RESULT REVIEW

BOBCAPS
TRUST | INNOVATION | EXCELLENCE

HOLD

TP: Rs 567 | 11%

AMBUJA CEMENTS | Cement | 31 January 2026

Growth reassuring; transition pain continues

- **Strong volume-driven revenue growth (22% YoY), backed by volume gains of 19% YoY. Prices steady due to presence in North/West region**
- **Operating cost stubbornly high at Rs 4,498/tn 2%+ YoY, impacting EBITDA margin to weak ~9%; EBITDA/tn at Rs429 vs Rs407 YoY**
- **We value ACEM's consolidated business at 14x Dec 27 EV/EBTIDA, revise earnings down; revise TP to Rs 567 (Rs607). Retain HOLD**

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Demand-led growth, pricing pressure compresses: ACEM reported a healthy ~22% YoY revenue gain to Rs59.1bn in Q3FY26, aided by volume gains and stable pricing. Volumes rose~19%/6% YoY/QoQ to ~12mt. Realisations remained resilient at Rs 4,927/t vs Rs 4,806/t YoY but fell QoQ (Rs 5,201/t) amid a lower trade mix (67% vs 71% YoY). Premium product share rose to 35% vs 26% YoY.

Cost pressures continue; margins stable: Cost pressures increased during the quarter, with raw material (RM) cost/t rising ~20%/8% YoY/QoQ to Rs2,027/t. However, fuel cost declined ~6%/7% YoY/QoQ, aided by a reduction in kiln fuel cost to Rs 1.65/kcal vs Rs1.75/kcal YoY, reflecting improved fuel mix. **Margins stable:** EBITDA grew ~25% YoY to ~Rs 5.1bn but fell ~37% QoQ and EBITDA margin stayed weak at 8.7% (vs 8.5%) and fell sharply from 13.7% in Q2FY26. EBITDA/t came at Rs 429 vs Rs 407 YoY (Rs 712 QoQ).

Consolidated show: ACEM consolidated cement sales were at 18.9mt in Q3FY26, up 17% YoY, while market share improved to 16.6%, supported by scale benefits from acquired assets (Orient and Penna). Consolidated revenue rose 9% YoY to ~Rs103bn and EBITDA came at Rs13.5bn down 21% YoY, while EBITDA/t was at Rs718 down by 32% YoY. APAT was reported at Rs3.8bn vs Rs3.7 reported PAT.

Growth target revamped: ACEM commissioned 2.4 mtpa Marwar GU in Q3FY26, taking total cement capacity to 109 mtpa with estimates of 115 mtpa by FY26-end (Warisaliganj delayed to Q1FY27). Revised long-term target: 155 mtpa by FY28 (+15 mt via debottlenecking). Acquired assets utilisation improved 21% YoY to 58%.

Earnings revise downwards; maintain HOLD: We revise our EBITDA estimates downwards for FY26/FY27/FY28 by 3%/5%/6%, factoring in the consolidation impact on cost; though volume growth will be healthy. Competitive pressure in FY27/FY28 price may be sticky. The full impact of inorganic growth (ORCMNT + Penna) transition will continue pinching the cost. Our revenue/EBITDA/PAT CAGR remains at a healthy 18/19%/16% over FY25-FY28. We value ACEM (consol) by assigning EV/EBITDA of 14x Dec-27 earnings and revise TP to Rs 567 (Rs 607).

Key changes

Target	Rating
▼	◀ ▶

Ticker/Price	ACEM IN/Rs 510
Market cap	US$ 13.7bn
Free float	37%
3M ADV	US$ 11.5mn
52wk high/low	Rs 625/Rs 455
Promoter/FPI/DII	63%/11%/17%

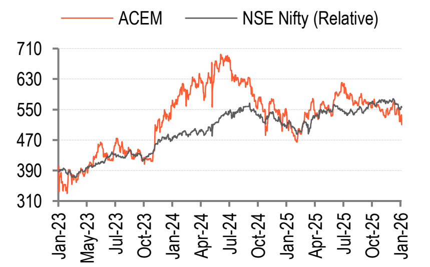
Source: NSE | Price as of 30 Jan 2026

Key financials

Y/E 31 Mar	FY25A	FY26E	FY27E
Total revenue (Rs mn)	3,33,833	4,44,549	5,06,918
EBITDA (Rs mn)	59,707	70,864	91,317
Adj. net profit (Rs mn)	34,189	35,185	48,414
Adj. EPS (Rs)	14.7	14.3	19.7
Consensus EPS (Rs)	14.7	14.0	18.3
Adj. ROAE (%)	8.8	7.1	8.9
Adj. P/E (x)	34.8	35.7	26.0
EV/EBITDA (x)	20.0	17.2	13.1
Adj. EPS growth (%)	(8.8)	(2.6)	37.6

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

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Important disclosures and analyst certifications are provided at the end of the report.

