

October 18, 2025

**RESULT REPORT Q2 FY26 | Sector: Cement**

# UltraTech Cement

## Operational Efficiency Meets Strategic Expansion - Upgrade to BUY

### Efficiency and Expansion Fueling Sustainable Earnings

**Revenue - 2% above our estimate:** The strong YoY growth was driven by volume expansion (+7% YoY consolidated; +13% for the UTCEM brand) and better realizations (+4.5% YoY), aided by healthy housing and commercial demand across regions and sustained traction in premium products. Sequential decline reflects typical monsoon seasonality, softer infra demand due to project completion delays and partial transition impact from the revised 18% GST rate.

**EBITDA & EBITDA/tn - EBITDA/tn stood at Rs914 (+26% YoY, -24% QoQ):** EBITDA/tn improved sharply YoY owing to lower P&F cost (-6%), improved clinker conversion (1.48x vs. 1.45x), better logistics efficiencies (lead distance reduced to 366 km), and higher green/WHRS power mix (~41%). However, the sharp sequential correction was driven by volume drop, slight decline in realization (-1.4% QoQ) and maintenance-related plant shutdowns that diluted fixed-cost absorption despite operational efficiency gains.

**APAT - Adj. PAT stood at Rs12.32 bn (+50% YoY, -45% QoQ), 43% below our estimate of Rs21.50 bn.**

**Capacity Expansion:** UTCEM's current capacity stands at 192.3 MTPA (including overseas, ICL & KCL) and is targeting 240.8 MTPA by the end of FY28E. Out of the total new addition, 25.7 MTPA is already in progress, while Phase IV (22.8 MTPA) has been planned (Ref Exhibit 21). ~79% of Phase IV will be brownfield expansion and the remaining 21% will be greenfield expansion.

**ICL & KCL Brand Conversion:** At current installed capacity, UTCEM's CUR stood at 74% in H1FY26, supported by improved CUR of both ICL & KCL. During Q2FY26, utilization for ICL and KCL improved to 66% and 63%, respectively. We believe that the brand conversion, strong marketing strategy and efficiency improvements of these assets through UTCEM have played out well for ICL & KCL. Hence, we are positive on their performance going forward.

**Valuation and View -** With better CUR for ICL & KCL, UTCEM's pan-India presence, pricing power, ongoing capacity additions, improved cost efficiency and premiumization, the company is well-positioned for profit maximization. We forecast Revenue/EBITDA/Adj. PAT CAGR of 13%/29%/37% over FY25-FY28E. Rolling forward our valuation to FY28E and assigning a 19x Sep'27E EV/EBITDA multiple (earlier 16x), we revise our TP to Rs 15,020 (earlier Rs 10,110). We upgrade the stock to BUY from SELL. Key downside risks include lower CUR, weak realizations, delays in expansion and surges in energy costs.

### Snapshot Overview

Parameter	Q1 FY26	QoQ (%)	YoY (%)	vs Est	vs Bloom
Revenue	196,069	(7.8)	25.4	In-line	In-line
EBITDA	30,943	(29.8)	53.3	Miss	Miss
EBITDA Margin (%)	15.8	(495) bps	287 bps	Miss	Miss
Adj PAT	12,316	(45.4)	50.2	Miss	Miss

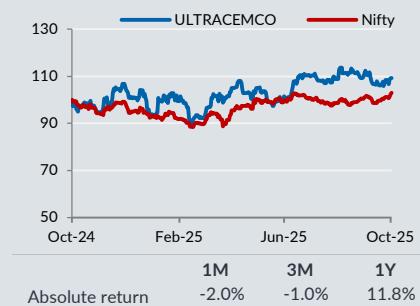
Source: Company, YES Sec

Reco	: <b>BUY</b>
CMP	: Rs 12,370
Target Price	: Rs 15,020
Potential Return	: +21%

**Stock data (as on Oct 17, 2025)**

Nifty	25,710
52 Week h/l (Rs)	13097 / 10048
Market cap (Rs/USD mn)	3637878 / 41352
Outstanding Shares (mn)	294
6m Avg t/o (Rs mn):	3,141
Div yield (%):	0.6
Bloomberg code:	UTCEM IN
NSE code:	ULTRACEMCO

