

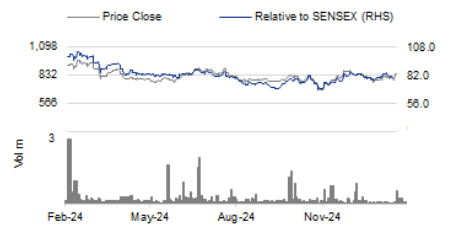
India

**ADD** (no change)

Consensus ratings*:	Buy 11	Hold 5	Sell 4
Current price:	Rs844		
Target price:	Rs930		
Previous target:	Rs955		
Up/downside:	10.2%		
InCred Research / Consensus:	10.7%		
Reuters:			
Bloomberg:	JKLC IN		
Market cap:	US\$1,367m	Rs99,266m	
Average daily turnover:	US\$1.9m	Rs136.6m	
Current shares o/s:	117.7m		
Free float:	48.9%		
*Source: Bloomberg			

**Key changes in this note**

- Reduce EBITDA by ~4-6% for FY26F-27F.
- Retain ADD rating with a lower target price of Rs930.



Source: Bloomberg

<b>Price performance</b>	1M	3M	12M
Absolute (%)	5.0	8.8	(8.8)
Relative (%)	5.4	11.1	(15.5)

<b>Major shareholders</b>	% held
Promoter & Promoter Group	46.3
Franklin Build India Fund	4.7
Axis MF	4.7

**Research Analyst(s)**



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# JK Lakshmi Cement

## Broadly in-line 3Q performance

- 3QFY25 consolidated EBITDA stood at ~Rs2.02bn (Incred estimate: ~Rs1.9bn), down 33% yoy & up 1.25x qoq, mainly due to stabilization of costs.
- Volume came in at ~3mt, up ~2% yoy, while realization was down by ~1% qoq. EBITDA/t was at Rs666, +Rs305 qoq, as operating costs fell by ~8% qoq.
- We cut FY26F/27F EBITDA estimates by ~4-6% to factor in the near-term pricing pressure. Retain ADD rating on the stock with a lower TP of Rs930.

### UCWL aids volume recovery; FY26F to be better than industry

JK Lakshmi Cement's (JKLC) 3QFY25 consol. sales volume (incl. clinker) were up 2.4% yoy and ~22% qoq at 3.03mt (~2% above Incred estimate). Growth was largely driven by UCWL, with 0.83mt volume during the quarter. UCWL's utilization level was ~57% in 3Q and management expects it to reach ~65% in FY26F. JKLC highlighted an improvement in demand conditions since the past few months and has given guidance of 7-8% volume growth in 4QFY25F. JKLC aims to achieve better volume growth than the industry's 6-7% in FY26F. During 3Q, non-cement revenue was Rs1.35bn and ready-mix concrete revenue was Rs640m, with the EBITDA margin below ~1%. Blended realization declined by ~1% qoq (likely due to the decline in premium product sales in the trade segment). Management highlighted that cement prices are up by Rs80-100/t in its markets vs. the 3QFY25 average, and the overall environment looks better for pricing.

### EBITDA/t improves sequentially; benefits of cost savings to continue

On a consol. basis, costs/t at Rs4,274 were down by ~10% yoy and ~8% qoq. P&F costs/t were down by ~22% yoy (on Kcal basis, fuel costs stood at Rs1.57 in 3Q vs. Rs1.62 qoq). Freight costs/t were up by ~1% qoq (lead distance ~381km vs 374km qoq). EBITDA/t improved by Rs305 qoq to Rs666, mainly led by cost savings. The company highlighted that it has achieved 75-80% of its targeted cost savings and will be focusing on increasing the green power's share, with TSR to further reduce P&F costs. Management highlighted that JKLC's cost structure isn't comparable with peers due to the difference in product mix.

### UCWL merger to be completed in CY25F; lowers capex for FY25F

JKCL expects to complete the merger of its subsidiary by the end of CY25F. JKLC has lowered its capex guidance to Rs8bn (Rs9bn earlier) for FY25F and for FY26F it now expects a total capex of Rs10bn, and Rs15bn for FY27F. Surat grinding unit or GU phase-1 expansion to be commissioned in 4QFY25F and the second phase by 1QFY26F. Its northeast expansion to be completed by FY28F. Consol. net debt/EBITDA stood at 2.43x as of Dec 2024-end vs 2.69x as of Sep 2024-end and 1.14x as of Dec 2023-end.