Fig 1 – Earnings call highlights

	Q3FY26	Q2FY26	Our view
Volumes and realisations	Consolidated cement sales volumes stood at ~18.9mt (up ~17% YoY), supported by ramp-up of acquired assets and improving utilisation across regions. Utilisation of acquired assets improved to 58% while that in Dec-end was 65%. Base business (ex-acquisitions) grew ~6%. Market share remained strong at ~16.6%. Premium products sustained at 35% of trade sales (vol growth 31% YoY). Consol. revenue at Rs 102.8bn (+20% YoY). South non-trade price is up Rs15–20/bag, North Rs5–10/bag. Trade continues to outperform non-trade with a delta of Rs31/bag. ACEM has guided that focus will be on moving the channel mix to 70:30 trade:non -trade and eventually 75:25. As of Dec-end, mix ratio was 67:33. Industry is expected to grow at ~8% for FY26.	In Q2FY26, ACEM consol. sales volumes reached 16.6mt, up 20% YoY (outpacing industry growth of ~4%), driven by rapid integration of Penna and Orient Cement into ACEM brands. Furthermore, premium product sales improved by 35% of total trade sales with an overall 28% growth on expanded volume. Market share rose by 1% YoY to 16.6%. Consol. revenue at Rs 91.7bn (+21% YoY) with 3% price gain. ACEM targets double-digit volume growth for FY26/FY27, supported by capacity ramp-up to 118mt by FY26 end, while industry growth expected at 7-8%.	Contributions from Sanghi Industries (SIL) and the Penna Cement acquisition should help ACEM growth in FY26/FY27. A revised road map of capacity addition to 115mnt (Grinding) by FY26, jumping to ~135mnt by FY27 and 155mnt by FY28 only confirms ACEM's firm volume growth in the medium term.
Margins & cost reduction	Consol. EBITDA was at Rs 13.5bn (+53% YoY); EBITDA/t ~Rs718 (+31%). PAT Rs3.8bn (+258% YoY normalised) after adjusting for prior one-offs. Cost rose QoQ on temporary items; management indicated that Dec exit cost is <Rs4,000 level. Kiln fuel reduced by 6% YoY, power cost 15%, logistics 1%. However, one-off costs from branding transition, maintenance preponement, higher freight, and legal expenses had impact of ~Rs150/t. Green power share now stands at ~37%. Management targets cost of Rs3,800/t by Mar'27 and Rs3,650/t by Mar'28. Levers for reduction: Power savings Rs100–125/t, fuel ~Rs150/t, logistics ~Rs150/t, raw materials ~Rs100/t; cumulatively this should lead to ~Rs300–350/t reduction visible.	EBITDA at Rs 1,060/t (+32% YoY); margin at 19.2% (+500 bps YoY). Cost/t fell 5% YoY to Rs 4,200/t (exit Q2FY25), led by kiln fuel cost at Rs 1.65/kcal (ex-AFR; Rs 1.60/kcal incl. AFR). Logistics costs fell 7% YoY to Rs 1,224/t (as primary lead distance reduced by 2 km YoY to 265 km). Management targets cutting cost to Rs 4,000/t by FY26 end (-5%), Rs3,800/t by FY27 end, Rs3,600/t by FY28 end (~Rs 400/t total savings, with Rs 250/t from power/fuel). Other opex down Rs 62/t YoY via synergy benefit and analytics driven marketing strategy. Cost increases: ~Rs 70/t YoY from sales promotion and maintenance for acquired assets (largely completed; benefits in H2FY26 via 65-70% utilisation). WC up by Rs 20bn in H1FY26 (receivables, inventory buildup including 2-3 months coal at lower prices).	Transitionary impact continues to impact the cost. Logistics cost rationalisation, prudent rail-road mix and warehouse optimisation will be the key on improvement in grinding units and its presence across additional regions. But energy cost benefits may be reversed on pet-coke inflation. Green energy and base effect may offset partially. Consolidation of acquired assets with weak operations clearly hitting core performance and will be keenly watched.
Capacity	Commissioned 2.4mt Marwar GU resulting in total capacity now ~109mt. FY26 exit revised to ~115mtpa (vs 118mtpa earlier) due to 3-month Warisaliganj delay. Post that expansion will come in phased ~132mtpa by FY27 and 155mtpa by FY28. Debottlenecking will be conducted to unlock 15mt low-cost capacity (~$48/t capex).	Capacity at currently at 107mtpa (cement); 65mtpa (clinker). Revised targets: 155mtpa cement (+15mt via debottlenecking at 13 sites, at $48/t integrated capex) backed by healthy clinker capacity FY28 is reassuring. Adding 11.2mt in FY26 (incl. Bhatapara clinker 4mt trial runs started; Krishnapatnam GU 2mt operational). On track for 118mtpa by Mar'26. Logistics debottlenecking to unlock 3mt utilisation (+3%) over 24 months. With expansion plans,	Thus far, ACEM's growth has come on inorganic growth. Organic growth will testify to the company's execution capacity. Capacity expansion is on a firm track, and new capacities will likely affirm growth even beyond FY27. Clinker back up doubly adds reassurance.

