HOLD
TP:Rs 25,914 | ⮝ 14%

SHREE CEMENT | Cement | 24 October 2026

Shift to volume focus to partially offset cost pain; Retain HOLD

- **Strong volume led growth (~18% YoY) continues, premium mix rising (28.7%) subdued realizations (+1% YoY) checks revenue growth at 19%**
- **Fuel cost surges (~33% YoY) offsetting logistics gains, further hike expected in Q3; EBITDAM contracts by 320bps YoY to 16.6%**
- **Revise down FY27E/FY28E/FY29E EBITDA estimates factoring pain. TP revised to Rs 25,914 (Rs 26,607) on rollover to Sep 2028, Retain HOLD**

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Volume-led growth; realisations remain subdued: SRCM (SA) reported revenue growth of ~19% YoY to ~Rs51bn, driven by cement volume growth of ~18% YoY to 9.3mnt (down 11% QoQ). Realisations improvement was sluggish at ~1% YoY to Rs5,486/tn, as trade sales reduced to 61% vs 70% YoY while premium products' share rose to 28.7% of trade sales (vs 21.1% YoY), partially supporting product mix.

Fuel inflation offsets freight savings: Overall cost/tn jumped ~5% YoY/QoQ to Rs4,574/tn, with energy cost surging ~33% YoY to Rs1,747/t amid higher landed fuel costs of Rs2.09/kcal vs Rs1.66/kcal. Freight cost fell ~8%/21% YoY/QoQ to Rs1,097/t as lead distance improved to 427km vs 441km YoY, partially cushioning input cost pressures. Green power share stayed healthy at 65.2% with improved TSR at 5.2% vs 2.5% QoQ. The inventory adjusted raw material cost fell 16% YoY.

Margins remain under pressure: EBITDA remained broadly flat YoY at ~Rs8.5bn but declined ~21% QoQ. EBITDA/tn fell ~15% YoY to Rs912/tn, margins contracted ~320bps YoY to 16.6%, as higher energy and overall costs offset stable realisation and freight benefits. PAT declined ~26% YoY, impacted by higher tax provisioning.

Expansion pipeline progresses: Union Cement commissioned a 3mtpa cement mill in the UAE in September 2026, taking UAE capacity to 7mtpa. The Meghalaya greenfield plant remains on track for commissioning by Q4FY28. H1FY27 capex was at ~Rs9bn, with management indicating H2 spending of ~Rs7–8bn.

Cut earnings estimates; retain HOLD: We cut EBTIDA estimates by 5%/4%/6% for FY27/FY28/FY29, to factor in the H1FY27 impact with unchanged revenues implying impact of cost inflation. SRCM's focus shifting back on volume growth is core and beyond the short-term war impact (that will reverse). We continue to value SRCM at 15x EV/EBITDA September 2028, as shift in focus on volume growth will help in improving efficiencies and sustained margins. The Revenue/EBITDA CAGR estimates over FY26-29 are 14%/12%. The UAE operations profitable operations is a key positive. We revise our TP at to Rs 25,914 (earlier Rs26,607), at our target price SRCM is valued at Rs10.5bn/mnt replacement cost. Retain HOLD

Key changes

Target	Rating
▼	◀ ▶

Ticker/Price	SRCM IN/Rs 22,735
Market cap	US$ 8.6bn
Free float	37%
3M ADV	US$ 8.3mn
52wk high/low	Rs 29,425/Rs 21,355
Promoter/FPI/DII	63%/13%/12%

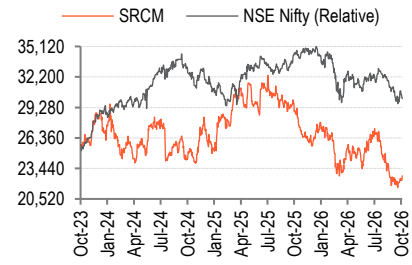
Source: NSE | Price as of 23 Oct 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	1,93,105	2,27,088	2,56,484
EBITDA (Rs mn)	41,912	45,345	52,658
Adj. net profit (Rs mn)	17,062	15,972	18,484
Adj. EPS (Rs)	472.9	442.7	512.3
Consensus EPS (Rs)	472.9	507.9	652.4
Adj. ROAE (%)	7.8	7.0	7.7
Adj. P/E (x)	48.1	51.4	44.4
EV/EBITDA (x)	16.8	15.4	13.2
Adj. EPS growth (%)	42.6	(6.4)	15.7

