

Ambuja Cement (ACEM IN)

Q2FY27 Result Update

October 29, 2026

☒ Estimate Change | ☒ Target | ☐ Reco.

Change in Estimates

	Current		Previous	
	FY28E	FY29E	FY28E	FY29E
Rating	BUY		BUY	
Target Price	474		498	
Sales (INR mn)	493,241	551,576	501,528	559,854
% Chng.	(1.7)	(1.5)		
EBITDA (INR mn)	83,288	93,808	85,798	95,582
% Chng.	(2.9)	(1.9)		
EPS (INR)	9.3	10.8	8.4	9.9
% Chng.	10.7	9.1		

Key Data ABUJ.BO | ACEM IN

BSE Code	500425
NSE Code	AMBUJACEM
52-W High / Low	INR 588 / INR 341
Face Value	2
Sensex / Nifty	74,151 / 22,937
Market Cap	INR 884 bn / \$ 9,284 mn
Shares Outstanding	2484.82 mn
3M Avg. Daily Value	INR 1,070.88 mn

Shareholding Pattern (%)

Promoters	67.33
FII's	5.66
Mutual Funds	8.92
Domestic Institutions	10.43
Public & Others	7.66
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(2.7)	(18.2)	(21.7)	(37.8)
Relative	(4.8)	(14.4)	(18.2)	(28.6)

Key Financials - Consolidated

Y/e Mar	FY26	FY27E	FY28E	FY29E
Sales (INR mn)	413,420	434,828	493,241	551,576
EBITDA (INR mn)	72,252	69,710	83,288	93,808
Margin (%)	17.5	16.0	16.9	17.0
PAT (INR mn)	57,150	24,949	23,071	26,936
EV (INR mn)	994,594	1,013,626	1,039,689	1,053,168
Total Debt (INR mn)	2,443	7,443	27,443	33,443
C&C Eq. (INR mn)	9,586	2,486	2,625	3,149
EPS (INR)	23.1	10.0	9.3	10.8
Gr. (%)	(5.2)	(56.6)	(7.5)	16.8
DPS (INR)	2.0	2.0	2.5	2.7
Yield (%)	0.6	0.6	0.7	0.8
RoE (%)	10.1	4.1	3.7	4.2
RoCE (%)	6.4	5.6	6.5	7.3
EV/Sales (x)	2.4	2.3	2.1	1.9
EV/EBITDA (x)	13.8	14.5	12.5	11.2
PE (x)	15.3	35.3	38.2	32.7
P/BV (x)	1.5	1.4	1.4	1.4

No respite in Q2; H2 to be better on a weak base

Quick Pointers

- H2FY27 volumes are expected to be higher than the industry
- Planning a 29.5mtpa expansion at total capex of INR145bn, funded through internal accruals

Ambuja Cements (ACEM) delivered a weak operating performance again in Q2FY27 due to decline in volumes and higher operating costs. Volumes declined 1% YoY as the company continued to prioritise value over volumes and curtail low-margin institutional sales. Blended NSR remained flat QoQ due to higher premium share negated by weak cement pricing. Higher pet coke and imported coal prices increased P&F costs/t, while higher diesel costs pushed up freight costs/t and elevated packaging and maintenance costs increased other expenses/t. Consequently, EBITDA/t declined 27% YoY to INR761 (PLe INR792/t). EBITDA/t also includes contributions from green power and fly ash sales, which together contributed ~INR97/t. Management expects volumes to grow ahead of the industry in H2FY27, supported by stronger trade volumes, ramp-up of new capacities and calibrated institutional sales. ACEM has already realised a price hike of ~INR10/bag in October, with further hikes expected over the coming months.

While ACEM continues to work on structural cost levers, the benefits are yet to fully translate into operating performance, weighing on profitability and resulting in market share loss. Although volumes were impacted by its value-over-volume strategy, management expects growth to improve in H2FY27. However, sustained improvement in profitability will hinge on translating the guided cost-reduction roadmap into actual savings, alongside improving efficiencies at acquired assets/ old ACC assets and ramping up of recently commissioned capacities. We believe successful execution on these fronts is still few quarters away as impact of recalibration strategy is not seen in EBITDA/t. We cut our FY28E/29E EBITDA estimates by ~3%/2% incorporating lower volumes. We expect consolidated ACEM's volume/EBITDA to deliver a CAGR of 8%/13% over FY26-29E. At CMP, the stock is trading at EV/EBITDA 12.5x/11.2x of FY28/29E EBITDA. Maintain 'BUY' with revised TP of Rs474 (Rs498 earlier) valuing at same 15x EV of Sep'28E EBITDA.

Other Points:

- ACEM targets capacity of 149mtpa and cement costs of INR4,000/t by FY28.
- Spot fuel costs are expected to be ~INR2.82-2.85/kcal, up from ~INR2.2/kcal in Q2FY27.
- FY27 exit CU is expected to reach ~75%, up from 61-62% in Q2FY27.

