

ACC

Refer to important disclosures at the end of this report

Worst is likely over; upgrade to BUY

CMP	Target Price
Rs 2,270 as of (October 17, 2022)	Rs 2,625 (▼) 12 months
Rating	Upside
BUY (▲)	15.6 %

- **Q3CY22 EBITDA sharply declined YoY and QoQ to Rs164mn vs our estimate of Rs3bn (Consensus: Rs2.8bn), owing to significantly higher-than-expected increase in cost/ton. Accordingly, blended EBITDA/ton declined to a multi-year low of only Rs24 (Emkay est.: Rs425).**
- **The Ametha integrated project (2.7mt clinker and 1mt cement grinding) is delayed by a quarter and is expected to be commissioned by Mar-23. The ongoing expansion project (including a 2.2mt grinding unit at Salai Banwa) will increase ACC's grinding capacity to 39mt (from 36mt currently) by mid-CY23.**
- **Factoring-in the Q3CY22 miss, the delay in Ametha project commissioning, and a more gradual realization of Group-synergy benefits [Rs100/ton over 3-years], we cut our EBITDA estimates for CY22 by 30% and for CY23-24 by 12-15%.**
- **The stock provides favorable risk reward, with peaking of cost, discontinuation of royalty payments to Holcim, likely cost synergies with the promoter group and nearly 15% correction in the last one month (vs broader indices largely flat). Accordingly, we upgrade the stock to BUY (earlier Hold) and revise our Sep-23E TP to Rs2,625 (earlier Rs2,970). Our DCF-based TP implies a 1-year forward EV/EBITDA of 12x (unchanged). Downward revision in ACC's stock price may lead to ~3% reduction in Ambuja's TP.**

- **Revenue grew by 7% YoY to Rs39.1bn:** Grey cement realization increased 2% YoY/declined ~2% QoQ to Rs5,276/ton, at ~3% above our estimates. Cement volumes increased ~4%YoY/declined 9% QoQ to 6.9mt, coming in ~3% below our estimates. RMC revenue rose 16% YoY/declined 9% QoQ to Rs3.5bn, with EBIT margin down 304bps YoY/266bps QoQ to 0.5%. Other operating income decreased 20% YoY/increased ~2% QoQ to Rs769mn. Company expects the RMX business to remain a huge growth engine ahead.
- **Blended EBITDA/ton (incl. RMC) sharply declined to multi-year low of Rs24 (Emkay est.: Rs425).** Total cost/ton increased by 25% YoY/8% QoQ to Rs5,797, on sharp escalation in input cost. The cost seems to be peaking out now and is likely to gradually decline over coming quarters, in our view. The group has terminated its agreement with Holcim Technology. For payment of technology and know-how, fees is @ 1% of the eligible net sales w.e.f. 16-Sep-22. Adj. net loss stood at Rs711mn and reported net loss at Rs873mn, which includes Rs163mn towards a special incentive for key employees, pursuant to the change in ownership and control.
- **Targets ~40mt capacity by mid-CY23, through ongoing projects:** Commissioning of the 2.7mt clinker and 1mt grinding units at Ametha has been delayed by a quarter, to Mar-23. Land acquisition and other actions for the 2.2mt greenfield grinding unit at Salai Banwa - UP are progressing as per schedule.
- **Post the ongoing WHRS projects, green power share to rise to 15%:** ACC has partially commissioned WHRS at Jamul and Kymore (vs guidance of full commissioning) in Q3CY22. The Ametha WHRS project of 16.3MW has been initiated and is expected to be completed by Q4CY22. The next wave of WHRS projects at the Chanda and Wadi plants is progressing well. Scaling up of renewable power, namely solar, wind and hydro, is under way.
- **9MCY22 Highlights:** Volumes increased by ~3% YoY to 22.1mt, whereas blended realization rose ~5% YoY to Rs5,708. EBITDA fell 56% YoY to Rs10.8bn and EBITDA/ton dropped 57% YoY to Rs487. We have yet to shift our estimate from December to end-March.