### Maintain ADD rating with a lower target price of Rs930

JKLC trades at an EV/EBITDA of 10.8x & EV/t of US\$70 in FY26F. Retain our ADD rating on the stock with a Mar 2026F target price of Rs930 (Rs955 earlier), set at 9.5x EV/EBITDA. Downside risks: Pressure on cement prices, project delay and a rise in costs.

**Financial Summary**

	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue (Rsm)	64,515	67,885	60,681	67,730	75,844
Operating EBITDA (Rsm)	8,387	10,522	8,181	11,198	13,664
Net Profit (Rsm)	3,586	4,635	2,648	4,381	5,690
Core EPS (Rs)	30.5	39.4	22.5	37.2	48.3
Core EPS Growth	(26.9%)	29.2%	(42.9%)	65.5%	29.9%
FD Core P/E (x)	27.69	21.42	37.50	22.66	17.45
DPS (Rs)	3.5	6.5	2.2	3.7	4.8
Dividend Yield	0.41%	0.77%	0.27%	0.44%	0.57%
EV/EBITDA (x)	13.07	10.92	14.62	10.89	9.25
P/FCFE (x)	35.70	39.05	39.77	18.27	32.92
Net Gearing	35.1%	41.3%	51.7%	52.5%	56.3%
P/BV (x)	3.54	3.12	2.90	2.60	2.29
ROE	13.5%	15.5%	8.0%	12.1%	14.0%
% Change In Core EPS Estimates			(0.53%)	(0.45%)	(0.41%)
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

## Broadly in-line 3Q performance

### Results review and earnings call takeaways

#### Demand & pricing outlook

- **Volume:** JKLC's consolidated: 3.3mt, flat yoy and up by ~22% qoq, 2.2% above Incred estimate of 2.97mt.
- **Blended average realization:** It was Rs4,940/t --1% qoq and --14% yoy (~4% below the Incred estimate).
- **Volume growth:** Management expects ~7-8% of volume growth in 4QFY25F. For FY26F, it expects to grow better than the industry. Demand is better in the company's markets, and the prices are recovering too. It expects industry volume growth of 4-5% in FY25F and 6-7% in FY26F.
- **Pricing:** Prices improved by Rs80-100/t (Rs4-5 per 50kg bag) vs. the 3QFY25 average in its markets. Current demand momentum is better to sustain price levels, as per management.
- UCWL volume was 8,30,000t in 3QFY25F vs. 5,74,000t qoq.
- Premium product sales stood at ~11% of overall trade in the non-trade segment. Premium product sales in the trade segment declined from the target range. The company will focus on realigning its brand strategy.
- UCWL's (Udaipur Cement Works) volume ramp-up is in line with expectations, achieving ~57% capacity utilization even with the commencement of the new unit in 3QFY25. Expect ~65% utilization for UCWL in FY26F. JKLC's capacity utilization was 78%.

#### Costs & Margin

- **Total operating costs/t** declined by ~10% yoy and ~8% qoq to Rs4,274 where a) energy costs/t decreased by ~22% yoy to Rs1,157; logistics costs/t down by ~1% qoq to Rs1,147. Fixed costs were down by ~12% qoq to Rs1,063/t.
- **Energy costs** stood at Rs1.57/kcal vs. Rs1.62/kcal qoq.
- The cost efficiency program is progressing well and has achieved ~75-80% of its target.
- **Green power's** share at 48% vs. 47% qoq. Targets to reach 50% renewable energy utilization by FY25F.
- **Profitability improvement** is reflected in the numbers, and the cost structure is not comparable with peer companies, as per management, due to difference in the product mix.
- **Consol. EBITDA** for the quarter came in at ~Rs2.02bn vs. our expectation of ~Rs1.93bn, up by ~126% qoq and down by ~33% yoy. EBITDA/t stood at Rs666 during the quarter vs. Rs360 in 2QFY25 and Rs1,021 in 3QFY24.
- **Reported profit after tax** at ~Rs594m vs. our expectation of ~Rs586m profit. Interest costs increased by ~16% yoy to Rs453m.