Source: Company, Bloomberg, BOBCAPS Research | P – Provisional

Stock performance



Source: NSE

Fig 1 – Conference Call Key Takeaways

Parameter	Q2FY27	Q1FY27	Our view
Volumes and realisations	Cement sales volumes grew 18% YoY to 9.31mt, while consolidated volumes increased 14% YoY to 10.52mt. Trade sales accounted for 61% of volumes vs 70% YoY, with non-trade sales supported by participation in large infrastructure, railway and institutional projects. Blended cement share declined to 58% from 68% YoY, while premium products increased to 28.7% of trade sales from 21.1% YoY and 23.3% in Q1FY27. Management reiterated FY27 India volume guidance of 40–41mt, with growth expected to remain slightly ahead of industry growth.	Cement sales volume grew ~17% YoY to ~10.2mt, while total grey cement volumes (including subsidiaries/UAE) reached ~11.5mt. Management reiterated its 40mt FY27 volume guidance, implying ~10% growth, with H1 volumes expected at 19.5–20mt. Despite a sharp increase in non-trade sales (trade mix declined to 62% vs 71% YoY) due to lower clinker conversion, SRCM reported standalone cement realisations improved to Rs4,919/t (vs Rs4,854/t YoY). Blended cement share moderated to 60% (vs 70% YoY) while premium products remained healthy at 23.3% of trade sales. Capacity utilisation stood at 62%, with North/East/South utilisation at 66%/60%/57%, respectively.	SRCM continued its focus bon volumes while balancing the margin and market share gains. This is shifting back to deliver maximum volume and gaining operating efficiencies . We feel the next couple of quarters are likely to be challenging due to cost pressure and hence the walk between margins and market share will become more tighter.
EBTIDA Margin drivers	Blended cost of production increased to Rs4,666/t from Rs4,329/t in Q1FY27 and Rs4,245/t in Q2FY26. Landed fuel cost rose to Rs2.09/kcal from Rs1.66/kcal YoY and Rs1.95/kcal QoQ. Fuel mix comprised ~11% pet coke, 75% imported coal, 2% Indian coal and 12% alternative fuels. Freight cost saw improvement driven by lead distance improving to 427km from 445km in Q1FY27 and 441km YoY. Railway share in the sales mix declined to 8.5% from 9% in Q1FY27 and 11% in Q2FY26. Management expects fuel cost to increase to Rs2.15–2.2/kcal in Q3FY27, while overall costs in Q3 are expected to remain broadly similar to Q2 levels.	Pet coke and gypsum imports were significantly impacted in Q1FY27 due to West Asia war. pet coke usage declined sharply to 9% (vs 54% in Q4FY26) while coal usage increased to 74%, raising fuel cost to Rs1.95/kcal vs . Lower-quality coal reduced the clinker conversion factor to 1.5 (vs 1.58 YoY), forcing higher OPC/non-trade sales and increasing raw material consumption. Management indicated fuel cost has largely peaked with little to no impact expected in Q2FY27. Packaging costs have already started easing while gypsum procurement is expected to normalise. Lead distance improved to 445km from 459km YoY.	Fuel cost inventory holding is ~90 days, implying that the impact in the next couple of quarters on cost inflation will likely be higher, leading to EBITDA and EBITDA margins pressure. With increasing competitive intensity price hikes can become very sensitive. With increasing cost pressure realization gains will be the key to retain margins in the next couple of quarters.
Green Energy	Green power accounted for 65.2% (60% YoY) of total electricity consumption, including wholly owned Indian subsidiaries, with renewable energy capacity at 667MW. SRCM is adding a further ~80MW of renewable capacity. TSR improved to ~5% from ~2.5%QoQ, supported by increased use of alternative fuel. SRCM is also testing EVs for mining operations and cement/clinker transportation.	Renewable energy contribution increased further to ~65% vs ~61% QoQ. SRCM is working on implementing battery energy storage systems (BESS). It also plans to induct around 100 electric commercial vehicles during FY27 and is exploring electrification of mining equipment to reduce logistics and mining costs over the medium term.	Green-energy mix is commendable, but the commodity-intensive business (manufacturing) will imply higher reliance on costlier fuel (thermal power in kiln operations). Green energy usage can be maximized in power savings (grinding).
Capacity	Union Cement Company, the UAE step-down subsidiary, commissioned a new 3mtpa cement mill in September 2026, taking total cement capacity to 7mtpa. Management indicated that UAE volumes had reached ~2.1mt in H1FY27 and expected a similar run rate in H2, with annualised volumes potentially reaching 4–5mt as the additional capacity ramps up. The Meghalaya greenfield integrated plant remains targeted for commissioning in Q4FY28.	Management reiterated its strategy of expanding through subsidiaries and overseas operations. UAE cement capacity expansion (doubling capacity to ~7mtpa) remains on track for commissioning by Q3FY27. Meghalaya integrated plant continues progressing as scheduled for Q4FY28, with infrastructure being created for eventual expansion to 4–5mtpa despite the initial 1mtpa phase. South India capacity continues	Focus on middle east market expansion is likely to tap the rebuilding process, following the war zone in the middle east. We feel this may be beneficial in the medium term. Focus on domestic market expansion with Meghalaya

