

ACC

Refer to important disclosures at the end of this report

Cost savings initiatives yielding results

CMP: Rs 1,563
as of (October 19, 2020)

TP: Rs 1,774 (■)
12 months

Rating: BUY (■)

Upside: 13.5 %

- ACC's Q3 results were above our estimates, led by higher-than-estimated realization (up 3.5% yoy vs. estimate of 1.4% growth). EBITDA stood at Rs6.7bn vs. estimated Rs6.3bn and EBITDA/ton came in at Rs1,073 vs. estimated Rs958.
- Key positives: 1) 10.2% yoy decline in freight costs, despite increase in diesel prices, due to higher inter-company purchases and increase in direct dispatches, in our view; 2) 20% yoy decline in other expense; 3) realization decline restricted at mere 1.1% qoq. Key negative was a 43% yoy decline in RMC volume, leading to a 44.3% yoy fall in revenue.
- Cement EBITDA/ton stood at Rs1,073 vs. Rs851/Rs1,173 in Q3CY19/Q2CY20. Grinding capacity expansion of 1.1mt in Sindri, Jharkhand, is expected by Mar'21, while capacity expansion of 4.8mt in the Central region is expected by CY22-end.
- ACC started a cost reduction initiative "Project Parvat" in CY19 with an aim to reduce operating costs by Rs200/ton till CY21. Valuations are attractive at 8.8x/8.1x CY21/CY22E EV/EBITDA and an EV/ton of US\$95. We maintain Buy and OW in sector EAP.

Lower opex and higher realization help profits: ACC benefitted from high cement prices and low opex in Q3. Realization was down by mere 1.1% qoq (but up 3.5% yoy) led by an increase in sales of premium products (up 5pp qoq) and lower sales in the East region, where the price decline was sharper. Sales volume was up 0.8% yoy with capacity utilization of 77%. RMC sales volume was down 43% yoy. Variable costs fell Rs35/ton yoy (flat qoq) on lower energy costs and operating efficiencies. Employee cost was down 11.1% yoy/13.9% qoq due to the reduction in contractual employees. Freight expense was down 10.2% yoy led by higher direct dispatches. Other expense/ton fell 20% yoy, driven by cost-saving initiatives (rent, ad spends, office and travel expense etc.). Purchase of stock-in-trade was up 2.6x yoy, which we believe is due to higher inter-company purchases. Lower opex and higher realization led to 20.6% yoy growth in EBITDA and 3.2pp yoy improvement in OPM. Cement EBITDA/ton was up 26.1% yoy. Profit increased 21% yoy.

Cost savings in progress; maintain Buy on attractive valuations: Improvement in cement demand after the easing of lockdowns surprised us positively and we recently upgraded earnings estimates for the entire sector ([Report Link](#)). ACC is working on cost saving strategies and started an initiative "Project Parvat" in CY19 with an aim to reduce fixed costs by Rs200/ton in CY20-21. The savings were to be achieved through improving efficiencies in procurement and supply chain and lowering distribution costs. Higher inter-company purchases in 9MCY20 (up 1.9x yoy) indicates progress in achieving benefits of the Master Supply Agreement signed between ACC and Ambuja. Capacity expansion plans of 5.9mt (1.1mt by Mar'21 and 4.8mt by CY22-end) will help volume growth in future. We believe that valuations are attractive at 8.8x/8.1x CY21E EV/EBITDA and US\$95 EV/ton. ACC has traded at an average EV/EBITDA of 11.6x and EV/ton of US\$122 between CY07 and CY20. We maintain Buy with a TP of Rs1,774 (9.5x CY22E EV/EBITDA). We are OW on ACC in our sector EAP. Key downside risks include lower-than-estimated cement demand growth, which in turn, may impact prices.

Please see our sector model portfolio (Emkay Alpha Portfolio): [Cement & Building Materials \(page 8\)](#)

Financial Snapshot (Standalone)

(Rs mn)	CY18	CY19	CY20E	CY21E	CY22E
Net Sales	1,48,014	1,56,567	1,39,186	1,56,253	1,65,374
EBITDA	21,150	24,095	23,918	26,828	29,083
EBITDA Margin (%)	14.3	15.4	17.2	17.2	17.6
APAT	10,764	13,589	13,039	14,957	16,416
EPS (Rs)	57.3	72.3	69.4	79.6	87.3
EPS (% chg)	17.6	26.2	(4.0)	14.7	9.8
ROE (%)	10.8	12.3	10.9	11.4	11.5
P/E (x)	27.3	21.6	22.5	19.6	17.9
EV/EBITDA (x)	12.4	10.3	10.0	8.8	8.1
P/BV (x)	2.8	2.5	2.3	2.2	2.0

