Motilal Oswal Financial Services

5 November 2025
2QFY26 Results Update | Sector: Cement

J K Cement

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	JKCE IN
Equity Shares (m)	77
M.Cap.(INRb)/(USDb)	446.3 / 5
52-Week Range (INR)	7566 / 3891
1, 6, 12 Rel. Per (%)	-11/7/28
12M Avg Val (INR M)	670

Financial Snapshot (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	136.3	155.9	173.5
EBITDA	24.8	31.0	35.7
Adj. PAT	11.3	14.5	16.8
EBITDA Margin (%)	18.2	19.9	20.5
Adj. EPS (INR)	146.1	187.9	217.1
EPS Gr. (%)	41.1	28.6	15.6
BV/Sh. (INR)	919	1,087	1,284
Ratios			
Net D:E	0.7	0.8	0.6
RoE (%)	17.1	18.7	18.3
RoCE (%)	11.4	12.4	12.4
Payout (%)	10.3	10.6	9.2
Valuations			
P/E (x)	39.5	30.8	26.6
P/BV (x)	6.3	5.3	4.5
EV/EBITDA(x)	19.4	15.9	13.9
EV/ton (USD)	153	157	132
Div. Yield (%)	0.3	0.3	0.3
FCF Yield (%)	(1.4)	(1.5)	2.8

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	45.7	45.7	45.7
DII	21.8	23.1	22.5
FII	18.6	17.5	17.5
Others	14.0	13.7	14.3

FII Includes depository receipts

CMP: INR5,776 TP: INR7,000 (+21%) Buy

Earnings in line; capacity expansion on track

Near-term pricing pressure expected to ease going forward

- JK Cement's (JKCE) 2QFY26 earnings were in line with our estimates, with EBITDA growing ~57% YoY to INR4.5b. EBITDA/t surged ~37% YoY to INR894 (vs. est. INR934). OPM expanded 3.7pp YoY to ~15% (vs. ~16% est.). Adj. PAT surged 4.5x YoY to INR1.6b (in line), albeit on a low base.
- Management highlighted that volume growth in 2Q was led by the central and south markets, while the north region remained flat. Cement prices remain under pressure in the current month; however, this is expected to ease going forward. Further, the company intends to pass on any future cost increases through price adjustments. JKCE is targeting cost savings of INR150-200/t, with INR75-90/t expected in FY26/FY27 (each). The 6mtpa capacity expansion is at an advanced stage and is expected to be commissioned in the coming months. Following the announcement of the Jaisalmer greenfield expansion during the quarter, capex guidance for FY26 has been raised to INR28b (earlier estimated INR20b).
- We cut our EBITDA estimate by ~6%/3% for FY26/FY27, reflecting higher opex/t due to increased spending on dealer networking, branding, and other expenses. EBITDA for FY28 is maintained. We value JKCE at 18x Sep'27E EV/EBITDA to arrive at our revised TP of INR7,000. Reiterate BUY.

Grey cement volume/realization increases ~16%/3% YoY

- JKCE's consolidated revenue/EBITDA/PAT stood at INR30.2b/INR4.5b/INR1.6b (+18%/+57%/+347% YoY and +3%/-3%/-2% vs. our estimate). Sales volume grew ~14% YoY (in line). Grey/white cement volume rose ~16%/5% YoY.
- Blended realization increased 3%/1% YoY/QoQ. Grey cement realization rose 3% YoY (dipped 2% QoQ). White cement realization increased 8%/3% YoY/QoQ. Other operating income/t stood at INR183 vs. INR161 YoY. Opex/t declined 1% YoY (+2% vs. estimate), led by a 1% decline in variable/freight cost/other expenses (each).
- In 1HFY26, revenue/EBITDA/adj PAT stood at INR63.7b/INR11.3b/INR4.8b, rising ~19%/47%/119% YoY. OPM expanded 3.5pp YoY to ~18%. EBITDA/t grew ~28% YoY to INR1,070. OCF stood at INR5.1b vs. INR3.0b in 1HFY25. Capex stood at INR10.1b vs. INR7.5b. Net cash outflow stood at INR6.5b (including INR1.5b spent on acquiring a stake in Saifco Cements) vs. INR4.4b in 1HFY25.