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

Financial Snapshot (Consolidated)

(Rs mn)	CY20	CY21	CY22E	CY23E	CY24E
Net Sales	1,34,868	1,58,144	1,71,357	1,93,343	2,15,506
EBITDA	24,840	29,981	14,861	29,998	36,476
EBITDA Margin (%)	18.0	18.6	8.5	15.2	16.9
APAT	14,864	19,178	7,494	18,479	23,353
EPS (Rs)	79.1	102.0	39.9	98.3	124.2
EPS (% chg)	7.9	29.0	(60.9)	146.6	26.4
ROE (%)	12.3	14.2	5.3	12.8	15.1
P/E (x)	28.7	22.3	56.9	23.1	18.3
EV/EBITDA (x)	14.4	13.8	19.0	11.5	9.5
P/BV (x)	3.4	3.0	3.1	2.9	2.7

Source: Company, Emkay Research

Change in Estimates

EPS Chg CY22E/CY23E (%)	(15.7)/(3.7)
Target Price change (%)	(11.6)
Target Period (Months)	12
Previous Reco	HOLD

Emkay vs Consensus

EPS Estimates		
	CY22E	CY23E
Emkay	39.9	98.3
Consensus	71.6	106.2
Mean Consensus TP (12M)	Rs 2,470	

Stock Details

Bloomberg Code	ACC IN
Face Value (Rs)	10
Shares outstanding (mn)	188
52 Week H/L	2,785 / 1,900
M Cap (Rs bn/USD bn)	426 / 5.18
Daily Avg Volume (nos.)	962,178
Daily Avg Turnover (USD mn)	28.6

Shareholding Pattern Jun '22

Promoters	54.5%
FIIIs	12.2%
DIIIs	20.6%
Public and Others	12.7%

Price Performance

(%)	1M	3M	6M	12M
Absolute	(13)	6	3	(2)
Rel. to Nifty (12)	(2)	4	4	4

Relative price trend



Source: Bloomberg

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Dharmesh Shah

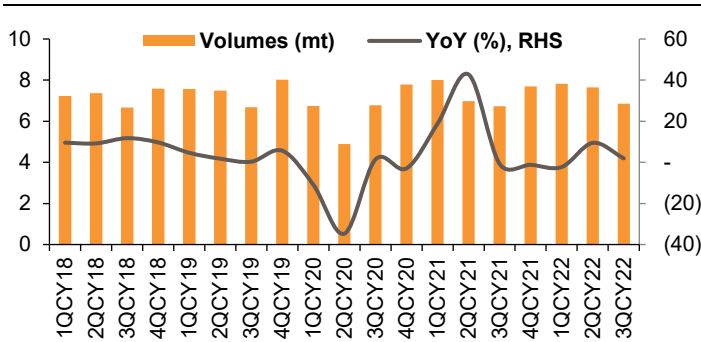
dharmesh.shah@emkayglobal.com
+91 22 6612 1255