Source: Company, Emkay Research



Change in Estimates

EPS Chg CY20E/CY21E (%)	-/-
Target Price change (%)	NA
Target Period (Months)	12
Previous Reco	BUY

Emkay vs Consensus

EPS Estimates		
	CY20E	CY21E
Emkay	69.4	79.6
Consensus	63.1	74.8
Mean Consensus TP (12M)	Rs 1,597	

Stock Details

Bloomberg Code	ACC IN
Face Value (Rs)	10
Shares outstanding (mn)	188
52 Week H/L	1,591 / 895
M Cap (Rs bn/USD bn)	293 / 4.00
Daily Avg Volume (nos.)	11,12,583
Daily Avg Turnover (US\$ mn)	21.3

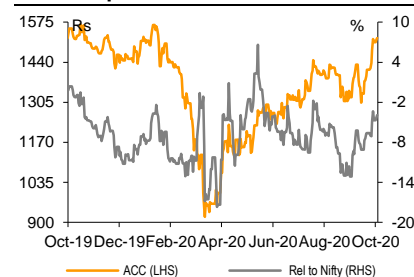
Shareholding Pattern Sep '20

Promoters	54.5%
FIIIs	6.7%
DIIIs	25.5%
Public and Others	13.3%

Price Performance

(%)	1M	3M	6M	12M
Absolute	9	19	33	1
Rel. to Nifty	6	9	4	(1)

Relative price chart



Source: Bloomberg

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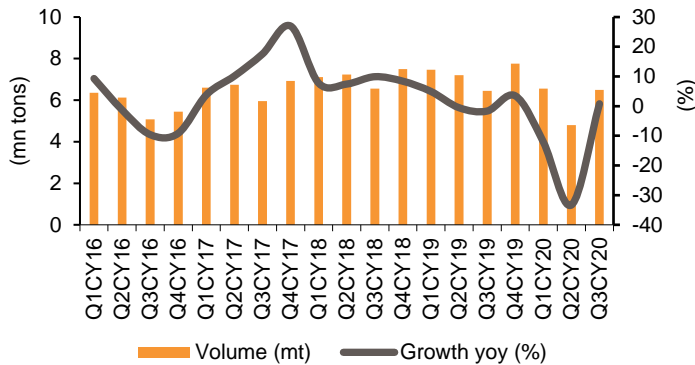
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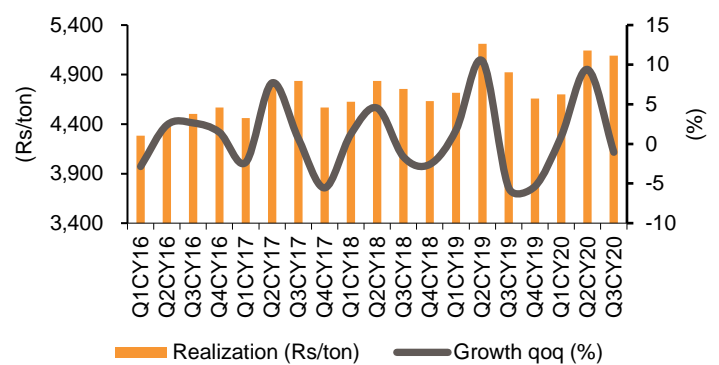
Story in Charts