Highlights from the management commentary

- Major maintenance work on three kilns/cement mills, along with annual dealer conferences and branding initiatives, led to higher other expenses. This resulted in an additional cost impact of INR100/t.
- Incentive is expected to be marginally lower in FY26 due to the new GST reform. Incentives from the Bihar project are expected to start flowing in FY27, and from the Jaisalmer project (partially) in FY28.

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- Recently, Toshali Cement received approval for its merger. However, the mining lease has not yet been granted, and the company is pursuing a long-term arrangement (20-25 years) with a mechanized pricing formula.

Valuation & view

- JKCE's earnings were in line with our estimates. However, the sharp increase in opex/t QoQ due to higher maintenance and branding expenses led to a decline in profitability. We expect normalcy in other expenses in the coming quarters and an improvement in profitability. It is committed to the timely completion of its expansion plans, which are likely to continue driving higher volume growth.
- We expect its revenue/EBITDA/profits to post a CAGR of 13%/21%/30% over FY25-28E. We estimate EBITDA/t at INR1,089/INR1,183/INR1,225 vs. INR1,012 in FY25. We estimate RoE at ~18-19% and ROCE at ~12% in FY27-28. The stock trades at 16x/14x FY27E/FY28E EV/EBITDA. We value JKCE at 18x Sep'27E EV/EBITDA (at a premium to its long-term average) to arrive at our revised TP of INR7,000. Reiterate BUY.

Consolidated quarterly performance (INR b)

Y/E March	FY25				FY26				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**28.1**	**25.6**	**29.3**	**35.8**	**33.5**	**30.2**	**32.3**	**40.3**	**118.8**	**136.3**	**29.4**	**3**
YoY Change (%)	1.6	(7.0)	(0.2)	15.3	19.4	17.9	10.1	12.5	2.8	14.7	14.8	
Total Expenditure	23.2	22.8	24.4	28.2	26.6	25.7	26.6	32.4	98.5	111.4	24.8	4
EBITDA	**4.9**	**2.8**	**4.9**	**7.6**	**6.9**	**4.5**	**5.6**	**7.9**	**20.3**	**24.8**	**4.6**	**(3)**
YoY Change (%)	19.2	-39.2	-21.3	36.6	41.4	57.3	14.2	2.8	-1.6	22.5	57.3	
Margin (%)	17.3	11.1	16.8	21.4	20.5	14.8	17.4	19.5	17.1	18.2	15.6	(84)
Depreciation	1.5	1.5	1.5	1.6	1.5	1.5	1.6	1.9	6.0	6.4	1.5	0
Interest	1.1	1.2	1.1	1.1	1.1	1.1	1.1	1.2	4.6	4.5	1.1	(4)
Other Income	0.4	0.4	0.4	0.5	0.6	0.5	0.5	0.5	1.7	2.1	0.3	82
PBT before EO expense	**2.7**	**0.5**	**2.8**	**5.4**	**4.9**	**2.4**	**3.4**	**5.3**	**11.4**	**16.1**	**2.3**	**6**
Extra-Ord. expense	-	(1.0)	-	-	-	-	-	-	(1.0)	-	-	
PBT	**2.7**	**1.6**	**2.8**	**5.4**	**4.9**	**2.4**	**3.4**	**5.3**	**12.4**	**16.1**	**2.3**	6
Tax	0.9	0.2	0.9	1.7	1.6	0.8	0.9	1.4	3.7	4.8	0.6	
Profit from associate and MI	(0.0)	0.1	(0.0)	0.0	(0.0)	(0.0)	-	-	0.1	(0.0)	-	
Rate (%)	32.3	12.2	32.1	32.5	33.7	34.5	26.0	26.6	29.8	29.8	28.0	
Reported PAT	**1.9**	**1.3**	**1.9**	**3.6**	**3.2**	**1.6**	**2.5**	**3.9**	**8.6**	**11.3**	**1.6**	**(2)**
Adj. PAT	**1.9**	**0.4**	**1.9**	**3.6**	**3.2**	**1.6**	**2.5**	**3.9**	**7.7**	**11.3**	**1.6**	**(2)**
YoY Change (%)	49.3	(80.0)	(33.3)	69.1	75.1	346.8	34.6	8.1	(3.7)	46.4	358.2	
Margin (%)	6.6	1.4	6.5	10.1	9.7	5.3	7.9	9.7	6.5	8.3	5.6	