Harshal Milan Mehta

harshal.mehta@emkayglobal.com
+91 22 6624 2481

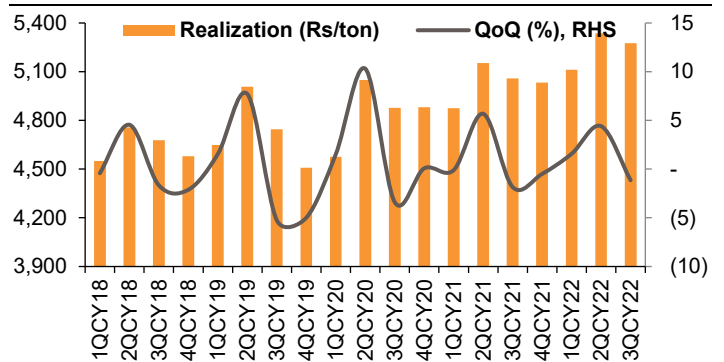
Story in Charts

Exhibit 1: Volumes increase by ~4% YoY/are down 9% QoQ



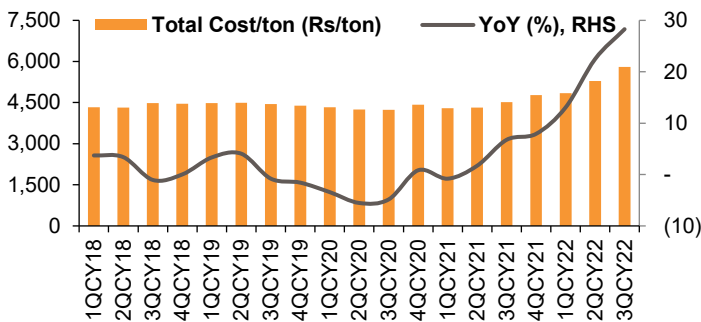
Source: Company, Emkay Research

Exhibit 2: Grey cement realization up 2% YoY/down ~2% QoQ to Rs5,276



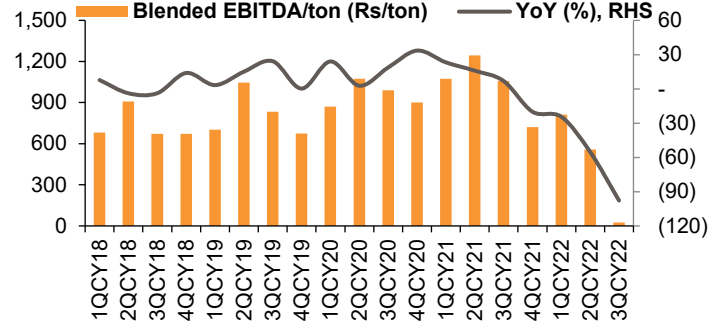
Source: Company, Emkay Research

Exhibit 3: Total cost/ton increased 25% YoY/8% QoQ to Rs5,797



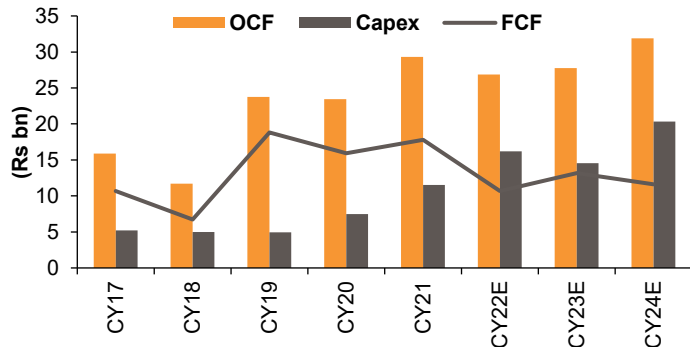
Source: Company, Emkay Research

Exhibit 4: Blended EBITDA/ton sharply declined YoY and QoQ to Rs24 – a multi-year low



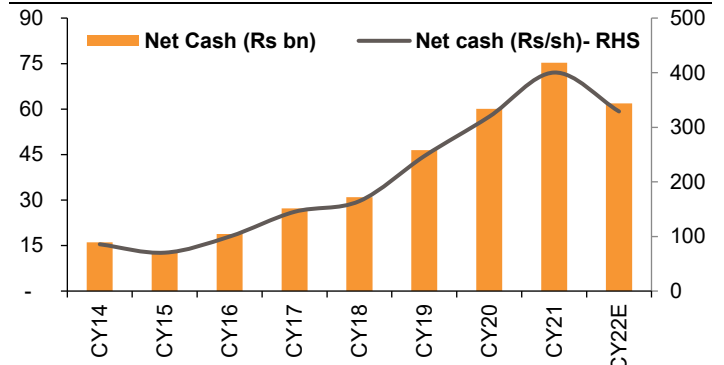
Source: Company, Emkay Research

Exhibit 5: Strong FCF, despite high capex, in the next few years...



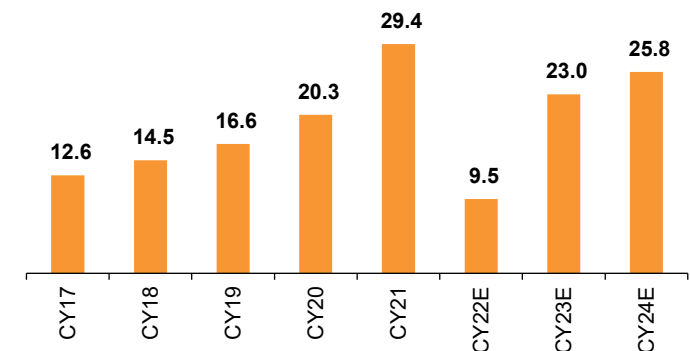
Source: Company, Emkay Research

Exhibit 6: ...should help maintain a healthy net cash position



Source: Company, Emkay Research

Exhibit 7: RoIC (%) to be depressed in CY22E, due to input cost impact; however, it is expected to sharply bounce back in CY23E



Source: Company, Emkay Research

Exhibit 8: We Upgrade to BUY with a TP of Rs2,625/share, based on 12x Sep-24E EV/EBITDA

EV/E method, backed by DCF analysis	(Rs bn)
Sep-24E EBITDA	35
Implied EV/E (x)	12
Enterprise Value	418
Net cash (Sep-23E)	75
Equity value	493
No. of shares (mn)	188
Sep-23 Target Price (Rs/share)	2,625

Source: Emkay Research

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Quarterly Analysis

Exhibit 9: Actual vs. Estimates (Q3CY22)

(Rs mn)	Actual	Estimates		% variation		Comment
		Emkay	Consensus	Emkay	Consensus	
Sales	39,105	39,254	41,101	(0.4)	(4.9)	In-line
EBITDA	164	3,012	2,836	(94.6)	(94.2)	Impacted by higher than expected input costs
Adj. PAT	(711)	1,390	1,423	NA	NA	Owing to lower EBITDA
Volume (mt)	6.9	7.1		(3.4)		
Realization (Rs/ton)	5,709	5,535		3.1		
EBITDA (Rs/ton)	24	425		(94.4)		

