

April 30, 2025

## Q4FY25 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

### Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	BUY		BUY	
Target Price	658		643	
Sales (Rs. m)	4,41,322	4,72,664	4,29,108	4,70,831
% Chng.	2.8	0.4		
EBITDA (Rs. m)	86,418	1,03,675	91,552	1,03,174
% Chng.	(5.6)	0.5		
EPS (Rs.)	15.7	17.4	17.3	16.5
% Chng.	(9.3)	5.5		

### Key Financials - Consolidated

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales (Rs. m)	3,31,596	3,42,184	4,41,322	4,72,664
EBITDA (Rs. m)	63,995	51,443	86,418	1,03,675
Margin (%)	19.3	15.0	19.6	21.9
PAT (Rs. m)	32,920	36,411	38,550	42,915
EPS (Rs.)	15.0	14.8	15.7	17.4
Gr. (%)	8.0	(1.3)	5.9	11.3
DPS (Rs.)	1.8	2.0	2.2	2.4
Yield (%)	0.3	0.4	0.4	0.4
RoE (%)	9.0	7.7	7.0	7.3
RoCE (%)	13.0	5.6	9.2	10.0
EV/Sales (x)	3.3	3.7	3.0	2.7
EV/EBITDA (x)	16.9	24.5	15.3	12.5
PE (x)	36.4	36.9	34.8	31.3
P/BV (x)	2.9	2.5	2.4	2.2

### Key Data

ABUJ.BO | ACEM IN

52-W High / Low	Rs.707 / Rs.453
Sensex / Nifty	80,218 / 24,329
Market Cap	Rs.1,342bn / \$ 15,785m
Shares Outstanding	2,463m
3M Avg. Daily Value	Rs.1553.62m

### Shareholding Pattern (%)

Promoter's	67.57
Foreign	8.60
Domestic Institution	17.30
Public & Others	6.53
Promoter Pledge (Rs bn)	-

### Stock Performance (%)

	1M	6M	12M
Absolute	1.2	(4.3)	(13.8)
Relative	(2.3)	(4.5)	(20.8)

Tushar Chaudhari

tusharchaudhari@plindia.com | 91-22-663222391

Satyam Kesarwani

satyamkesarwani@plindia.com | 91-22-66322218

## Strong volume and pricing led recovery

### Quick Pointers:

- ACEM's capacity has reached 100mtpa; added ~32mtpa in past 30 months mostly inorganic; reiterated its LT target of Rs500/t savings by FY28.
- Added 367mt of new limestone reserves in Q4FY25; total reserves reached ~9bt.

**Ambuja Cements (ACEM) delivered strong cons operating performance in Q4FY25 with 13% YoY volume growth (18.7mt aided by MSA and recently acquired assets). The recent uptick in cement pricing aided NSR. Increase in volumes resulted in lower operating costs delivering EBITDA/t of Rs999. Going forward, focus would remain on ramping up of Penna and Sanghi assets which are at 45-50% utilization. Penna clinker units already achieved 75-80% CU and with ACC phasing out older unfeasible clinker units, ACEM would utilize Penna and Sanghi clinker units for feeding grinding units across regions. ACEM maintained its long-term efficiency gain target of Rs500/t through long term supplier agreements, group supply chain synergies, operational efficiencies and improvement in green power. Mgmt. reiterated its confidence of reducing its total cost to Rs3,650/t levels over FY28E and achieved Rs150 savings till the end of FY25. With the completion of Orient deal and 2.4mtpa Farakka GU commissioning, ACEM has crossed the 100mtpa capacity mark and with ongoing expansions it would reach 118mtpa by end-FY26.**

**With stable domestic cement demand, we believe ACEM would keep gaining market share aided by ramping up of Penna/Sanghi assets and expect a strong 15%+ volume CAGR over FY25–27E. We remain positive on the stock despite some delays in brownfield expansions as the volume delivery remains strong. Gradual improvement in green power mix and targeted synergy benefits would keep driving EBITDA growth over the next few years. We expect ACEM revenue/ EBITDA/ PAT to deliver CAGR of 17%/42%/11% over FY25-27E. The stock is trading at EV of 16.6x/13.7x FY26E/FY27E EBITDA. Maintain 'Buy' with revised TP of Rs658 (Rs643 earlier) valuing at 17x EV of Mar'27E EBITDA.**

- **Cons revenue aided by strong volume & pricing:** Cons. revenue grew 11% YoY to Rs99bn (up 16% QoQ) on strong volume growth and rising cement prices. Average cement realization has improved 2.6% QoQ to Rs 5,288/t (-1% YoY; Ple Rs5,256). Cons. volumes grew 13% YoY to 18.7mt (up 13% QoQ; Ple 18.6mt).
- **EBITDA/t aided by strong operating leverage:** EBITDA grew 10% YoY to Rs18.7bn (up 111% QoQ; Ple Rs15.8bn) on better volume growth and improved cement realization. P&F costs/t grew 1% YoY to Rs1,229 while freight cost/t declined 2% YoY to Rs1,249. RM costs/t increased 2% YoY to Rs977. Other expenses declined by 8% YoY to Rs644 on higher volumes. Resultant, ACEM delivered EBITDA/t of Rs999/t (-2% YoY/+86% QoQ; Vs Ple of Rs 849/t). Cons. reported PAT declined 14% YoY to Rs13.2bn (Ple 12.1bn) boosted by several one-off items pertaining to earlier years.