	Q3FY26	Q2FY26	Our view
	Penna clinker line likely to be commissioned in Q4FY26 and Maratha clinker line in Q1-Q2FY27.	management aims to reduce average age of assets by 40% by FY28.	
Green energy	Renewable capacity nearing ~900MW, targeting 1,122MW by FY27. Currently, selling surplus power (reported under other operating income) due to pending approvals and upcoming plant ramp-ups. Power cost currently ~Rs6.1/unit, targeting ~Rs4.5/unit long term.	Green power share at 33%, up from 14.3% YoY; RE capacity 673 MW (target 900 MW by Mar-26, 1,122 MW by FY27). WHRS + RE to cut power cost by ~Rs 1.5/unit from Rs 6 to Rs 4.5 by FY28; 60% green share target maintained. Long-term Fly ash supply (10Y, 5bt at -Rs 400/t) secured. New plants at 680 kcal/kg heat vs. 730-740 avg.	ACEM's initiatives to shift to alternative energy sources, have picked up pace. However, thermal power remains key for core clinker/cement production. Effectively, pet coke inflation may limit benefit of green energy initiatives.
Capex	Capex spend in 9MFY26 was ~Rs 60bn. The target for FY26 stays stable at ~Rs90-100bn with ~Rs30 bn expect in Q4FY26. Net worth at end of Q3YF36 stood at ~Rs 699bn, the company remains debt free with AAA rating.	Capex spend in H1FY26 was Rs 28bn (Rs 14bn in Q2FY26). Capex plan of Rs 90-100bn stays stable. Cash at Q2FY26 end was Rs 8.1bn post Orient Cement acquisition transaction, capex spend and dividend. Balance sheet health stays healthy with ACEM being debt free and net worth at Rs 69.5bn.	Capex guidance in line with the targeted capacity growth. Balance sheet impacted in the short term (cash flow) but remains healthy despite strong capex plans in the medium term.
Other relevant information	Proposed merger into "one cement platform" expected to drive logistics density, capital efficiency, EBITDA expansion and operational leverage over 24–36 months. Launched CiNOC: AI-enabled Cement Intelligence Network Operating Center. Reduced SKUs by 30–40%, ordered 7 logistics vessels, expanding rail infra and blending facilities. Engagement across 29 industry platforms, reaching 38,000+ stakeholders. FutureX has 750+ institutions engagement base, 1.3M students have joined under industry academic initiative.	RMX business ramping up strongly; share of total revenue rose to 4.5% in H1FY26 (from 4% in FY25). Cement consumption in RMX currently ~2% of total volumes. Target: 5% of total cement consumption by FY28), targeting ~365 RMX plants (vs. current trajectory). Workforce average age 38 yrs. ACEM expects Rs 2–2.25bn incremental income by FY28 at Rs 8–10 per carbon credit.	The single cement platform will be beneficiary only the medium to long-term following smooth transition of the consolidation. Other initiatives to broaden base cost effectively augur well for business.

Source: Company, BOBCAPS Research

Fig 2 – Key quarterly metrics

	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	Q3FY26E	Deviation (%)
Volumes (mn mt)	12.0	10.1	18.8	9.9	21.2	11.31	6.08
Cement realisations (Rs/t)	4,927	4,806	2.5	5,201	(5.3)	5,253	(6.19)
Operating costs (Rs/t)*	4,498	4,399	2.3	4,489	0.2	4,525	(0.59)
EBITDA/t (Rs)	429	407	5.4	712	(39.7)	728	(41.03)