Quarter Summary

Y/e Mar	Q2'27E	Q2'27A	% Var.	Q2'26A	YoY gr. (%)
Net Sales (INR mn)	96,394	91,970	(4.6)	91,745	0.2
EBITDA (INR mn)	13,606	12,710	(6.6)	17,609	(27.8)
Margin (%)	14.1	13.8	(30) bps	19.2	(540) bps
PAT (INR mn)	4,047	2,780	(31.3)	19,885	(86.0)

Source: Company, PL

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Revenue declined on decline in volumes & flat NSR: Cons. revenue remained flat YoY to INR92bn (-3% QoQ; PLe INR96bn) on weak volumes. Blended NSR remained flat QoQ to INR5,507 (+1% YoY). Pure cement realisation remained flat QoQ to INR5,298/t (+2% YoY; PLe INR5,299) due to decline in cement prices during the quarter. Cons. Cement (incl. 0.2mt clinker) volumes declined 1% YoY to 16.7mt (-3% QoQ; PLe 17.2mt) as company focused on calibrated sales. MSA volumes declined 5% YoY to 6.4mt.

Higher costs along with lower volumes led to sharp decline in EBITDA: EBITDA declined 28% YoY to INR12.7bn (-20% QoQ; PLe INR13.6bn) due to sharp inch up in fuel costs. RM costs/t declined 5% YoY to INR735 as BCFC transport mode of Fly Ash resulted in lower RM costs. P&F costs/t grew 13% YoY to INR1,528 on higher global coal prices. Freight cost/t increased 7% YoY to INR1,305 due to increase in lead distance. Other expenses per ton shot up 18% YoY to INR954 due to higher packaging costs and higher maintenance costs. Resultant, cons. ACEM delivered EBITDA/t of INR761/t (-27% YoY/-17% QoQ; vs PLe of INR792/t). Cons. reported PAT declined 89% YoY to INR1.9bn, led by tax credits (-68% QoQ; PLe INR4.1bn). Exceptional item of INR850mn towards VSS payout for third-party workforce at an ACC plant.

Key Matrices: Premium cement share was 37% (35% YoY; 34% QoQ). Green power share improved to 61% (48% QoQ; 41% YoY), with a target to reach 60% by FY28. Kiln cost came to INR1.87/kcal (INR1.66/kcal QoQ; INR1.60/kcal YoY). Primary lead distance was 254km (249km QoQ; 265km YoY). Direct dispatch was 57% (58% QoQ; 59% YoY).

Q2FY27 Concall Highlights:

Demand, volumes and realisations

- Mgmt. expects both trade and institutional volumes to turn positive in Q3/Q4FY27. October trade growth was stronger than expected, and mgmt. raised its expectations for trade growth in H2.
- Have exited loss-making institutional volumes. As costs improve, mgmt expects institutional business to become more viable, while maintaining a value-focused approach without losing market share.
- ACEM achieved ~INR10/bag of price increases in October and expects further hikes to offset costs.
- This value-led trade strategy is estimated to deliver an incremental realisation benefit of ~INR40/t currently, potentially increasing to ~INR150/t over the next 2-3 quarters, by June.
- Deficient monsoons and drought declarations in Maharashtra, Karnataka, Andhra Pradesh and Rajasthan could affect construction activity in Q3/Q4, with a lag. Not yet observed a material impact.

Costs

- Mgmt. retained its cost targets of INR4,250/t for FY27 and INR4,000/t for FY28.
- Blended fuel cost rose to INR1.87/kcal from INR1.66 in Q1FY27. Fuel mix was 60% Domestic coal and 40% imported (20% pet coke and 80% imported coal) Mgmt. is prioritising domestic coal.
- Green power accounted for 61% at the company level, including both consumption and sales. Management expects renewable power consumption to increase in H2.
- Green power sales generated INR1.36bn and fly ash sales INR0.25bn in Q2FY27, both of these will be parts of other operating income. Mgmt. indicated a combined contribution of ~INR97/t. The company has tied up 20mt of fly ash through long-term agreements with group thermal power plants and is evaluating additional sourcing, external sales and value-added products.

- Logistics savings are expected from shorter lead distances as new GUs ramp up, ~400 electric vehicles targeted by Mar'27, greater use of BCFC and improved backloading. The revamped DGP database and Cement Network Operating Centre to improve transporter utilisation and network efficiency.
- Vendor-partner operating arrangements are progressing well across new GUs. Logistics SLAs are already in place at 5 plants, with positive feedback. The benefits are incorporated in the cost guidance.
- The company aims to maintain blended cement at around 80% of its mix, with OPC accounting for the balance.

Expansion and capex

- Mgmt. reiterated capacity targets of 149mtpa by FY29 and 155mtpa by FY30. The announced 30mtpa expansion programme requires ~INR145bn of capex, incl. lus and GUs.
- FY27 capex guidance is INR65-70bn, with ~INR35bn incurred in H1. Annual capex of ~INR75bn is expected over the following 2 years. The expansion to be self-funded through operating cash flows.
- The expansion is focused on the West (~15mtpa), East (~12mtpa) and North (~3mtpa), targeting profitable markets with strong brand equity and existing clinker availability. Most projects are brownfield, which will improve manufacturing economics.
- Maratha Line 2 is at an advanced stage and is expected to become operational over the next couple of quarters. Warisaliganj's 2.4mtpa unit is targeted for H2FY27, while 3.2mtpa at Bathinda and Penna Jodhpur is stabilising and expected to ramp up in H2. Debottlenecking projects are expected to be completed over the next 4-5 months.
- The company is reviewing high-cost, inefficient grinding units and may rationalise 2-3mtpa after detailed engineering. Surplus grinding capacity will provide flexibility to serve markets. In the East, clinker from existing plants can support more efficient grinding units closer to customers.
- Mgmt. expects state incentives for eligible projects, potentially higher in the Northeast and UP.