- **Green power share improve gradually driving margins:** WHRS power share increased from 12.5% to 17.3% YoY, Solar power mix increased from 2.4% to 8.2% YoY, taking the green power share up by 10.5 pp to 26.1%. with ongoing planned green power plant capacity expansion, ACEM expects to achieve 60% green power mix by FY28. Out of planned 1 GW RE power by FY28 at capex of Rs60bn, 200MW Solar and 99MW of wind power in Khavda, Gujarat was commissioned during FY25. Change in the fuel basket has aided reducing kiln fuel cost by 14% YoY from Rs. 1.84 to Rs. 1.58/k Kcal during Q4FY25.

**Exhibit 1: New upcoming capacities**

Expansion Project	Clinker (MTPA)	Cement (MTPA)	Expected Completion	Status Update
Bhatapara Line 3 (CU)	4.0	-	Q1 FY26	Bhatapara (87% overall erection work), Sankrail (88% overall progress; major equipments installed and under progress for dry run
Sankrail (GU)	-	2.4	Q1 FY26	
Sindri (GU)	-	1.6	Q1 FY26	
Salai Banwa (GU)	-	2.4	Q2 FY26	
Bathinda	-	1.2	Q3 FY26	Maratha line 2 (76% major equipment ordered, 44% civil work completed)
Marwar (GU)	-	2.4	Q3 FY26	
Maratha Line 2 (CU)	4.0	-	Q4 FY26	
Dahej Line-2 (GU)	-	1.2	Q3 FY26	
Kalamboli (Blending)	-	1.0	Q4 FY26	Civil work is in progress, delivery of major equipments has commenced
Jodhpur (Penna IU)	3.0	2.0	Q3 FY26	Jodhpur (95% civil work done, major equipment ordered, 48% mechanical erection work completed
Krishnapatnam Penna (GU)	-	2.0	Q2 FY26	
Warsiliganj (GU)	-	2.4	Q4 FY26	Civil work is in progress, delivery of major equipments commenced
<b>Total</b>	<b>11</b>	<b>18.6</b>		

Source: Company, PL

## Q4FY25 Conference Call Highlights:

- Mgmt. expects the cement industry to grow by 8% in FY26 and anticipates ACEM to outpace the industry, driven by accelerated growth, cost efficiencies, and Adani group synergies.
- ACEM added 367mt of new limestone reserves in Q4FY25; total reserves reached ~9bt. ACEM is bidding for coal mines in the auctions conducted by the government.
- Fuel costs reduced by 14% YoY to Rs1.58/kcal from Rs1.84/kcal in Q4FY24.
- Direct dispatch to customers increased by 600bps to 58%. Primary lead distance stood at 265km (from 280km YoY), whereas secondary lead distance stood at 46km (48km YoY). ACEM expects to reduce lead distance by 100km to 170KM by FY28.
- Cumulative cement volumes from Penna and Sanghi stood at 1.6mt in Q4, with capacity utilization at 45–50% and 40–45%, respectively.
- FY26 Capex is expected at Rs90bn, including Rs60bn for growth and Rs25–30bn for efficiency.
- ACEM has received all 11 GPWIS rakes which are running in approved circuits, which will enable cost efficient clinker movement from the mother plants. Additionally, 26 BCFC rakes were ordered for transporting fly ash from thermal plants; 8 have been delivered in FY25.
- With the completion of the Orient acquisition, commissioning of the Farakka grinding unit, and debottlenecking at various plants, ACEM's capacity has reached 100mtpa. With additional grinding units at Sankrail and Sindri set to be commissioned in Q1FY26, ACEM is expected to reach 118mtpa by the end of FY26.
- Blended cement mix for the quarter was 82%, whereas premium share increased to 29-30% in Q4FY25.
- ACEM expects to achieve 1000MW of RE capacity by FY26, out of which 200MW of solar power and 99MW of wind power in Khavda have already been commissioned and fully commissioned by Q2FY26. WHRS capacity currently stands to ~218MW which will take care of 30% of power requirement.
- ACEM has identified at 9 additional grinding units locations for which land acquisitions and statutory approvals for these projects are under progress.
- Management reiterated its confidence of reducing its total cost to Rs3,650/t over FY28E through long term supplier agreements, supply chain synergies and operational efficiencies.