Parameter	Q2FY27	Q1FY27	Our view
	Management stated that local concerns had been addressed and construction was expected to commence shortly, with the workforce and contractors mobilised. SRCM reiterated its longer-term target of 80mt capacity.	ramping up aiding in penetrating Maharashtra and Gujarat markets.	capacity addition will aide domestic growth.
Capex	Capital expenditure during H1FY27 stood at ~Rs9bn. Management indicated H2 capex of approximately Rs7–8bn. Consolidated net cash stood at ~Rs81.7bn.	Capex guidance for FY27 remains unchanged at ~Rs15bn, of which ~Rs4.6bn has already been spent in Q1FY27. The guidance excludes UAE expansion, which is being funded entirely through local cash generation.	The capex shift is more towards value added services over capacity expansion clearly indicating incremental capex for capacity addition will be more calibrated depending on demand situation arising in the next few quarters.
Other key points	RMC volumes grew 153% YoY to 2.73 lakh cubic meters, revenue increased 182% to Rs1.3bn. The network comprised 28 commercial plants and 35 plants including captive units. Management indicated that the business had become EBITDA-positive, with profitability expected to improve as utilisation rises and fixed costs are spread over higher volumes. The clinker conversion factor stood at ~1.51 vs 1.5 QoQ. Management also outlined plans to explore Chinese equipment and spare-parts suppliers through a UAE-based office, with potential cost savings and efficiency benefits yet to be assessed.	Subsidiaries now contribute ~10% of consolidated revenue and SRCM is confident of this increasing to ~25% level. RMC business continued scaling with 33 operational plants, volumes rising 156% YoY to 2.36 lakh cubic meter, though profitability remains neutral at this stage. Railway share in Q1FY27 was 9% efforts are made to increase this through Gati Shakti contracts.	SRCM's focus on eastern region and in the overseas market will provide growth cushion. Healthy balance sheet to be another comfort in vulnerable business conditions. Venturing into RMC business will further facilitate cement consumption as the markets shift towards concreter demand over cement usage.

Fig 2 – Key metrics

	Q2FY27	Q2FY26	YoY (%)	Q1FY27	QoQ (%)	Q2FY27E	Deviation (%)
Volumes (mn mt)	10.5	9.0	17.2	10.8	(2.6)	9.5	(1.9)
Cement realisations (Rs/t)	5,360	5,528	(3.0)	5,245	2.2	5,199	5.5
Operating costs (Rs/t)	4,336	4,155	4.3	4,079	6.3	4,519	1.2
EBITDA/t (Rs)	1,024	1,373	(25.4)	1,167	(12.2)	861	5.9

