

# Ultratech Cement

Refer to important disclosures at the end of this report

## AR Analysis: Focus stays on growth and cost efficiencies

Ultratech mentioned key elements of its growth strategy in the FY21 annual report: 1) focus on cost optimization and efficiency improvements; 2) low-cost expansion largely through the brownfield route; 3) enhance balance sheet strength and return ratios.

- In terms of cost optimization and de-risking efforts, we estimate sustainable cost savings of Rs90-100/ton by FY24E from the growing share of green power, improving blended ratio, lower lead distance, and better operating leverage.
- Ultratech would be adding ~20mt capacities in a staggered way by FY23E at capex of Rs65bn (<US\$60/ton, 75% brownfield). The proposed expansion will help to gain market share (140bps to 23% by FY23E), and boost profitability and return ratios.
- With strong FCF generation of Rs82bn p.a. over FY22-24E, we expect Ultratech to become net cash positive by FY23E. Capital is likely to be allocated for growth opportunities and the surplus would be paid as dividends.

We have a Buy rating on the stock with a DCF-based TP of Rs8,500 (Sep'22E), implying a 15x forward EV/EBITDA (vs. current multiple of 16x).

- Focus on cost optimization and efficiency improvements:** Ultratech focused on driving cost efficiencies with several initiatives. WHRS power generation increased 20% YoY, leading to a rise in the share of green power to 13% in FY21 (vs. 11.5% in FY20) and management aims to increase it to 34% (WHRs 26%; solar 8%) by FY24E. While the proposed capacity expansion will help Ultratech improve the blending ratio and lower the lead distance by 17kms in India and 63kms in the East zone, respectively.
- Ultratech is expected to add ~20mt grinding capacity (18% of domestic capacities) and 11.4mt clinker at a capex outlay of Rs65bn in a staggered manner by FY23E.** Accordingly, its total domestic capacities will increase to 131mt, which will expand its capacity share by 140bps to 23% by FY23E (targeting 160mt by FY30E). Along with low average capex cost US\$60/ton (75% brownfield) and better profitability, it should boost overall return ratios. Earlier, management guided to improve RoE (ex-goodwill) by 300bps to 18% by FY25E, implying a 20% CAGR in PAT.
- Consolidated net debt declined by >Rs130bn in the past two years to Rs60bn as of Jun'21,** with net debt-to-EBITDA standing at 0.44x. We estimate an average FCF of Rs82bn p.a. over FY22E-24E and expect UTCM to be net debt free by FY23E. Earlier, management guided that any surplus capital (after pursuing growth opportunities) would be paid as dividends in the coming years.
- Others highlights:** Incentive income fell 26% YoY to Rs2.8bn (Rs33/ton), while incentive receivables rose 8% YoY to Rs13.2bn in FY21. Management expects demand growth of 9-12% YoY in FY22. As of FY21, Ultratech has 33,505 (+12% YoY) dealers and 74,535 (+16% YoY) retailers. Advertisement and sales promotion expenses declined 17% YoY to Rs8bn (Rs94/ton) in FY21.

Please see our sector model portfolio (Emkay Alpha Portfolio): [Cement & Building Materials \(Page 9\)](#)

### Financial Snapshot (Consolidated)

(Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Revenue	4,21,250	4,47,258	5,09,320	5,70,703	6,37,071
EBITDA	94,167	1,15,679	1,32,731	1,51,757	1,72,299
EBITDA Margin (%)	22.4	25.9	26.1	26.6	27.0
APAT	38,386	55,809	71,094	85,015	1,08,149
EPS (Rs)	133.0	193.3	246.3	294.5	374.7
EPS (% chg)	50.0	45.4	27.4	19.6	27.2
ROE (%)	11.4	13.4	15.1	16.0	17.7
P/E (x)	57.6	39.6	31.1	26.0	20.4
EV/EBITDA (x)	25.6	20.6	17.2	14.7	12.7
P/BV (x)	5.7	5.0	4.4	3.9	3.4

Source: Company, Emkay Research

<b>CMP</b>	<b>Target Price</b>
<b>Rs 7,659</b> as of (August 5, 2021)	<b>Rs 8,500 (■)</b> 12 months
<b>Rating</b>	<b>Upside</b>
<b>BUY (■)</b>	<b>11.0 %</b>

### Change in Estimates

EPS Chg FY22E/FY23E (%)	-/
Target Price change (%)	-
Target Period (Months)	12
Previous Reco	BUY

### Emkay vs Consensus

	EPS Estimates	
	FY22E	FY23E
Emkay	246.3	294.5
Consensus	240.9	287.4
Mean Consensus TP (12M)	Rs 8,038	

### Stock Details

Bloomberg Code	UTCEN IN
Face Value (Rs)	10
Shares outstanding (mn)	289
52 Week H/L	7,911 / 3,754
M Cap (Rs bn/USD bn)	2,211 / 29.81
Daily Avg Volume (nos.)	4,23,603
Daily Avg Turnover (US\$ mn)	39.3