Source: Company, Bloomberg, Emkay Research

Exhibit 10: Quarterly result summary

(Rs mn)	Q3CY21	Q4CY21	Q1CY22	Q2CY22	Q3CY22	YoY (%)	QoQ (%)	9MCY21	9MCY22	YoY (%)
Net Sales	36,533	41,374	43,218	43,933	39,105	7.0	(11.0)	1,16,770	1,26,256	8.1
Other operating inc.	957	883	1,047	752	769	(19.7)	2.3	2,489	2,567	3.1
Revenue	37,490	42,258	44,265	44,684	39,873	6.4	(10.8)	1,19,259	1,28,823	8.0
Expenditure	30,367	36,695	37,919	40,422	39,710	30.8	(1.8)	94,841	1,18,050	24.5
Total RM	6,242	9,940	9,006	8,385	8,491	36.0	1.3	18,725	25,882	38.2
Power & Fuel	7,883	9,414	10,405	13,119	13,175	67.1	0.4	24,234	36,700	51.4
Freight	8,602	9,591	10,482	10,779	9,827	14.2	(8.8)	28,639	31,087	8.5
Staff cost	2,170	2,036	1,931	2,168	2,113	(2.6)	(2.6)	6,326	6,212	(1.8)
Other expenditure	5,471	5,714	6,095	5,971	6,104	11.6	2.2	16,917	18,170	7.4
EBITDA	7,123	5,563	6,346	4,262	164	(97.7)	(96.2)	24,418	10,772	(55.9)
Depreciation	1,505	1,604	1,539	1,647	1,735	15.2	5.3	4,402	4,920	11.8
EBIT	5,617	3,958	4,807	2,616	(1,571)	NA	NA	20,016	5,852	(70.8)
Other Income	633	539	585	539	697	10.2	29.5	1,528	1,821	19.1
Interest	171	129	106	149	177	3.4	19.1	417	432	3.4
PBT	6,079	4,368	5,286	3,005	(1,050)	NA	NA	21,127	7,241	(65.7)
Total Tax	1,597	1,031	1,360	775	(311)	NA	NA	5,402	1,824	(66.2)
Adjusted PAT	4,482	3,337	3,927	2,230	(740)	NA	NA	15,725	5,417	(65.6)
Minority Int.	20	18	36	43	29	43.6	(32.9)	97	108	11.8
PAT after MI	4,502	3,356	3,963	2,273	(711)	NA	NA	15,822	5,525	(65.1)
Extra ordinary items	-	(548)	-	-	(163)			-	-	
Reported PAT	4,502	2,808	3,963	2,273	(873)	NA	NA	15,822	5,362	(66.1)
Adjusted EPS (Rs)	23.9	17.8	21.1	12.1	(3.8)	NA	NA	84.2	29.4	(65.1)

Margins (%)	Q3CY21	Q4CY21	Q1CY22	Q2CY22	Q3CY22	YoY (bps)	QoQ (bps)	9MCY21	9MCY22	YoY (bps)
EBITDA	19.0	13.2	14.3	9.5	0.4	(1,859)	(913)	20.5	8.4	(1,211)
EBIT	15.0	9.4	10.9	5.9	(3.9)	(1,892)	(979)	16.8	4.5	(1,224)
EBT	16.2	10.3	11.9	6.7	(2.6)	(1,885)	(936)	17.7	5.6	(1,209)
PAT	12.0	7.9	8.9	5.0	(1.9)	(1,381)	(685)	13.2	4.2	(898)
Effective Tax rate	26.3	23.6	25.7	25.8	29.6			25.6	25.2	

Source: Company, Emkay Research

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Exhibit 11: Quarterly analysis on a per-ton basis

