bps
Adj. PAT	11,261	9,282	21.3	13,535	11,291	19.9
Diluted EPS (Rs)	145.7	120.1	21.3	175.2	146.1	19.9

Source: Centrum Broking

## JK Cement versus Nifty Midcap 100

	1m	6m	1 year
JKCE IN	4.4	23.9	43.2
Nifty Midcap 100	3.3	26.7	49.5

Source: Bloomberg, NSE

## Key assumptions

Y/E Mar (Rs mn)	FY24E	FY25E
Capacity (mn mt)	25.5	27.5
Volumes (mn mt)	19.1	20.9
Realizations (Rs/mt)	6,123	6,215
Operating expense (Rs/mt)	5,007	5,014
EBITDA/mt (Rs)	1,117	1,201
Capex (Rs mn)	-12,475	-21,975
Net Debt (Rs mn)	28,135	35,164

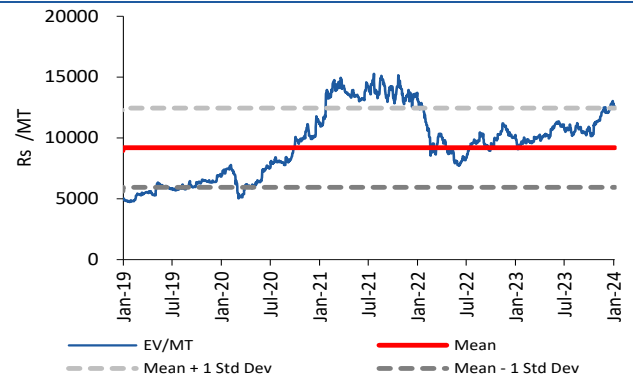
Source: Centrum Broking

## Valuations

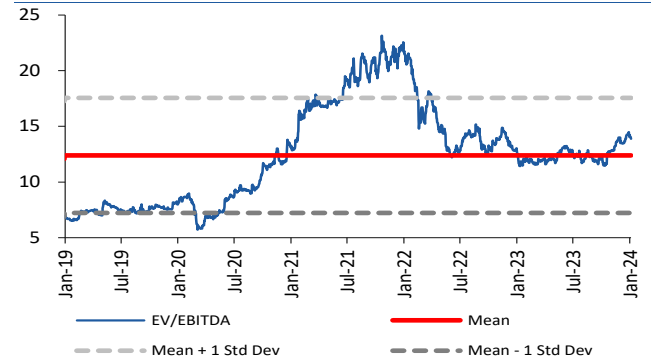
We have revised our EBITDA estimate for FY25/FY26 higher by 16%/15%. We continue to assign Add rating for the stock and value it based on 13x Sep25 EV/EBITDA to arrive at our revised TP of Rs4,210 (Rs 3,547 earlier).

Particulars	(Rs mn)
Sep25E EBITDA	26,801
Target multiple (x)	13.0
Enterprise value	3,48,419
Less: Net debt & CWIP	23,042
Equity value	3,25,377
No of shares (mn)	77.3
<b>Value per share (Rs)</b>	<b>4,210</b>

### 1-year forward EV/MT



### EV/EBITDA mean and standard deviation



Source: Bloomberg, Centrum Broking

## Peer comparison

Company	Mkt Cap	CAGR (FY23-25E)			EV/EBITDA (x)			EV/mt (US\$)			FY25E	
	(Rs mn)	Sales	EBITDA	EPS	FY23	FY24E	FY25E	FY23	FY24E	FY25E	RoE (%)	ROCE (%)
ACC	414	-0.9%	33.2%	53.9%	20.2	13.8	10.2	128.9	110.7	106.6	13%	16%
Ambuja Cement	1,291	0.3%	8.5%	-0.9%	37.5	32.2	29.2	468.6	353.8	263.2	5%	7%
Birla Corporation	107	10.8%	49.3%	315.2%	18.7	9.4	7.8	86.2	85.3	75.0	10%	9%
Heidelberg Cement	50	6.6%	18.3%	31.0%	15.5	11.4	10.3	90.3	87.0	84.2	15%	17%
<b>JK Cement</b>	<b>306</b>	<b>20.2%</b>	<b>37.0%</b>	<b>55.1%</b>	<b>25.1</b>	<b>15.7</b>	<b>13.6</b>	<b>171.9</b>	<b>159.4</b>	<b>150.8</b>	<b>22%</b>	<b>15%</b>
JK Lakshmi Cement	102	10.4%	19.3%	21.7%	13.4	11.3	9.7	97.2	100.7	85.0	16%	14%
Nuvoco Vistas	119	7.2%	30.5%	469.3%	13.8	8.8	7.1	84.4	76.0	70.5	6%	9%
Sagar Cements	35	23.7%	75.5%	173.4%	31.3	13.5	10.9	70.4	63.0	55.3	6%	7%
Shree Cements	991	12.6%	25.8%	22.2%	33.0	24.2	20.9	253.8	222.8	174.4	10%	17%
Star Cements	71	17.5%	24.0%	27.9%	14.5	14.2	10.0	145.1	114.7	90.3	14%	16%
The Ramco Cements	222	15.2%	32.5%	57.6%	22.4	15.7	12.6	146.1	143.6	138.5	11%	11%
Ultratech Cements	2,841	11.4%	20.9%	31.5%	27.0	22.0	18.3	262.1	262.3	224.1	14%	15%