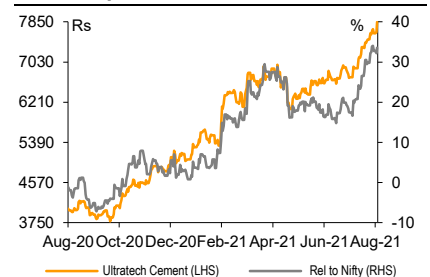
### Shareholding Pattern Jun '21

Promoters	60.0%
FIIIs	16.6%
DIIIs	14.4%
Public and Others	9.1%

### Price Performance

(%)	1M	3M	6M	12M
<b>Absolute</b>	14	20	21	90
<b>Rel. to Nifty</b>	11	8	10	29

### Relative price chart



Source: Bloomberg

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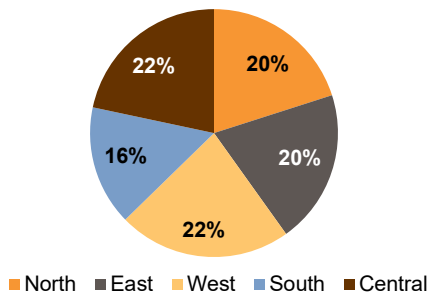
**Dharmesh Shah**

dharmesh.shah@emkayglobal.com  
+91 22 6612 1255

## Story in Charts

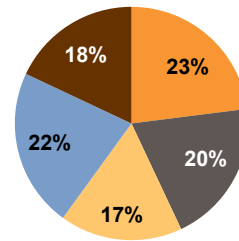
**Exhibit 1: Capacity share in East and Central regions to increase post expansion**

FY23E - Total Cap. = 131.1 mt



Source: Company, Emkay Research

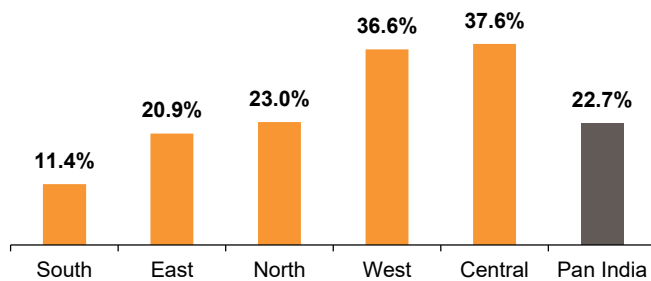
**Exhibit 2: Ultratech revenue mix (FY21)**



Source: Company, Emkay Research

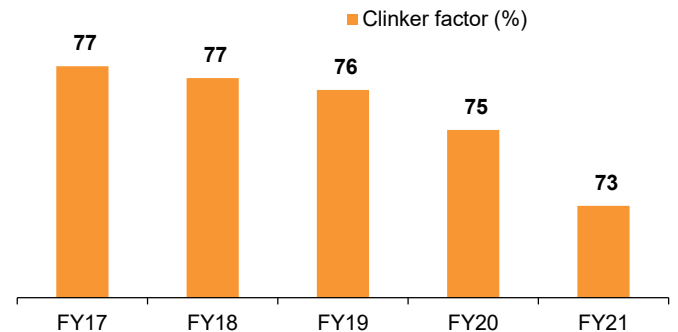
**Exhibit 3: Capacity market share to rise 140bps to 23% by FY23E**

Capacity market share (%) - FY23E



Source: Company, Emkay Research

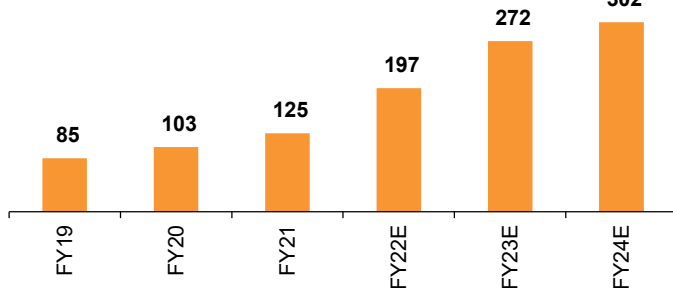
**Exhibit 4: With increasing blending, clinker factor is gradually declining**



Source: Company, Emkay Research

**Exhibit 5: Adding incremental 177MW WHRS capacity by FY24**

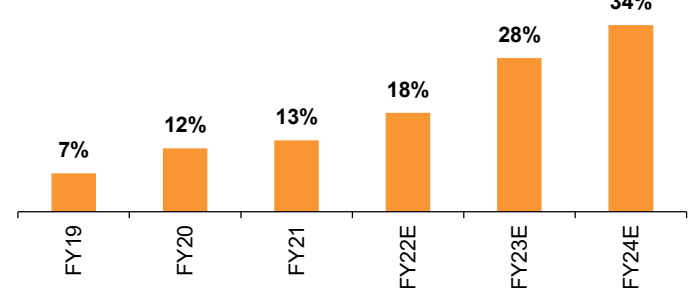
WHRS capacity (MW)



Source: Company, Emkay Research

**Exhibit 6: Share of green power to increase to 34% by FY24E**

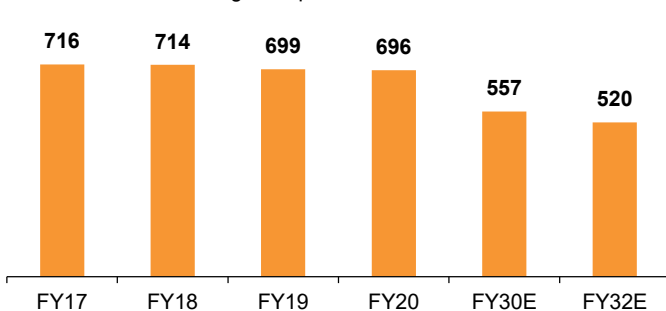
Green Power Share (%)