Exhibit 1: Sales volumes up 0.8% yoy, recovery seen qoq



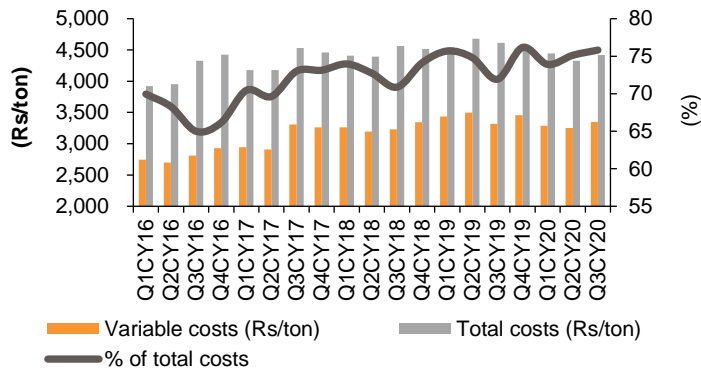
Source: Company, Emkay Research

Exhibit 2: Realization up 3.4% yoy but down 1.1% qoq



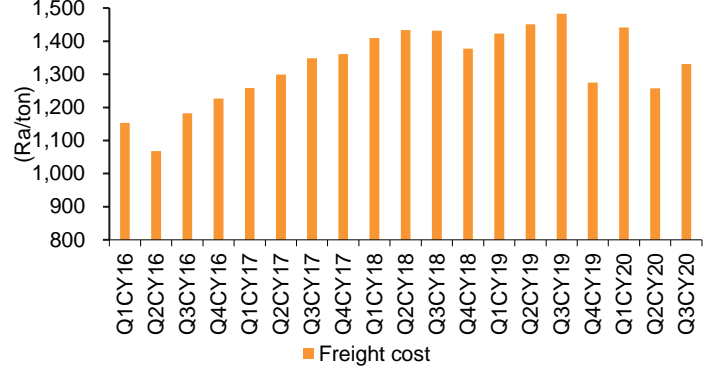
Source: Company, Emkay Research

Exhibit 3: Variable cost/ton down Rs35/ton yoy



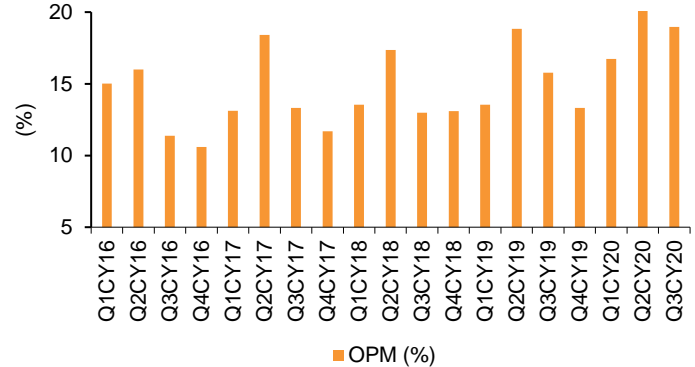
Source: Company, Emkay Research

Exhibit 4: Freight costs/ton down 10.2% yoy, but up 5.9% qoq



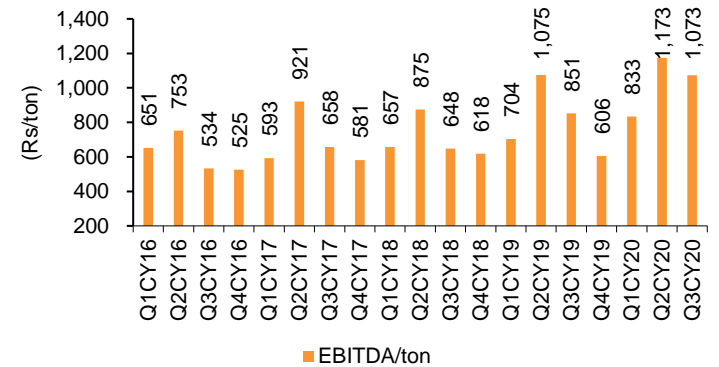
Source: Company, Emkay Research

Exhibit 5: OPM improves 3.2pp yoy, down 1.2pp qoq



Source: Company, Emkay Research

Exhibit 6: Cement EBITDA/ton up 26.1% yoy, but down 8.5% qoq



Source: Company, Emkay Research

Exhibit 7: Actual vs. estimates (Q3CY20)

Particulars/Rs mn	Actual	Estimates		% variation		Comment
		Emkay	Consensus	Emkay	Consensus	
Sales	35,373	35,354	34,308	0.1	3.1	In-line with results
EBITDA	6,707	6,292	5,842	6.6	14.8	Led by lower freight costs
EBITDA margin (%)	19	17.8	17	116	193	
Adj. PAT	3,631	3,378	3,098	7.5	17.2	Led by higher operating profits