### Stock performance



### Shareholding pattern (As of Sep'25 end)

Promoter	59.2%
II+DII	31.2%
Others	8.8%

### △ in instance

(1-Yr)	New	Old
Rating	BUY	SELL
Target Price	15,020	10,110

### △ in earnings estimates

	FY26E	FY27E	FY28E
EPS (New)	207.8	276.8	391.9
EPS (Old)	282	350.2	NA
% Change	(26.4)	(21.0)	NA

### Financial Summary

(Rs mn)	FY26E	FY27E	FY28E
Revenue	904,204	983,274	1,080,541
Growth	19%	9%	10%
EBITDA	169,538	213,935	270,234
Margin	19%	22%	25%
Adj PAT	81,408	115,271	155,577
Growth	33%	42%	35%
EPS	276.8	391.9	528.9
ND/EBITDA	0.7	0.4	0.1
ROE	11	14	16
ROCE	10	13	15
EV/EBITDA	22.1	17.4	13.6

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Associate

## Exhibit 1: Quarterly snapshot (Consolidated)

Y/E Mar (Rs mn)	Q2FY26	Q2FY25	YoY %	Q1FY26	QoQ%	Our Est.	Var. (%)	H1FY26	H1FY25	YoY%
Net Revenue	196,069	156,347	25.4	212,755	(7.8)	200,789	(2.4)	408,824	344,533	18.7
Total Expenses	165,126	136,165	21.3	168,651	(2.1)			333,777	294,179	13.5
COGS	38,909	29,165	33.4	38,190	1.9			77,100	61,473	25.4
Employee Expenses	10,644	9,139	16.5	9,722	9.5			20,366	16,932	20.3
Power & fuel	44,442	38,377	15.8	48,619	(8.6)			93,061	86,257	7.9
Freight Exp	41,271	35,835	15.2	46,490	(11.2)			87,761	80,114	9.5
Other Expenses	29,859	23,649	26.3	25,630	16.5			55,489	49,403	12.3
EBITDA	30,943	20,183	53.3	44,103	(29.8)	42,232	(26.7)	75,047	50,354	49.0
EBITDA (%)	15.8	12.9	287 bps	20.7	-495 bps	21.0	-525 bps	18.4	14.6	374 bps
D&A	11,477	9,039	27.0	11,068	3.7			22,545	18,218	23.8
Other income	1,741	2,207	(21.1)	1,802	(3.4)			3,544	3,892	(9.0)
Interest Expense	4,593	3,171	44.8	4,333	6.0			8,926	6,429	38.8
Exceptional/EO items	-	-	#DIV/0!	(384)	(100.0)			(384)	(881)	(56.4)
Share JV/Associates	(57)	(14)	294.4	(43)	31.8			(100)	15	(789.0)
EBT	16,558	10,166	62.9	30,078	(44.9)			47,404	30,495	55.5
Tax	4,179	1,914	118.3	7,869	(46.9)			12,047	5,547	117.2
Minority Interest	64	51	24.5	(50)	(228.3)			14	38	(62.6)
Reported PAT	12,316	8,200	50.2	22,259	(44.7)			35,342	24,910	41.9
Adjusted PAT	12,316	8,200	50.2	22,547	(45.4)	21,497	(42.7)	35,630	25,571	39.3
Adjusted PAT (%)	6.3	5.2	104 bps	10.6	-432 bps			8.7	7.4	129 bps
Adj. EPS	41.9	28.5	47.1	76.7	(45.4)			121.2	88.7	36.6

Source: Company, YES Sec

## Exhibit 2: Quarterly Operational Performance Analysis (Consolidated)

Particulars (Rs m)	Q2FY26	Q2FY25	YoY %	Q1FY26	QoQ%	Our Est.	Var. (%)	H1FY26	H1FY25	YoY%
Total Volumes (MMT)	33.9	27.8	21.6	36.8	(8.1)	34.7	(2.5)	70.7	59.8	18.2
NSR/te (Blended)	5,792	5,616	3.1	5,777	0.3	5,786	0.1	5,784	5,762	0.4
RM/te	1,149	1,048	9.7	1,037	10.9			1,091	1,028	6.1
Employees/te	314	328	(4.2)	264	19.1			288	283	1.8
Power/te	1,313	1,378	(4.8)	1,320	(0.5)			1,317	1,443	(8.7)
Freight/te	1,219	1,287	(5.3)	1,262	(3.4)			1,242	1,340	(7.3)
Others/te	882	849	3.8	696	26.8			785	826	(5.0)
Opex/te (Blended)	4,878	4,891	(0.3)	4,579	6.5	4,569	6.8	4,722	4,920	(4.0)
EBITDA/te (Blended)	914	725	26.1	1,197	(23.7)	1,217	(24.9)	1,062	842	26.1