Source: Company, Emkay Research

**Exhibit 7: Targets significant reduction of CO2 emission by FY32**

kg CO2 per ton of cement



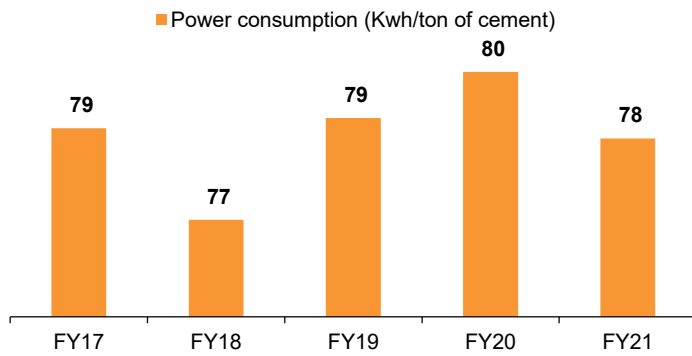
Source: Company, Emkay Research

**Exhibit 8: Increasing share of green power to provide cost savings of Rs40/ton**

	WHRS	Wind+Solar	Total
Incremental capacity (MW)	177	250	
PLF (%) - assumed	65	27	
Power generation (mn units)	1,008	591	
Savings (Rs p.u.)	4.0	1.5	
Total savings (Rs mn)	4,031	887	4,918
Volumes (FY24E) - mt			115
<b>Total savings (Rs/ton)</b>			<b>43</b>