Others

- Penna and Sanghi were operating at around 50% utilisation. Mgmt. expects a material improvement in H2, with both Sanghi kilns operational and better cost efficiencies at both businesses.
- Mgmt. attributed the lower tax rate partly to tax benefits available through the merger structure, including tax shields at Penna.
- The proposed merger of ACC and Orient Cement with Ambuja will proceed to the NCLT for final approvals. Completion is expected in FY27, subject to approvals.
- RMC volumes are expected to grow faster in coming quarters. Management indicated an EBITDA margin of around 7%.
- Management is evaluating a low-carbon cement pathway at the 6.6mtpa Sanghipuram plant with Leilac. The pre-feasibility study is targeted for completion by December 2026. The first commercial application of Coolbrook's RotoDynamic Heater technology is expected by mid-2027.

Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27	YoY gr.	Q2FY27	YoY gr.	Q3FY27E	YoY gr.	Q4FY27E	YoY gr.
Revenue from Operations	95,000	-7.7%	91,970	0.2%	1,19,018	15.8%	1,28,841	18.0%
EBITDA	15,890	-19.0%	12,710	-27.8%	19,482	44.0%	21,628	47.7%
Margin (%)	17%	-2 bps	14%	-5 bps	16%	3 bps	17%	3 bps
Adjusted PAT	6,010	-24.4%	2,780	-86.0%	7,646	200.0%	9,114	-52.8%

Source: Company, PL

Exhibit 2: Capacity to reach 149mtpa by FY28E

#	Unit Name	Source	Type	State	Clinker	Cement	Completion By
1	Maratha – Line 2	Maratha	CU	Maharashtra	4.0	-	May'27
2	Amravati	Maratha	GU	Maharashtra	-	2.9	Sep'27
3	Assam - Umrangso	Assam	CU	Assam	4.0	-	Dec'28
4	Assam - Rangia	Assam	GU	Assam	-	2.9	Dec'28
5	Assam - Hojai	Assam	GU	Assam	-	2.9	Dec'28
6	Mundra	Mundra	CU	Gujarat	2.3	-	May'28
7	Mundra	Mundra	GU	Gujarat	-	2.9	May'28
8	Godda	Bhatapara & Jamul	GU	Jharkhand	-	2.9	Mar'28
9	Muzaffarpur	Bhatapara	GU	Bihar	-	2.9	Mar'28
10	Hazira	Sanghi	GU	Gujarat	-	2.9	Mar'28
11	Raigad	Sanghi	GU	Maharashtra	-	2.9	Mar'28
12	Kalyan	Maratha	GU	Maharashtra	-	2.9	Mar'28
13	Dahanu	-	BU	Maharashtra	-	0.7	Mar'28
14	Dadri Line - 2	Jodhpur	GU	Uttar Pradesh	-	2.9	Mar'28
Total addition					10.3	29.7	

CU: Clinker Unit | GU: Grinding Unit | BU: Blending Unit | Capacities in MTPA

Source: Company

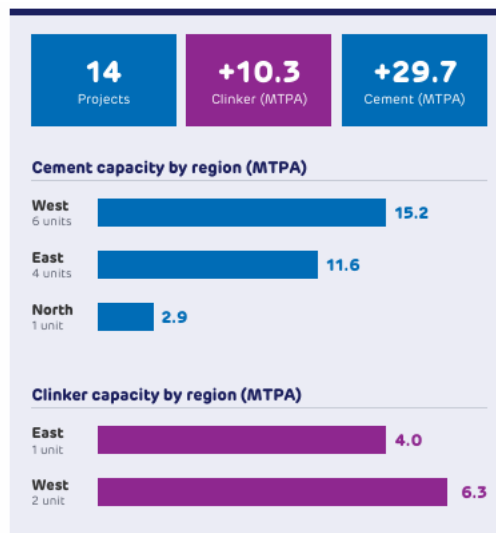
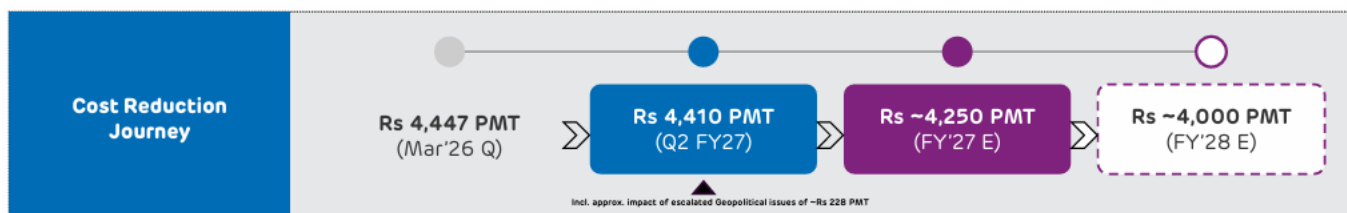