Source: Company, YES Sec

## KEY CON-CALL HIGHLIGHTS & ANALYSIS

- **Input cost pressure may lead to price hike:** Central region prices were lower compared to other regions during the quarter. However, prices have remained stable so far and no major price hike is expected in the near term unless there is significant input cost pressure.
- **Brand conversion:** ICL and KCL's complete brand conversion is likely to be completed by Jun'26. As of now, 31% and 55% of brand conversion has been completed for ICL and KCL, respectively. Both ICL and KCL have witnessed gradual improvement in CUR and cost efficiency levels.
- **Energy cost increases due to higher coal usage:** The coal mix during the quarter was slightly higher (48% coal: 44% pet-coke), and average energy consumption cost was 1.8 kcal vs. 1.7 kcal in Q2FY25. There is a marginal spike in pet-coke costs. UTCEM intends to use more coal in its fuel mix or whichever is cheaper.
- **Higher maintenance cost fueled overall operating cost:** Overall operating costs increased due to high maintenance costs (kiln shutdown), employee salary increments/bonuses and high advertisement expenses. However, this impact is not expected in Q3FY26, which is projected to have cost savings of ~Rs25/tn. Overall cost savings for Q3FY26 are expected to be ~Rs100/tn.
- **22.8 MTPA capacity addition by end of FY28E:** Capex guidance for FY27E/FY28E remains at Rs100 bn each. After consolidating in the South, UTCEM is targeting the North and West for the next phase of expansion (Phase IV - 22.8 MTPA by end of FY28E). Most expansions are brownfield, funded mainly through internal accruals and some short-term debt. Despite higher capex, after completion of ongoing projects, Net Debt-to-EBITDA is expected to remain below 0.7x.
- **ICL & KCL to generate strong EBITDA/tn going forward:** ICL's debt reduction is expected to be achieved through "cash flow from exit of Indonesian coal assets." Total capex for ICL is ~Rs16 bn (including some debottlenecking, setting up 21 MW WHRS and 192 MW renewable energy). Additionally, UTCEM will add 2.4 MTPA capacity in Chennai and Rajasthan at a capex of Rs4.22 bn, enhancing ICL's capacity to 17.45 MTPA. Post completion, ICL's assets are likely to generate EBITDA/tn of Rs1,000 with Net Debt-to-EBITDA of 0.5x. No major capex is planned for KCL except ongoing capex of Rs5 bn for WHRS and other efficiency initiatives.
- **Higher usage of green energy would fetch benefits:** The GST rate cut has no impact on profitability but provides benefits through clean energy cess reduction. UTCEM is targeting green energy usage of 65% of total energy consumption by the end of ongoing cost-saving initiatives.

## ANALYST VIEW & INVESTMENT THESIS

### 1-Year View

As of H1FY26, UTCEM has achieved ~31%/~55% of brand conversion for ICL/KCL, with full conversion expected by June '26. This will enable ICL/KCL to sell higher volumes at better pricing in key markets. Particularly for KCL, ~9 MTPA of its total capacity caters to Maharashtra, providing strong pricing and volume benefits. Therefore, we do not see a significant risk of oversupply for KCL in the southern region.

We believe that overall CUR for ICL & KCL will improve post full brand conversion under UTCEM's name. We are factoring in an 11% volume CAGR over FY25-FY28E (assuming 50% of Phase IV operates at 45% CUR in FY28E) at an average CUR of 78% for FY26E-FY28E.

After several quarters of price decline, the industry has witnessed price recovery in recent quarters, which has remained stable so far. Post-GST rate cut, there is headroom for Rs 30-34/bag of price hikes; however, we do not expect any near-term increase unless there is input cost pressure. As a pan-India player with strong pricing power and premiumization, UTCEM is likely to deliver better top-line growth. Despite a heavy monsoon and early festive season, UTCEM's realization remained strong (+3% YoY, flattish QoQ). We do not foresee any major drop in realizations, and therefore are factoring in 1-2% realization growth over FY26E-FY28E, building a revenue CAGR of 19.3% over FY25-FY28E.