Source: Company, BOBCAPS Research

Fig 3 – Key quarterly metrics

(Rs mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	Q3FY26E	Deviation (%)
Net Sales	**59,130**	**48,537**	**21.8**	**51,487**	**14.8**	**59,419**	**(0.5)**
Expenditure							
Change in stock	(472)	1,233	(138.2)	(1,806)		1,112	
Raw material	9,135	7,552	21.0	7,423	23.1	8,710	4.9
Purchased products	15,189	9,532	59.4	12,802	18.6	11,884	27.8
Power & fuel	9,679	8,662	11.7	8,494	14.0	9,850	(1.7)
Freight	11,672	9,643	21.0	10,391	12.3	11,991	(2.7)
Employee costs	1,301	1,425	(8.7)	1,499	(13.2)	1,501	(13.3)
Other exp	7,478	6,377	17.3	5,642	32.6	6,141	21.8
Total Operating Expenses	**53,982**	**44,426**	**21.5**	**44,443**	**21.5**	**51,189**	**5.5**
EBITDA	**5,148**	**4,111**	**25.2**	**7,044**	**(26.9)**	**10,382**	**(50.4)**
EBITDA margin (%)	8.7	8.5	24bps	13.7	(497bps)	17.5	(877bps)
Other Income	1,062	2,546	(58.3)	1,067	(0.5)	1,951	(45.6)
Interest	635	355	79.1	500	26.9	551	15.2
Depreciation	2,958	2,529	17.0	2,537	16.6	2,557	15.7
PBT	2,616	3,774	(30.7)	5,074	(48.4)	9,225	(71.6)
Non-recurring items	354	7,066	0.0	14,025	0.0	0	NM
PBT (after non-recurring items)	2,970	10,840	(72.6)	19,099	(84.4)	9,225	(67.8)
Tax	(224)	(1,509)	(85.2)	(768)	(70.9)	(1,557)	0.0
Reported PAT	2,747	17,580	(84.4)	4,307	(36.2)	5,517	(50.2)
Adjusted PAT	**2,394**	**2,266**	**5.7**	**4,307**	**(44.4)**	**5,517**	**(56.6)**
NPM (%)	**4.0**	**4.7**	**(62bps)**	**8.4**	**(432bps)**	**9.3**	**(524bps)**
Adjusted EPS (Rs)	**1.2**	**1.1**	**5.7**	**2.2**	**(44.4)**	**2.8**	**(56.6)**

Source: Company, BOBCAPS Research

Fig 4 – Consolidated Statement

Particulars (in mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	9MFY26	9MFY25	YoY (%)
Volume	18.9	16.2	17	16.6	13	53.8	45.3	19
Revenue from Operations	1,02,770	94,110	9	91,740	12	2,97,400	25,356	17
EBITDA	13,530	17,120	(21)	17,610	(23)	50,750	41,030	24
EBITDA Margin (%)	13.2	18.2	(5bps)	19.2	(6bps)	17.1	16.2	0.9bps
EBITDA/t (Rs/t)	718	1,059	(32)	1,060	(32)	943	905	4
PAT Reported	3,670	26,630	(86)	23,020	(84)	36,860	39,430	(7)
PAT Normalised	3,780	1,060	258	6,190	(29)	19,840	13,990	42
EPS	0.8	8.9	(91)	7	(88)	11.4	13.4	(15)

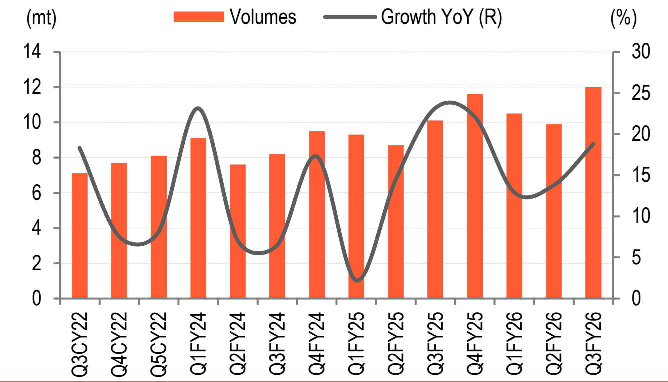
Source: Company, BOBCAPS Research

Fig 5 – Ambuja Consolidated PAT Reconciliation

Particulars (in mn)	Q3FY26	Q3FY25	Q2FY26	9MFY26	9MFY25
Profit after Tax (reported)	3,670	26,630	23,020	36,860	39,430
Excise duty exemption		8,260			8,260
Government Grant accrual/(provided for)			(2,230)	(2,230)	1,380
Interest on Income tax		11,100	2,050	2,050	11,100
Chattisgarh IDEC	2,050			2,050	
Impact of New labour code	(1,070)			(1,070)	
Sales tax deposit provided for	(1,140)			(1,140)	
Indemnification claim received				400	
Provision for pending litigation and disputed matters					(1,210)
Vendor dispute claim settlement					(350)
Income tax provision reversal		8,290	16,970	16,970	8,290
Tax Impact	40	(2,080)	40	(20)	(2,030)
Total impact on PAT	(110)	25,570	16,840	17,020	25,440
Profit after Tax (normalized)	3,780	1,060	6,190	19,840	13,990