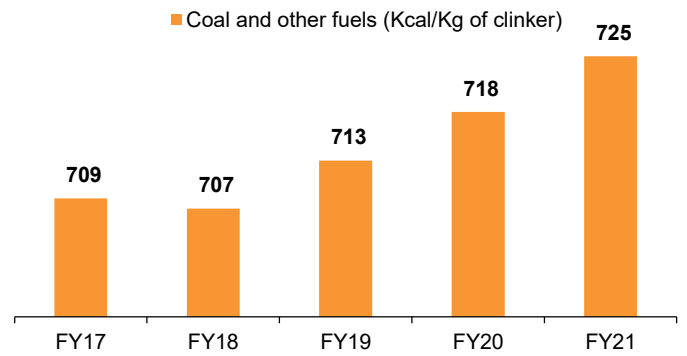
Source: Company, Emkay Research

**Exhibit 9: Power consumption norms improved by 1.6% YoY in FY21**



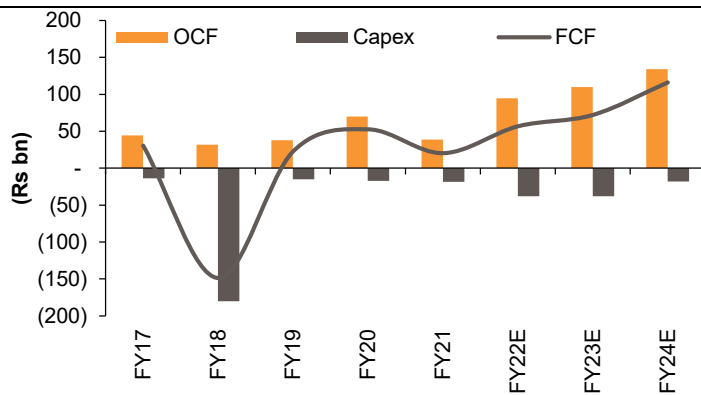
Source: Company, Emkay Research

**Exhibit 10: Coal and other fuel usage norms increased in the past few years**



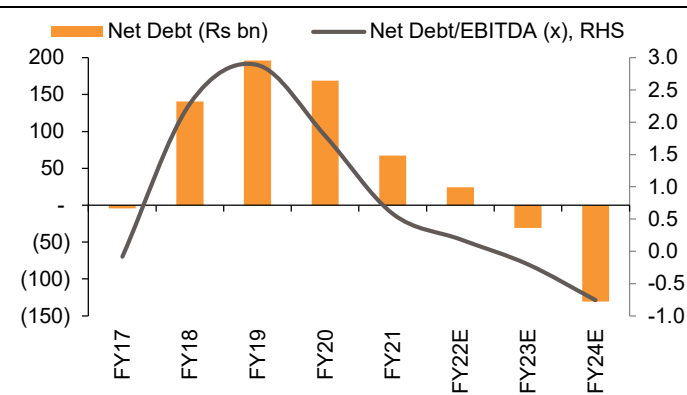
Source: Company, Emkay Research

**Exhibit 11: Ultratech likely to generate FCF of Rs82bn p.a. over FY22E-24E**



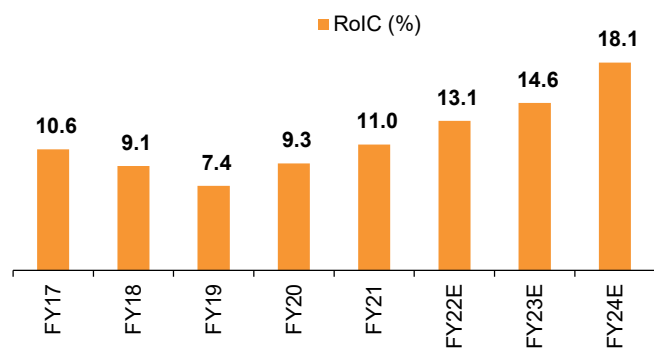
Source: Company, Emkay Research

**Exhibit 12: With strong FCF generation, Ultratech to become net debt free in FY23E**



Source: Company, Emkay Research

**Exhibit 13: Ultratech likely to have best incremental RoIC in this cycle**



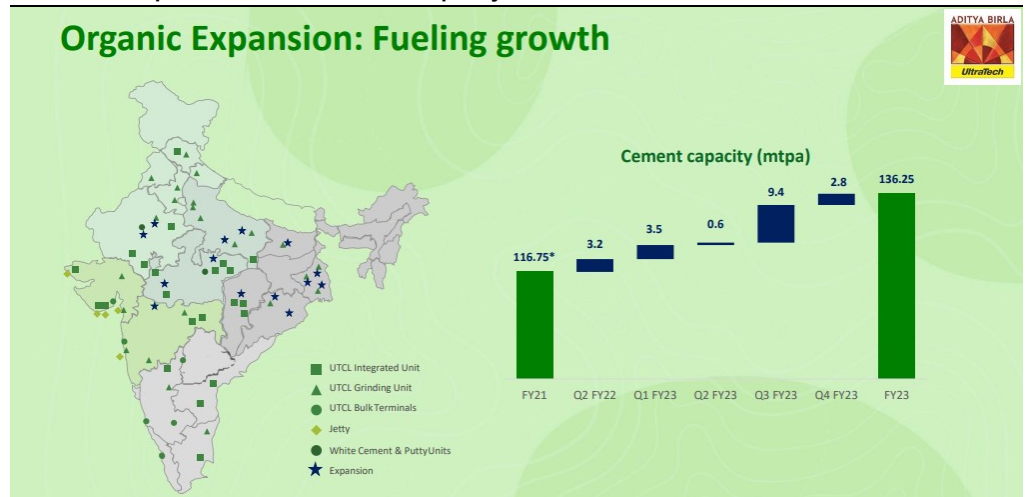
Source: Company, Emkay Research

**Exhibit 14: Maintain Buy and TP of Rs8,500, based on 15x Sep'22E EV/EBITDA, backed by DCF analysis**

EV/E method	Rs bn
Sep23E EBITDA	162
EV/E multiple (x)	15
Enterprise Value	2,436
Net cash (Sep22E)	17
Equity value	2,453
No. of shares (mn)	289
<b>Sep'22 Target Price (Rs)</b>	<b>8,500</b>

Source: Company, Emkay Research

Exhibit 15: Expansion of ~20mt cement capacity is on track



UPCOMING EXPANSIONS

North	Central	East	West
<b>Dhar</b> 1.8 MTPA Cement Capacity	<b>Dalla</b> 1.3 MTPA Cement Capacity	<b>Hirmi</b> 0.6 MTPA Cement Capacity	<b>Sonar Bangla</b> 0.55 MTPA Cement Capacity
<b>2.7 MTPA</b> Clinker Capacity	<b>2.3 MTPA</b> Clinker Capacity	<b>2.7 MTPA</b> Clinker Capacity	<b>Cuttack-1</b> 2.2 MTPA Cement Capacity
<b>Pali</b> 1.9 MTPA Cement Capacity	<b>Maihar</b> 1.0 MTPA Clinker Capacity	<b>Patna - 1</b> 0.6 MTPA Cement Capacity	<b>Dankuni</b> 0.6 MTPA Cement Capacity
<b>2.7 MTPA</b> Clinker Capacity	<b>2.2 MTPA</b> Cement Capacity	<b>Patna - 2</b> 2.2 MTPA Cement Capacity	<b>Cuttack-2</b> 2.2 MTPA Cement Capacity
<b>Neem Ka Thana</b> 0.6 MTPA Cement Capacity	<b>Bara</b> 2.0 MTPA Cement Capacity	<b>Jharsuguda</b> 0.6 MTPA Cement Capacity	<b>Durgapur</b> 0.55 MTPA Cement Capacity