Source: Company, Centrum Broking

**Exhibit 1: 3QFY24 Detailed quarterly financials (Consol)**

Y/E March (Rsmm)	3QFY23	2QFY24	3QFY24	YoY (%)	QoQ (%)	9MFY23	9MFY24	YoY (%)
<b>Net Sales</b>	<b>24,361</b>	<b>27,528</b>	<b>29,348</b>	<b>20.5</b>	<b>6.6</b>	<b>69,337</b>	<b>84,502</b>	<b>21.9</b>
Expenditure								
Chg. in stock	(230)	(306)	(1,384)	NA	NA	(284)	(1,842)	NA
RM consumption	4,021	4,424	4,559	13.4	3.0	10,733	13,380	24.7
Purchase of traded goods	332	466	675	103.6	44.9	925	1,540	66.5
Employee cost	1,601	1,829	1,988	24.2	8.7	4,696	5,656	20.4
Freight Costs	5,179	5,362	6,148	18.7	14.7	14,426	17,352	20.3
Power and fuel	6,960	6,332	6,506	(6.5)	2.8	17,886	19,748	10.4
Other exp	4,025	4,752	4,606	14.4	(3.1)	11,395	13,671	20.0
<b>Total Operating Expenses</b>	<b>21,888</b>	<b>22,858</b>	<b>23,097</b>	<b>5.5</b>	<b>1.0</b>	<b>59,775</b>	<b>69,504</b>	<b>16.3</b>
<b>EBITDA</b>	<b>2,473</b>	<b>4,670</b>	<b>6,251</b>	<b>152.7</b>	<b>33.9</b>	<b>9,562</b>	<b>14,999</b>	<b>56.9</b>
<b>EBITDA Margin (%)</b>	<b>10.2%</b>	<b>17.0%</b>	<b>21.3%</b>	<b>1115bps</b>	<b>434bps</b>	<b>13.8%</b>	<b>17.7%</b>	<b>396bps</b>
Other Income	187	293	385	105.5	31.1	580	994	71.2
Interest Costs	787	1,150	1,141	45.1	(0.8)	2,110	3,382	60.3
Depreciation	1,181	1,407	1,404	18.9	(0.2)	3,297	4,159	26.2
PBT	693	2,405	4,090	490.5	70.0	4,735	8,451	78.5
Tax	320	648	1,252	290.8	93.2	1,641	2,571	56.6
Exceptional Items	-	-	-	NA	NA	-	(150)	NA
<b>Reported PAT</b>	<b>372</b>	<b>1,757</b>	<b>2,838</b>	<b>662.3</b>	<b>61.5</b>	<b>3,093</b>	<b>5,730</b>	<b>85.2</b>
<b>Adjusted PAT</b>	<b>372</b>	<b>1,757</b>	<b>2,838</b>	<b>662.3</b>	<b>61.5</b>	<b>3,093</b>	<b>5,880</b>	<b>90.1</b>
<b>NPM(%)</b>	<b>1.5%</b>	<b>6.4%</b>	<b>9.7%</b>	<b>814bps</b>	<b>329bps</b>	<b>4.5%</b>	<b>7.0%</b>	<b>250bps</b>
<b>EPS (Rs.)</b>	<b>4.8</b>	<b>22.7</b>	<b>36.7</b>	<b>662.3</b>	<b>61.5</b>	<b>40.0</b>	<b>76.1</b>	<b>90.1</b>