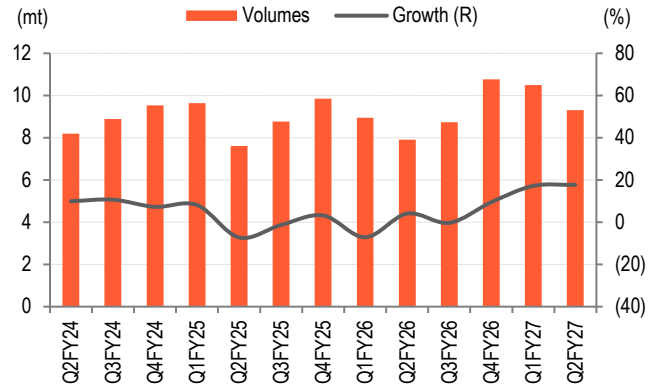
Source: Company, BOBCAPS Research

Fig 3 – Quarterly performance

(Rs mn)	Q2FY27	Q2FY26	YoY (%)	Q1FY27	QoQ (%)	Q2FY27E	Deviation (%)
Net Sales	**51,074**	**43,032**	**18.7**	**56,227**	**(9.2)**	**51,074**	**0.0**
Expenditure							
Change in stock	(1,051)	(251)	318.2	(690)	52.3	(151)	
Raw material	5,692	3,736	52.3	5,849	(2.7)	5,297	7.5
purchased products	659	1,913	(65.5)	1,556	(57.6)	1,655	-
Power & fuel	16,269	10,397	56.5	14,813	9.8	13,270	22.6
Freight	10,211	9,424	8.3	13,070	(21.9)	12,102	(15.6)
Employee costs	2,857	2,570	11.2	2,881	(0.8)	2,810	1.7
Other exp	7,943	6,730	18.0	8,004	(0.8)	7,915	0.4
Total Operating Expenses	42,580	34,519	23.4	45,482	(6.4)	42,898	(0.7)
EBITDA	**8,494**	**8,513**	**(0.2)**	**10,745**	**(20.9)**	**8,176**	**3.9**
EBITDA margin (%)	**16.6**	**19.8**	**(315bps)**	**19.1**	**(248bps)**	**16.0**	**62bps**
Other Income	1,057	1,570	(32.7)	2,014	(47.5)	1,645	(35.7)
Interest	569	507	12.1	555	2.5	561	1.4
Depreciation	5,961	5,549	7.4	5,862	1.7	6,125	(2.7)
PBT	3,022	4,027	(25.0)	6,342	(52.4)	3,135	(3.6)
Non-recurring items	0	0	-	0	-	0	-
PBT (after non-recurring items)	3,022	4,027	(25.0)	6,342	(52.4)	3,135	(3.6)
Tax	(969)	(1,256)	(22.9)	(1,962)	(50.6)	(627)	54.5
Reported PAT	2,053	2,771	(25.9)	4,380	(53.1)	2,508	(18.2)
Adjusted PAT	**2,053**	**2,771**	**(25.9)**	**4,380**	**(53.1)**	**2,508**	**(18.2)**
NPM (%)	**4.0**	**6.4**	**(242bps)**	**7.8**	**(377bps)**	**4.9**	**(89bps)**
Adjusted EPS (Rs)	**53.9**	**74.7**	**(27.9)**	**118.1**	**(54.4)**	**67.6**	**(18.2)**

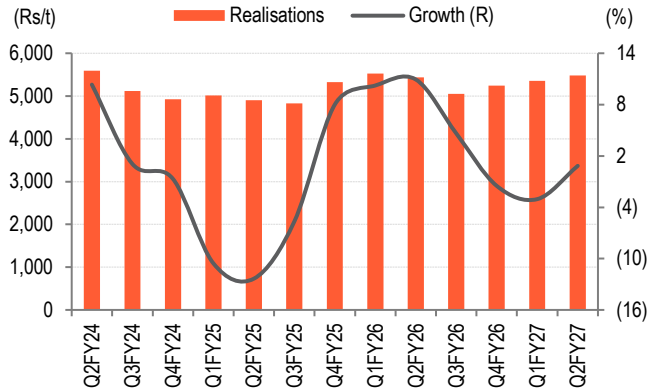
Source: Company, BOBCAPS Research

Fig 4 – Growth remains well balanced across regions; H2 focus will be more on gaining margin traction



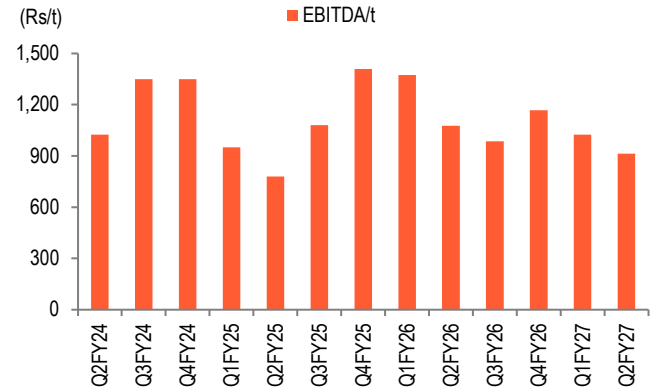
Source: Company, BOBCAPS Research

Fig 5 – Higher non-trade sales keeps realisations under check



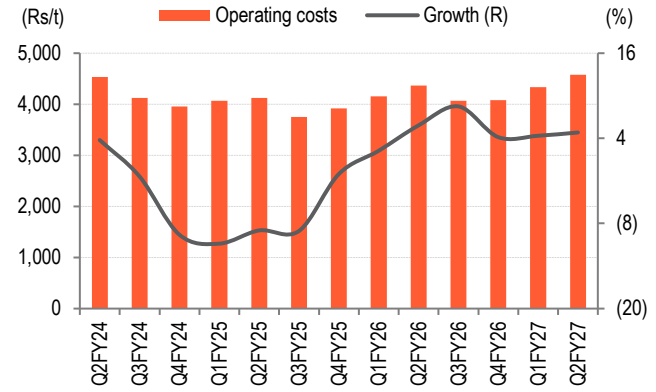
Source: Company, BOBCAPS Research

Fig 6 – Inflationary pressure expected to be handled diligently with market share and margin gains