### 3-Year View

On the cost front, we assume average cost savings of Rs 72/tn over FY25-FY28E, backed by higher usage of green energy, reduced logistics costs, and operating leverage benefits. During the quarter, opex/tn remained flattish YoY but increased 6.5% QoQ due to employee bonuses, higher maintenance costs and a marginal rise in energy costs. We expect ~Rs 100/tn cost savings in Q3FY26. Despite the huge capex program, Net Debt-to-EBITDA remains in a comfortable range.

### Exhibit 3: Key monitorable

What to Watch	Why it Matters	Timeline
CUR of Kesoram & ICL	Higher the CUR better top-line growth	1.5-2 years
Realization Sustainability	Price discipline helps margin	Immediate
Cost Improvement	Key aspect to result in strong EBITDA/tn	1-1.5 years

Source: Company, YES Sec

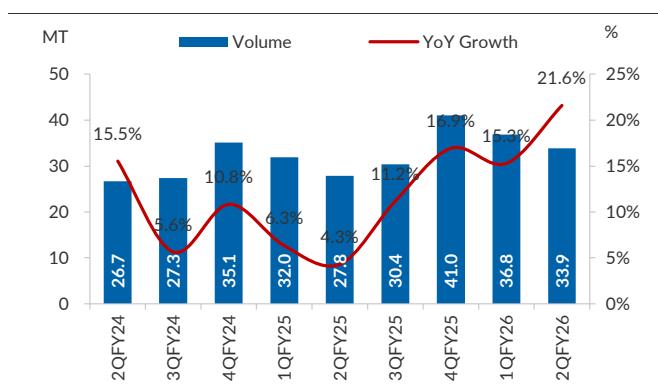
### Exhibit 4: Valuation and key ratios

Valuation (x)	FY26E	FY27E	FY28E	Average (10y LPA)
P/E	45	32	23	34
P/BV	5	4	4	4
EV/EBITDA	22	17	14	18
ROCE (%)	10	13	15	11