Source: Centrum Broking, Company Data

**Exhibit 2: Operational data (Consol)**

Operational Data	3QFY23	2QFY24	3QFY24	YoY (%)	QoQ (%)	9MFY23	9MFY24	YoY (%)
Volume (mn mt)	4.1	4.5	4.7	13.5	3.7	11.6	13.9	19.9
Cement Realisation (Rs/mt)	5,876	6,068	6,238	6.2	2.8	5,995	6,092	1.6
Operating Costs (Rs/mt)	5,280	5,039	4,909	(7.0)	(2.6)	5,168	5,011	(3.0)
EBITDA (Rs/mt)	597	1,029	1,329	122.7	29.1	827	1,081	30.8

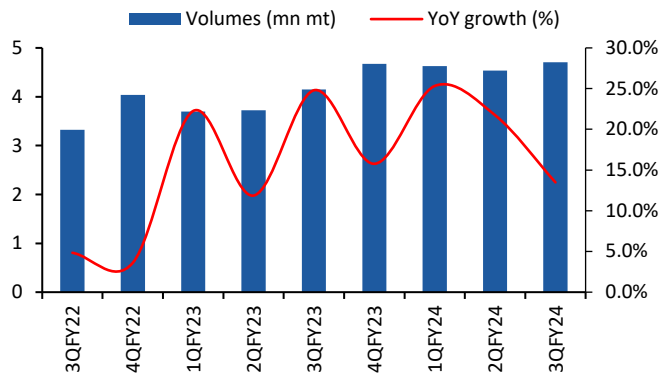
Source: Centrum Broking, Company Data

**Exhibit 3: Trend in operating costs (Consol)**

Costs/mt (Rs)	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	YoY (%)	QoQ (%)
RM consumption	849	1,051	967	987	994	975	1,003	1,010	818	(17.7)	(19.0)
Employee cost	388	337	424	410	386	360	397	403	423	9.4	4.8
Freight, packing etc	1,154	1,207	1,251	1,242	1,249	1,264	1,262	1,182	1,307	4.6	10.6
Power and fuel	1,310	1,299	1,398	1,546	1,679	1,659	1,493	1,396	1,383	(17.6)	(0.9)
Other exp	1,024	981	1,012	975	971	941	932	1,048	979	0.8	(6.6)
<b>Operating costs/mt</b>	<b>4,725</b>	<b>4,875</b>	<b>5,052</b>	<b>5,160</b>	<b>5,280</b>	<b>5,199</b>	<b>5,087</b>	<b>5,039</b>	<b>4,909</b>	<b>(7.0)</b>	<b>(2.6)</b>
<b>EBITDA/mt</b>	<b>1,116</b>	<b>952</b>	<b>1,093</b>	<b>819</b>	<b>597</b>	<b>748</b>	<b>881</b>	<b>1,029</b>	<b>1,329</b>	<b>122.7</b>	<b>29.1</b>