**Exhibit 2: Q4FY25 Result Overview – Consolidated**

Y/e March (Rs mn)	4QFY25	4QFY24	YoY gr. (%)	4QFY25E	% Var.	3QFY25	QoQ gr. (%)	FY25	FY24	YoY gr. (%)
<b>Net Sales</b>	<b>98,886</b>	<b>88,940</b>	<b>11.2</b>	<b>97,718</b>	<b>1.2</b>	<b>85,022</b>	<b>16.3</b>	<b>3,40,804</b>	<b>3,31,596</b>	<b>2.8</b>
Raw Material	18,268	15,864	15.2	20,126	(9.2)	17,861	2.3	66,105	49,228	34.3
<i>% of Net Sales</i>	<i>18.5</i>	<i>17.8</i>		<i>20.6</i>		<i>21.0</i>		<i>19.4</i>	<i>14.8</i>	
Staff Costs	3,555	3,142	13.1	3,456	2.8	3,823	(7.0)	14,034	13,528	3.7
<i>% of Net Sales</i>	<i>3.6</i>	<i>3.5</i>		<i>3.5</i>		<i>4.5</i>		<i>4.1</i>	<i>4.1</i>	
Power & Fuel	22,988	20,179	13.9	22,751	1.0	20,816	10.4	82,648	81,093	1.9
<i>% of Net Sales</i>	<i>23.2</i>	<i>22.7</i>		<i>23.3</i>		<i>24.5</i>		<i>24.3</i>	<i>24.5</i>	
Freight	23,361	21,191	10.2	22,108	5.7	20,438	14.3	83,012	80,006	3.8
<i>% of Net Sales</i>	<i>23.6</i>	<i>23.8</i>		<i>22.6</i>		<i>24.0</i>		<i>24.4</i>	<i>24.1</i>	
Other Expenses	12,039	11,577	4.0	13,485	(10.7)	13,229	(9.0)	44,943	43,746	2.7
<i>% of Net Sales</i>	<i>12.2</i>	<i>13.0</i>		<i>13.8</i>		<i>15.6</i>		<i>13.2</i>	<i>13.2</i>	
Total Expenditure	80,211	71,953	11.5	81,926	(2.1)	76,167	5.3	2,90,741	2,67,601	8.6
<b>EBITDA</b>	<b>18,676</b>	<b>16,987</b>	<b>9.9</b>	<b>15,792</b>	<b>18.3</b>	<b>8,855</b>	<b>110.9</b>	<b>50,063</b>	<b>63,995</b>	<b>(21.8)</b>
<i>Margin (%)</i>	<i>18.9</i>	<i>19.1</i>		<i>16.2</i>		<i>10.4</i>		<i>14.7</i>	<i>19.3</i>	
Depreciation	7,864	4,531	73.6	6,773	16.1	6,640	18.4	24,697	16,234	52.1
<b>EBIT</b>	<b>10,812</b>	<b>12,456</b>	<b>(13.2)</b>	<b>9,019</b>	<b>19.9</b>	<b>2,215</b>	<b>388.1</b>	<b>25,365</b>	<b>47,761</b>	<b>(46.9)</b>
Other income	5,733	2,335	145.5	8,050	(28.8)	7,729	(25.8)	20,749	11,664	77.9
Interest	143	929	(84.6)	683	(79.1)	670	(78.7)	2,159	2,764	(21.9)
<b>PBT</b>	<b>16,402</b>	<b>13,861</b>	<b>18.3</b>	<b>16,385</b>	<b>0.1</b>	<b>9,274</b>	<b>76.9</b>	<b>43,955</b>	<b>56,662</b>	<b>(22.4)</b>
Extraordinary income/(expense)	1,347	2,116	(36.3)	-	NA	14,057	(90.4)	15,222	2,116	619.5
<b>PBT (After EO)</b>	<b>17,749</b>	<b>15,977</b>	<b>11.1</b>	<b>16,385</b>	<b>8.3</b>	<b>23,331</b>	<b>(23.9)</b>	<b>59,178</b>	<b>58,777</b>	<b>0.7</b>
Tax	4,622	754	513.3	4,260	8.5	(2,840)	(262.7)	7,661	11,626	(34.1)
<i>% PBT</i>	<i>26.0</i>	<i>4.7</i>		<i>26.0</i>		<i>-12.2</i>		<i>12.9</i>	<i>19.8</i>	
<b>Reported PAT</b>	<b>13,127</b>	<b>15,224</b>	<b>(13.8)</b>	<b>12,125</b>	<b>8.3</b>	<b>26,171</b>	<b>(49.8)</b>	<b>51,516</b>	<b>47,151</b>	<b>9.3</b>
Minority Interest	3,260	4,706	(30.7)	5,048	(35.4)	5,048	(35.4)	9,910	11,613	(14.7)
Share of profit in JV/Associates	47	34	35.9	-		30	58.0	132	229	(42.3)
<b>Net Profit Attributable to shareholders</b>	<b>9,914</b>	<b>10,552</b>	<b>(6.0)</b>	<b>7,078</b>	<b>40.1</b>	<b>21,153</b>	<b>(53.1)</b>	<b>41,739</b>	<b>35,768</b>	<b>16.7</b>
<b>Adjusted PAT</b>	<b>8,596</b>	<b>5,308</b>	<b>61.9</b>	<b>6,750</b>	<b>27.4</b>	<b>1,659</b>	<b>418</b>	<b>21,870</b>	<b>29,413</b>	<b>(25.6)</b>