Source: Company, YES Sec

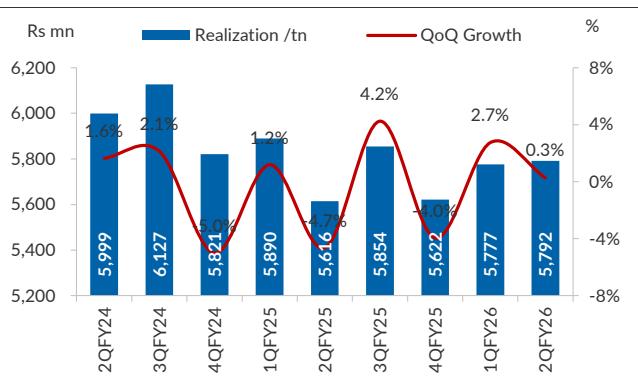
## QUATERLY CHARTS & ANALYSIS

**Exhibit 5: Volume up by 22% YoY while down 8% QoQ**



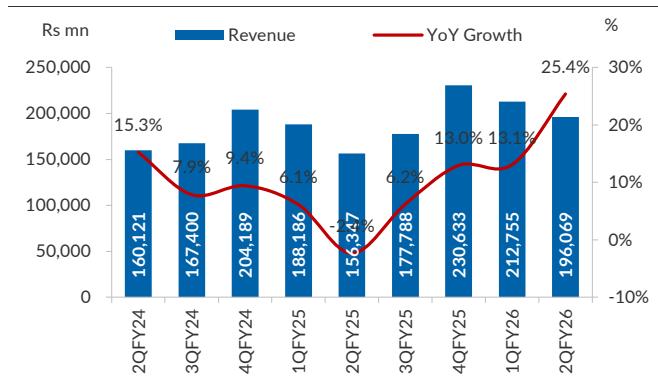
Source: Company, YES Sec

**Exhibit 6: Realisation/tn up by 3% YoY while remained flat 8% QoQ**



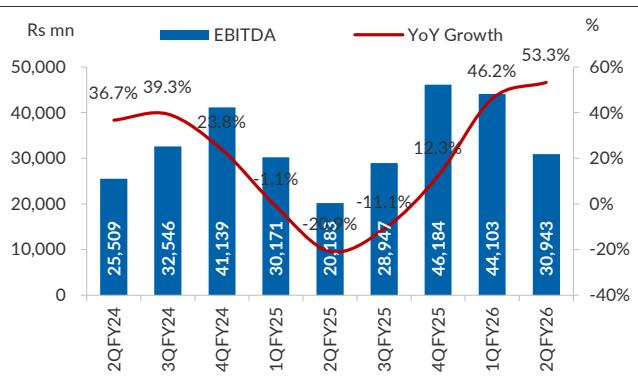
Source: Company, YES Sec

**Exhibit 7: Revenue up by 25% YoY while down 8% QoQ**



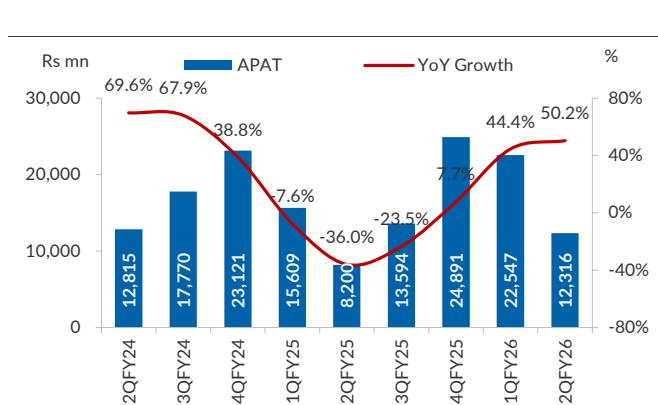
Source: Company, YES Sec

**Exhibit 8: EBITDA up by 53% YoY while down 30% QoQ**



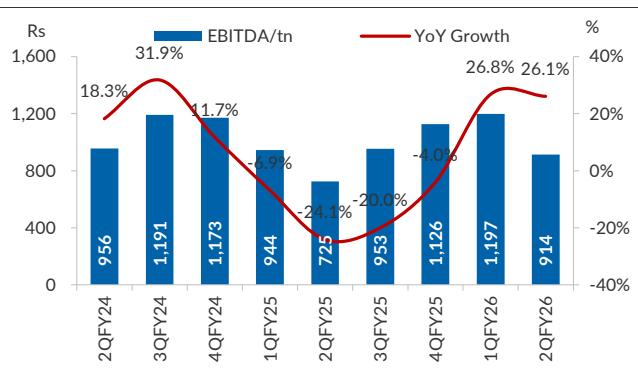
Source: Company, YES Sec

**Exhibit 9: Adj. PAT up by 50% YoY while down 45% QoQ**



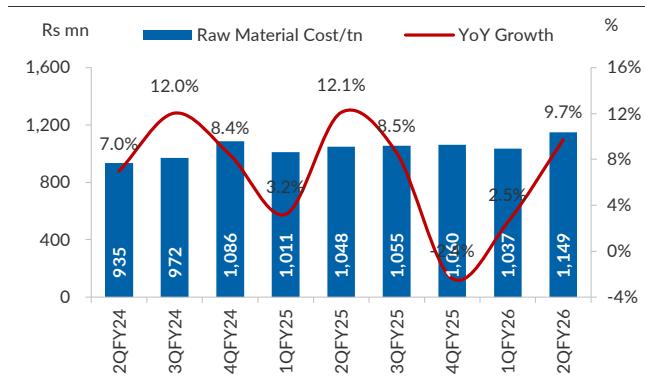
Source: Company, YES Sec

**Exhibit 10: EBITDA/tn increased 26% YoY while declined by 24% QoQ**



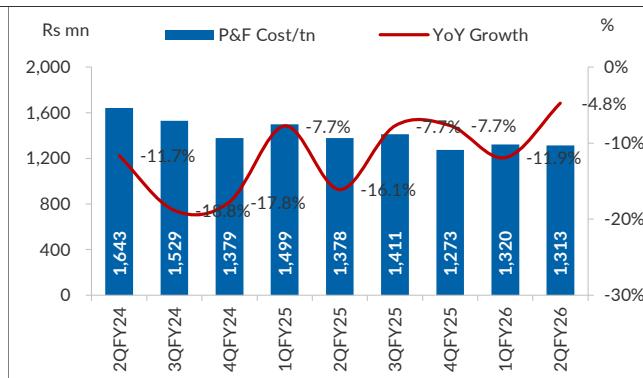