Source: Company, Emkay Research

Exhibit 16: Strategic roadmap of Ultratech

Focus Area	Strategic objective	Progress in FY21
<b>Enhance Balance Sheet strength</b>	<ol style="list-style-type: none"> <li>Funding through internal accruals</li> <li>Prioritize plants having substantial locational advantage to reduce lead time and increase EBITDA</li> <li>Ideal clinker locations and their grinding units</li> <li>Strengthening overall ROCE</li> </ol>	<ol style="list-style-type: none"> <li>Proposed expansion will help to lower all India lead distance by ~17kms and by ~63kms in the East Zone.</li> <li>Grinding unit expansions within market proximity (&lt;250km)</li> <li>RoCE (Ex Goodwill) for consolidated operations for FY21 increased to 15.3% (vis-a-vis 12% for FY20)</li> </ol>
<b>Low cost expansion</b>	<ol style="list-style-type: none"> <li>Largely brownfield expansion</li> <li>Targeted average capex cost of &lt;US\$60/ton</li> <li>Targeted average capex outflow of ~US\$600mn including growth capex</li> </ol>	<ol style="list-style-type: none"> <li>12.8mt expansion approved and under commissioning (75% brownfield)</li> <li>Brownfield expansion will lead to faster commissioning of projects (low duration than greenfield projects: ~6 months)</li> </ol>
<b>Cost optimization efforts</b>	<ol style="list-style-type: none"> <li>Waste Heat Recovery System (WHRS) to address 40% power requirement of expanded capacity</li> <li>Higher blended percentage as majority of capacity expansion to cater to East and Central demand</li> <li>Conversion ratio to improve</li> </ol>	<ol style="list-style-type: none"> <li>WHRS power generation increased by 21% over FY20.</li> <li>Green power share in power mix raised to 13% (LY: 11.5%)</li> <li>Conversion ratio improved by 2% over FY20.</li> <li>Water positivity of 3.9x (compared to 2.8x for FY20)</li> </ol>

Source: Company, Emkay Research

# Annual Analysis

Exhibit 17: Key assumptions

Operational details	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	FY24E	CAGR%	
									FY17-21	FY21-24E
Capacity (mt)	72	86	100	115	118	125	138	140	13.3	5.7
Volumes (mt)	53	65	76	82	86	95	105	115	12.8	9.9
Utilization (%)	76	82	82	77	74	78	80	82	(0.5)	3.4
Blended Realization (Rs/ton)	4,703	4,795	4,815	5,038	5,118	5,319	5,404	5,508	2.1	2.5
EBITDA/ton (Rs/ton)	977	951	889	1,144	1,338	1,400	1,450	1,503	8.2	3.9
<b>P&amp;L (Rs bn)</b>										
Revenue	254	314	374	421	447	509	571	637	15.2	12.5
<b>EBITDA</b>	<b>52</b>	<b>61</b>	<b>68</b>	<b>94</b>	<b>116</b>	<b>133</b>	<b>152</b>	<b>172</b>	<b>22.1</b>	<b>14.2</b>
Adj. Net Profit	27	25	24	38	56	71	85	108	19.7	24.7
<b>Balance Sheet (Rs bn)</b>										
Equity	244	264	284	391	442	499	567	653		
Net Debt	(4)	141	196	169	67	24	(31)	(131)		
Net Debt: EBITDA (x)	(0.1)	2.3	2.9	1.8	0.6	0.2	(0.2)	(0.8)		
Net Debt: Equity (x)	(0.0)	0.5	0.7	0.4	0.2	0.0	(0.1)	(0.2)		
<b>Cash Flow (Rs bn)</b>										
OCF before NWC change	39	40	47	65	87	105	113	137		
Change in NWC	5	(8)	(9)	5	23	(10)	(2)	(2)		
Capex	(14)	(180)	(15)	(17)	(18)	(38)	(38)	(18)		
<b>FCF</b>	<b>31</b>	<b>(149)</b>	<b>23</b>	<b>53</b>	<b>91</b>	<b>57</b>	<b>72</b>	<b>116</b>		
<b>Return ratios (%)</b>										
RoE	11.9	9.7	8.9	11.4	13.4	15.1	16.0	17.7		
RoCE	11.8	7.6	6.8	8.6	11.6	13.8	15.6	19.8		
RoIC	10.6	9.1	7.4	9.3	11.0	13.1	14.6	18.1		
<b>Valuations (x)</b>										
PE					39.6	31.1	26.0	20.4		
EV/EBITDA					20.6	17.2	14.7	12.7		
EV/ton (US\$)					264	245	217	204		

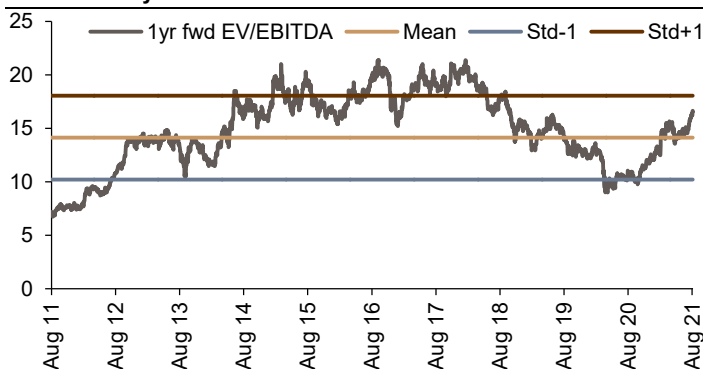
Source: Company, Emkay Research

Exhibit 18: Annual analysis on per-ton basis

Rs/ton	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	FY24E
<b>Blended realization</b>	<b>4,703</b>	<b>4,795</b>	<b>4,815</b>	<b>5,038</b>	<b>5,118</b>	<b>5,319</b>	<b>5,404</b>	<b>5,508</b>
Raw materials consumed	838	813	855	767	820	816	825	845
Power & fuel costs	801	981	1,103	1,029	964	1,068	1,096	1,116
Freight costs	1,106	1,132	1,158	1,181	1,162	1,185	1,205	1,230
Staff cost	285	280	270	305	272	265	247	234
Other expenses	748	706	619	691	618	638	630	630
<b>Operating Cost</b>	<b>3,779</b>	<b>3,911</b>	<b>4,005</b>	<b>3,973</b>	<b>3,836</b>	<b>3,972</b>	<b>4,003</b>	<b>4,054</b>
Other operating income	53	68	79	79	56	53	49	49
<b>Blended EBITDA</b>	<b>977</b>	<b>951</b>	<b>889</b>	<b>1,144</b>	<b>1,338</b>	<b>1,400</b>	<b>1,450</b>	<b>1,503</b>