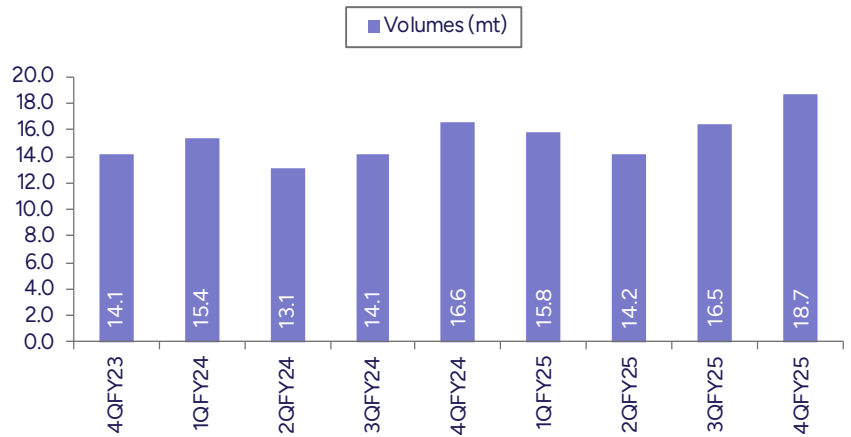
Source: Company, PL

**Exhibit 3: Operating Metrics**

Y/e March	4QFY25	4QFY24	YoY gr. (%)	4QFY25E	% Var.	3QFY25	QoQ gr. (%)	FY25	FY24	YoY gr. (%)
Volume (mn te)	18.7	16.6	12.7	18.6	0.6	16.5	13.3	65.2	59.2	10.1
Net Realisations/t (Rs)	5,288	5,358	(1.3)	5,256	0.6	5,153	2.6	5,227	5,601	(6.7)
EBITDA/t (Rs)	999	1,023	(2.4)	849	17.6	537	86.1	768	1,081	(29.0)