#### Capacity expansion & utilization update

- JKLC is in the process of expanding its **Surat GU** from 1.35mtpa to 2.7mtpa. The project is likely to cost Rs2.25bn and will be funded through debt (Rs. 1.5bn) & the remaining through internal accruals.
- JKLC is expanding the clinker capacity at its integrated **cement plant at Durg** in Chhattisgarh by putting up a clinker line of 2.3mtpa & four cement GUs totaling 4.6mtpa at Durg in Chhattisgarh and also three GUs with an aggregate capacity of 3.4mtpa at Prayagraj in Uttar Pradesh, Madhubani in Bihar & Patratu in Jharkhand. The project is likely to cost Rs25bn, which will be funded through term loans from banks of Rs17.5bn and the remaining via internal accruals

- The company is also putting up a **railway siding** at its Durg cement plant at a cost of Rs3.25bn. which will be funded through a debt of Rs2.25bn and the remaining from internal accruals.
- **JKLC will be investing Rs35m in STLC RE** for a 26% equity stake in the company. The investment to provide access to solar power of 9MW at competitive rates for 25 years. All investment to be made in cash.
- **Capex:** In FY26F, it will be Rs10bn. Capex of Rs15bn in FY27F on a consol. basis.
- In 9MFY25, capex incurred stood at Rs2.5bn and the company expects the capex to be at Rs1bn in 4QFY25F on a standalone basis. Capex to remain at Rs8bn on a consol. basis in FY25F.
- Durg second phase expansion and northeast expansion projects to be commissioned by FY28F.

### Other updates

- **Consolidated net debt/EBITDA** stood at 2.43x as of Dec 2024-end vs. 2.69x as of Sep 2024-end and 1.14x as of Dec 2023-end.
- During 3Q, non-cement revenue stood at Rs1,350m, with the EBITDA margin at less than 1%. Readymix concrete or RMC revenue stood at Rs640m.
- Blended cement share was at 65%, and trade sales at 58%.
- Surat GU phase-1 expansion to be commissioned in 4QFY25F and the second phase by 1QFY26F.
- **Conveyor belt at Durg:** The project is in the final stage of approval and expects to receive the approval by the end of FY25F.
- Clinker at the Durg unit to commence by 1HFY26F.
- **Debt:** Standalone gross debt stood at Rs6.5bn, and Rs3bn cash, translating to a net debt of Rs500m. Consol. gross debt is Rs21.5bn, cash Rs4bn and net debt at Rs17.5bn.
- As per management, there is a ~40-50mtpa of capacity addition in the industry post Covid-19 pandemic. The lead distance was 381km vs. 374km qoq.
- On a standalone basis, it will be adding 1.35mtpa of capacity in FY26F and 2.5mtpa in FY27F.
- It will ramp up TSR at UCWL.
- **UCWL merger:** Merger to be completed by the end of CY25F.
- C:C ratio at 1.45x.

Figure 1: Consolidated quarterly performance

Particulars (Rs m)	3QFY25	3QFY25F	2QFY25	3QFY24	% Change		
					3QFY25F	2QFY25	3QFY24
<b>Net Sales</b>	<b>14,968</b>	<b>15,274</b>	<b>12,343</b>	<b>17,028</b>	<b>-2.0%</b>	<b>21.3%</b>	<b>-12.1%</b>
Raw Materials Consumed	2,748	3,097	2,446	3,012	-11.3%	12.4%	-8.8%
Freight and Forwarding Expenses	3,475	3,439	2,816	3,433	1.0%	23.4%	1.2%
Power and Fuel Costs	3,507	3,711	3,206	4,418	-5.5%	9.4%	-20.6%
Employee Costs	1,144	1,131	1,100	1,096	1.1%	3.9%	4.3%
Other Expenses	2,078	1,971	1,881	2,049	5.4%	10.4%	1.4%
<b>Total Expenditure</b>	<b>12,951</b>	<b>13,350</b>	<b>11,450</b>	<b>14,007</b>	<b>-3.0%</b>	<b>13.1%</b>	<b>-7.5%</b>
<b>EBITDA</b>	<b>2,018</b>	<b>1,925</b>	<b>893</b>	<b>3,021</b>	<b>4.8%</b>	<b>125.9%</b>	<b>-33.2%</b>
Depreciation	762	789	749	657	-3.4%	1.7%	15.9%
<b>EBIT</b>	<b>1,256</b>	<b>1,136</b>	<b>144</b>	<b>2,364</b>	<b>10.5%</b>	<b>771.9%</b>	<b>-46.9%</b>
Interest	453	411	431	391	10.3%	5.1%	15.8%
Other Income	90	176	84	167	-48.7%	7.9%	-45.9%
<b>PBT</b>	<b>893</b>	<b>902</b>	<b>-203</b>	<b>2,229</b>	<b>-1.0%</b>	<b>-539.7%</b>	<b>-59.9%</b>
Tax	266	316	-94	728	-15.9%	-382.4%	-63.5%
<b>PAT before MI &amp; Associates</b>	<b>628</b>	<b>586</b>	<b>-109</b>	<b>1,501</b>	<b>7.1%</b>	<b>-675.2%</b>	<b>-58.2%</b>
Minority Interest	11	0	-53	65			
Profit from Assoc. Cos.	-23	0	-83	1			
<b>Recurring PAT</b>	<b>594</b>	<b>586</b>	<b>-140</b>	<b>1,437</b>	<b>1.3%</b>	<b>-525.5%</b>	<b>-58.7%</b>
Extraordinary Items	0	0	0	-89			
<b>Reported PAT</b>	<b>594</b>	<b>586</b>	<b>-140</b>	<b>1,437</b>	<b>1.3%</b>	<b>-525.5%</b>	<b>-58.7%</b>
EPS (Rs)	5.0	5.0	-1.2	12.2	1.3%	-525.5%	-58.7%
Gross Margin	35.0%	32.9%	31.4%	36.2%	209bp	361bp	-121bp
EBITDA Margin	13.5%	12.6%	7.2%	17.7%	88bp	624bp	-426bp
EBIT Margin	8.4%	7.4%	1.2%	13.9%	95bp	722bp	-550bp
PBT Margin	6.0%	5.9%	-1.6%	13.1%	6bp	761bp	-712bp
PAT Margin	4.0%	3.8%	-1.1%	8.4%	13bp	510bp	-447bp
Tax Rate	29.7%	35.0%	46.3%	32.7%	-527bp	-1,655bp	-294bp
<b>Cost Items as a % of Sales</b>							
RM Costs	18.4%	20.3%	19.8%	17.7%	-192bp	-146bp	67bp
Freight Costs	23.2%	22.5%	22.8%	20.2%	70bp	40bp	305bp
P&F Costs	23.4%	24.3%	26.0%	25.9%	-87bp	-255bp	-251bp