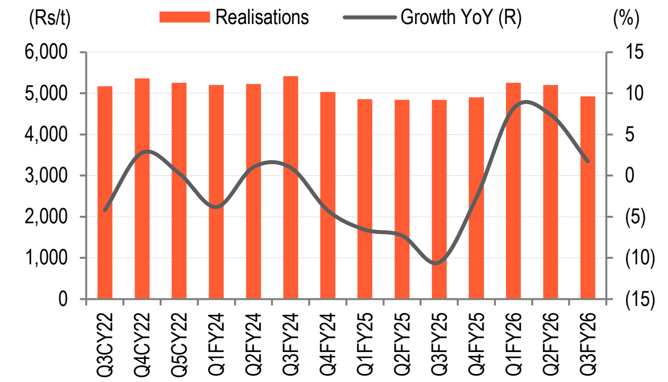
Source: Company, BOBCAPS Research

Fig 6 – Volume growth driven by presence in southern and eastern regions



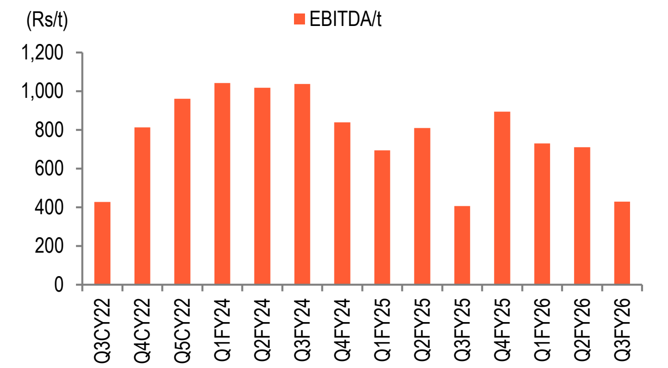
Source: Company, BOBCAPS Research

Fig 7 – Pricing pressure reverses from the earlier lows due to presence in North and West regions



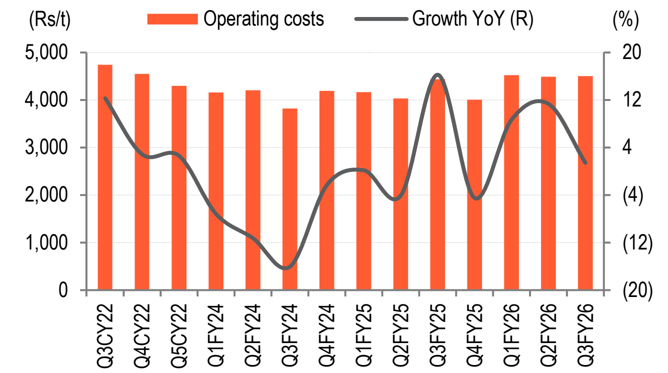
Source: Company, BOBCAPS Research

Fig 8 – EBITDA/t stays below YoY, fell QoQ as consolidation impact with weak companies stays



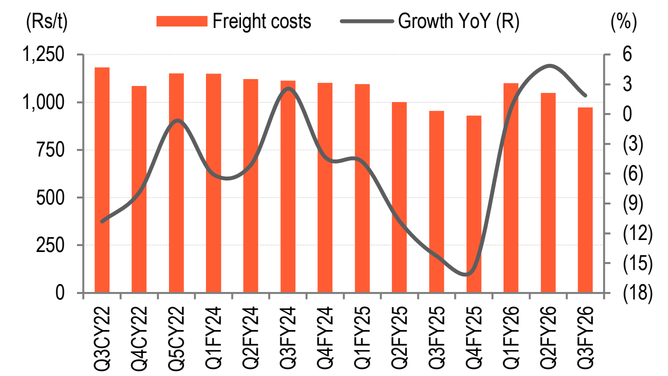
Source: Company, BOBCAPS Research

Fig 9 – Operating cost savings may be impacted due to transition of acquired assets



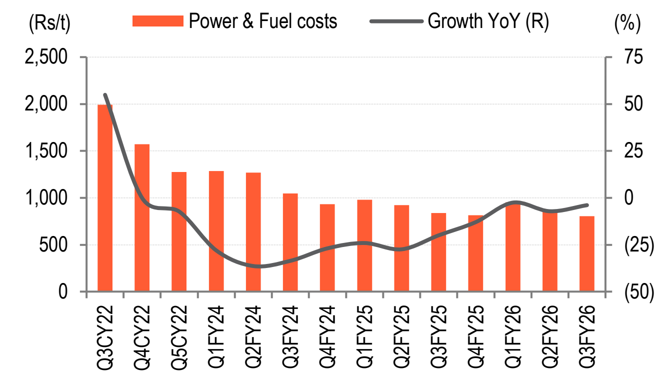
Source: Company, BOBCAPS Research

Fig 10 – Freight cost likely to contribute savings in mid-term, stays inflated in short term



Source: Company, BOBCAPS Research

Fig 11 – Green energy may boost fuel cost savings. Additionally, prudent coal inventory may add comfort



Source: Company, BOBCAPS Research

Valuation Methodology

We revise our EBITDA estimates downwards for FY26/FY27/FY28 by 3%/5%/6%, factoring in the consolidation impact on cost, though volume growth will be healthy. Competitive pressure in FY27/FY28 price may be sticky.

The full impact of inorganic growth (ORCMNT + Penna) transition will continue pinching the cost. Our revenue/EBITDA/PAT CAGR remains at a healthy 19/21%/19% over FY25-FY28. However, a clear road up for cement and clinker addition till FY28 is very assuring. Green energy initiatives by ACEM are commendable and will likely benefit in the medium term. Current phase of transition of the newly-acquired assets, pressure in overcrowded markets on prices and excessive volume push – all will have some impact on the performance in the interim period. We will keenly watch this and accordingly, remain vigilant to the changing business environment and ACEM's performance.