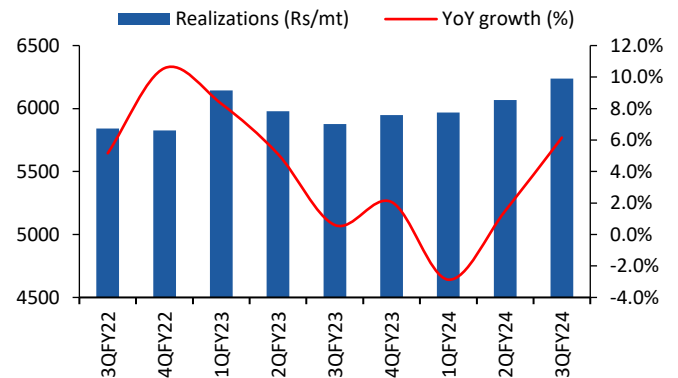
Source: Centrum Broking, Company Data

**Exhibit 4: volume growth of 13.5% YoY**



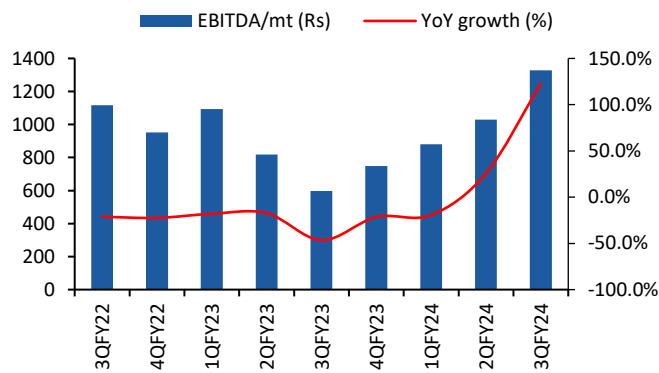
Source: Centrum Broking, Company Data

**Exhibit 5: Realizations up 2.8% QoQ**



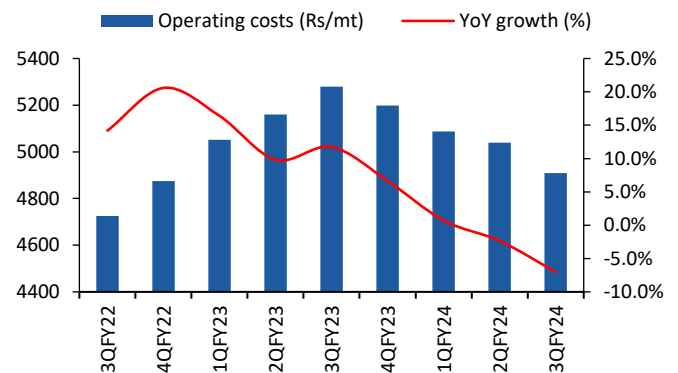
Source: Centrum Broking, Company Data

**Exhibit 6: EBITDA/mt at Rs1,329**



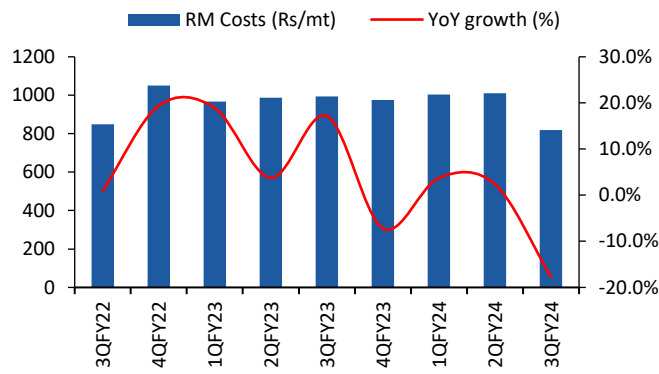
Source: Centrum Broking, Company Data

**Exhibit 7: Operating costs down 7% YoY**



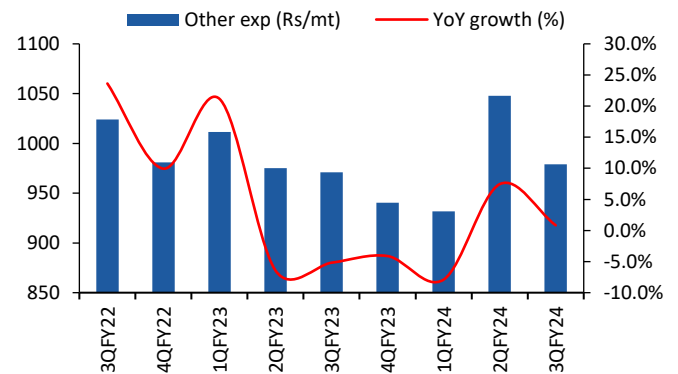
Source: Centrum Broking, Company Data

**Exhibit 8: RM costs down 17.7% on YoY basis**



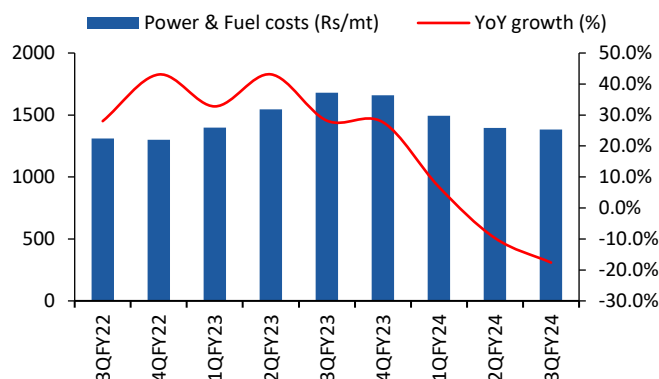
Source: Centrum Broking, Company Data

**Exhibit 9: Other expenses flat YoY**



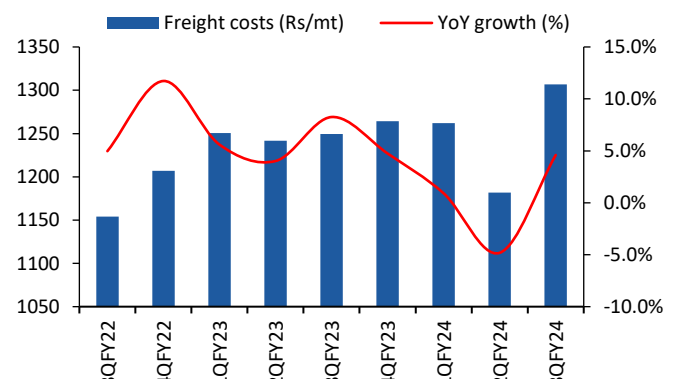
Source: Centrum Broking, Company Data

**Exhibit 10: Power & fuel costs down 17.6% YoY**



Source: Centrum Broking, Company Data

**Exhibit 11: Freight costs up 4.6% YoY**



Source: Centrum Broking, Company Data

## 3QFY24 conference call highlights

### Pricing:

Grey cement realizations have been marginally lower from the exit of 3Q. Central region pricing is lower than northern regions but overall profitability has been the same. Putty prices have been under pressure due to competition and current total white cement margins are in the range of 15-18%.

### Costs:

Expect marginal savings on costs front of Rs30-40 in 4QFY24. Fuel cost in this quarter on Per kcal basis is Rs1.80/kcal. Marginal decline in cost is expected in 1QFY25. Pet coke prices have reduced but that benefit would come in 1QFY25. Carrying fuel inventory of 65-70 days. Freight costs may increase given the increase in lead distance.