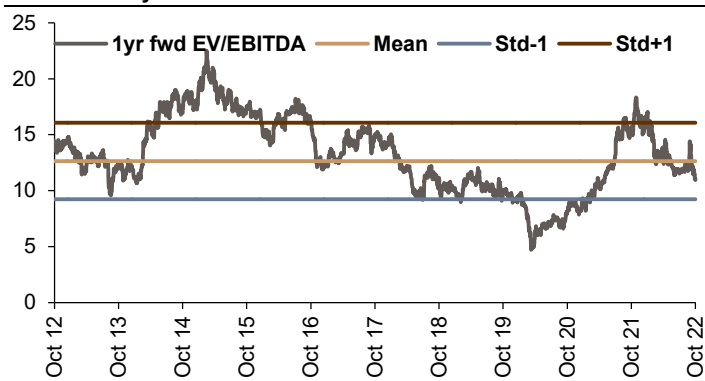
(Rs/ton)	Q3CY21	Q4CY21	Q1CY22	Q2CY22	Q3CY22	YoY (%)	QoQ (%)	9MCY21	9MCY22	YoY (%)
Cement volumes (mt)	6.7	7.7	7.8	7.6	6.9	4.3	(9.4)	21.4	22.1	3.3
Blended Realization	5,435	5,382	5,527	5,748	5,709	2.7	(1.8)	5,453	5,708	4.7
Raw Material	929	1,293	1,152	1,097	1,240	30.5	11.8	874	1,170	33.8
Power & Fuel	1,173	1,225	1,331	1,717	1,923	60.3	10.8	1,132	1,659	46.6
Freight	1,280	1,248	1,340	1,410	1,435	9.6	0.6	1,337	1,405	5.1
Staff cost	323	265	247	284	308	(6.6)	7.5	295	281	(4.9)
Other expenditure	814	743	779	781	891	7.0	12.8	790	821	4.0
Operating cost	4,518	4,774	4,849	5,289	5,797	25.4	8.4	4,429	5,337	20.5
Other operating income	142	115	134	98	112	(23.0)	12.9	116	116	(0.2)
EBITDA/ton (Rs)	1,060	724	812	558	24	(97.8)	(95.8)	1,140	487	(57.3)

Source: Company, Emkay Research

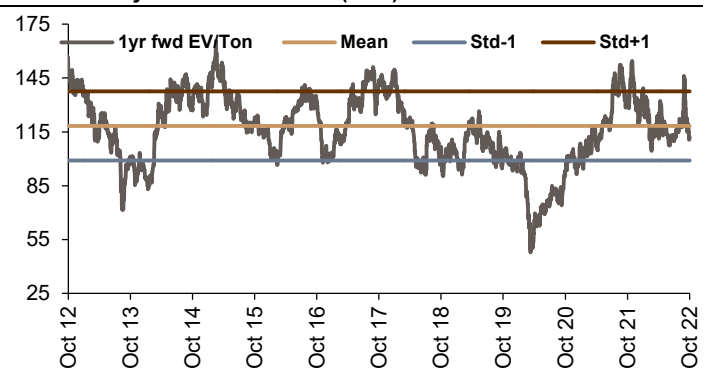
Exhibit 12: We cut CY22E EBITDA by 30% and CY23-24 EBITDA estimates by 12-15%

Y/E Dec (Rs mn)	CY22E			CY23E			CY24E		
	Old	New	% chg	Old	New	% chg	Old	New	% chg
Revenue	1,76,682	1,74,821	(1.1)	1,99,188	1,96,733	(1.2)	2,18,175	2,15,506	(1.2)
EBITDA	21,271	14,861	(30.1)	35,258	29,998	(14.9)	41,272	36,476	(11.6)
PAT	12,281	7,494	(39.0)	22,359	18,479	(17.4)	26,873	23,353	(13.1)

Source: Emkay Research

Exhibit 13: 1-year forward EV/EBITDA

Source: Bloomberg, Emkay Research

Exhibit 14: 1-year forward EV/ton (USD)

Source: Bloomberg, Emkay Research

Annual Analysis

Exhibit 15: Key assumptions

Operational details	CY17	CY18	CY19	CY20	CY21	CY22E	CY23E	CY24E	CAGR (%)	
									CY17-21	CY21-24E
Capacity (mt)	33.4	33.4	33.4	33.4	34.8	35.8	39.6	42.1	1.0	6.6
Volumes (mt)	26.2	28.8	29.8	26.2	29.4	30.2	33.3	35.6	2.9	6.6
Utilization (%)	79	85	83	76	77	84	84	85		
Blended Realization (Rs/ton)	4,934	5,020	5,156	5,151	5,380	5,683	5,803	5,959	2.2	3.5
Blended EBITDA/ton (Rs/ton)	717	735	811	949	1,020	493	900	1,025	9.2	0.2
P&L (Rs bn)										
Revenue	133	148	157	138	162	175	197	216	5.0	10.1
EBITDA	19	21	24	25	30	15	30	36	12.4	6.8
APAT	9	11	14	15	19	7	18	23	21.2	6.8
Balance Sheet (Rs bn)										
Equity	94	105	115	127	143	140	149	161		
Net Cash	27	31	46	60	75	62	65	65		
Cash flow (Rs bn)										
OCF before NWC change	17	16	21	20	28	27	27	32		
Change in NWC	(1)	(4)	3	4	1	(1)	1	(0)		
Capex	(5)	(5)	(5)	(7)	(12)	(16)	(15)	(20)		
FCF	11	7	19	16	18	11	13	12		
Return ratios (%)										
RoE	9.9	11.0	12.5	12.3	14.2	5.3	12.8	15.1		
RoCE	10.0	10.9	12.3	12.1	14.1	5.4	12.7	15.0		
RoIC	12.6	14.5	16.6	20.3	29.4	9.5	23.0	25.8		
Valuations (x)										
P/E						56.9	23.1	18.3		
EV/EBITDA						19.0	11.5	9.5		
EV/ton (USD)						127	114	107		