Exhibit 3: Cost reduction journey guided by the management till FY28E



Source: Company

Exhibit 4: Q2FY27 Result Overview - Consolidated

Y/e March (INR mn)	Q2FY27	Q2FY26	YoY gr. (%)	Q2FY27E	% Var.	Q1FY27	QoQ gr. (%)	H1FY27	H1FY26	YoY gr. (%)
Revenue from Operations	91,970	91,745	0.2	96,394	(4.6)	95,000	(3.2)	1,86,970	1,94,636	(3.9)
Total RM Costs	12,280	13,085	(6.2)	14,489	(15.2)	13,890	(11.6)	26,170	28,330	(7.6)
% of Net Sales	13.4	14.3		15.0		14.6		14.0	14.6	
Employee benefits expense	3,730	4,051	(7.9)	4,294	(13.1)	3,870	(3.6)	7,600	8,229	(7.6)
% of Net Sales	4.1	4.4		4.5		4.1		4.1	4.2	
Power and fuel	25,520	22,804	11.9	25,158	1.4	23,890	6.8	49,410	47,935	3.1
% of Net Sales	27.7	24.9		26.1		25.1		26.4	24.6	
Freight and forwarding expense	21,800	20,632	5.7	22,881	(4.7)	22,580	(3.5)	44,380	44,857	(1.1)
% of Net Sales	23.7	22.5		23.7		23.8		23.7	23.0	
Other expenses	15,930	13,564	17.4	15,965	(0.2)	14,880	7.1	30,810	28,066	9.8
% of Net Sales	17.3	14.8		16.6		15.7		16.5	14.4	
Total Expenditure	79,260	74,136	6.9	82,788	(4.3)	79,110	0.2	1,58,370	1,57,416	0.6
EBITDA	12,710	17,609	(27.8)	13,606	(6.6)	15,890	(20.0)	28,600	37,220	(23.2)
Margin (%)	13.8	19.2	-537 bps	14.1	-30 bps	16.7	-291 bps	15.3	19.1	-383 bps
Depreciation and amortisation expense	8,770	8,852	(0.9)	8,465	3.6	8,340	5.2	17,110	16,835	1.6
EBIT	3,940	8,757	(55.0)	5,141	(23.4)	7,550	(47.8)	11,490	20,385	(43.6)
Other Income	580	2,570	(77.4)	1,707	(66.0)	1,690	(65.7)	2,270	5,131	(55.8)
Finance Costs	740	768	(3.7)	799	(7.4)	570	29.8	1,310	1,440	(9.0)
PBT	3,780	10,559	(64.2)	6,049	(37.5)	8,670	(56.4)	12,450	24,076	(48.3)
Exceptional items	850	2,228	NA	-	NA	240	254.2	1,090	1,828	(40.4)
PBT (After EO)	2,930	8,331	(64.8)	6,049	(51.6)	8,430	(65.2)	11,360	22,248	(48.9)
Total Tax	620	(14,648)	(104.2)	1,210	(48.7)	1,880	(67.0)	2,500	(10,859)	(123.0)
% PBT	21.2	-175.8		20.0		22.3		22.0	-48.8	
Reported PAT	2,310	22,979	(89.9)	4,839	(52.3)	6,550	(64.7)	8,860	33,107	(73.2)
Non-controlling interest	430	5,366	(92.0)	838	(48.7)	830	(48.2)	1,260	7,184	(82.5)
Share of profit of joint ventures and associate	50	44	13.9	46		50	-	100	86	17.0
Net Profit Attributable to shareholders	1,930	17,657	(89.1)	4,047	(52.3)	5,770	(66.6)	7,700	26,009	(70.4)
Adjusted PAT	2,780	19,885	(86.0)	4,047	(31.3)	6,010	(53.7)	8,790	27,837	(68.4)