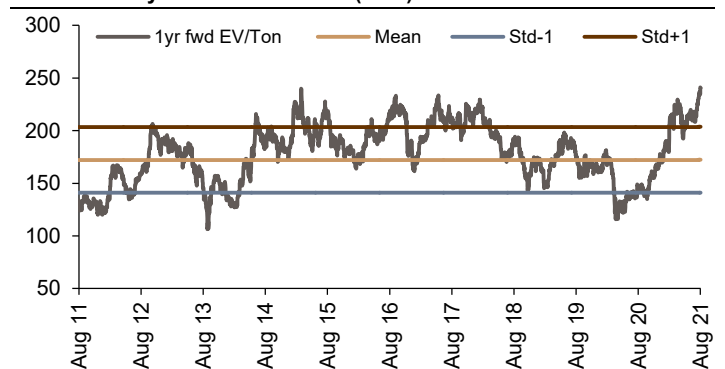
Source: Company, Emkay Research

Exhibit 19: 1-year forward EV/EBITDA



Source: Bloomberg, Emkay Research

Exhibit 20: 1-year forward EV/ton (USD)



Source: Bloomberg, Emkay Research

**Key Financials (Consolidated)****Income Statement**

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
<b>Revenue</b>	<b>4,21,250</b>	<b>4,47,258</b>	<b>5,09,320</b>	<b>5,70,703</b>	<b>6,37,071</b>
<b>Expenditure</b>	<b>3,27,083</b>	<b>3,31,579</b>	<b>3,76,589</b>	<b>4,18,946</b>	<b>4,64,772</b>
<b>EBITDA</b>	<b>94,167</b>	<b>1,15,679</b>	<b>1,32,731</b>	<b>1,51,757</b>	<b>1,72,299</b>
Depreciation	27,022	27,002	28,180	30,464	30,972
<b>EBIT</b>	<b>67,146</b>	<b>88,676</b>	<b>1,04,552</b>	<b>1,21,293</b>	<b>1,41,327</b>
Other Income	6,478	7,342	10,073	11,407	13,033
Interest expenses	19,857	14,857	13,087	11,262	9,582
<b>PBT</b>	<b>53,767</b>	<b>81,162</b>	<b>1,01,538</b>	<b>1,21,438</b>	<b>1,44,778</b>
Tax	15,413	25,387	30,462	36,431	36,629
Extraordinary Items	19,765	(2,607)	0	0	0
Minority Int./Income from Assoc.	32	34	17	9	0
<b>Reported Net Income</b>	<b>58,150</b>	<b>53,201</b>	<b>71,094</b>	<b>85,015</b>	<b>1,08,149</b>
<b>Adjusted PAT</b>	<b>38,386</b>	<b>55,809</b>	<b>71,094</b>	<b>85,015</b>	<b>1,08,149</b>

**Balance Sheet**

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Equity share capital	2,886	2,887	2,887	2,887	2,887
Reserves & surplus	3,88,269	4,38,860	4,95,736	5,63,747	6,50,267
<b>Net worth</b>	<b>3,91,155</b>	<b>4,41,747</b>	<b>4,98,622</b>	<b>5,66,634</b>	<b>6,53,153</b>
<b>Minority Interest</b>	<b>75</b>	<b>57</b>	<b>40</b>	<b>31</b>	<b>31</b>
<b>Loan Funds</b>	<b>2,28,979</b>	<b>2,04,727</b>	<b>1,74,727</b>	<b>1,44,727</b>	<b>1,14,727</b>
Net deferred tax liability	49,060	60,335	60,396	60,456	60,516
<b>Total Liabilities</b>	<b>6,69,269</b>	<b>7,06,866</b>	<b>7,33,785</b>	<b>7,71,848</b>	<b>8,28,428</b>
<b>Net block</b>	<b>5,99,421</b>	<b>5,91,214</b>	<b>6,11,668</b>	<b>6,24,628</b>	<b>6,12,705</b>
<b>Investment</b>	<b>59,287</b>	<b>1,21,781</b>	<b>1,21,781</b>	<b>1,21,781</b>	<b>1,26,781</b>
<b>Current Assets</b>	<b>1,25,508</b>	<b>1,31,959</b>	<b>1,45,597</b>	<b>1,83,701</b>	<b>2,74,546</b>
Cash & bank balance	5,392	20,076	32,776	58,067	1,22,795
Other Current Assets	1,651	1,651	1,651	1,651	1,651
<b>Current liabilities &amp; Provision</b>	<b>1,24,042</b>	<b>1,54,897</b>	<b>1,52,193</b>	<b>1,61,715</b>	<b>1,89,057</b>
<b>Net current assets</b>	<b>1,466</b>	<b>(22,939)</b>	<b>(6,597)</b>	<b>21,986</b>	<b>85,489</b>
Misc. exp	0	0	0	0	0
<b>Total Assets</b>	<b>6,69,270</b>	<b>7,06,866</b>	<b>7,33,785</b>	<b>7,71,848</b>	<b>8,28,428</b>