Source: Company, Emkay Research

Exhibit 16: Annual analysis on a per-ton basis

(Rs/ton)	CY17	CY18	CY19	CY20	CY21	CY22E	CY23E	CY24E
Blended realization	4,934	5,020	5,156	5,151	5,380	5,683	5,803	5,959
% YoY	3.6	1.7	2.7	(0.1)	4.5	5.6	2.1	2.7
Raw materials consumed	750	809	914	960	975	1,178	1,181	1,203
Power & fuel costs	1,037	1,041	1,053	983	1,145	1,662	1,408	1,373
Freight costs	1,310	1,384	1,355	1,305	1,301	1,395	1,365	1,410
Staff Cost	313	282	291	321	284	279	265	258
Other expenses	942	882	838	748	770	792	785	785
Operating cost	4,352	4,398	4,451	4,316	4,475	5,305	5,005	5,029
% YoY	2.7	1.0	1.2	(3.0)	3.7	18.6	(5.7)	0.5
Other operating income	135	112	106	114	115	115	102	95
Blended EBITDA	717	735	811	949	1,020	493	900	1,025
% YoY	16.0	2.5	10.4	17.0	7.5	(51.7)	82.7	13.8

Source: Company, Emkay Research

Key Financials (Consolidated)**Income Statement**

Y/E Dec (Rs mn)	CY20	CY21	CY22E	CY23E	CY24E
Net Sales	1,34,868	1,58,144	1,71,357	1,93,343	2,15,506
Expenditure	1,13,020	1,31,536	1,59,961	1,66,735	1,79,030
EBITDA	24,840	29,981	14,861	29,998	36,476
Depreciation	6,388	6,007	6,689	7,465	8,014
EBIT	18,452	23,974	8,172	22,533	28,462
Other Income	2,167	2,067	2,272	2,590	3,166
Interest expenses	571	546	552	557	574
PBT	20,049	25,495	9,892	24,565	31,053
Tax	5,273	6,433	2,525	6,226	7,868
Extraordinary Items	(563)	(548)	0	0	0
Minority Int./Income from Assoc.	89	117	128	141	169
Reported Net Income	14,302	18,630	7,494	18,479	23,353
Adjusted PAT	14,864	19,178	7,494	18,479	23,353

Balance Sheet

Y/E Dec (Rs mn)	CY20	CY21	CY22E	CY23E	CY24E
Equity share capital	1,880	1,880	1,880	1,880	1,880
Reserves & surplus	1,25,111	1,41,208	1,37,799	1,47,039	1,58,716
Net worth	1,26,991	1,43,088	1,39,679	1,48,919	1,60,596
Minority Interest	32	34	42	50	58
Loan Funds	0	0	0	0	0
Net deferred tax liability	3,948	4,037	4,077	4,159	4,242
Total Liabilities	1,30,972	1,47,159	1,43,798	1,53,127	1,64,895
Net block	66,974	67,521	79,532	86,635	98,935
Investment	59,786	75,161	62,161	62,161	62,161
Current Assets	49,761	55,256	60,671	63,611	65,353
Cash & bank balance	1,563	1,571	1,180	4,714	4,099
Other Current Assets	650	614	675	743	817
Current liabilities & Provision	51,031	63,230	68,527	69,240	71,514
Net current assets	(1,269)	(7,974)	(7,856)	(5,629)	(6,161)
Misc. exp	0	0	0	0	0
Total Assets	1,30,972	1,47,159	1,43,798	1,53,127	1,64,895

Cash Flow

Y/E Dec (Rs mn)	CY20	CY21	CY22E	CY23E	CY24E
PBT (Ex-Other income) (NI+Dep)	17,089	25,064	7,747	22,115	28,055
Other Non-Cash items	1,330	(1,155)	200	494	624
Chg in working cap	3,883	1,303	(509)	1,307	(83)
Operating Cashflow	22,192	28,908	12,154	25,713	29,318
Capital expenditure	(7,479)	(11,533)	(16,210)	(14,568)	(20,314)
Free Cash Flow	14,713	17,375	(4,056)	11,145	9,004
Investments	(13,607)	(15,847)	13,000	0	0
Other Investing Cash Flow	0	0	0	0	0
Investing Cashflow	(19,212)	(25,595)	(938)	(11,979)	(17,149)
Equity Capital Raised	0	0	0	0	0
Loans Taken / (Repaid)	(2,629)	(2,629)	0	0	0
Dividend paid (incl tax)	0	0	(10,903)	(9,240)	(11,677)
Other Financing Cash Flow	0	0	(152)	(405)	(533)
Financing Cashflow	(3,274)	(3,305)	(11,607)	(10,201)	(12,784)
Net chg in cash	(293)	8	(391)	3,533	(615)
Opening cash position	1,856	1,563	1,571	1,180	4,714
Closing cash position	1,563	1,571	1,180	4,714	4,099