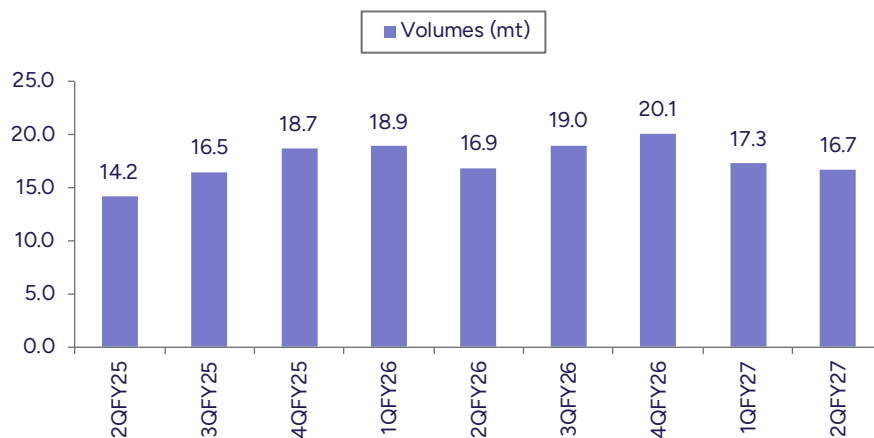
Source: Company, PL

Exhibit 5: Operating Parameters

Y/e March	Q2FY27	Q2FY26	YoY gr. (%)	Q2FY27E	% Var.	Q1FY27	QoQ gr. (%)	H1FY27	H1FY26	YoY gr. (%)
Total Volume (mt)	16.7	16.9	(0.9)	17.2	(2.8)	17.3	(3.5)	76.8	74.9	2.6
Blended NSR/t (INR)	5,507	5,445	1.1	5,609	(1.8)	5,491	0.3	5,578	2,600	114.5
Blended EBITDA/t (INR)	761	1,045	(27.2)	792	(3.9)	918	(17.1)	372	497	(25.1)

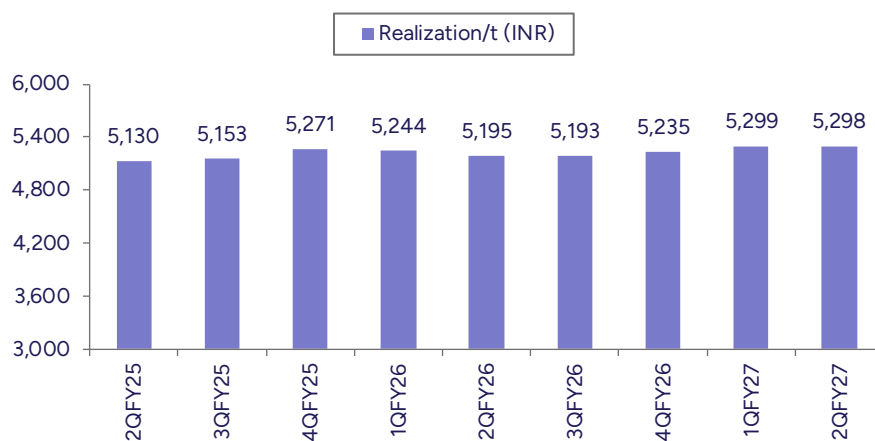
Source: Company, PL

Exhibit 6: Total volumes declined 1% YoY due to focus on value over volume



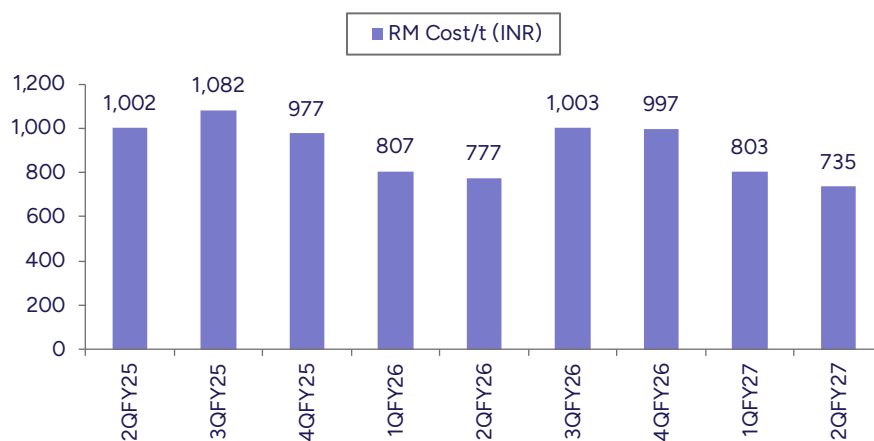
Source: Company, PL

Exhibit 7: Blended NSR remained flat QoQ due to decline in cement prices during the quarter