Consolidated quarterly performance

Y/E March	FY25				FY26				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Grey Cement (mt)	4.3	3.8	4.3	5.5	5.1	4.4	4.8	6.2	17.9	20.5	4.4	2
Growth (%)	5.6	(2.5)	3.5	16.8	16.7	15.6	11.4	13.8	6.3	14.3	14.5	
As a percentage of total volume	89.5	87.8	88.2	90.1	90.2	88.8	89.2	90.9	89.0	89.9	88.4	
White Cement (mt)	0.5	0.5	0.6	0.6	0.5	0.6	0.6	0.6	2.2	2.3	0.6	(1)
Growth (%)	(3.6)	(11.8)	5.9	14.3	8.7	5.5	1.2	3.8	0.8	4.7	7.1	
As a percentage of total volume	10.5	12.2	11.8	9.9	9.8	11.2	10.8	9.1	11.0	10.1	11.6	
Per ton analysis (INR/t)												
Net realization	**5,801**	**5,862**	**6,015**	**5,912**	**5,981**	**6,043**	**6,009**	**5,893**	**5,900**	**5,975**	**5,974**	1
RM Cost	990	1,034	980	1,007	984	930	970	1,039	1,007	985	1,000	(7)
Employee Expenses	452	514	470	379	441	496	469	429	450	456	506	(2)
Power, Oil, and Fuel	1,177	1,128	1,135	932	1,067	1,216	1,100	1,000	1,088	1,087	1,050	16
Freight and handling	1,280	1,318	1,356	1,361	1,365	1,305	1,360	1,281	1,338	1,325	1,360	(4)
Other Expenses	898	1,218	1,064	971	897	1,203	1,063	994	1,035	1,032	1,124	7
Total Exp.	**4,797**	**5,212**	**5,005**	**4,650**	**4,754**	**5,150**	**4,962**	**4,742**	**4,919**	**4,886**	**5,040**	**2**
EBITDA	**1,005**	**650**	**1,010**	**1,263**	**1,227**	**894**	**1,047**	**1,150**	**1,012**	**1,089**	**934**	**(4)**

Source: Company, MOFSL estimates

CONFERENCE CALL

Highlights from the management commentary

Demand, pricing, and operational highlights

- JKCE witnessed steady demand during the quarter, though cement prices came under temporary pressure after the GST rate reduction. Management indicated that the company has passed on the GST benefit to the market, which has put some near-term pressure on realizations (October showed a mild weakening vs 2Q). However, it expects the industry demand cycle to remain healthy and pricing to stabilize. Any potential recovery in prices will depend on cost trends and regional market conditions.
- Management has reiterated its industry growth guidance of ~7-8% for the year and maintained its volume guidance (grey cement) of 20mt for FY26 (~10% growth for the year). Volume growth in 1H was stronger, partly due to a low base.
- The central and south markets were the main growth engines in 2Q, while the North market remained flattish. Management noted that premiumization is progressing gradually, with the share of premium products rising slightly in 2Q. The company is actively promoting these products as part of its go-to market strategy.
- Trade constituted roughly ~70% of volumes historically, and the company aims to maintain a 70:30 of the trade-non-trade mix, although regional project wins can alter this marginally. Non-trade remains strategically important, and management is actively pursuing approvals to serve as a supplier on large projects.
- The lead distance was 431km vs. 436km/419km in 2QFY25/1QFY26. Fuel consumption cost/kcal was INR1.56 vs. INR1.53/INR1.65 in 2QFY25/ 1QFY26.
- Green energy contributed ~53% of energy requirements in 1QFY26 vs. 49% in 2QFY25. The company aims to raise the green power share to ~75% by FY30. The thermal substitution rate was 12.3% in 2QFY26 vs. 13% in 2QFY25, and the company aims to increase this to ~35% by FY30. Its green power capacity stood at 237.14MW, comprising 82.3MW of WHRS and 154.84MW of other RE (solar and wind).
- Clinker/cement capacity utilization was at 90%/69% in 2QFY26. The company expects only temporary utilization dips, maintaining confidence in its long-term capacity expansion roadmap.
- Blended cement sales were 67% vs. 68% in 1QFY26. Trade sales were 67% vs. 65%/68% in 2QFY25/1QFY26. Premium product sales were at 15% of trade volume vs. 14% (each) in 2QFY25/1QFY26.
- Incentive income will be marginally lower in FY26 (by ~INR500m). From FY27E onwards, incentives from the Bihar project are expected to commence, leading to an overall incentive run-rate of INR3b. In FY28, additional incentives will partially start flowing through with the commissioning of the Jaisalmer project, while some existing subsidies at Nimbahera are expected to conclude.
- Management reaffirmed its cost-saving target of INR150-200/t, with INR75-90/t expected to materialize in FY26 and the remaining INR75-80/t in FY27. These savings will come from operational efficiencies and scale benefits from upcoming capacities.