Source: Company, Emkay Research

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Key Ratios

Profitability (%)	CY20	CY21	CY22E	CY23E	CY24E
EBITDA Margin	18.0	18.6	8.5	15.2	16.9
EBIT Margin	13.4	14.8	4.7	11.5	13.2
Effective Tax Rate	26.3	25.2	25.5	25.3	25.3
Net Margin	10.7	11.8	4.2	9.3	10.8
ROCE	16.3	18.7	7.2	16.9	19.9
ROE	12.3	14.2	5.3	12.8	15.1
RoIC	20.3	29.4	9.5	22.9	34.5

Per Share Data (Rs)	CY20	CY21	CY22E	CY23E	CY24E
EPS	79.1	102.0	39.9	98.3	124.2
CEPS	113.1	134.0	75.4	138.0	166.9
BVPS	675.5	761.1	743.0	792.2	854.3
DPS	14.0	58.0	58.0	49.1	62.1

Valuations (x)	CY20	CY21	CY22E	CY23E	CY24E
PER	28.7	22.3	56.9	23.1	18.3
P/CEPS	20.1	16.9	30.1	16.4	13.6
P/BV	3.4	3.0	3.1	2.9	2.7
EV / Sales	2.7	2.2	2.1	1.9	1.7
EV / EBITDA	14.4	13.8	19.0	11.5	9.5
Dividend Yield (%)	0.6	2.6	2.6	2.2	2.7

Gearing Ratio (x)	CY20	CY21	CY22E	CY23E	CY24E
Net Debt/ Equity	(0.5)	(0.5)	(0.4)	(0.4)	(0.4)
Net Debt/EBIDTA	(2.4)	(2.5)	(4.2)	(2.2)	(1.8)
Working Cap Cycle (days)	(7.5)	(21.6)	(18.9)	(19.2)	(17.4)

Growth (%)	CY20	CY21	CY22E	CY23E	CY24E
Revenue	(12.1)	17.3	8.4	12.8	11.5
EBITDA	3.0	20.7	(50.4)	101.9	21.6
EBIT	2.2	29.9	(65.9)	175.7	26.3
PAT	(3.2)	30.3	(59.8)	146.6	26.4

Quarterly (Rs mn)	Q3CY21	Q4CY21	Q1CY22	Q2CY22	Q3CY22
Revenue	37,490	42,258	44,265	44,684	39,873
EBITDA	7,123	5,563	6,346	4,262	164
EBITDA Margin (%)	19.0	13.2	14.3	9.5	0.4
PAT	4,502	3,356	3,963	2,273	(711)
EPS (Rs)	23.9	17.8	21.1	12.1	(3.8)

Source: Company, Emkay Research

Shareholding Pattern (%)	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22
Promoters	54.5	54.5	54.5	54.5	54.5
FIs	13.7	13.7	13.9	12.9	12.2
DIs	19.3	19.3	19.2	19.9	20.6
Public and Others	12.5	12.5	12.5	12.7	12.7

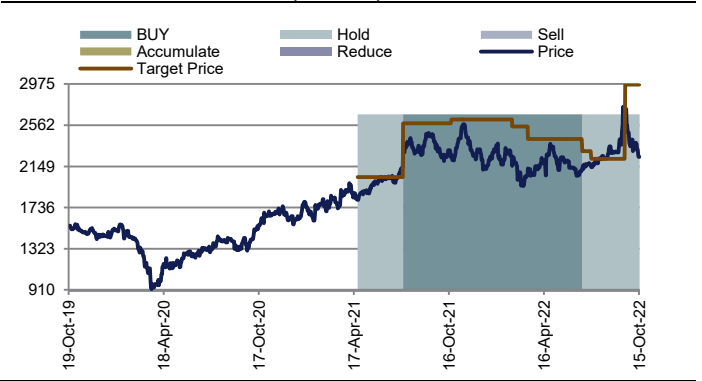
Source: Capitaline

RECOMMENDATION HISTORY (Rs/share)