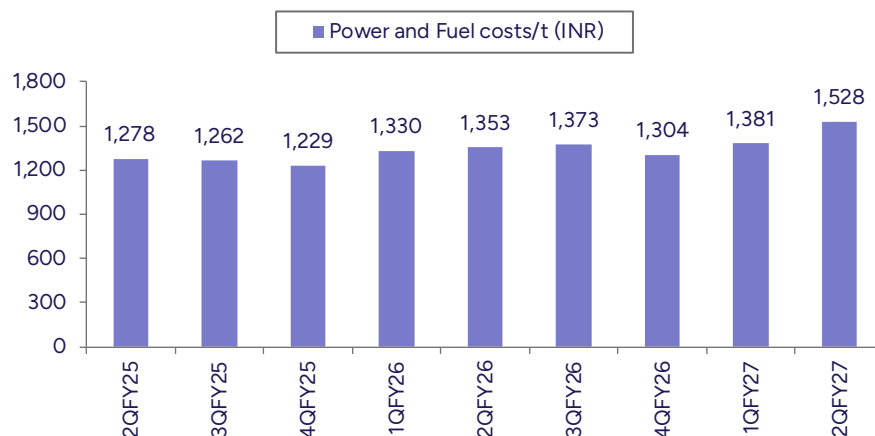
Source: Company, PL

Exhibit 8: RM costs/t declined 7% YoY usage of BCFC transport mode of Flyash



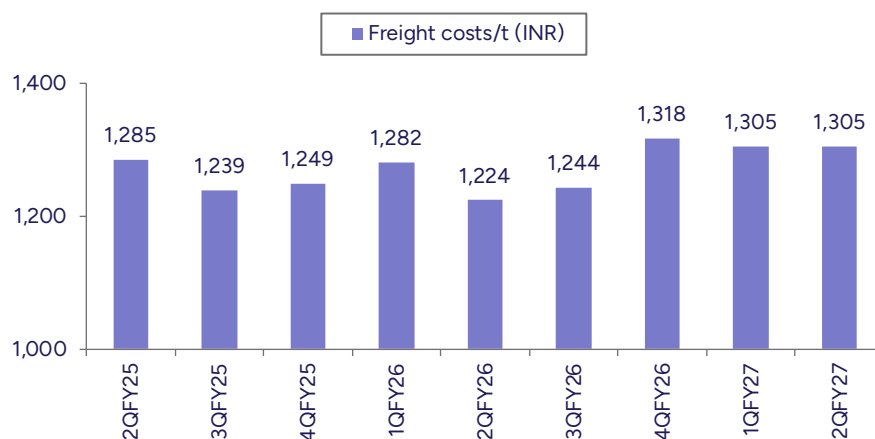
Source: Company, PL

Exhibit 9: Power and fuel costs/t grew 13% YoY due to increase in pet coke and coal prices



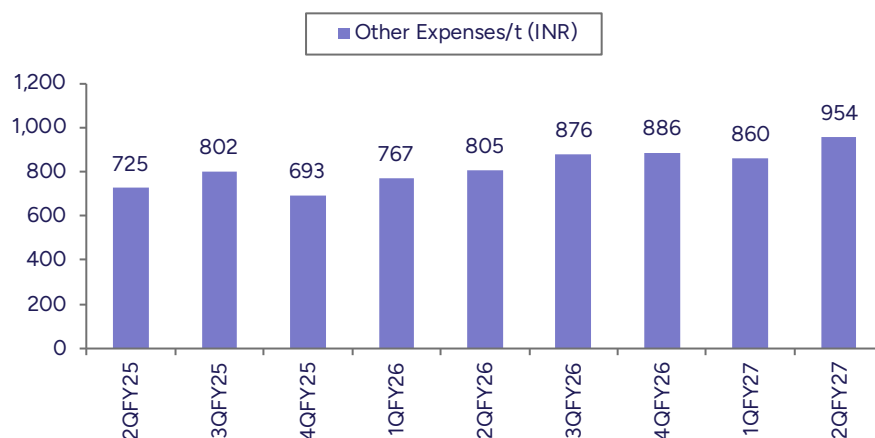
Source: Company, PL

Exhibit 10: Freight cost/t increased 7% YoY due to increase in lead distance (254km)



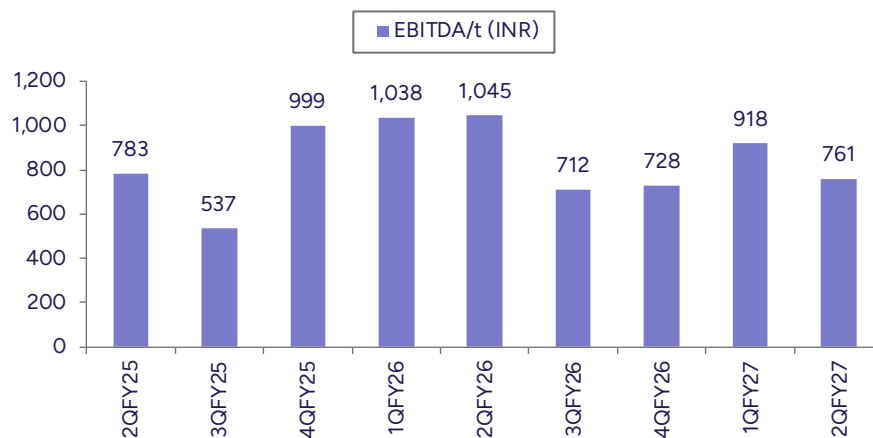
Source: Company, PL

Exhibit 11: Other expenses increased 18% YoY due to higher packaging and maintenance costs



Source: Company, PL

Exhibit 12: EBITDA/t declined 27% YoY on higher P&F and other costs



Source: Company, PL

Exhibit 13: Target Price Calculation

Valuation	Sep'28E
Sep'28E EBITDA	88,548
EV/EBITDA multiple	15.0
Targeted EV (ex-minorities)	12,04,167
Net debt/(cash)	27,556
Shareholder's value	11,76,611
Value per share	474