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

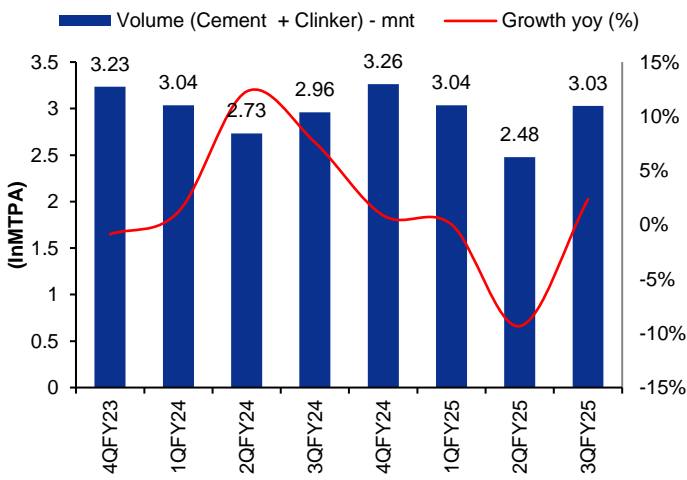
Figure 2: Consolidated 2QFY25 results as per tonne analysis

Per tonne analysis	3QFY25	3QFY25F	2QFY25	3QFY24	% Change		
					3QFY25F	2QFY25	3QFY24
Sales Volume (Cement + Clinker)	3.03	2.97	2.48	3.03	2.2%	22.3%	-0.1%
Realization	4,940	5,150	4,983	5,753	-4.1%	-0.9%	-14.1%
EBITDA/t	666	649	360	1,021	2.6%	84.7%	-34.8%
RM Costs/t	907	1,044	987	1,018	-13.2%	-8.1%	-10.9%
P&F Costs/t	1,157	1,251	1,294	1,492	-7.5%	-10.6%	-22.4%
Freight Costs/t	1,147	1,160	1,137	1,160	-1.1%	0.9%	-1.1%
Employee Costs/t	377	381	444	370	-1.0%	-15.0%	1.9%
Other Expenses/t	686	665	760	692	3.2%	-9.7%	-0.9%
<b>Total Costs/t</b>	<b>4,274</b>	<b>4,501</b>	<b>4,623</b>	<b>4,732</b>	<b>-5.0%</b>	<b>-7.5%</b>	<b>-9.7%</b>