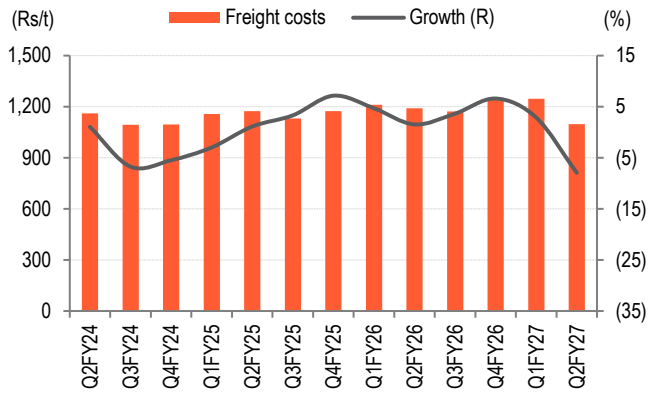
Source: Company, BOBCAPS Research

Fig 7 – Operating costs expected to be at similar levels in Q3FY27



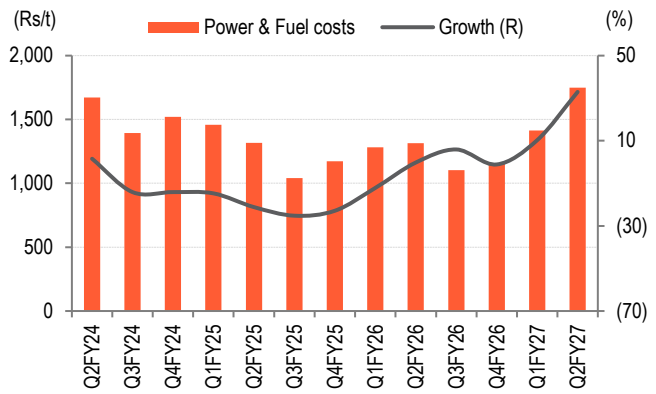
Source: Company, BOBCAPS Research

Fig 8 – Improvements on lead distance continue aiding offset partial cost inflation



Source: Company, BOBCAPS Research

Fig 9 – Landed fuel cost expected to be rationalized with reducing pet-coke share



Source: Company, BOBCAPS Research

Valuation Methodology

We cut FY27/FY28/FY29 EBITDA estimates by 5%/4%/6%, to factor in the H1FY27 impact with revenues unchanged implying impact of cost inflation. SRCM's focus shifting back on volume growth is core and beyond the short-term war impact (that will reverse). We continue to value SRCM at 15x EV/EBITDA September 2028, as shift in focus on volume growth will help in improving efficiencies and sustained margins. Our FY25-29E Revenue/EBITDA CAGR estimates are 14%/12%. The UAE operations profitable operations is a key positive.

Focus on domestic market expansion is on track with Meghalaya expansion awaiting government clearances. Focus on middle east market expansion is likely to tap the rebuilding process, following the war in the middle east. We feel this may be beneficial in the medium term. The capex shift is also more towards value added services over capacity expansion clearly indicating incremental capex for capacity addition will be more calibrated warranted by demand situation.

Higher EBITDA/tonne remains the highlight only through cost savings in an uncertain realisations scenario. Capacity expansion plans may progress at a slow pace, given the current over-supply conditions and lower capacity utilisation. This seems to be the preferred strategy, considering the growth and margins scenario, as the cost-saving levers will be handy, contributed by green power and railway siding operational.

We revise our TP at to Rs 25,914 (earlier Rs26,607), at our target price SRCM is valued at Rs10.5bn/mnt replacement cost. Retain HOLD

Fig 10 – Revised estimates

(Rs mn)	New			Old			Change (%)		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Revenue	2,27,088	2,56,484	2,88,811	2,26,542	2,55,252	2,88,123	0.2	0.5	0.2
EBITDA	45,345	52,658	58,470	47,940	55,076	61,946	-5.4	-4.4	-5.6
Adj PAT	15,972	18,484	20,639	18,446	20,939	23,835	-13.4	-11.7	-13.4
Adj EPS (Rs)	442.7	512.3	572.0	511.2	580.3	660.6	-13.4	-11.7	-13.4