Source: Company, Emkay Research, Bloomberg

Exhibit 8: Quarterly Results

Rs mn	Q3CY19	Q4CY19	Q1CY20	Q2CY20	Q3CY20	YoY (%)	QoQ (%)	9MCY20	9MCY19	YoY (%)
Revenue	35,276	40,603	35,017	26,008	35,373	0.3	36.0	96,399	115,964	(16.9)
Expenditure	29,713	35,197	29,159	20,764	28,666	(3.5)	38.1	78,589	97,275	(19.2)
as % of sales	84.2	86.7	83.3	79.8	81.0			81.5	83.9	
Consumption of RM	5,225	5,231	5,300	2,179	3,840	(26.5)	76.3	11,318	17,350	(34.8)
as % of sales	14.8	12.9	15.1	8.4	10.9			11.7	15.0	
Inv. adjustments	(2,120)	3,246	(1,647)	1,254	668	n/m	(46.8)	275	(2,238)	n/m
as % of sales	(6.0)	8.0	(4.7)	4.8	1.9			0.3	(1.9)	
Employee Cost	2,290	2,325	2,085	1,762	2,052	(10.4)	16.4	5,898	6,315	(6.6)
as % of sales	6.5	5.7	6.0	6.8	5.8			6.1	5.4	
Power & Fuel	7,840	7,400	7,338	4,570	6,295	(19.7)	37.7	18,204	23,913	(23.9)
as % of sales	22.2	18.2	21.0	17.6	17.8			18.9	20.6	
Purchase of stocks	879	1,038	1,102	1,561	2,293	160.8	46.9	4,956	2,579	92.2
as % of sales	2.5	2.6	3.1	6.0	6.5			5.1	2.2	
Freight	9,548	9,895	9,457	6,034	8,638	(9.5)	43.2	24,129	30,606	(21.2)
as % of sales	27.1	24.4	27.0	23.2	24.4			25.0	26.4	
Other expenditure	6,050	6,063	5,524	3,404	4,881	(19.3)	43.4	13,809	18,749	(26.4)
as % of sales	17.2	14.9	15.8	13.1	13.8			14.3	16.2	
EBITDA	5,563	5,406	5,859	5,244	6,707	20.6	27.9	17,810	18,689	(4.7)
Depreciation	1,504	1,600	1,571	1,618	1,600	6.4	(1.1)	4,788	4,430	8.1
EBIT	4,060	3,806	4,288	3,626	5,108	25.8	40.8	13,022	14,259	(8.7)
Other Income	508	560	547	502	449	(11.6)	(10.6)	1,498	1,557	(3.8)
Interest	163	292	106	131	160	(1.5)	22.4	397	570	(30.4)
PBT	4,405	4,074	4,728	3,998	5,397	22.5	35.0	14,123	15,246	(7.4)
Total Tax	1,406	1,381	1,529	1,318	1,766	25.6	34.0	4,613	5,344	(13.7)
Adjusted PAT	3,000	2,692	3,199	2,680	3,631	21.0	35.5	9,510	9,902	(4.0)
PAT after MI	3,000	2,692	3,199	2,680	3,631	21.0	35.5	9,510	9,902	(4.0)
Extra ordinary items	-	-	-	-	-			-	995	n/m
Reported PAT	3,000	2,692	3,199	2,680	3,631	21.0	35.5	9,510	10,897	(12.7)
Adjusted EPS (Rs)	16.0	14.3	17.0	14.3	19.3	21.0	35.5	50.6	52.7	(4.0)

Margins (%)						(bps)	(bps)			(bps)
EBIDTA	15.8	13.3	16.7	20.2	19.0	319	(120)	18.5	16.1	236
EBIT	11.5	9.4	12.2	13.9	14.4	293	50	13.5	12.3	121
EBT	12.5	10.0	13.5	15.4	15.3	277	(12)	14.7	13.1	150
PAT	8.5	6.6	9.1	10.3	10.3	176	(4)	9.9	8.5	133
Effective Tax rate	31.9	33.9	32.3	33.0	32.7	82	(25)	32.7	35.1	(239)

Source: Company, Emkay Research

Exhibit 9: Operating cost analysis on per ton basis

Rs/ton	Q3CY19	Q4CY19	Q1CY20	Q2CY20	Q3CY20	YoY (%)	QoQ (%)	9MCY20	9MCY19	YoY (%)
Sales volumes (mt)	6.4	7.8	6.6	4.8	6.5	0.8	35.2	17.9	21.1	(15.4)
Raw Material	811	674	808	454	592	(27.1)	30.4	634	822	(22.9)
Inv. adjustments	(329)	418	(251)	261	103	n/m	(60.6)	15	(106)	n/m
Staff cost	356	300	318	367	316	(11.1)	(13.9)	330	299	10.4
Power & Fuel	1,217	954	1,119	952	970	(20.3)	1.9	1,020	1,133	(10.0)
Purchase of stocks	137	134	168	325	353	158.8	8.7	278	122	127.2
Freight	1,483	1,275	1,442	1,257	1,331	(10.2)	5.9	1,352	1,451	(6.8)
Other expenses	939	781	842	709	752	(20.0)	6.1	774	889	(12.9)
Operating cost	4,614	4,536	4,445	4,326	4,417	(4.3)	2.1	4,403	4,610	(4.5)
EBITDA/ton*	851	606	833	1,173	1,073	26.1	(8.5)	998	886	12.6
Realization	4,922	4,658	4,702	5,144	5,090	3.4	(1.1)	5,084	5,053	0.6