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

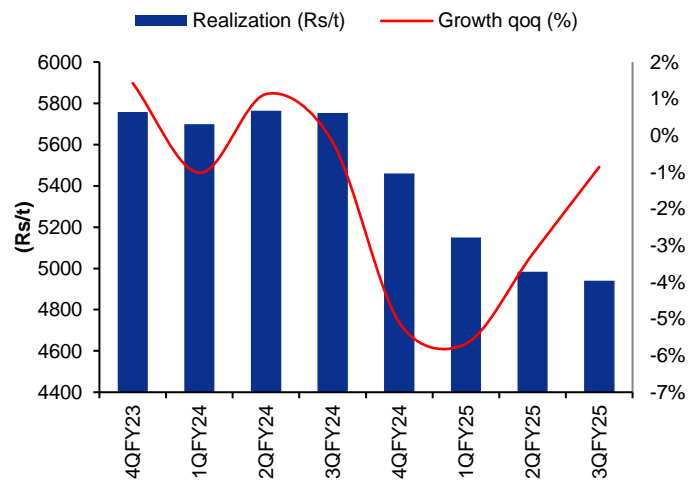
Key quarterly charts ➤

Figure 3: Consolidated cement sales volume (including clinker) was flat yoy in 3QFY25



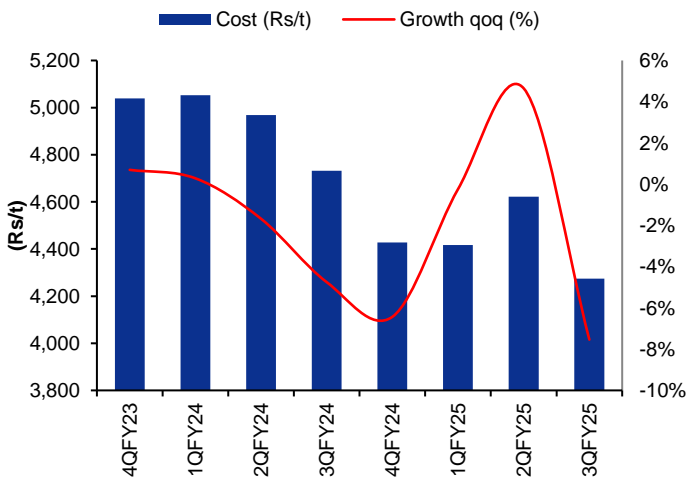
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: Cement realization flat yoy and declined by ~1% qoq in 3QFY25



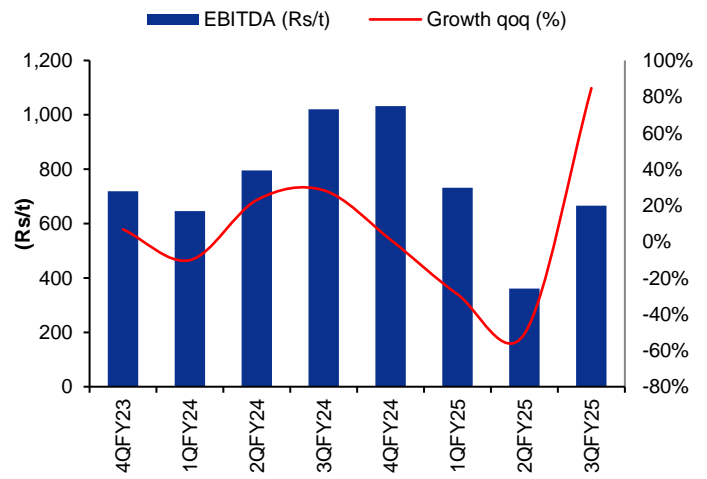
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 5: Operating costs/t down by 8% qoq and by ~10% yoy in 3QFY25



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 6: Consolidated unitary EBITDA at Rs666/t in 3QFY25 vs. Rs305 qoq and Rs355 yoy



SOURCE: INCRED RESEARCH, COMPANY REPORTS

## Key changes ➤

**Figure 1: Our revised earnings estimates (consolidated)**

Rs m	New			Old			Change (%)		
	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
Sales	60,681	67,730	75,844	62,400	70,500	78,000	-3%	-4%	-3%
EBITDA	8,181	11,198	13,664	8,400	11,700	14,500	-3%	-4%	-6%
PAT	2,648	4,381	5,690	2,860	5,050	6,600	-8%	-15%	-16%

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

**Figure 2: Changes in our earnings estimates vs. Bloomberg consensus estimates**

Rs m	Incred			Consensus			Change (%)		
	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
Sales	60,681	67,730	75,844	64,761	73,512	83,311	-6%	-8%	-9%
EBITDA	8,181	11,198	13,664	8,886	11,942	14,272	-8%	-6%	-4%
PAT	2,648	4,381	5,690	3,079	4,813	6,156	-14%	-9%	-8%