### Capex:

Prayagraj expansion of 2mn is at advanced stage and expected to be commissioned by Sep 24. The board has given approval for capacity expansion of 6mn mt which includes 2<sup>nd</sup> clinker line at Panna (MP), 3mn mt GU at Bihar and 1mn mt GU expansion of existing facility each at Panna, Hamirpur and Prayagraj. The work for the same will start by March 24 and expected to be completed by end of FY26. The current capacity is close to 22mn mt and with this expansion the company will reach 30mn mt capacity by FY26. Capex cost for FY24 stands at Rs1200cr against earlier guidance of Rs1400cr due to spillover to next year. FY25/FY26 capex stands at Rs2200cr and Rs1800cr respectively.

**Guidance:** the management has guided for 16.5mn mt grey cement volumes for FY24 and additional 2mn mt each year till FY26.

### Other:

Capacity utilization of grey cement at 75% in this quarter. Recently commissioned Panna unit also operated at 75%.

**White business:** stiff competition in putty. 9mfy24 white growth- 5%, profitability has been flat, expected margins of 15-18% in white business.

**Paints-** crossed turnover of 100crs in 9 months, will close the year at 150crs. Because of branding cost, op loss could be 20-25crs, 9mfy24 loss- 15crs on paints business. FY25- top line 250-300crs, FY26 to be EBITDA positive on 400-500crs revenue.

**WHRS-** Muddapur (Karnataka) WHRS trial runs have begun, to be commissioned next quarter, expect to see benefit in 1QFY25. Present WHRS capacity of – 64MW- FY25-26- 50MW additional, out of which 25mw would be WHRS and 25MW of solar power.

Central India incentives- total available fiscal incentive- Panna-300crs. Booking Rs75-80cr of incentives each quarter.

**Fujairah ops-** working on turnaround ops, performance affected by high fuel and logistics cost, EBITDA similar to 2Q- On an avg, 30-40crs ebitda is sustainable.

**Exhibit 12: Key changes to our estimates and assumptions**

YE Mar (Rs mn)	FY24E	FY24E	% chg	FY25E	FY25E	% chg
	New	Old		New	Old	
Revenue	1,16,951	1,07,091	9.2	1,30,009	1,20,472	7.9
EBITDA	21,333	18,557	15.0	25,123	21,678	15.9
EBITDA margin	18.2	17.3	91 bps	19.3	18.0	133 bps
Adj. PAT	11,261	9,282	21.3	13,535	11,291	19.9
Diluted EPS (Rs)	145.7	120.1	21.3	175.2	146.1	19.9