Our revenue/EBITDA/PAT CAGR remains at a healthy 18/19%/16% over FY25-FY28. We value ACEM (consol) by assigning EV/EBITDA of 14x Dec'27 earnings and revise TP to Rs 567 (Rs 607). Maintain HOLD. Our TP implies a replacement cost of Rs 10bn/mnt – ~33% premium to the industry. We retain HOLD.

Fig 12 – Revised estimates

(Rs mn)	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue	4,44,549	5,06,918	5,52,015	4,49,519	5,15,883	5,62,016	(1.1)	(1.7)	(1.8)
EBITDA	70,864	91,317	1,00,793	72,966	96,413	1,06,891	(2.9)	(5.3)	(5.7)
Adj PAT	35,185	48,414	52,887	36,825	52,388	57,644	(4.5)	(7.6)	(8.3)
Adj EPS (Rs)	14.3	19.7	21.5	15	21.3	23.4	(4.8)	(7.7)	(8.2)

Source: Company, BOBCAPS Research

Fig 13 – Valuation summary

Business (Rs mn)	Dec-2027
Target EV/EBITDA (x)	14
EBITDA	98,424
Target EV	13,29,707
Total EV	13,29,707
Net debt	(67,142)
Target market capitalisation	13,96,849
Target price (Rs/sh)	**567**
Weighted average shares (mn)	2463.1

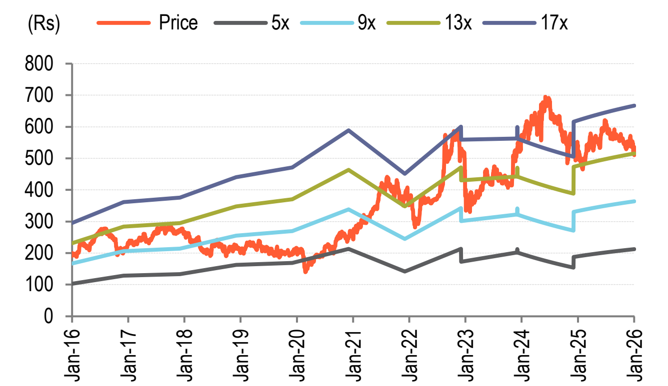
Source: BOBCAPS Research| Valuations are 1-year forward Jun-2027

Fig 14 – Peer comparison

Ticker	Rating	TP (Rs)	EV/EBITDA (x)			EV/tonne (US$)			ROE (%)			ROCE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
ACC IN	BUY	2,176	12.9	11.5	10.8	87	92	86	10.4	11.2	11.5	12.2	13.6	13.9
ACEM IN	HOLD	567	19.3	14.8	13.4	139	138	138	7.1	8.9	9.0	9.3	11.4	11.6
UTCEM IN	BUY	14,794	20.7	16.8	14.4	258	210	190	12.3	14	14.7	14.6	17.6	18.9
SRCM IN	HOLD	29,833	19.6	16	13.8	149.8	130.9	127.7	8.5	10.4	10.6	11.2	13.5	14.1

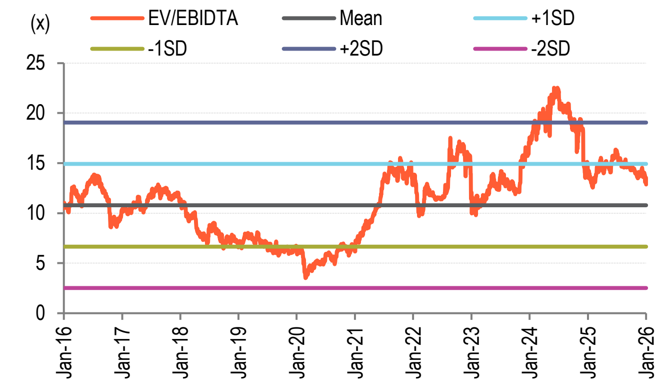
Source: BOBCAPS Research

Fig 15 – EV/EBITDA band: Current valuations reflect earnings trajectory



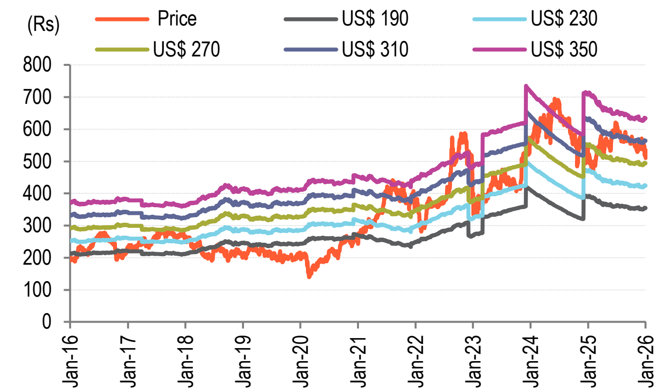
Source: Company, Bloomberg, BOBCAPS Research