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS, BLOOMBERG

**Figure 3: Key assumptions (consolidated)**

	FY23A	FY24A	FY25F	FY26F	FY27F
<b>Volume (in mtpa)</b>	11	12	12	13	14
Yoy	2%	5%	1%	9%	10%
<b>Realisation (per tonne)</b>	5,650	5,662	5,034	5,155	5,247
Yoy	17%	0%	-11%	2%	2%
<b>Cost (per tonne)</b>	4,916	4,785	4,355	4,302	4,302
Yoy	23%	-3%	-9%	-1%	0%
<b>EBITDA (per tonne)</b>	735	878	679	852	945
Yoy	-13%	19%	-23%	26%	11%
<b>EBITDA (Rs m)</b>	8,387	10,522	8,181	11,198	13,664
Yoy	-12%	25%	-22%	37%	22%

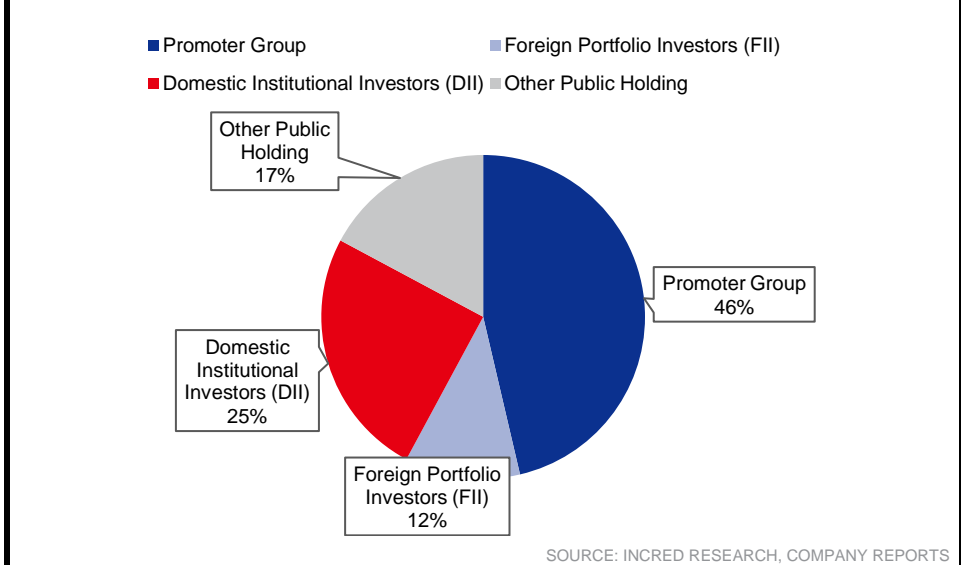
SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

**Figure 4: Maintain ADD rating with a Mar 2026F target price of Rs930, set at 9.5x EV/EBITDA**

Valuation	TP
Target EV/EBITDA (x)	9.5
Target EV (Rs m)	1,29,809
Net debt / (cash) (Rs m)	20,948
No. of shares (m)	118
<b>Fair value per share (Rs)</b>	<b>930</b>

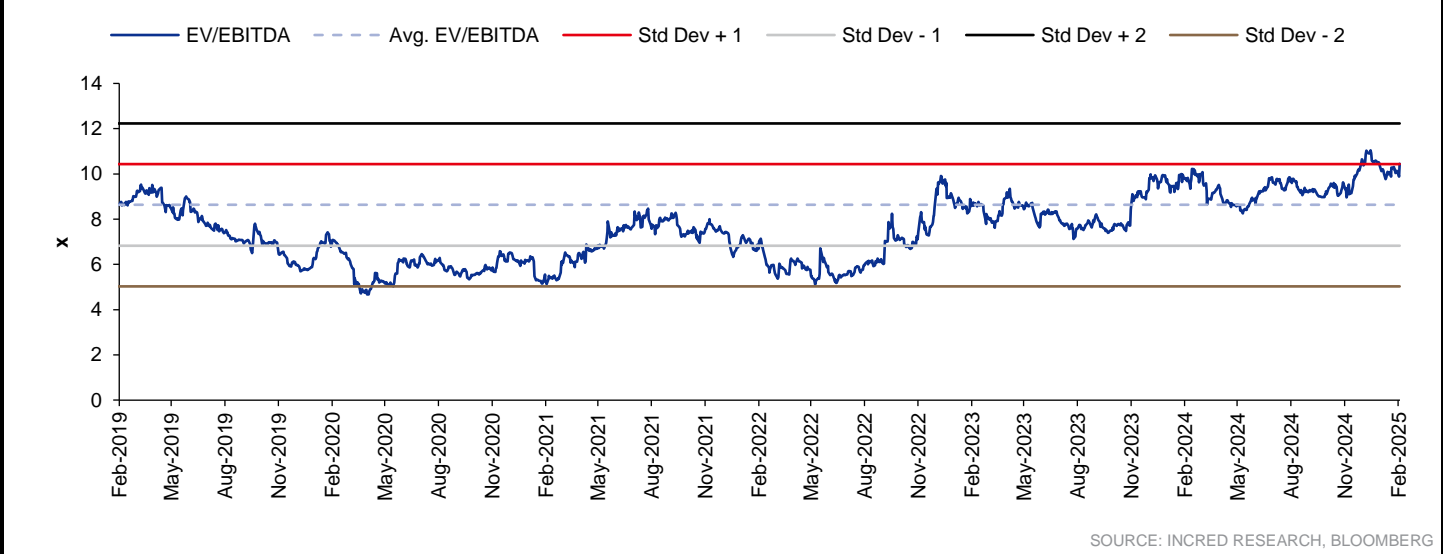
SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