**Cash Flow**

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
<b>PBT (Ex-Other income) (NI+Dep)</b>	<b>52,423</b>	<b>71,247</b>	<b>91,482</b>	<b>1,10,039</b>	<b>1,31,745</b>
Other Non-Cash items	(5,869)	11,237	0	0	0
Chg in working cap	4,503	39,088	(3,642)	(3,292)	1,225
<b>Operating Cashflow</b>	<b>89,020</b>	<b>1,38,043</b>	<b>97,695</b>	<b>1,09,918</b>	<b>1,35,887</b>
Capital expenditure	(17,037)	(18,414)	(37,807)	(37,821)	(18,041)
<b>Free Cash Flow</b>	<b>71,983</b>	<b>1,19,630</b>	<b>59,889</b>	<b>72,097</b>	<b>1,17,846</b>
Investments	(22,302)	(62,494)	0	0	(5,000)
Other Investing Cash Flow	0	0	0	0	0
<b>Investing Cashflow</b>	<b>(38,129)</b>	<b>(73,566)</b>	<b>(27,733)</b>	<b>(26,414)</b>	<b>(10,008)</b>
Equity Capital Raised	(3)	0	0	0	0
Loans Taken / (Repaid)	(27,164)	(24,252)	(30,000)	(30,000)	(30,000)
Dividend paid (incl tax)	(3,800)	(10,680)	(14,219)	(17,003)	(21,630)
Other Financing Cash Flow	0	8,091	43	52	60
<b>Financing Cashflow</b>	<b>(49,911)</b>	<b>(41,698)</b>	<b>(57,262)</b>	<b>(58,213)</b>	<b>(61,151)</b>
<b>Net chg in cash</b>	<b>980</b>	<b>22,779</b>	<b>12,700</b>	<b>25,291</b>	<b>64,728</b>
Opening cash position	4,412	5,392	28,171	40,871	66,162
<b>Closing cash position</b>	<b>5,392</b>	<b>28,171</b>	<b>40,871</b>	<b>66,162</b>	<b>1,30,890</b>

Source: Company, Emkay Research

**Key Ratios**

<b>Profitability (%)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
EBITDA Margin	22.4	25.9	26.1	26.6	27.0
EBIT Margin	15.9	19.8	20.5	21.3	22.2
Effective Tax Rate	28.7	31.3	30.0	30.0	25.3
Net Margin	9.1	12.5	14.0	14.9	17.0
ROCE	12.1	14.0	15.9	17.6	19.3
ROE	11.4	13.4	15.1	16.0	17.7
RoIC	12.4	15.5	18.7	20.9	24.3

<b>Per Share Data (Rs)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
EPS	133.0	193.3	246.3	294.5	374.7
CEPS	226.6	286.9	343.9	400.1	482.0
BVPS	1,355.2	1,530.4	1,727.4	1,963.0	2,262.8
DPS	13.8	7.5	19.2	23.0	28.0

<b>Valuations (x)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
PER	57.6	39.6	31.1	26.0	20.4
P/CEPS	32.9	26.0	21.7	18.6	15.5
P/BV	5.7	5.0	4.4	3.9	3.4
EV / Sales	5.6	5.1	4.4	3.8	3.3
EV / EBITDA	25.6	20.6	17.2	14.7	12.7
Dividend Yield (%)	0.2	0.1	0.3	0.3	0.4

<b>Gearing Ratio (x)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
Net Debt/ Equity	0.4	0.2	0.0	(0.1)	(0.2)
Net Debt/EBIDTA	1.8	0.6	0.2	(0.2)	(0.8)
Working Cap Cycle (days)	(3.4)	(35.1)	(28.2)	(23.1)	(21.4)

<b>Growth (%)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
Revenue	12.7	6.2	13.9	12.1	11.6
EBITDA	38.7	22.8	14.7	14.3	13.5
EBIT	44.5	32.1	17.9	16.0	16.5
PAT	138.8	(8.5)	33.6	19.6	27.2

<b>Quarterly (Rs mn)</b>	<b>Q1FY21</b>	<b>Q2FY21</b>	<b>Q3FY21</b>	<b>Q4FY21</b>	<b>Q1FY22</b>
Revenue	76,711	1,03,871	1,22,620	1,44,056	1,16,320
EBITDA	20,777	26,977	31,022	36,904	33,075
<b>EBITDA Margin (%)</b>	<b>27.1</b>	<b>26.0</b>	<b>25.3</b>	<b>25.6</b>	<b>28.3</b>
PAT	7,942	12,314	15,843	17,752	17,026
<b>EPS (Rs)</b>	<b>27.5</b>	<b>42.7</b>	<b>54.9</b>	<b>61.5</b>	<b>59.0</b>