Source: Company, Emkay Research, * adjusted for RMC segment's profits

Exhibit 10: Key Assumptions

	CY17	CY18	CY19	CY20E	CY21E	CY22E
Cement Sales (mt)	26.2	28.4	28.9	25.7	28.7	29.6
Realization (Rs/ton)	4,419	4,597	4,709	4,837	4,811	4,912

Per ton costs (Rs)

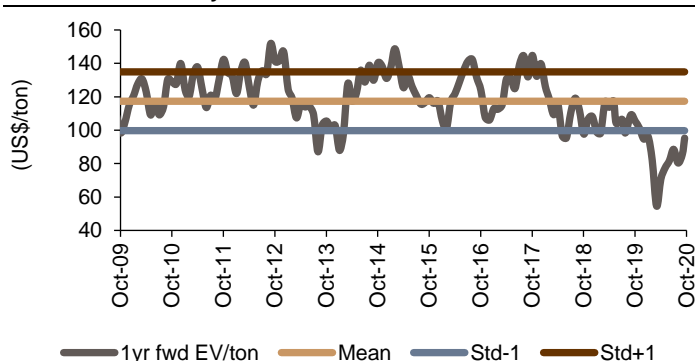
Raw material	769	835	782	787	794	800
Employee cost	312	286	299	309	296	304
Power & Fuel	1036	1057	1084	1062	1080	1104
Freight	1317	1414	1402	1406	1391	1410
Other expenses	911	892	859	809	833	864
Total Cost	4,340	4,472	4,585	4,487	4,510	4,611

Source: Company, Emkay Research

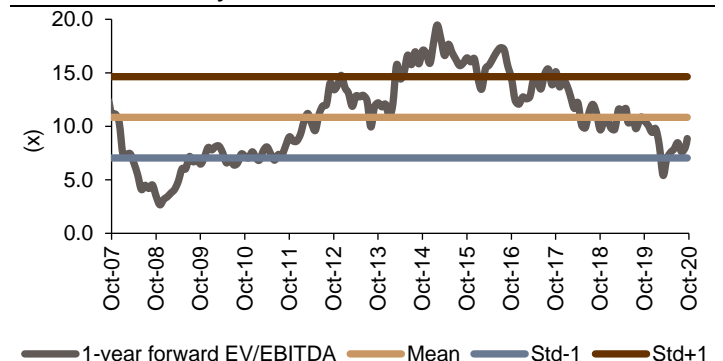
Exhibit 11: Peer valuation

Company	Rs bn	EV/EBITDA (x)			EV/Ton (US\$)			EPS (Rs)			P/E (x)		
	Mcaps	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E
ACC*	293	10.0	8.8	8.1	97	95	94	69.4	79.6	87.3	22.5	19.6	17.9
Ambuja Cements*	492	13.9	12.6	10.5	158	145	138	8.7	9.1	10.5	28.3	27.2	23.5
India Cements	37	9.5	8.7	7.5	59	57	54	4.9	5.7	7.6	24.5	20.8	15.7
Ramco Cements	185	17.4	16.7	14.1	144	135	130	22.8	22.6	28.6	34.4	34.6	27.4
Shree Cements	761	20.9	17.8	15.5	225	210	204	450.4	530.3	604.3	46.8	39.8	34.9
UltraTech Cement	1,303	14.6	12.9	11.0	164	157	149	156.8	186.4	220.8	28.8	24.2	20.5
JK Lakshmi Cement	33	6.2	5.4	4.6	44	42	38	20.0	23.7	27.8	14.0	11.8	10.1
JK Cement	139	13.3	12.2	10.9	130	128	126	57.2	67.2	79.8	31.4	26.7	22.5
Orient Cement	12	5.1	4.9	4.4	37	35	32	6.5	6.3	7.2	9.0	9.3	8.1
Prism Cement	35	14.4	10.3	8.7	98	98	95	-0.4	1.4	2.5	-175.5	47.9	27.6
Star Cement	34	8.3	6.3	5.5	76	70	66	6.1	7.5	7.9	13.4	11.0	10.3
Birla Corp	49	6.9	6.5	5.6	71	59	54	50.9	58.0	67.7	12.4	10.9	9.3