Capacity expansion and capex update

- The company has commissioned its 1mtpa Prayagraj grinding unit in Oct'25. The Hamirpur grinding unit is at an advanced stage of completion and is expected to be commissioned by 3QFY26. The new integrated plant at Panna is scheduled for completion by Dec'25.
- The 3mtpa greenfield grinding unit at Buxar (Bihar) is progressing well and is expected to be commissioned by 4QFY26. Management highlighted that once operational, the Buxar unit will significantly enhance logistics efficiency and strengthen market servicing in Bihar.
- The Jaisalmer integrated project (comprising 4mt clinker and 3mt grinding capacity) marked its foundation ceremony in Sept'25. Major civil and mechanical contractors have been finalized, equipment orders have been placed, and site work has commenced. The company is targeting commissioning by 1HFY28.
- The total capex for the Jaisalmer integrated project (including two split location GUs in Rajasthan and Punjab for which land acquisition is under progress and likely to be completed by end-FY26) is estimated at INR48b. Management also clarified that environmental clearances are closely linked to the completion of land acquisition, which is already in advanced stages for both locations. Incremental borrowing for Jaisalmer is projected at INR30b, leading to a net debt rise of INR20b, after accounting for scheduled repayments.
- JKCE initiated work on a 0.6mtpa putty plant (greenfield expansion) at Nathdwara Rajasthan in Sep'25. Orders for the main plant and equipment have already been placed, and construction activities are underway at the site. The project is expected to be commissioned by 2QFY27.
- Management guided for a capex guidance of INR28-30b in FY26, higher than earlier estimates, supported by the simultaneous execution of multiple projects. For FY27, the company expects capex to be INR35b.
- The merger of Toshali Cement was completed during the quarter. The Toshali plant, with a capacity of about 0.6mtpa, is expected to operate at around 80-85% utilization in FY26, supported by minor debottlenecking and maintenance capex. Management also highlighted that it is currently negotiating a long-term limestone supply arrangement of 20-25 years, which remains critical for sustaining and expanding operations. It clarified that no expansion linked to the current lease will be undertaken until a firm long-term mining arrangement is secured.

Other highlights

- The paints segment delivered revenue of INR950b in 2QFY26, taking the 1HFY26 total to INR1.82b. Management reiterated confidence in achieving its full-year revenue target of around INR4b. The segment reported an EBITDA loss of approximately INR140m for the quarter, reflecting continued investments in brand development, distribution expansion, and advertising.
- Standalone gross debt stood at INR52.9b vs. 51.0b as of Mar'25, and net debt stood at INR31.4b vs. INR25.6b as of Mar'25. Net debt/EBITDA at 1.3x (similar to FY25).