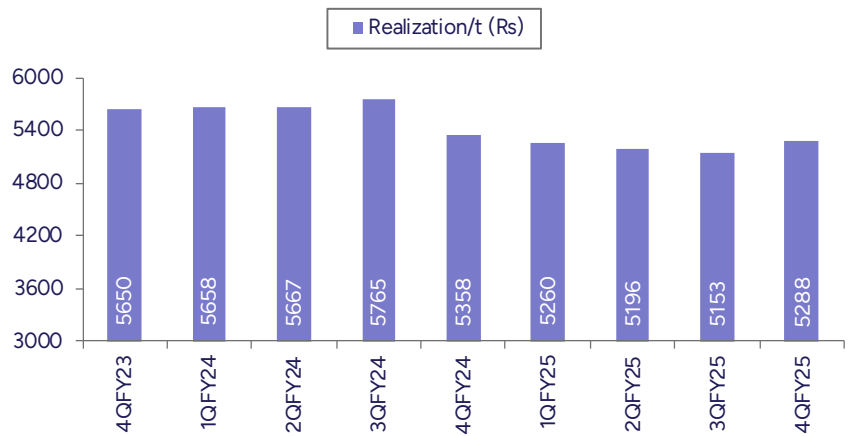
Source: Company, PL

**Exhibit 4: Cons Vol. grew 13% YoY aided by MSA and better demand**



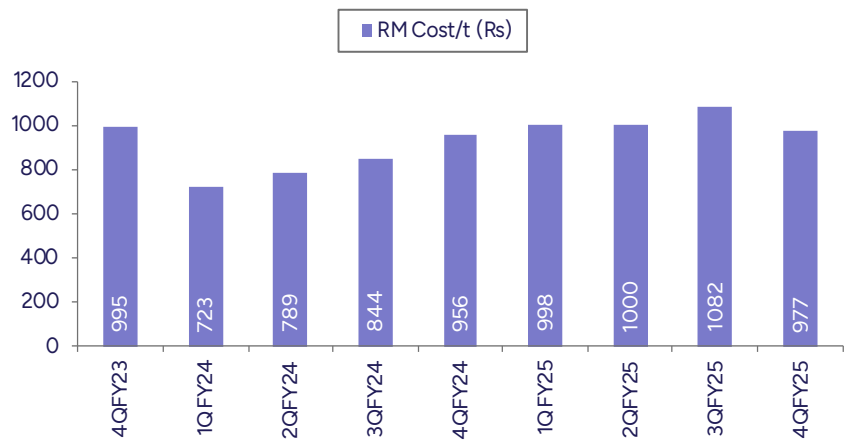
Source: Company, PL

**Exhibit 5: 2.6% QoQ uptick in NSR led by price hikes during the quarter**



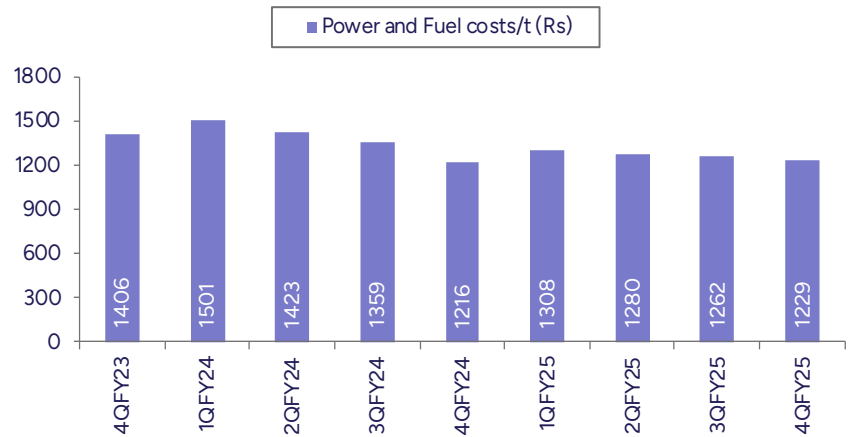
Source: Company, PL

**Exhibit 6: RM costs/t grew 2% YoY on higher MSA volume**



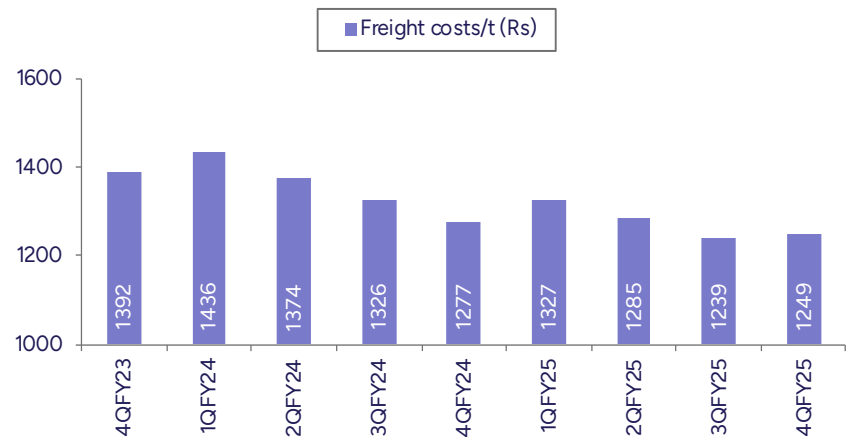
Source: Company, PL

**Exhibit 7: Power and fuel costs/t declined 1% YoY led by change in fuel basket**



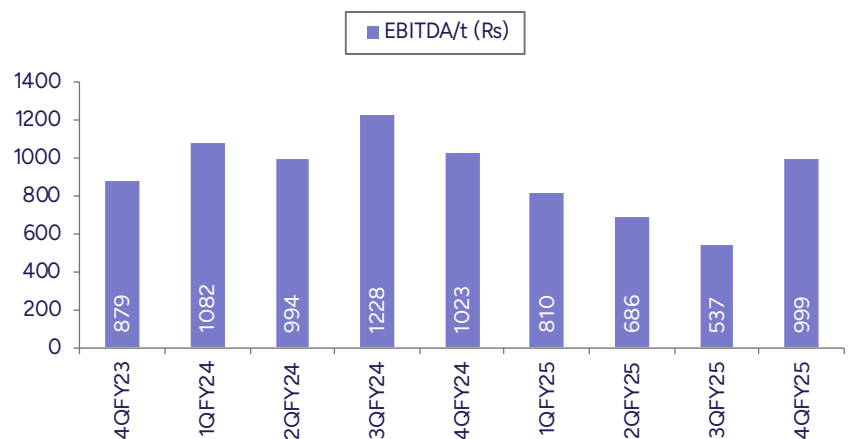
Source: Company, PL

**Exhibit 8: Freight cost/t declined 2% YoY led by decline in lead distance**



Source: Company, PL

**Exhibit 9: EBITDA/t declined 2.4% YoY despite lower costs**



Source: Company, PL

## Financials

### Income Statement (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
<b>Net Revenues</b>	<b>3,31,596</b>	<b>3,42,184</b>	<b>4,41,322</b>	<b>4,72,664</b>
YoY gr. (%)	(14.8)	3.2	29.0	7.1
Cost of Goods Sold	49,228	65,274	86,763	90,035
Gross Profit	2,82,369	2,76,910	3,54,559	3,82,629
Margin (%)	85.2	80.9	80.3	81.0
Employee Cost	13,528	14,034	17,260	20,346
Other Expenses	2,04,846	2,11,433	2,50,880	2,58,608
<b>EBITDA</b>	<b>63,995</b>	<b>51,443</b>	<b>86,418</b>	<b>1,03,675</b>
YoY gr. (%)	24.9	(19.6)	68.0	20.0
Margin (%)	19.3	15.0	19.6	21.9
Depreciation and Amortization	16,234	24,783	33,464	41,139
<b>EBIT</b>	<b>47,761</b>	<b>26,659</b>	<b>52,954</b>	<b>62,535</b>
Margin (%)	14.4	7.8	12.0	13.2
Net Interest	2,764	2,159	2,558	2,707
Other Income	11,664	26,543	12,811	11,503
<b>Profit Before Tax</b>	<b>54,546</b>	<b>59,092</b>	<b>68,207</b>	<b>76,332</b>
Margin (%)	16.4	17.3	15.5	16.1
Total Tax	11,626	7,640	16,616	19,726
Effective tax rate (%)	21.3	12.9	24.4	25.8
<b>Profit after tax</b>	<b>42,920</b>	<b>51,452</b>	<b>51,592</b>	<b>56,606</b>
Minority interest	11,612	9,910	9,800	10,449
Share Profit from Associate	229	132	28	28
<b>Adjusted PAT</b>	<b>32,920</b>	<b>36,411</b>	<b>38,550</b>	<b>42,915</b>
YoY gr. (%)	19.5	10.6	5.9	11.3
Margin (%)	9.9	10.6	8.7	9.1
Extra Ord. Income / (Exp)	(1,383)	5,263	3,270	3,270