Source: Company, Emkay Research, * December ending companies

Exhibit 12: ACC's 1-yr forward EV/ton chart

Source: Company, Bloomberg, Emkay Research

Exhibit 13: ACC's 1-yr forward EV/EBITDA chart

Source: Company, Bloomberg, Emkay Research

Key Financials (Standalone)**Income Statement**

Y/E Dec (Rs mn)	CY18	CY19	CY20E	CY21E	CY22E
Net Sales	1,48,014	1,56,567	1,39,186	1,56,253	1,65,374
Expenditure	1,26,864	1,32,472	1,15,268	1,29,424	1,36,291
EBITDA	21,150	24,095	23,918	26,828	29,083
Depreciation	5,996	6,030	6,344	6,453	6,584
EBIT	15,154	18,065	17,574	20,375	22,499
Other Income	1,385	3,112	2,339	2,467	2,603
Interest expenses	892	862	420	483	561
PBT	15,647	20,315	19,493	22,360	24,541
Tax	4,883	6,726	6,453	7,403	8,125
Extraordinary Items	4,303	0	0	0	0
Minority Int./Income from Assoc.	0	0	0	0	0
Reported Net Income	15,066	13,589	13,039	14,957	16,416
Adjusted PAT	10,764	13,589	13,039	14,957	16,416

Balance Sheet

Y/E Dec (Rs mn)	CY18	CY19	CY20E	CY21E	CY22E
Equity share capital	1,880	1,880	1,880	1,880	1,880
Reserves & surplus	1,03,397	1,13,333	1,23,233	1,34,528	1,46,758
Net worth	1,05,277	1,15,213	1,25,113	1,36,408	1,48,638
Minority Interest	0	0	0	0	0
Loan Funds	0	0	0	0	0
Net deferred tax liability	6,631	6,422	6,422	6,422	6,422
Total Liabilities	1,11,908	1,21,635	1,31,535	1,42,830	1,55,060
Net block	70,610	70,018	68,028	69,575	65,991
Investment	2,302	2,302	2,302	2,302	2,302
Current Assets	83,418	94,148	1,06,108	1,11,186	1,14,434
Cash & bank balance	28,368	43,832	52,013	55,731	57,205
Other Current Assets	11,079	12,288	12,288	12,288	12,288
Current liabilities & Provision	48,343	49,186	52,903	52,232	52,666
Net current assets	35,075	44,962	53,206	58,954	61,768
Misc. exp	0	0	0	0	0
Total Assets	1,11,908	1,21,635	1,31,535	1,42,830	1,55,060

Cash Flow

Y/E Dec (Rs mn)	CY18	CY19	CY20E	CY21E	CY22E
PBT (Ex-Other income) (NI+Dep)	14,943	20,315	17,154	19,893	21,938
Other Non-Cash items	(472)	(254)	0	0	0
Chg in working cap	(3,881)	2,661	(63)	(2,029)	(1,341)
Operating Cashflow	11,181	22,484	17,401	17,396	19,617
Capital expenditure	(4,951)	(4,935)	(8,000)	(12,000)	(16,000)
Free Cash Flow	6,230	17,549	9,401	5,396	3,617
Investments	(1,177)	43	0	0	0
Other Investing Cash Flow	0	0	0	0	0
Investing Cashflow	(3,678)	(3,283)	(5,661)	(9,533)	(13,397)
Equity Capital Raised	0	0	0	0	0
Loans Taken / (Repaid)	(606)	0	0	0	0
Dividend paid (incl tax)	(3,396)	(3,169)	(3,139)	(3,662)	(4,186)
Other Financing Cash Flow	0	0	0	0	0
Financing Cashflow	(4,411)	(3,742)	(3,559)	(4,145)	(4,747)
Net chg in cash	3,092	15,459	8,181	3,719	1,473
Opening cash position	25,268	28,368	43,832	52,013	55,731
Closing cash position	28,368	43,832	52,013	55,731	57,205

Source: Company, Emkay Research

Key Ratios

Profitability (%)	CY18	CY19	CY20E	CY21E	CY22E
EBITDA Margin	14.3	15.4	17.2	17.2	17.6
EBIT Margin	10.2	11.5	12.6	13.0	13.6
Effective Tax Rate	31.2	33.1	33.1	33.1	33.1
Net Margin	7.3	8.7	9.4	9.6	9.9
ROCE	15.6	18.1	15.7	16.7	16.9
ROE	10.8	12.3	10.9	11.4	11.5
RoIC	20.6	24.3	25.0	28.7	31.4

Per Share Data (Rs)	CY18	CY19	CY20E	CY21E	CY22E
EPS	57.3	72.3	69.4	79.6	87.3
CEPS	89.2	104.4	103.1	113.9	122.3
BVPS	560.0	612.9	665.5	725.6	790.7
DPS	14.0	14.0	12.0	14.0	16.0