Key exhibits

Exhibit 1: Total sales volume (consol.) increased 14% YoY

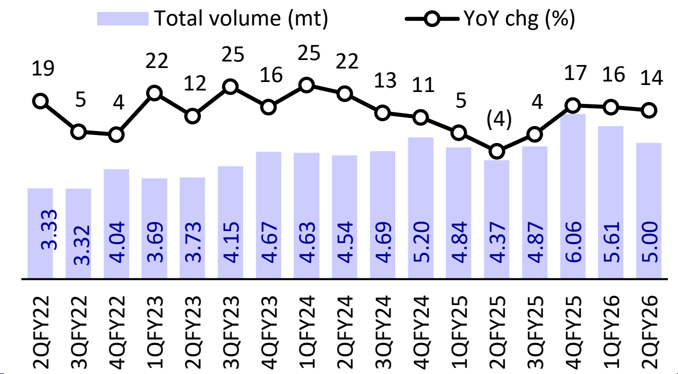


Exhibit 2: Grey cement realization improved 3% YoY

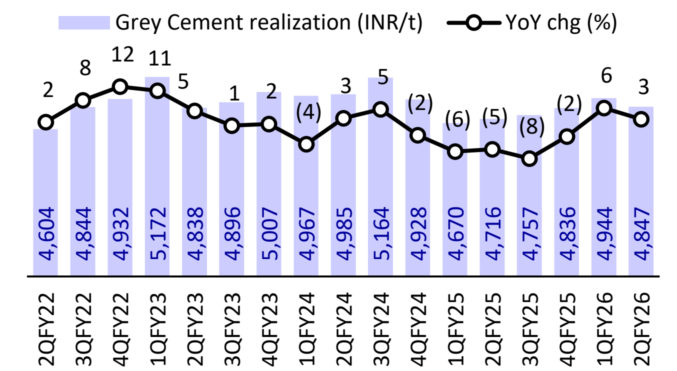


Exhibit 3: Opex/t declined 1% YoY

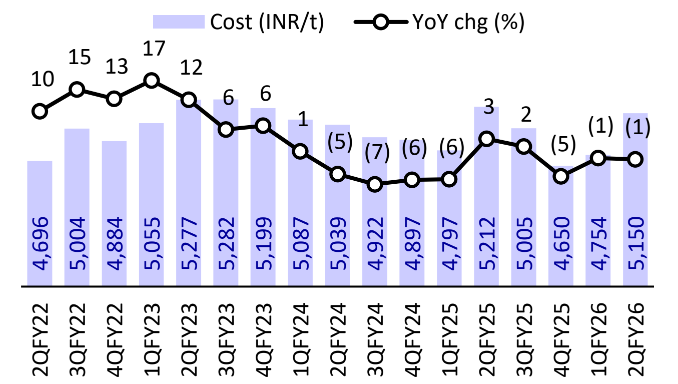


Exhibit 4: EBITDA/t increased 37% YoY

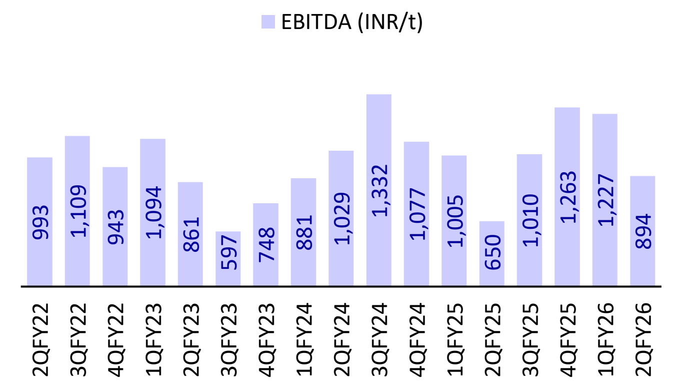
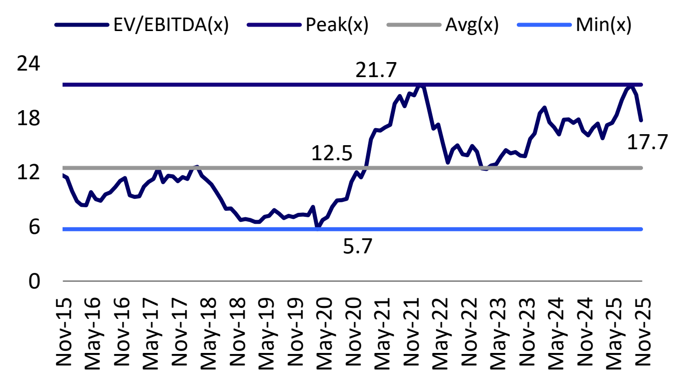