**Figure 5: JKLC's shareholding pattern (as of Dec 2024-end)**

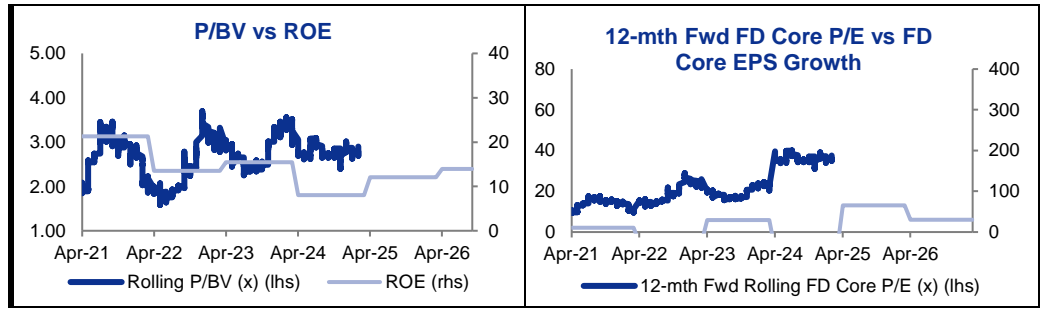


SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 6: JKLC's one-year forward EV/EBITDA trades at close to +1 SD level



BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
<b>Total Net Revenues</b>	64,515	67,885	60,681	67,730	75,844
<b>Gross Profit</b>	64,515	67,885	60,681	67,730	75,844
<b>Operating EBITDA</b>	8,387	10,522	8,181	11,198	13,664
Depreciation And Amortisation	(2,283)	(2,460)	(3,013)	(3,525)	(3,983)
<b>Operating EBIT</b>	6,104	8,062	5,168	7,672	9,681
Financial Income/(Expense)	(1,334)	(1,504)	(1,850)	(2,035)	(2,300)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	575	681	477	501	526
<b>Profit Before Tax (pre-EI)</b>	5,345	7,239	3,795	6,138	7,906
Exceptional Items		3			
<b>Pre-tax Profit</b>	5,345	7,242	3,795	6,138	7,906
Taxation	(1,654)	(2,446)	(987)	(1,596)	(2,056)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	3,691	4,795	2,808	4,542	5,851
Minority Interests	(105)	(161)	(161)	(161)	(161)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	3,586	4,635	2,648	4,381	5,690
Recurring Net Profit	3,586	4,633	2,648	4,381	5,690
<b>Fully Diluted Recurring Net Profit</b>	3,586	4,633	2,648	4,381	5,690

Cash Flow

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
<b>EBITDA</b>	8,387	10,522	8,181	11,198	13,664
Cash Flow from Invt. & Assoc.					
Change In Working Capital	1,331	(1,261)	(1,350)	165	481
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	575	681	477	501	526
Other Operating Cashflow	(963)	3,001	3,001	3,001	3,001
Net Interest (Paid)/Received	(1,334)	(1,504)	(1,850)	(2,035)	(2,300)
Tax Paid	(1,654)	(2,446)	(987)	(1,596)	(2,056)
<b>Cashflow From Operations</b>	6,342	8,992	7,472	11,233	13,316
Capex	(7,320)	(10,060)	(9,500)	(10,500)	(14,500)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	4,325	1,261	725		
<b>Cash Flow From Investing</b>	(2,995)	(8,800)	(8,776)	(10,500)	(14,500)
Debt Raised/(repaid)	(566)	2,351	3,800	4,700	4,200
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(412)	(765)	(265)	(438)	(569)
Preferred Dividends					
Other Financing Cashflow	(1,680)	(1,942)	(3,161)	(2,661)	(2,661)
<b>Cash Flow From Financing</b>	(2,658)	(356)	374	1,600	969
Total Cash Generated	689	(164)	(929)	2,334	(214)
<b>Free Cashflow To Equity</b>	2,781	2,543	2,497	5,433	3,016
<b>Free Cashflow To Firm</b>	4,681	1,696	547	2,769	1,116