Source: Company, Emkay Research

<b>Shareholding Pattern (%)</b>	<b>Jun-20</b>	<b>Sep-20</b>	<b>Dec-20</b>	<b>Mar-21</b>	<b>Jun-21</b>
Promoters	60.0	59.9	60.0	60.0	60.0
FIs	16.1	15.3	16.8	17.3	16.6
DIs	14.6	15.4	14.1	13.7	14.4
Public and Others	9.3	9.4	9.1	9.0	9.1

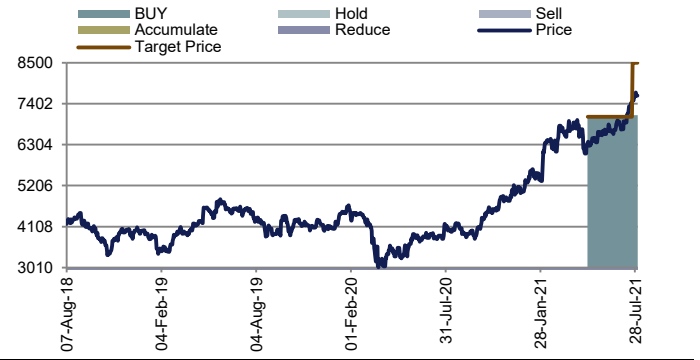
Source: Capitaline

**RECOMMENDATION HISTORY TABLE**

Date	Closing Price	TP	Period (months)	Rating	Analyst
23-Jul-21	7,490	8,500	12m	Buy	Dharmesh Shah
06-Jun-21	6,664	7,050	12m	Buy	Dharmesh Shah
10-May-21	6,403	7,050	12m	Buy	Dharmesh Shah
09-May-21	6,482	7,050	12m	Buy	Dharmesh Shah
28-Apr-21	6,361	7,050	12m	Buy	Dharmesh Shah

Source: Company, Emkay Research

**RECOMMENDATION HISTORY CHART**



Source: Bloomberg, Company, Emkay Research



## Emkay Alpha Portfolio – Cement & Building Materials

### EAP sector portfolio

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight (Normalised)
<b>Cement &amp; Building Materials</b>	<b>2.80</b>	<b>2.80</b>	<b>0%</b>	<b>0</b>	<b>100.00</b>
ACC	0.22	0.22	2%	0	7.92
Ambuja Cements	0.33	0.33	0%	0	11.76
Birla Corporation*	0.00	0.00	NA	0	0.00
Dalmia Bharat	0.18	0.16	-10%	-2	5.78
Grasim Industries*	0.66	0.59	-10%	-7	21.16
India Cements*	0.00	0.00	NA	0	0.00
JK Cement	0.00	0.00	NA	0	0.00
JK Lakshmi Cement*	0.00	0.00	NA	0	0.00
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	5%	1	5.50
Shree Cements	0.31	0.38	25%	8	13.59
Star Cement*	0.00	0.00	NA	0	0.00
Ultratech Cement	0.96	0.96	0%	0	34.29
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
<b>Cash</b>	<b>0.00</b>	<b>0.00</b>	<b>NA</b>	<b>0</b>	<b>0.00</b>

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	5-Aug-20	3-Feb-21	5-May-21	5-Jul-21	4-Aug-21
EAP - Cement & Building Materials	100.0	95.4	134.4	147.3	160.3	180.8
BSE200 Neutral Weighted Portfolio (ETF)	100.0	91.6	132.4	146.9	155.7	173.6

\*Performance measurement base date 1<sup>st</sup> April 2019

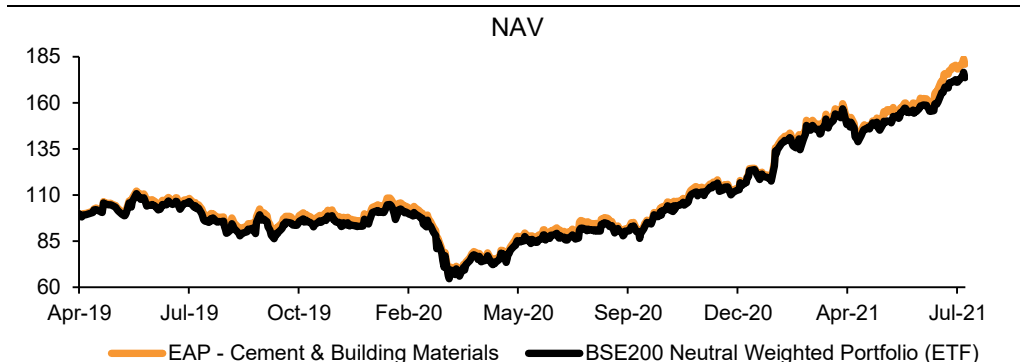
Source: Emkay Research

### Price Performance (%)

	1m	3m	6m	12m
EAP - Cement & Building Materials	12.8%	22.7%	34.6%	89.5%
BSE200 Neutral Weighted Portfolio (ETF)	11.5%	18.2%	31.1%	89.6%

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: 06 Aug 2021 11:09:14 (SGT)

Dissemination Date: 06 Aug 2021 11:10:14 (SGT)

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CIN - L67120MH1995PLC084899

7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India

Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com