Source: PL

Financials

Income Statement (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Net Revenues	413,420	434,828	493,241	551,576
YoY gr. (%)	11.7	5.2	13.4	11.8
Cost of Goods Sold	67,425	70,593	79,886	90,574
Gross Profit	345,995	364,235	413,354	461,002
Margin (%)	83.7	83.8	83.8	83.6
Employee Cost	16,027	17,309	18,693	20,189
Other Expenses	257,716	277,216	311,373	347,006
EBITDA	72,252	69,710	83,288	93,808
YoY gr. (%)	(5.6)	(3.5)	19.5	12.6
Margin (%)	17.5	16.0	16.9	17.0
Depreciation and Amortization	35,704	35,548	41,640	45,015
EBIT	36,548	34,161	41,648	48,793
Margin (%)	8.8	7.9	8.4	8.8
Net Interest	2,236	2,846	2,901	3,162
Other Income	8,343	3,427	3,682	6,347
Profit Before Tax	45,661	33,652	42,429	51,978
Margin (%)	11.0	7.7	8.6	9.4
Total Tax	(23,383)	7,688	13,406	17,329
Effective Tax Rate (%)	(51.2)	22.8	31.6	33.3
Profit After Tax	69,044	25,964	29,023	34,649
Minority Interest	9,089	2,323	6,203	8,002
Share Profit from Associate	201	219	251	289
Adjusted PAT	57,150	24,949	23,071	26,936
YoY gr. (%)	(4.9)	(56.3)	(7.5)	16.8
Margin (%)	13.8	5.7	4.7	4.9
Extra Ord. Income / (Exp)	3,005	(1,090)	-	-
Reported PAT	60,155	23,859	23,071	26,936
YoY gr. (%)	0.5	(60.3)	(3.3)	16.8
Margin (%)	14.6	5.5	4.7	4.9
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	60,155	23,859	23,071	26,936
Equity Shares O/s (mn)	2,472	2,485	2,485	2,485
EPS (INR)	23.1	10.0	9.3	10.8

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Non-Current Assets				
Gross Block	742,793	802,793	862,793	937,793
Tangibles	742,793	802,793	862,793	937,793
Intangibles	-	-	-	-
Acc: Dep / Amortization	160,165	195,713	237,353	282,368
Tangibles	160,165	195,713	237,353	282,368
Intangibles	-	-	-	-
Net Fixed Assets	582,628	607,080	625,440	655,425
Tangibles	582,628	607,080	625,440	655,425
Intangibles	-	-	-	-
Capital Work In Progress	101,546	111,546	126,546	126,546
Goodwill	-	-	-	-
Non-Current Investments	38,873	38,873	38,873	38,873
Net Deferred Tax Assets	(34,337)	(34,337)	(34,337)	(34,337)
Other Non-Current Assets	35,533	35,533	35,533	35,533
Current Assets				
Investments	-	-	-	-
Inventories	45,523	48,689	55,230	61,762
Trade Receivables	18,685	14,296	16,216	18,134
Cash & Bank Balance	9,586	2,486	2,625	3,149
Other Current Assets	45,321	45,321	45,321	45,321
Total Assets	896,066	922,194	964,155	1,003,114
Equity				
Equity Share Capital	4,944	4,970	4,970	4,970
Other Equity	588,530	607,463	624,376	644,538
Total Network	593,473	612,432	629,346	649,508
Non-Current Liabilities				
Long Term Borrowings	2,443	7,443	27,443	33,443
Provisions	2,365	2,365	2,365	2,365
Other Non Current Liabilities	1,525	1,525	1,525	1,525
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade Payables	41,850	41,696	40,540	45,335
Other Current Liabilities	87,117	87,117	87,117	87,117
Total Equity & Liabilities	896,066	922,194	964,155	1,003,114

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
PBT	32,988	33,652	42,429	51,978
Add. Depreciation	35,704	35,548	41,640	45,015
Add. Interest	2,236	2,846	2,901	3,162
Less Financial Other Income	8,343	3,427	3,682	6,347
Add. Other	(1,659)	(3,427)	(3,682)	(6,347)
Op. Profit before WC Changes	69,269	68,620	83,288	93,808
Net Changes-WC	(18,476)	1,069	(9,617)	(3,655)
Direct Tax	2,822	(7,688)	(13,406)	(17,329)
Net Cash from Op. Activities	53,615	62,001	60,265	72,824
Capital Expenditures	(107,520)	(70,000)	(75,000)	(75,000)
Interest / Dividend Income	-	-	-	-
Others	28,168	3,427	3,682	6,347
Net Cash from Inv. Activities	(79,352)	(66,573)	(71,318)	(68,653)
Issue of Share Cap. / Premium	-	26	-	-
Debt Changes	(9,121)	5,000	20,000	6,000
Dividend Paid	(5,650)	(4,926)	(6,158)	(6,774)
Interest Paid	(1,523)	(2,846)	(2,901)	(3,162)
Others	-	-	-	-
Net Cash from Fin. Activities	(16,294)	(2,747)	10,941	(3,936)
Net Change in Cash	(42,031)	(7,319)	(112)	235
Free Cash Flow	(9,828)	(7,999)	(14,735)	(2,176)