SOURCE: INCRED RESEARCH, COMPANY REPORTS



**BY THE NUMBERS...cont'd**

<b>Balance Sheet</b>					
<b>(Rs mn)</b>	<b>Mar-23A</b>	<b>Mar-24A</b>	<b>Mar-25F</b>	<b>Mar-26F</b>	<b>Mar-27F</b>
Total Cash And Equivalents	8,504	6,397	5,468	7,801	7,587
Total Debtors	654	443	831	928	1,039
Inventories	8,416	9,912	8,978	9,649	10,597
Total Other Current Assets	1,677	1,660	1,881	1,964	2,124
<b>Total Current Assets</b>	<b>19,252</b>	<b>18,412</b>	<b>17,157</b>	<b>20,343</b>	<b>21,347</b>
Fixed Assets	34,547	50,757	55,744	62,219	72,236
Total Investments	151	345	345	345	345
Intangible Assets	9,625	4,557	3,832	3,832	3,832
Total Other Non-Current Assets	1,833	2,430	3,930	4,430	4,930
<b>Total Non-current Assets</b>	<b>46,157</b>	<b>58,088</b>	<b>63,851</b>	<b>70,826</b>	<b>81,343</b>
Short-term Debt	3,174	4,610	5,410	6,610	7,810
Current Portion of Long-Term Debt					
Total Creditors	5,860	5,560	4,377	5,281	5,805
Other Current Liabilities	7,371	10,201	9,709	9,821	10,997
<b>Total Current Liabilities</b>	<b>16,406</b>	<b>20,370</b>	<b>19,496</b>	<b>21,712</b>	<b>24,613</b>
Total Long-term Debt	15,289	15,639	18,639	22,139	25,139
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	5,305	6,921	6,921	7,421	7,921
<b>Total Non-current Liabilities</b>	<b>20,594</b>	<b>22,560</b>	<b>25,560</b>	<b>29,560</b>	<b>33,060</b>
Total Provisions					
<b>Total Liabilities</b>	<b>37,000</b>	<b>42,930</b>	<b>45,055</b>	<b>51,272</b>	<b>57,672</b>
Shareholders Equity	28,039	31,867	34,249	38,193	43,314
Minority Interests	370	1,704	1,704	1,704	1,704
<b>Total Equity</b>	<b>28,409</b>	<b>33,570</b>	<b>35,953</b>	<b>39,896</b>	<b>45,018</b>

<b>Key Ratios</b>					
	<b>Mar-23A</b>	<b>Mar-24A</b>	<b>Mar-25F</b>	<b>Mar-26F</b>	<b>Mar-27F</b>
Revenue Growth	19.0%	5.2%	(10.6%)	11.6%	12.0%
Operating EBITDA Growth	(11.8%)	25.4%	(22.2%)	36.9%	22.0%
Operating EBITDA Margin	13.0%	15.5%	13.5%	16.5%	18.0%
Net Cash Per Share (Rs)	(84.62)	(117.69)	(157.87)	(177.97)	(215.48)
BVPS (Rs)	238.22	270.74	290.99	324.49	368.00
Gross Interest Cover	4.58	5.36	2.79	3.77	4.21
Effective Tax Rate	30.9%	33.8%	26.0%	26.0%	26.0%
Net Dividend Payout Ratio	11.5%	16.5%	10.0%	10.0%	10.0%
Accounts Receivables Days	2.85	2.95	3.83	4.74	4.73
Inventory Days	40.24	49.27	56.81	50.19	48.72
Accounts Payables Days	30.95	36.33	34.54	31.18	32.54
ROIC (%)	14.0%	14.9%	8.5%	11.3%	12.4%
ROCE (%)	13.5%	16.0%	9.1%	11.9%	13.2%
Return On Average Assets	8.1%	8.9%	5.9%	7.6%	8.4%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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- Hold** The stock's total return is expected to be between 0% and positive 10% over the next 12 months.
- Reduce** The stock's total return is expected to fall below 0% or more over the next 12 months.

*The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.*

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Definition:

- Overweight** An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
- Neutral** A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
- Underweight** An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

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Definition:

- Overweight** An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
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