Exhibit 5: Key operating metrics – consolidated

INR/t	2QFY26	2QFY25	YoY (%)	1QFY26	QoQ(%)
Blended realization	**6,043**	**5,862**	**3**	**5,981**	**1**
Grey Cement realization	4,847	4,716	3	4,944	(2)
White Cement realization	13,863	12,074	15	13,450	3
Raw Material Cost	930	1,034	(10)	984	(5)
Staff Cost	496	514	(4)	441	12
Power and fuel	1,216	1,128	8	1,067	14
Freight and selling Exp.	1,305	1,318	(1)	1,365	(4)
Other Exp.	1,203	1,218	(1)	897	34
Total Exp.	**5,150**	**5,212**	**(1)**	**4,754**	**8**
EBITDA	**894**	**650**	**37**	**1,227**	**(27)**

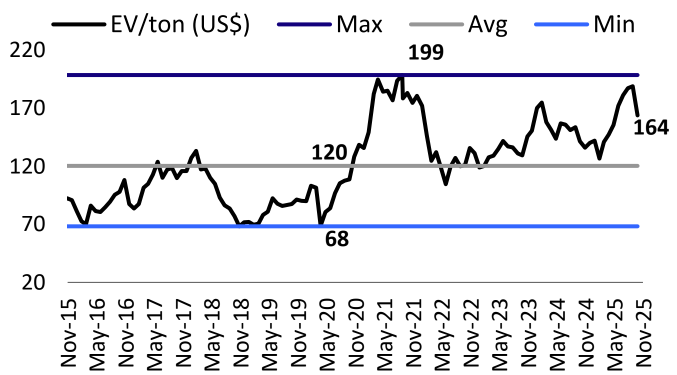
Source: Company, MOFSL

Exhibit 6: One-year forward EV/EBITDA trend



Source: Company, MOFSL

Exhibit 7: One-year forward EV/t trend



Source: Company, MOFSL

Consolidated financials and valuations

Income Statement								(INR m)
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Net Sales	**66,061**	**79,908**	**97,202**	**1,15,560**	**1,18,792**	**1,36,256**	**1,55,908**	**1,73,496**
Change (%)	13.9	21.0	21.6	18.9	2.8	14.7	14.4	11.3
EBITDA	**15,387**	**14,824**	**13,143**	**20,598**	**20,271**	**24,824**	**30,953**	**35,652**
Margin (%)	23.3	18.6	13.5	17.8	17.1	18.2	19.9	20.5
Depreciation	3,062	3,425	4,582	5,726	6,015	6,424	7,401	8,508
EBIT	**12,325**	**11,399**	**8,561**	**14,872**	**14,257**	**18,400**	**23,552**	**27,144**
Int. and Finance Charges	2,528	2,697	3,122	4,531	4,592	4,455	5,097	5,640
Other Income – Rec.	1,130	1,429	874	1,451	1,730	2,135	2,226	2,402
PBT bef. EO Exp.	**10,927**	**10,131**	**6,313**	**11,791**	**11,395**	**16,080**	**20,681**	**23,906**
EO Expense/(Income)	0	0	0	55	-1,024	0	0	0
PBT after EO Exp.	**10,927**	**10,131**	**6,313**	**11,736**	**12,418**	**16,080**	**20,681**	**23,906**
Current Tax	3,296	2,429	1,424	1,487	2,235	4,794	6,166	7,127
Deferred Tax	600	908	698	2,350	1,467	0	0	0
Tax Rate (%)	35.7	32.9	33.6	32.7	29.8	29.8	29.8	29.8
Reported PAT	**7,031**	**6,794**	**4,191**	**7,899**	**8,716**	**11,286**	**14,516**	**16,779**
PAT adj. for EO items	**7,031**	**6,794**	**4,191**	**7,936**	**7,997**	**11,286**	**14,516**	**16,779**
Change (%)	45.5	-3.4	-38.3	89.4	0.8	41.1	28.6	15.6
Margin (%)	10.6	8.5	4.3	6.9	6.7	8.3	9.3	9.7
Less: Minority Interest	-66.2	-77.0	-72.5	-24.1	98.5	0.0	0.0	0.0
Net Profit	**7,317**	**6,871**	**4,263**	**8,013**	**7,718**	**11,286**	**14,516**	**16,779**