Date	Closing Price	TP	Period	Rating	Analyst
05-Oct-22	2,360	2,970	12m	Hold	Dharmesh Shah
18-Sep-22	2,612	2,970	12m	Hold	Dharmesh Shah
04-Sep-22	2,290	2,225	12m	Hold	Dharmesh Shah
15-Jul-22	2,140	2,225	12m	Hold	Dharmesh Shah
04-Jul-22	2,165	2,300	12m	Hold	Dharmesh Shah
28-Jun-22	2,128	2,300	12m	Hold	Dharmesh Shah
19-Apr-22	2,057	2,425	12m	Buy	Dharmesh Shah
16-Mar-22	2,129	2,425	12m	Buy	Dharmesh Shah
14-Feb-22	2,154	2,550	12m	Buy	Dharmesh Shah
31-Dec-21	2,216	2,620	12m	Buy	Dharmesh Shah
20-Oct-21	2,264	2,620	12m	Buy	Dharmesh Shah
05-Sep-21	2,469	2,580	12m	Buy	Dharmesh Shah
20-Jul-21	2,309	2,580	12m	Buy	Dharmesh Shah
06-Jun-21	2,010	2,040	12m	Hold	Dharmesh Shah
24-Apr-21	1,813	2,040	12m	Hold	Dharmesh Shah

Source: Company, Emkay Research

RECOMMENDATION HISTORY (Rs/share)



Source: Bloomberg, Company, Emkay Research

Emkay Alpha Portfolio – Cement & Building Materials



Analyst: Dharmesh Shah

Contact Details

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

Sector

Cement & Building Materials

Analyst bio

Dharmesh is a CA and has around 10 years of experience in equity research. His team currently covers ten stocks in cement sector.

EAP sector portfolio

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight based on Current NAV	Change vs last published EAP (bps)
Cement & Building Materials	2.18	2.18	0%	0	100.00	
ACC	0.19	0.19	0%	0	8.48	0
Ambuja Cements	0.36	0.35	-2%	-1	16.17	0
Birla Corporation	0.00	0.00	NA	0	0.00	0
Dalmia Bharat	0.12	0.08	-30%	-4	3.81	0
Grasim Industries*	0.62	0.62	0%	0	28.44	0
JK Cement	0.00	0.04	NA	4	1.91	0
Ramco Cements	0.00	0.00	NA	0	0.00	0
Shree Cements	0.20	0.20	0%	0	9.22	0
Star Cement	0.00	0.00	NA	0	0.00	0
Ultratech Cement	0.70	0.70	0%	0	31.96	0
Cash	0.00	0.00	NA	0	0.00	0

Source: Emkay Research

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

Sector portfolio NAV

	Base					Latest
	1-Apr-19	14-Oct-21	13-Apr-22	14-Jul-22	14-Sep-22	14-Oct-22
EAP - Cement & Building Materials	100.0	180.6	167.5	143.0	179.9	163.2
BSE200 Neutral Weighted Portfolio (ETF)	100.0	173.8	160.8	137.0	173.4	157.8

*Performance measurement base date 1st April 2019

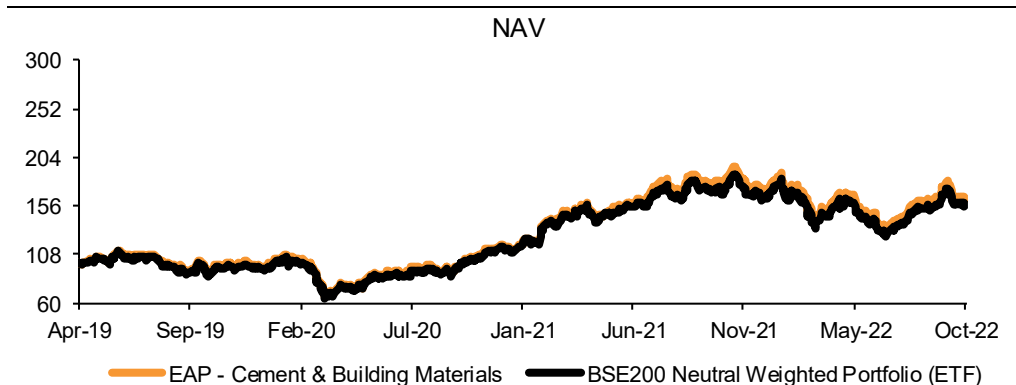
Source: Emkay Research

Price Performance (%)

	1m	3m	6m	12m
EAP - Cement & Building Materials	-9.3%	14.1%	-2.5%	-9.6%
BSE200 Neutral Weighted Portfolio (ETF)	-9.0%	15.2%	-1.8%	-9.2%

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: 18 Oct 2022 01:32:45 (SGT)

Dissemination Date: 18 Oct 2022 01:33:45 (SGT)

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Emkay Global Financial Services Ltd.

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