<b>Reported PAT</b>	<b>31,537</b>	<b>41,674</b>	<b>41,819</b>	<b>46,184</b>
YoY gr. (%)	22.1	32.1	0.3	10.4
Margin (%)	9.5	12.2	9.5	9.8
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	31,537	41,674	41,819	46,184
<b>Equity Shares O/s (m)</b>	<b>2,198</b>	<b>2,463</b>	<b>2,463</b>	<b>2,463</b>
<b>EPS (Rs)</b>	<b>15.0</b>	<b>14.8</b>	<b>15.7</b>	<b>17.4</b>

Source: Company Data, PL Research

### Balance Sheet Abstract (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
<b>Non-Current Assets</b>				
<b>Gross Block</b>	<b>4,25,956</b>	<b>5,53,285</b>	<b>7,85,285</b>	<b>8,60,285</b>
Tangibles	4,25,956	5,53,285	7,85,285	8,60,285
Intangibles	-	-	-	-
<b>Acc: Dep / Amortization</b>	<b>1,02,071</b>	<b>1,26,855</b>	<b>1,60,319</b>	<b>2,01,458</b>
Tangibles	1,02,071	1,26,855	1,60,319	2,01,458
Intangibles	-	-	-	-
<b>Net fixed assets</b>	<b>3,23,885</b>	<b>4,26,431</b>	<b>6,24,966</b>	<b>6,58,827</b>
Tangibles	3,23,885	4,26,431	6,24,966	6,58,827
Intangibles	-	-	-	-
Capital Work In Progress	40,708	98,204	6,204	1,204
Goodwill	-	-	-	-
Non-Current Investments	12,688	38,160	38,160	38,160
Net Deferred tax assets	(15,122)	(24,032)	(24,032)	(24,032)
Other Non-Current Assets	26,806	49,444	49,444	49,444
<b>Current Assets</b>				
Investments	7,587	18,222	18,222	18,222
Inventories	36,086	42,480	54,787	58,678
Trade receivables	12,131	15,903	14,509	15,540
Cash & Bank Balance	1,10,689	61,722	47,197	57,093
Other Current Assets	24,597	39,818	39,818	39,818
<b>Total Assets</b>	<b>6,52,978</b>	<b>8,09,454</b>	<b>9,12,379</b>	<b>9,56,057</b>
<b>Equity</b>				
Equity Share Capital	4,395	4,926	4,926	4,926
Other Equity	4,10,155	5,29,506	5,65,907	6,06,130
<b>Total Network</b>	<b>4,14,551</b>	<b>5,34,433</b>	<b>5,70,833</b>	<b>6,11,056</b>
<b>Non-Current Liabilities</b>				
Long Term borrowings	2,000	268	42,268	32,268
Provisions	2,560	2,541	2,541	2,541
Other non current liabilities	-	1,552	1,552	1,552
<b>Current Liabilities</b>				
ST Debt / Current of LT Debt	-	-	-	-
Trade payables	31,088	27,595	42,319	45,324
Other current liabilities	88,391	1,07,692	1,07,692	1,07,692
<b>Total Equity &amp; Liabilities</b>	<b>6,52,978</b>	<b>8,09,454</b>	<b>9,12,379</b>	<b>9,56,057</b>