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Net Revenues	102,767	109,155	95,000	91,970
YoY gr. (%)	20.9	9.4	(7.7)	0.2
Raw Material Expenses	19,049	20,047	13,890	12,280
Gross Profit	83,718	89,108	81,110	79,690
Margin (%)	81.5	81.6	85.4	86.6
EBITDA	13,531	14,639	15,890	12,710
YoY gr. (%)	52.8	(21.6)	(19.0)	(27.8)
Margin (%)	13.2	13.4	16.7	13.8
Depreciation / Depletion	9,110	10,527	8,340	8,770
EBIT	4,420	4,112	7,550	3,940
Margin (%)	4.3	3.8	7.9	4.3
Net Interest	589	208	570	740
Other Income	873	2,339	1,690	580
Profit before Tax	4,553	5,218	8,430	2,930
Margin (%)	4.4	4.8	8.9	3.2
Total Tax	575	(13,293)	1,880	620
Effective Tax Rate (%)	12.6	(254.8)	22.3	21.2
Profit After Tax	3,978	18,511	6,550	2,310
Minority Interest	1,633	273	830	430
Share Profit from Associate	51	64	50	50
Adjusted PAT	2,548	19,327	6,010	2,780
YoY gr. (%)	(64.1)	117.0	(24.4)	(86.0)
Margin (%)	2.5	17.7	6.3	3.0
Extra Ord. Income / (Exp)	(152)	(1,025)	(240)	(850)
Reported PAT	2,396	18,302	5,770	1,930
YoY gr. (%)	(88.7)	78.5	(30.9)	(89.1)
Margin (%)	2.3	16.8	6.1	2.1
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	2,396	18,302	5,770	1,930
Avg. Shares O/s (mn)	2,472	2,472	2,485	2,485
EPS (INR)	1.0	7.8	2.4	1.1

Source: Company, PL

Key Financial Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Per Share (INR)				
EPS	23.1	10.0	9.3	10.8
CEPS	37.6	24.3	26.0	29.0
BVPS	240.1	246.5	253.3	261.4
FCF	(4.0)	(3.2)	(5.9)	-
DPS	2.0	2.0	2.5	2.7
Return Ratio (%)				
RoCE	6.4	5.6	6.5	7.3
ROIC	9.9	4.4	4.5	4.9
RoE	10.1	4.1	3.7	4.2
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	20	18	23	23
Valuation (x)				
PER	15.3	35.3	38.2	32.7
P/B	1.5	1.4	1.4	1.4
P/CEPS	9.4	14.6	13.6	12.2
EV/EBITDA	13.8	14.5	12.5	11.2
EV/Sales	2.4	2.3	2.1	1.9
Dividend Yield (%)	0.6	0.6	0.7	0.8
FCFF Yield (%)	(1.1)	-	(1.7)	-
PEG Ratio	(3.0)	-	(5.1)	2.0

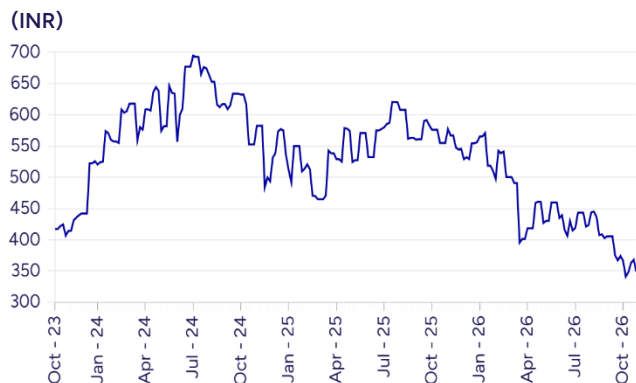
Source: Company, PL

Key Operating Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Cons. Volume (mt)	75	77	85	94
Cons. Net Realisations (INR/t)	5,432	5,598	5,710	5,824
Cons. EBITDA/ t (INR/t)	874	907	977	1,000

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	08-Oct-26	BUY	498	357
2	29-Jul-26	BUY	504	435
3	07-Jul-26	BUY	520	436
4	05-May-26	BUY	524	445
5	09-Apr-26	BUY	598	447
6	10-Mar-26	BUY	640	452
7	31-Jan-26	BUY	640	510
8	08-Jan-26	BUY	667	562
9	04-Nov-25	BUY	718	577
10	08-Oct-25	BUY	701	570

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Adani Port & SEZ	BUY	2248	1761
2	Ambuja Cement	BUY	498	357
3	Dalmia Bharat	BUY	1970	1625
4	Hindalco Industries	BUY	1113	911
5	Jindal Stainless	BUY	829	687
6	Jindal Steel	BUY	1245	1016
7	JK Cement	BUY	6064	4889
8	JK Lakshmi Cement	BUY	699	472
9	JSW Cement	BUY	133	115
10	JSW Infrastructure	BUY	380	317
11	JSW Steel	BUY	1377	1186
12	National Aluminium Co.	Accumulate	392	321
13	NMDC	HOLD	83	73
14	Nuvoco Vistas Corporation	BUY	560	331
15	Shree Cement	BUY	28379	22375
16	Steel Authority of India	Accumulate	180	162
17	Tata Steel	Accumulate	209	176
18	Ultratech Cement	BUY	14623	10650
19	Usha Martin	BUY	596	518

PL's Recommendation Nomenclature (Absolute Performance)

BUY	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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