Balance Sheet								(INR m)
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Equity Share Capital	773	773	773	773	773	773	773	773
Total Reserves	36,595	42,476	46,095	52,899	60,117	70,244	83,214	98,448
Net Worth	**37,367**	**43,249**	**46,868**	**53,671**	**60,890**	**71,017**	**83,987**	**99,220**
Deferred Liabilities	5,930	7,383	8,094	10,756	12,215	12,215	12,215	12,215
Minority Interest	-257	-343	-444	-455	-338	-338	-338	-338
Total Loans	34,017	38,549	49,951	52,385	58,955	61,455	74,455	75,955
Capital Employed	**77,057**	**88,838**	**1,04,469**	**1,16,358**	**1,31,723**	**1,44,350**	**1,70,320**	**1,87,053**
Gross Block	82,126	91,614	1,12,857	1,29,469	1,37,688	1,63,863	1,96,863	2,23,863
Less: Accum. Deprn.	22,752	26,177	30,759	36,486	42,500	48,925	56,325	64,833
Net Fixed Assets	**59,374**	**65,437**	**82,097**	**92,983**	**95,188**	**1,14,938**	**1,40,537**	**1,59,029**
Capital WIP	5,093	10,321	5,920	4,639	13,175	15,000	17,000	8,000
Total Investments	**1,422**	**2,157**	**923**	**3,683**	**6,009**	**6,009**	**6,009**	**6,009**
Curr. Assets, Loans, and Adv.	**32,831**	**36,115**	**41,552**	**46,716**	**52,444**	**46,271**	**47,803**	**58,033**
Inventory	7,566	12,087	9,821	11,816	11,751	13,099	14,859	16,434
Account Receivables	3,615	4,268	4,801	5,663	7,866	8,759	7,655	8,426
Cash and Bank Balance	16,416	10,793	15,874	17,749	13,697	4,282	4,158	11,042
Loans and Advances	5,233	8,967	11,056	11,488	19,131	20,131	21,131	22,131
Curr. Liability and Prov.	**21,663**	**25,192**	**26,024**	**31,663**	**35,093**	**37,869**	**41,029**	**44,018**
Account Payables	20,276	23,803	24,512	29,955	33,268	36,027	39,171	42,142
Provisions	1,388	1,389	1,511	1,709	1,826	1,842	1,859	1,876
Net Current Assets	**11,167**	**10,923**	**15,528**	**15,053**	**17,351**	**8,403**	**6,774**	**14,015**
Appl. of Funds	**77,057**	**88,838**	**1,04,469**	**1,16,358**	**1,31,723**	**1,44,350**	**1,70,320**	**1,87,053**