Source: Company Data, PL Research

**Cash Flow (Rs m)**

Y/e Mar	FY24	FY25	FY26E	FY27E
PBT	59,006	59,224	68,207	76,332
Add. Depreciation	16,234	24,783	33,464	41,139
Add. Interest	2,764	2,159	2,558	2,707
Less Financial Other Income	11,664	26,543	12,811	11,503
Add. Other	(14,331)	(25,979)	(12,811)	(11,503)
Op. profit before WC changes	63,673	60,188	91,418	1,08,675
Net Changes-WC	1,941	(34,012)	3,810	(1,916)
Direct tax	(9,156)	(3,802)	(16,616)	(19,726)
<b>Net cash from Op. activities</b>	<b>56,458</b>	<b>22,374</b>	<b>78,613</b>	<b>87,033</b>
Capital expenditures	(99,801)	(1,39,376)	(1,40,000)	(70,000)
Interest / Dividend Income	-	-	-	-
Others	10,296	64,065	12,811	11,503
<b>Net Cash from Invt. activities</b>	<b>(89,504)</b>	<b>(75,311)</b>	<b>(1,27,189)</b>	<b>(58,497)</b>
Issue of share cap. / premium	66,610	83,391	-	-
Debt changes	(1,533)	(20,083)	42,000	(10,000)
Dividend paid	(5,848)	(5,630)	(5,419)	(5,961)
Interest paid	(2,341)	(1,758)	(2,558)	(2,707)
Others	-	-	-	-
<b>Net cash from Fin. activities</b>	<b>56,888</b>	<b>55,920</b>	<b>34,024</b>	<b>(18,668)</b>
<b>Net change in cash</b>	<b>23,842</b>	<b>2,983</b>	<b>(14,553)</b>	<b>9,868</b>
Free Cash Flow	11,634	(64,497)	(61,387)	17,033

Source: Company Data, PL Research

**Quarterly Financials (Rs m)**

Y/e Mar	Q1FY25	Q2FY25	Q3FY25	Q4FY25
<b>Net Revenue</b>	<b>83,115</b>	<b>73,781</b>	<b>85,022</b>	<b>98,886</b>
YoY gr. (%)	(4.6)	(0.6)	4.6	11.2
Raw Material Expenses	15,773	14,202	17,861	18,268
Gross Profit	67,342	59,579	67,161	80,618
Margin (%)	81.0	80.8	79.0	81.5
<b>EBITDA</b>	<b>12,798</b>	<b>9,734</b>	<b>8,855</b>	<b>18,676</b>
YoY gr. (%)	(23.2)	(25.2)	(48.9)	9.9
Margin (%)	15.4	13.2	10.4	18.9
Depreciation / Depletion	4,674	5,520	6,640	7,864
<b>EBIT</b>	<b>8,124</b>	<b>4,215</b>	<b>2,215</b>	<b>10,812</b>
Margin (%)	9.8	5.7	2.6	10.9
Net Interest	678	669	670	143
Other Income	3,547	3,740	7,729	5,733
<b>Profit before Tax</b>	<b>10,993</b>	<b>7,469</b>	<b>23,331</b>	<b>15,054</b>
Margin (%)	13.2	10.1	27.4	15.2
Total Tax	3,131	2,398	(2,840)	4,973
Effective tax rate (%)	28.5	32.1	(12.2)	33.0
<b>Profit after Tax</b>	<b>7,862</b>	<b>5,071</b>	<b>26,171</b>	<b>10,081</b>
Minority interest	-	-	-	-
Share Profit from Associates	34	22	30	47
<b>Adjusted PAT</b>	<b>7,896</b>	<b>5,093</b>	<b>26,201</b>	<b>10,128</b>
YoY gr. (%)	(30.5)	(48.4)	140.5	(33.6)
Margin (%)	9.5	6.9	30.8	10.2
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>7,896</b>	<b>5,093</b>	<b>26,201</b>	<b>10,128</b>
YoY gr. (%)	(30.5)	(48.4)	140.5	(33.6)
Margin (%)	9.5	6.9	30.8	10.2
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	<b>7,896</b>	<b>5,093</b>	<b>26,201</b>	<b>10,128</b>
Avg. Shares O/s (m)	2,463	2,463	2,463	2,463
<b>EPS (Rs)</b>	<b>3.2</b>	<b>2.1</b>	<b>10.6</b>	<b>4.1</b>