Fig 16 – EV/EBITDA 1YF: Valuations reflect receding concerns but competitive intensity impacting earnings



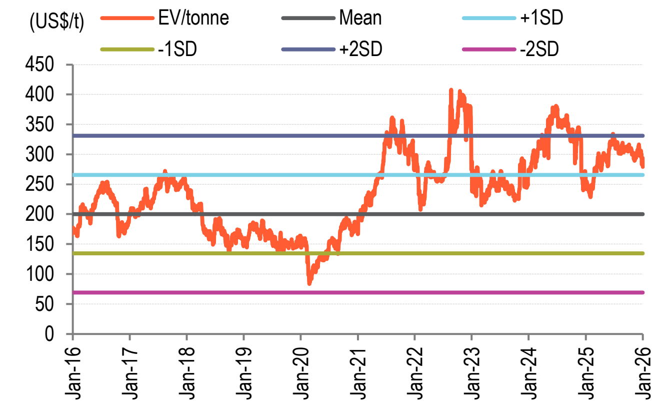
Source: Company, Bloomberg, BOBCAPS Research

Fig 17 – EV/tonne: Replacement cost will stay range bound



Source: Company, Bloomberg, BOBCAPS Research

Fig 18 – EV/tonne 1YF: Valuations ahead can moderate



Source: Company, Bloomberg, BOBCAPS Research

Key risks

Key risks to our estimates:

- Faster-than-expected demand revival can raise growth ahead of our estimates, representing an upside risk.
- Increased competitive pressure in the next two years can pose downside risks to our estimates.
- Rising fuel costs due to geo-political issues can pose downside risk to earnings.

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Total revenue	**3,25,442**	**3,33,833**	**4,44,549**	**5,06,918**	**5,52,015**
EBITDA	63,995	59,707	70,864	91,317	1,00,793
Depreciation	(16,234)	(24,784)	(20,937)	(22,047)	(23,932)
EBIT	59,425	61,465	60,650	80,220	88,051
Net interest inc./(exp.)	(2,764)	(2,159)	(2,990)	(3,308)	(3,785)
Other inc./(exp.)	11,664	26,543	10,723	10,949	11,190
Exceptional items	0	28,334	0	0	0
EBT	56,662	87,639	57,660	76,912	84,266
Income taxes	(11,626)	(15,338)	(13,456)	(17,692)	(19,310)
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	(11,383)	(9,778)	(9,018)	(10,806)	(12,069)
Reported net profit	**33,652**	**62,523**	**35,185**	**48,414**	**52,887**
Adjustments	0	(28,334)	0	0	0
Adjusted net profit	**33,652**	**34,189**	**35,185**	**48,414**	**52,887**

Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	63,338	69,671	83,606	1,00,327	1,10,359
Other current liabilities	55,711	66,569	64,455	72,543	82,746
Provisions	2,989	3,139	3,296	3,461	3,634
Debt funds	7,414	8,416	7,917	7,950	7,983
Other liabilities	15,491	24,076	24,557	25,048	25,549
Equity capital	3,971	4,395	4,926	4,926	4,926
Reserves & surplus	4,10,155	4,93,687	5,23,700	5,66,683	6,13,867
Shareholders' fund	5,08,035	6,01,764	6,41,551	6,95,565	7,55,043
Total liab. and equities	**6,52,978**	**7,73,635**	**8,25,382**	**9,04,893**	**9,85,313**
Cash and cash eq.	1,10,689	25,904	61,261	74,022	75,482
Accounts receivables	12,131	15,903	21,923	23,610	27,223
Inventories	36,086	42,480	53,589	59,719	65,788
Other current assets	1,35,118	1,45,600	1,45,604	1,50,313	1,69,501
Investments	8,486	18,511	1,087	1,196	1,316
Net fixed assets	1,92,413	2,19,136	3,15,688	3,59,553	3,96,810
CWIP	1,22,211	2,70,278	1,90,428	2,00,699	2,13,434
Intangible assets	35,846	35,823	35,802	35,780	35,760
Deferred tax assets, net	0	0	0	0	0
Other assets	0	0	0	0	0
Total assets	**6,52,978**	**7,73,635**	**8,25,382**	**9,04,893**	**9,85,313**

Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Cash flow from operations	**1,13,362**	**1,02,410**	**60,419**	**94,206**	**80,929**
Capital expenditures	(1,03,923)	(1,99,553)	(37,616)	(76,162)	(73,904)
Change in investments	(6,349)	(10,026)	17,424	(109)	(120)
Other investing cash flows	0	0	0	0	0
Cash flow from investing	**(1,10,272)**	**(2,09,578)**	**(20,193)**	**(76,271)**	**(74,024)**
Equities issued/Others	1,00,331	420	755	225	225
Debt raised/repaid	2,554	1,002	(499)	33	33
Interest expenses	0	0	0	0	0
Dividends paid	(4,964)	(4,973)	(5,125)	(5,431)	(5,703)
Other financing cash flows	(19,933)	25,935	0	0	0
Cash flow from financing	**77,988**	**22,383**	**(4,868)**	**(5,174)**	**(5,445)**
Chg in cash & cash eq.	**81,078**	**(84,785)**	**35,357**	**12,761**	**1,460**
Closing cash & cash eq.	**1,10,689**	**25,904**	**61,261**	**74,022**	**75,482**

Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	16.1	26.8	14.3	19.7	21.5
Adjusted EPS	16.1	14.7	14.3	19.7	21.5
Dividend per share	2.4	2.1	2.1	2.2	2.3
Book value per share	242.9	258.2	260.5	282.4	306.5

Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	3.9	3.6	2.7	2.4	2.2
EV/EBITDA	19.9	20.0	17.2	13.1	11.8
Adjusted P/E	31.7	34.8	35.7	26.0	23.8
P/BV	2.1	2.0	2.0	1.8	1.7

DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	79.5	82.5	76.7	77.0	77.1
Interest burden (PBT/EBIT)	95.3	96.5	95.1	95.9	95.7
EBIT margin (EBIT/Revenue)	18.3	18.4	13.6	15.8	16.0
Asset turnover (Rev./Avg TA)	55.6	46.8	55.6	58.6	58.4
Leverage (Avg TA/Avg Equity)	1.3	1.3	1.3	1.3	1.3
Adjusted ROAE	10.1	8.8	7.1	8.9	9.0

Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
YoY growth (%)					
Revenue	5.8	2.6	33.2	14.0	8.9
EBITDA	56.2	(6.7)	18.7	28.9	10.4
Adjusted EPS	37.6	(8.8)	(2.6)	37.6	9.2
Profitability & Return ratios (%)					
EBITDA margin	19.3	17.0	15.7	17.8	18.0
EBIT margin	17.9	17.5	13.5	15.6	15.8
Adjusted profit margin	10.3	10.2	7.9	9.6	9.6
Adjusted ROAE	10.1	8.8	7.1	8.9	9.0
ROCE	12.8	10.6	9.3	11.4	11.6
Working capital days (days)					
Receivables	14	17	18	17	18
Inventory	40	46	44	43	44
Payables	86	87	80	87	88
Ratios (x)					
Gross asset turnover	1.0	0.9	0.9	0.9	0.9
Current ratio	2.4	1.6	1.9	1.7	1.7
Net interest coverage ratio	21.5	28.5	20.3	24.3	23.3
Adjusted debt/equity	0.0	0.0	0.0	0.0	0.0

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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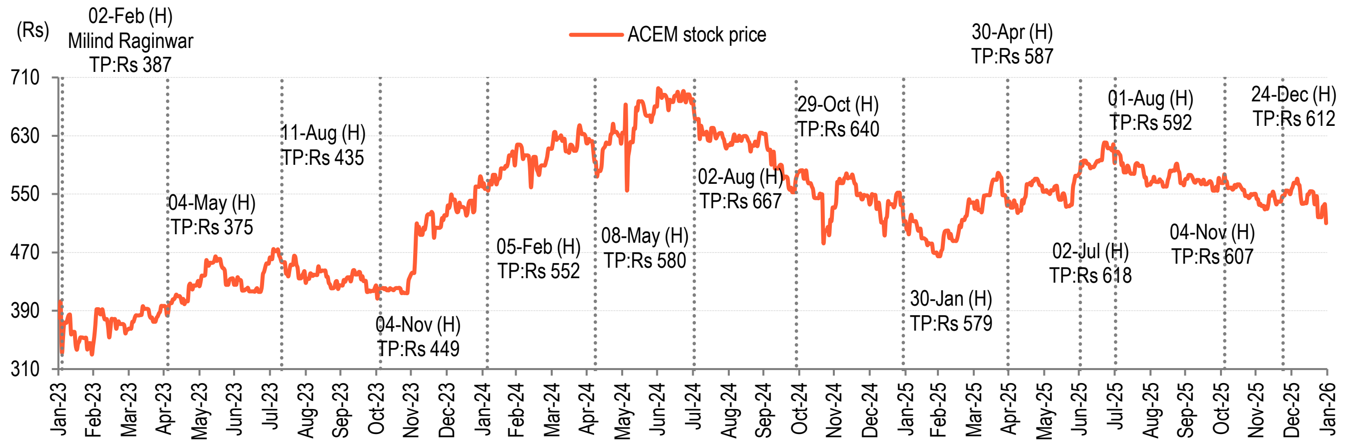

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