Valuations (x)	CY18	CY19	CY20E	CY21E	CY22E
PER	27.3	21.6	22.5	19.6	17.9
P/CEPS	17.5	15.0	15.2	13.7	12.8
P/BV	2.8	2.5	2.3	2.2	2.0
EV / Sales	1.8	1.6	1.7	1.5	1.4
EV / EBITDA	12.4	10.3	10.0	8.8	8.1
Dividend Yield (%)	0.9	0.9	0.8	0.9	1.0

Gearing Ratio (x)	CY18	CY19	CY20E	CY21E	CY22E
Net Debt/ Equity	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)
Net Debt/EBITDA	(1.5)	(1.9)	(2.3)	(2.2)	(2.0)
Working Cap Cycle (days)	16.5	2.6	3.1	7.5	10.1

Growth (%)	CY18	CY19	CY20E	CY21E	CY22E
Revenue	11.4	5.8	(11.1)	12.3	5.8
EBITDA	10.8	13.9	(0.7)	12.2	8.4
EBIT	19.4	19.2	(2.7)	15.9	10.4
PAT	64.6	(9.8)	(4.0)	14.7	9.8

Quarterly (Rs mn)	Q3CY19	Q4CY19	Q1CY20	Q2CY20	Q3CY20
Revenue	35,276	40,603	35,017	26,008	35,373
EBITDA	5,563	5,406	5,859	5,244	6,707
EBITDA Margin (%)	15.8	13.3	16.7	20.2	19.0
PAT	3,000	2,692	3,199	2,680	3,631
EPS (Rs)	16.0	14.3	17.0	14.3	19.3

Source: Company, Emkay Research

Shareholding Pattern (%)	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20
Promoters	54.5	54.5	54.5	54.5	54.5
FIs	9.3	8.6	7.8	8.2	6.7
DIs	21.1	21.1	20.9	18.3	25.5
Public and Others	15.1	15.7	16.7	19.0	13.3

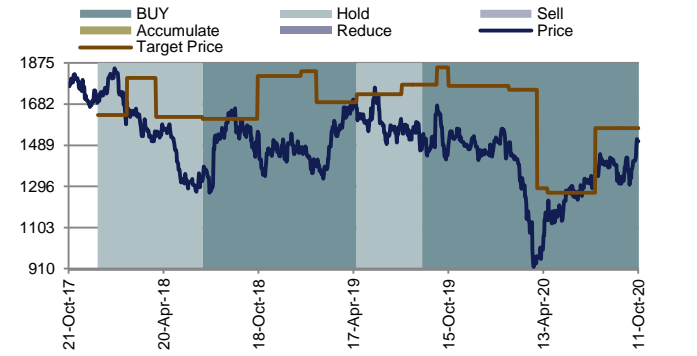
Source: Capitaline

RECOMMENDATION HISTORY TABLE

Date	Closing Price	TP	Period (months)	Rating	Analyst
28-Sep-20	1,375	1,570	12m	Buy	Sanjeev Kumar Singh
21-Jul-20	1,379	1,570	12m	Buy	Sanjeev Kumar Singh
18-May-20	1,135	1,266	12m	Buy	Sanjeev Kumar Singh
26-Apr-20	1,157	1,266	12m	Buy	Sanjeev Kumar Singh
21-Apr-20	1,137	1,266	12m	Buy	Sanjeev Kumar Singh
01-Apr-20	963	1,287	12m	Buy	Sanjeev Kumar Singh
07-Feb-20	1,503	1,749	12m	Buy	Sanjeev Kumar Singh
20-Nov-19	1,484	1,767	12m	Buy	Sanjeev Kumar Singh
15-Oct-19	1,498	1,767	12m	Buy	Sanjeev Kumar Singh
23-Sep-19	1,676	1,855	12m	Buy	Sanjeev Kumar Singh
26-Aug-19	1,495	1,774	12m	Buy	Sanjeev Kumar Singh
18-Jul-19	1,567	1,774	12m	Hold	Sanjeev Kumar Singh
24-Jun-19	1,538	1,729	12m	Hold	Sanjeev Kumar Singh
13-Jun-19	1,583	1,729	12m	Hold	Sanjeev Kumar Singh
23-Apr-19	1,662	1,729	12m	Hold	Sanjeev Kumar Singh
28-Feb-19	1,422	1,691	12m	Buy	Sanjeev Kumar Singh
05-Feb-19	1,389	1,691	12m	Buy	Sanjeev Kumar Singh
07-Jan-19	1,478	1,836	12m	Buy	Sanjeev Kumar Singh
13-Dec-18	1,501	1,814	12m	Buy	Sanjeev Kumar Singh
17-Oct-18	1,540	1,814	12m	Buy	Sanjeev Kumar Singh
16-Oct-18	1,553	1,814	12m	Buy	Sanjeev Kumar Singh
03-Jul-18	1,333	1,613	12m	Buy	Sanjeev Kumar Singh
05-Apr-18	1,552	1,622	12m	Hold	Sanjeev Kumar Singh
09-Feb-18	1,661	1,805	12m	Hold	Sanjeev Kumar Singh
15-Dec-17	1,697	1,631	12m	Hold	Sanjeev Kumar Singh