Source: Company Data, PL Research

**Key Financial Metrics**

Y/e Mar	FY24	FY25	FY26E	FY27E
<b>Per Share(Rs)</b>				
EPS	15.0	14.8	15.7	17.4
CEPS	22.4	24.8	29.2	34.1
BVPS	188.6	217.0	231.7	248.1
FCF	5.3	(26.2)	(24.9)	6.9
DPS	1.8	2.0	2.2	2.4
<b>Return Ratio(%)</b>				
RoCE	13.0	5.6	9.2	10.0
ROIC	15.1	5.9	7.9	8.4
RoE	9.0	7.7	7.0	7.3
<b>Balance Sheet</b>				
Net Debt : Equity (x)	(0.3)	(0.1)	0.0	(0.1)
Net Working Capital (Days)	19	33	22	22
<b>Valuation(x)</b>				
PER	36.4	36.9	34.8	31.3
P/B	2.9	2.5	2.4	2.2
P/CEPS	24.4	21.9	18.6	16.0
EV/EBITDA	16.9	24.5	15.3	12.5
EV/Sales	3.3	3.7	3.0	2.7
Dividend Yield (%)	0.3	0.4	0.4	0.4

Source: Company Data, PL Research

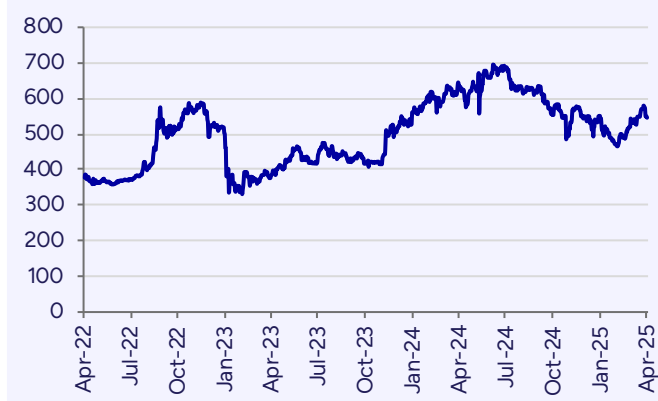
**Key Operating Metrics**

Y/e Mar	FY24	FY25	FY26E	FY27E
Cons. Volume (mt)	59	65	82	86
Cons. Net Realisations (Rs/t)	5,601	5,248	5,393	5,507
Cons. EBITDA/ t (Rs/t)	1,081	789	1,056	1,208

Source: Company Data, PL Research



**Price Chart**



**Recommendation History**

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	07-Apr-25	BUY	643	529
2	30-Jan-25	BUY	628	522
3	08-Jan-25	BUY	707	538
4	29-Oct-24	BUY	708	569
5	22-Oct-24	BUY	756	559
6	07-Oct-24	BUY	756	611
7	01-Aug-24	Accumulate	701	664
8	07-Jul-24	Accumulate	701	686
9	19-Jun-24	Accumulate	697	674
10	06-May-24	Accumulate	683	622

**Analyst Coverage Universe**

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	ACC	BUY	2,383	1,938
2	Ambuja Cement	BUY	643	529
3	Dalmia Bharat	Accumulate	2,117	1,974
4	Hindalco Industries	BUY	736	620
5	Jindal Stainless	BUY	655	581
6	Jindal Steel & Power	Accumulate	963	915
7	JSW Steel	Accumulate	1,150	1,044
8	National Aluminium Co.	BUY	181	159
9	NMDC	Accumulate	69	68
10	Nuvoco Vistas Corporation	Accumulate	357	316
11	Shree Cement	Reduce	28,336	30,788
12	Steel Authority of India	Hold	118	116
13	Tata Steel	BUY	173	138
14	Ultratech Cement	BUY	13,668	12,114

**PL's Recommendation Nomenclature (Absolute Performance)**

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

## **ANALYST CERTIFICATION**

### **(Indian Clients)**

We/I, Mr. Tushar Chaudhari- MMS-Finance, Mr. Satyam Kesarwani- BFM, Passed CFA Level I Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

### **(US Clients)**

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

## **DISCLAIMER**

### **Indian Clients**

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd. which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at [www.plindia.com](http://www.plindia.com).

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipient's particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report. PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report. PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Tushar Chaudhari- MMS-Finance, Mr. Satyam Kesarwani- BFM, Passed CFA Level I Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

The Research analysts for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

### **US Clients**

This research report is a product of Prabhudas Lilladher Pvt. Ltd., which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Prabhudas Lilladher Pvt. Ltd. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Prabhudas Lilladher Pvt. Ltd. has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo").

Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

---

**Prabhudas Lilladher Pvt. Ltd.**

**3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018, India | Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209**

**[www.plindia.com](http://www.plindia.com)**