Source: Company, MOFSL estimates

Consolidated financials and valuations

Ratios								
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Basic (INR)*								
Consol. EPS	**91.0**	**87.9**	**54.2**	**102.7**	**103.5**	**146.1**	**187.9**	**217.1**
Cash EPS	130.6	132.3	113.5	176.8	181.3	229.2	283.6	327.3
BV/Share	483.6	559.7	606.6	694.6	788.0	919.1	1,086.9	1,284.1
DPS	15.0	15.0	15.0	20.0	15.0	15.0	20.0	20.0
Payout (%)	16.5	17.1	27.7	19.6	13.3	10.3	10.6	9.2
Valuation (x)*								
P/E	63.5	65.7	106.5	56.2	55.8	39.5	30.8	26.6
Cash P/E	44.2	43.7	50.9	32.7	31.9	25.2	20.4	17.7
P/BV	11.9	10.3	9.5	8.3	7.3	6.3	5.3	4.5
EV/Sales	6.9	5.8	4.9	4.1	4.0	3.6	3.2	2.9
EV/EBITDA	29.7	31.1	36.0	22.9	23.3	19.4	15.9	13.9
EV/t (USD)	303	299	228	213	197	153	157	132
Dividend Yield (%)	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Return Ratios (%)								
RoIC	15.0	12.8	7.7	11.6	10.6	11.9	12.6	12.5
RoE	21.6	17.0	9.5	15.9	13.5	17.1	18.7	18.3
RoCE	12.9	11.2	7.0	10.8	9.9	11.4	12.4	12.4
Working Capital Ratios								
Asset Turnover (x)	0.9	0.9	0.9	1.0	0.9	0.9	0.9	0.9
Inventory (Days)	42	55	37	37	36	35	35	35
Debtor (Days)	20	19	18	18	24	23	18	18
Creditor (Days)	112	109	92	95	102	97	92	89
Working Capital Turnover (Days)	-29	1	-1	-9	11	11	6	6
Leverage Ratio (x)								
Current Ratio	1.5	1.4	1.6	1.5	1.5	1.2	1.2	1.3
Debt/Equity ratio	0.9	0.9	1.1	1.0	1.0	0.9	0.9	0.8

Cash Flow Statement								(INR m)
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
OP/(Loss) before Tax	10,927	10,131	6,276	11,736	12,424	16,080	20,681	23,906
Depreciation	3,062	3,425	4,619	5,726	6,015	6,424	7,401	8,508
Interest and Finance Charges	1,666	2,697	3,019	4,435	4,507	4,455	5,097	5,640
Direct Taxes Paid	-1,959	-2,429	-1,622	-1,542	-2,004	-4,794	-6,166	-7,127
(Inc.)/Dec. in WC	1,715	-5,379	2,276	2,352	-6,351	-467	1,505	-357
CF from Operations	**15,411**	**8,445**	**14,568**	**22,708**	**14,590**	**21,699**	**28,518**	**30,570**
Others	490	(967)	(797)	(3,117)	4,804	-	-	-
CF from Operations incl. EO	**15,901**	**7,478**	**13,771**	**19,591**	**19,394**	**21,699**	**28,518**	**30,570**
(Inc.)/Dec. in FA	-7,678	-14,716	-16,115	-11,726	-17,198	-28,000	-35,000	-18,000
Free Cash Flow	**8,223**	**-7,238**	**-2,344**	**7,865**	**2,196**	**-6,301**	**-6,482**	**12,570**
(Pur.)/Sale of Investments	-11,747	-734	-2,021	-5,634	-3,703	0	0	0
Others	11,665	2,232	-2,012	1,002	1,804	0	0	0
CF from Investments	**-7,760**	**-13,218**	**-20,148**	**-16,358**	**-19,097**	**-28,000**	**-35,000**	**-18,000**
Issue of Shares	0	0	0	0	0	0	0	0
Inc./(Dec.) in Debt	1,120	4,532	11,560	1,431	6,987	2,500	13,000	1,500
Interest Paid	-2,427	-2,697	-2,841	-4,324	-4,401	-4,455	-5,097	-5,640
Dividend Paid	0	-1,159	-1,159	-1,158	-1,544	-1,159	-1,545	-1,545
Others	-68	-559	-147	-106	-303	1	0	0
CF from Fin. Activity	**-1,375**	**117**	**7,413**	**-4,157**	**738**	**-3,113**	**6,358**	**-5,686**
Inc./Dec. in Cash	**6,767**	**-5,623**	**1,036**	**-924**	**1,035**	**-9,415**	**-124**	**6,884**
Opening Balance	9,650	16,416	14,838	18,674	12,662	13,697	4,282	4,158
Closing Balance	**16,416**	**10,793**	**15,874**	**17,749**	**13,697**	**4,282**	**4,158**	**11,042**

N O T E S

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Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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