YE Mar	FY24E	FY24E	% chg	FY25E	FY25E	% chg
	New	Old		New	Old	
Volumes (mn mt)	19.1	17.7	7.9	20.9	19.6	6.5
Realization (Rs/mt)	6,123	6,050	1.2	6,215	6,132	1.4
Operating exp/mt	5,007	5,002	0.1	5,014	5,028	-0.3
EBITDA/mt	1,117	1,048	6.5	1,201	1,103	8.8

Source: Centrum Broking, Company Data

**Exhibit 13: Valuation Summary**

Particulars	(Rs mn)
Sep25E EBITDA	26,801
Target multiple (x)	13.0
Enterprise value	3,48,419
Less: Net debt & CWIP	23,042
Equity value	3,25,377
No of shares (mn)	77.3
<b>Value per share (Rs)</b>	<b>4,210</b>

Source: Centrum Broking, Company Data

P&L					
YE Mar (Rs mn)	FY22A	FY23A	FY24E	FY25E	FY26E
<b>Revenues</b>	<b>76,786</b>	<b>89,986</b>	<b>1,16,951</b>	<b>1,30,009</b>	<b>1,44,503</b>
Operating Expense	44,049	56,433	70,457	77,651	86,798
Employee cost	5,042	5,632	6,576	6,925	7,324
Others	12,875	14,528	18,586	20,310	21,901
<b>EBITDA</b>	<b>14,821</b>	<b>13,393</b>	<b>21,333</b>	<b>25,123</b>	<b>28,480</b>
Depreciation & Amortisation	2,820	3,615	2,991	3,328	4,278
<b>EBIT</b>	<b>12,001</b>	<b>9,778</b>	<b>18,342</b>	<b>21,796</b>	<b>24,201</b>
Interest expenses	2,493	2,605	3,045	3,215	3,426
Other income	1,428	829	723	673	638
<b>PBT</b>	<b>10,935</b>	<b>8,003</b>	<b>16,020</b>	<b>19,254</b>	<b>21,414</b>
Taxes	3,329	2,377	4,759	5,719	6,361
Effective tax rate (%)	30.4	29.7	29.7	29.7	29.7
<b>PAT</b>	<b>7,607</b>	<b>5,626</b>	<b>11,261</b>	<b>13,535</b>	<b>15,053</b>
Minority/Associates	0	0	0	0	0
<b>Recurring PAT</b>	<b>7,607</b>	<b>5,626</b>	<b>11,261</b>	<b>13,535</b>	<b>15,053</b>
Extraordinary items	(1,300)	0	0	0	0
<b>Reported PAT</b>	<b>6,307</b>	<b>5,626</b>	<b>11,261</b>	<b>13,535</b>	<b>15,053</b>

Ratios					
YE Mar	FY22A	FY23A	FY24E	FY25E	FY26E
<b>Growth (%)</b>					
Revenue	21.3	17.2	30.0	11.2	11.1
EBITDA	(2.1)	(9.6)	59.3	17.8	13.4
Adj. EPS	(1.2)	(26.0)	100.2	20.2	11.2
<b>Margins (%)</b>					
Gross	83.4	83.6	83.3	83.3	83.3
EBITDA	19.3	14.9	18.2	19.3	19.7
EBIT	15.6	10.9	15.7	16.8	16.7
Adjusted PAT	8.2	6.3	9.6	10.4	10.4
<b>Returns (%)</b>					
ROE	19.1	12.6	21.7	21.5	19.9
ROCE	13.7	10.2	16.6	16.9	16.1
ROIC	10.6	8.3	14.0	13.6	13.4
<b>Turnover (days)</b>					
Gross block turnover ratio (x)	1.0	1.2	1.5	1.4	1.1
Debtors	17	16	14	15	14
Inventory	258	233	192	228	227
Creditors	175	157	127	133	131
Net working capital	56	34	56	42	45
<b>Solvency (x)</b>					
Net debt-equity	0.6	0.5	0.3	0.4	0.3
Interest coverage ratio	5.9	5.1	7.0	7.8	8.3
Net debt/EBITDA	1.6	1.6	0.9	1.1	1.0
<b>Per share (Rs)</b>					
Adjusted EPS	98.4	72.8	145.7	175.2	194.8
BVPS	550.2	608.5	737.0	892.3	1,064.3
CEPS	134.9	119.6	184.5	218.2	250.2
DPS	15.0	15.0	17.2	19.8	22.8
Dividend payout (%)	18.3	20.6	11.8	11.3	11.7
<b>Valuation (x)</b>					
P/E	40.3	54.5	27.2	22.6	20.4
P/BV	7.2	6.5	5.4	4.4	3.7
EV/EBITDA	22.3	24.5	15.3	13.2	11.7
Dividend yield (%)	0.4	0.4	0.4	0.5	0.6