Source: BOBCAPS Research

Fig 11 – Key assumptions

	FY26A	FY27E	FY28E	FY29E
Volumes (mt)	36.37	41.00	45.10	50.06
Growth (%)	1.45	12.74	10.00	11.00
Realisations (Rs/t)	5,317	5,442	5,592	5,676
Growth (%)	5.9	2.4	2.7	1.5
Operating costs (Rs/t)	4,167	4,341	4,428	4,512
Growth (%)	5.1	4.2	2.0	1.9
EBITDA/t (Rs)	1,150	1,102	1,163	1,164
Growth (%)	9.0	-4.2	5.6	0.1

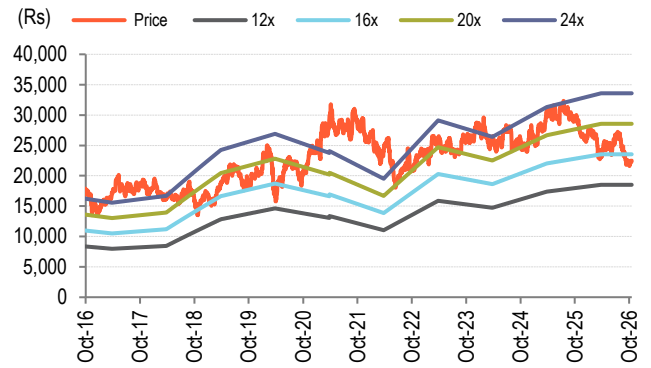
Source: Company, BOBCAPS Research

Fig 12 – Valuation summary

(Rs mn)	September 2028E
Target EV/EBITDA (x)	15.0
EBITDA	55,563
Target EV	805,675
Total EV	805,675
Net debt	(130,335)
Target market capitalisation	936,011
Target price (Rs/sh)	**25,914**
Weighted average shares (mn)	**36.12**

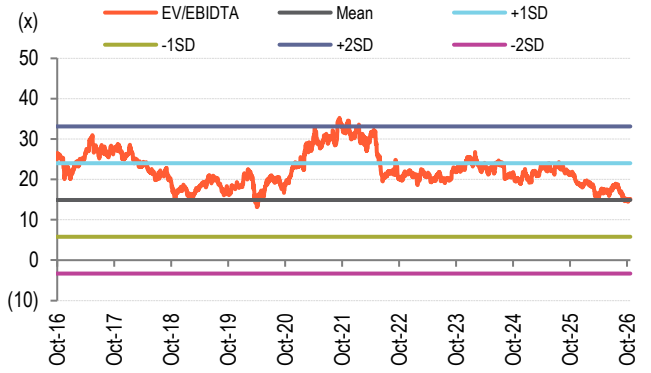
Source: BOBCAPS Research| 1-year forward earnings, rolled forward to September 2028

Fig 13 – EV/EBITDA band: SRCM valuation moderates to align with earnings



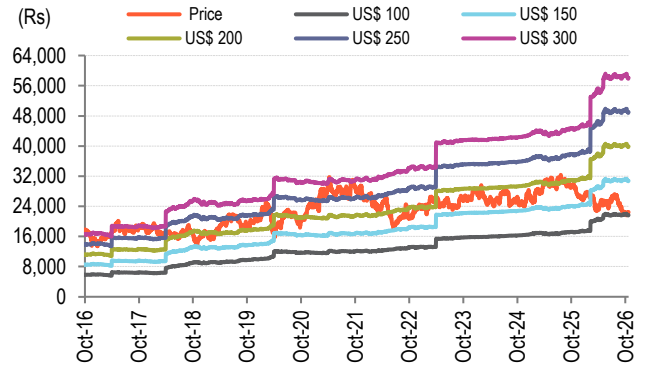
Source: Company, Bloomberg, BOBCAPS Research

Fig 14 – EV/EBITDA 1YF: We continue to value SRCM at 15x EV/EBITDA, near its mean valuation



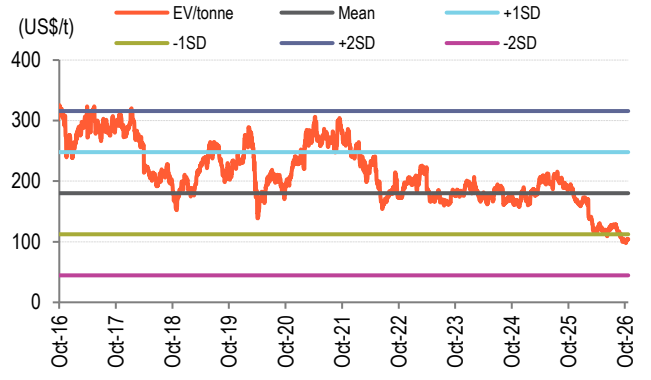
Source: Company, Bloomberg, BOBCAPS Research