Source: Company, Emkay Research

RECOMMENDATION HISTORY CHART



Source: Bloomberg, Company, Emkay Research

Emkay Alpha Portfolio – Cement & Building Materials



Analyst: Sanjeev Kumar Singh

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Sector

Cement & Building materials

Analyst bio

Sanjeev Kumar Singh holds an MBA and has over 10 years of experience in the Cement sector. His team currently covers 17 stocks in the Cement and Building Materials space.

EAP sector portfolio

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight (Normalised)
Cement & Building Materials	2.23	2.23	0%	0	100.00
ACC	0.20	0.22	10%	2	10.10
Ambuja Cements	0.28	0.32	14%	4	14.35
Grasim Industries	0.47	0.15	-69%	-33	6.53
Birla Corporation	0.00	0.07	NA	7	3.36
India Cements	0.00	0.00	NA	0	0.00
JK Cement	0.00	0.05	NA	5	2.25
Jk Lakshmi Cement	0.00	0.04	NA	4	1.94
Orient Cement	0.00	0.00	NA	0	0.00
Prism Johnson	0.00	0.00	NA	0	0.00
Ramco Cements	0.15	0.15	-1%	0	6.83
Shree Cements	0.32	0.31	-1%	0	14.10
Star Cement	0.00	0.00	NA	0	0.00
Ultratech Cement	0.80	0.90	13%	10	40.53
Century Plyboards	0.00	0.00	NA	0	0.00
Kajaria Ceramics	0.00	0.00	NA	0	0.00
Somany Ceramics	0.00	0.00	NA	0	0.00
Cash	0.00	0.00	NA	0	0.00

Source: Emkay Research

* Not under coverage: Equal Weight

■ High Conviction/Strong Over Weight ■ High Conviction/Strong Under Weight

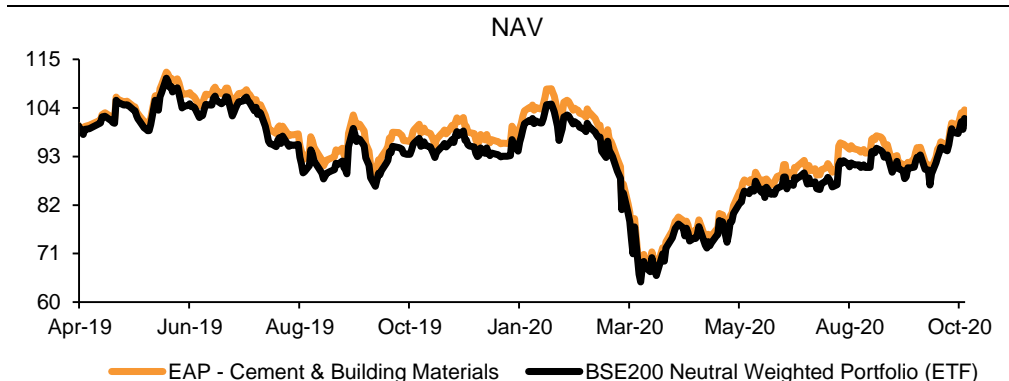
Sector portfolio NAV

	Base					Latest
	1-Apr-19	17-Jan-20	17-Apr-20	17-Jul-20	16-Sep-20	16-Oct-20
EAP - Cement & Building Materials	100.0	104.1	79.3	90.0	95.0	103.6
BSE200 Neutral Weighted Portfolio (ETF)	100.0	101.1	77.7	86.8	92.8	101.6

*Performance measurement base date 1st April 2019

Source: Emkay Research

NAV chart



Source: Emkay Research

Please see our model portfolio (Emkay Alpha Portfolio): [Nifty](#)

Please see our model portfolio (Emkay Alpha Portfolio): [SMID](#)

“Emkay Alpha Portfolio – SMID and Nifty are a supporting document to the Emkay Alpha Portfolios Report and is updated on regular intervals”

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	Over 15%
HOLD	Between -5% to 15%
SELL	Below -5%

Completed Date: 20 Oct 2020 00:52:16 (SGT)

Dissemination Date: 20 Oct 2020 00:53:16 (SGT)

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