Source: Company, Centrum Broking

Balance sheet					
YE Mar (Rs mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Equity share capital	773	773	773	773	773
Reserves & surplus	41,744	46,242	56,171	68,173	81,463
Shareholders fund	42,517	47,015	56,943	68,945	82,236
Minority Interest	0	0	0	0	0
Total debt	28,382	27,741	29,293	31,849	34,410
Non Current Liabilities	5,488	6,033	7,728	8,565	9,493
Def tax liab. (net)	7,385	8,358	8,358	8,358	8,358
<b>Total liabilities</b>	<b>83,771</b>	<b>89,147</b>	<b>1,02,323</b>	<b>1,17,718</b>	<b>1,34,497</b>
Gross block	74,955	77,748	76,936	93,936	1,26,936
Less: acc. Depreciation	(21,275)	(24,917)	(27,933)	(31,286)	(35,589)
Net block	53,680	52,831	49,003	62,650	91,347
Capital WIP	710	1,688	15,000	20,000	5,000
Net fixed assets	54,390	54,519	64,003	82,650	96,347
Non Current Assets	1,821	4,158	4,158	4,158	4,158
Investments	15,799	22,203	16,125	16,125	16,125
Inventories	11,136	7,779	12,817	14,248	15,836
Sundry debtors	3,978	3,712	5,127	5,343	5,938
Cash & Cash Equivalents	4,736	6,385	9,901	5,428	7,233
Loans & advances	9,025	7,895	8,369	8,871	9,403
Other current assets	2,802	2,257	3,547	3,945	4,023
Trade payables	6,691	6,042	7,542	8,274	9,152
Other current liab.	12,423	12,811	13,272	13,867	14,505
Provisions	801	909	909	909	909
Net current assets	11,761	8,266	18,037	14,785	17,867
<b>Total assets</b>	<b>83,771</b>	<b>89,147</b>	<b>1,02,323</b>	<b>1,17,718</b>	<b>1,34,497</b>

Cashflow					
YE Mar (Rs mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Profit Before Tax	9,635	8,003	16,020	19,254	21,414
Depreciation & Amortisation	2,820	3,615	2,991	3,328	4,278
Net Interest	2,493	2,605	3,045	3,215	3,426
Net Change – WC	(5,869)	5,144	(6,255)	(1,221)	(1,277)
Direct taxes	(3,329)	(2,377)	(4,759)	(5,719)	(6,361)
<b>Net cash from operations</b>	<b>5,751</b>	<b>16,989</b>	<b>11,042</b>	<b>18,856</b>	<b>21,480</b>
Capital expenditure	(4,236)	(3,743)	(12,475)	(21,975)	(17,975)
Acquisitions, net	0	0	0	0	0
Investments	(9,776)	(5,065)	5,579	(500)	(500)
Others	(54)	(2,338)	0	0	0
<b>Net cash from investing</b>	<b>(14,066)</b>	<b>(11,146)</b>	<b>(6,896)</b>	<b>(22,475)</b>	<b>(18,475)</b>
<b>FCF</b>	<b>(8,316)</b>	<b>5,843</b>	<b>4,145</b>	<b>(3,619)</b>	<b>3,005</b>
Issue of share capital	0	0	0	0	0
Increase/(decrease) in debt	511	(641)	1,552	2,556	2,561
Dividend paid	(1,156)	(1,159)	(1,333)	(1,533)	(1,763)
Interest paid	(2,493)	(2,605)	(3,045)	(3,215)	(3,426)
Others	2,525	1,550	1,695	837	928
<b>Net cash from financing</b>	<b>(613)</b>	<b>(2,855)</b>	<b>(1,130)</b>	<b>(1,354)</b>	<b>(1,700)</b>
Net change in Cash	(8,929)	2,988	3,015	(4,973)	1,305

Source: Company, Centrum Broking

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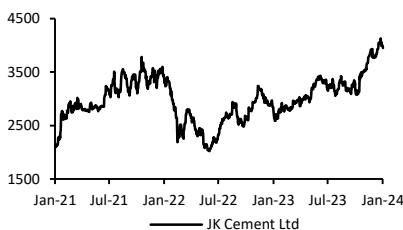
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**JK Cement**



Source: Bloomberg

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