Fig 15 – Replacement cost band: Earnings reflect in replacement cost valuations; assets are yet to fully used



Source: Company, Bloomberg, BOBCAPS Research

Fig 16 – Replacement cost band: 1YF will reverse to mean chasing earnings



Source: Company, Bloomberg, BOBCAPS Research

Key Risks

Key risks to our estimates:

- Key downside risks: severe competition in northern India can add pricing pressure; return of focus to volume growth may dent realisations.
- A faster reversal in fuel prices can soften costs, posing an upward risk to our earnings estimates.
- Faster-than-expected demand revival and better realisations are the key upside risks.

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Total revenue	**1,80,373**	**1,93,105**	**2,27,088**	**2,56,484**	**2,88,811**
EBITDA	38,368	41,912	45,345	52,658	58,470
Depreciation	(28,080)	(23,319)	(29,145)	(32,060)	(34,976)
EBIT	16,059	24,561	25,074	29,911	33,363
Net interest inc./(exp.)	(2,086)	(2,077)	(3,151)	(3,772)	(4,146)
Other inc./(exp.)	5,772	5,968	8,873	9,313	9,869
Exceptional items	0	0	0	0	0
EBT	13,974	22,484	21,923	26,138	29,217
Income taxes	(2,011)	(5,422)	(5,951)	(7,655)	(8,578)
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	**11,962**	**17,062**	**15,972**	**18,484**	**20,639**
Adjustments	0	0	0	0	0
Adjusted net profit	**11,962**	**17,062**	**15,972**	**18,484**	**20,639**

Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Accounts payables	14,331	15,343	17,798	20,109	22,648
Other current liabilities	42,790	42,376	40,539	41,235	46,810
Provisions	57	57	57	57	57
Debt funds	8,165	17,946	28,642	34,292	37,692
Other liabilities	(7,061)	(6,520)	(7,448)	(8,067)	(8,741)
Equity capital	361	361	361	361	361
Reserves & surplus	2,11,753	2,24,755	2,33,645	2,45,047	2,58,605
Shareholders' fund	2,12,102	2,25,115	2,34,016	2,45,431	2,59,001
Total liab. and equities	**2,70,383**	**2,94,316**	**3,13,604**	**3,33,058**	**3,57,468**
Cash and cash eq.	1,18,273	1,42,722	1,52,927	1,61,401	1,71,252
Accounts receivables	7,805	10,127	12,361	14,471	16,864
Inventories	20,754	23,328	27,368	30,850	34,677
Other current assets	23,457	23,846	26,230	28,853	31,739
Investments	0	0	0	0	0
Net fixed assets	46,029	34,390	25,975	14,645	400
CWIP	52,665	58,419	67,169	81,169	1,00,769
Intangible assets	1,400	1,484	1,573	1,668	1,768
Deferred tax assets, net	0	0	0	0	0
Other assets	0	0	0	0	0
Total assets	**2,70,384**	**2,94,316**	**3,13,604**	**3,33,057**	**3,57,468**

Cash Flows

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Cash flow from operations	**53,242**	**37,713**	**34,671**	**44,718**	**53,949**
Capital expenditures	(38,860)	(17,518)	(29,569)	(34,824)	(40,430)
Change in investments	(9,210)	(24,922)	(6,139)	(9,743)	(13,985)
Other investing cash flows	0	0	0	0	0
Cash flow from investing	**(48,070)**	**(42,440)**	**(35,708)**	**(44,568)**	**(54,415)**
Equities issued/Others	(1)	11	11	13	13
Debt raised/repaid	(6,572)	9,781	10,696	5,650	3,400
Interest expenses	0	0	0	0	0
Dividends paid	(2,649)	(7,693)	(5,604)	(7,082)	(7,082)
Other financing cash flows	3,388	2,155	0	0	0
Cash flow from financing	**(5,834)**	**4,254**	**5,103**	**(1,419)**	**(3,669)**
Chg in cash & cash eq.	**(662)**	**(473)**	**4,065**	**(1,268)**	**(4,135)**
Closing cash & cash eq.	**1,18,273**	**1,42,722**	**1,52,926**	**1,61,402**	**1,71,251**

Per Share

Y/E 31 Mar (Rs)	FY25A	FY26A	FY27E	FY28E	FY29E
Reported EPS	331.5	472.9	442.7	512.3	572.0
Adjusted EPS	331.5	472.9	442.7	512.3	572.0
Dividend per share	167.8	147.2	167.8	167.8	167.8
Book value per share	5,878.6	6,239.3	6,486.0	6,802.4	7,178.5

Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26A	FY27E	FY28E	FY29E
EV/Sales	4.0	3.6	3.1	2.7	2.4
EV/EBITDA	18.7	16.8	15.4	13.2	11.8
Adjusted P/E	68.6	48.1	51.4	44.4	39.7
P/BV	3.9	3.6	3.5	3.3	3.2

DuPont Analysis

Y/E 31 Mar (%)	FY25A	FY26A	FY27E	FY28E	FY29E
Tax burden (Net profit/PBT)	85.6	75.9	72.9	70.7	70.6
Interest burden (PBT/EBIT)	87.0	91.5	87.4	87.4	87.6
EBIT margin (EBIT/Revenue)	8.9	12.7	11.0	11.7	11.6
Asset turnover (Rev./Avg TA)	67.0	68.4	74.7	79.3	83.6
Leverage (Avg TA/Avg Equity)	1.3	1.3	1.3	1.3	1.4
Adjusted ROAE	5.8	7.8	7.0	7.7	8.2

Ratio Analysis

Y/E 31 Mar	FY25A	FY26A	FY27E	FY28E	FY29E
YoY growth (%)					
Revenue	(6.2)	7.1	17.6	12.9	12.6
EBITDA	(3.7)	9.2	8.2	16.1	11.0
Adjusted EPS	(51.5)	42.6	(6.4)	15.7	11.7
Profitability & Return ratios (%)					
EBITDA margin	21.3	21.7	20.0	20.5	20.2
EBIT margin	8.9	12.7	11.0	11.7	11.6
Adjusted profit margin	6.6	8.8	7.0	7.2	7.1
Adjusted ROAE	5.8	7.8	7.0	7.7	8.2
ROCE	7.5	10.9	10.2	11.4	11.9
Working capital days (days)					
Receivables	16	19	20	21	21
Inventory	42	44	44	44	44
Payables	37	37	36	36	36
Ratios (x)					
Gross asset turnover	1.0	1.0	1.0	1.1	1.1
Current ratio	3.0	3.5	3.7	3.8	3.7
Net interest coverage ratio	7.7	11.8	8.0	7.9	8.0
Adjusted debt/equity	0.0	0.1	0.1	0.1	0.1

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

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BUY – Expected return >+15%

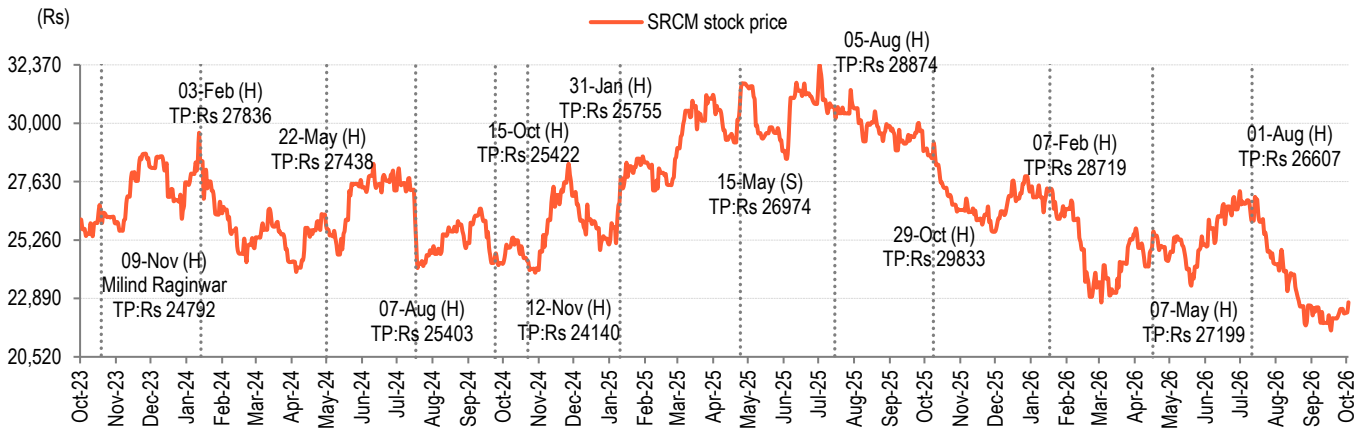
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SELL – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

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Ratings and Target Price (3-year history): SHREE CEMENT (SRCM IN)



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