Source: Company, YES Sec

**Exhibit 11: RM cost/tn up by 10% YoY and 11% QoQ**



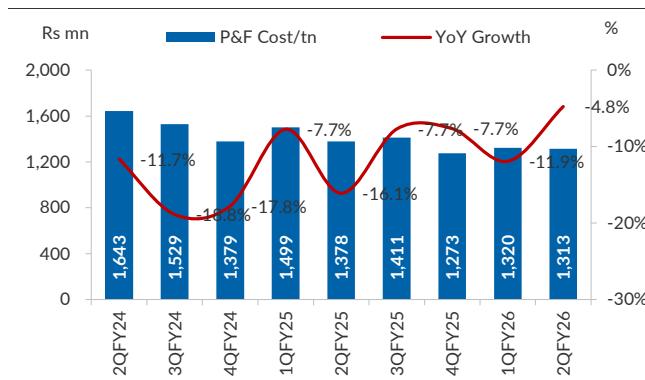
Source: Company, YES Sec

**Exhibit 12: P&F cost/tn down by 5% YoY and flat QoQ**



Source: Company, YES Sec

**Exhibit 13: Logistic Cost/tn declined by 5% YoY and 3% QoQ**



Source: Company, YES Sec

**Exhibit 14: Employee cost/tn declined by 4% YoY while increased by 19% QoQ**



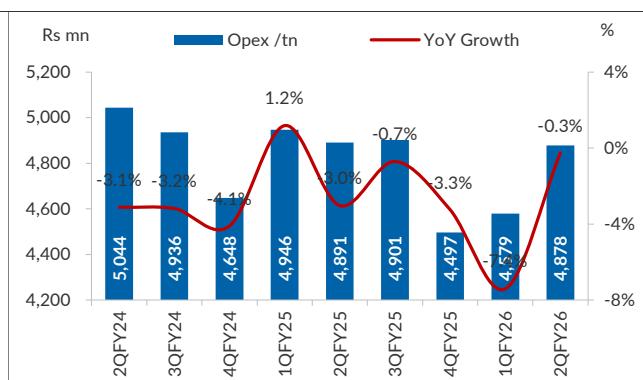
Source: Company, YES Sec

**Exhibit 15: Other exp/tn increased by 4% YoY (+27% QoQ)**



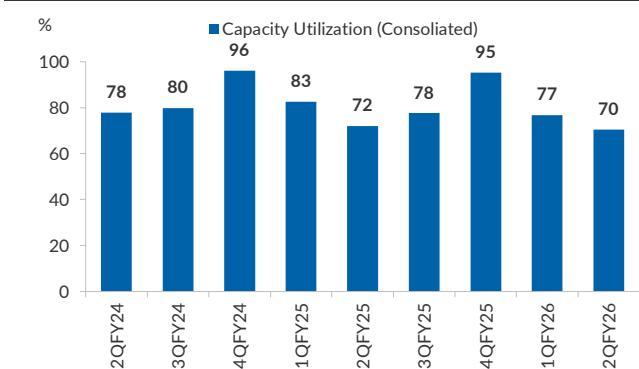
Source: Company, YES Sec

**Exhibit 16: Opex/tn remained flat YoY (+7% QoQ)**



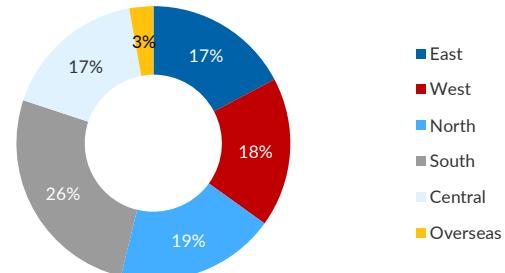
Source: Company, YES Sec

**Exhibit 17: Capacity utilization (Incl. overseas) declined to 70% in Q2FY26**



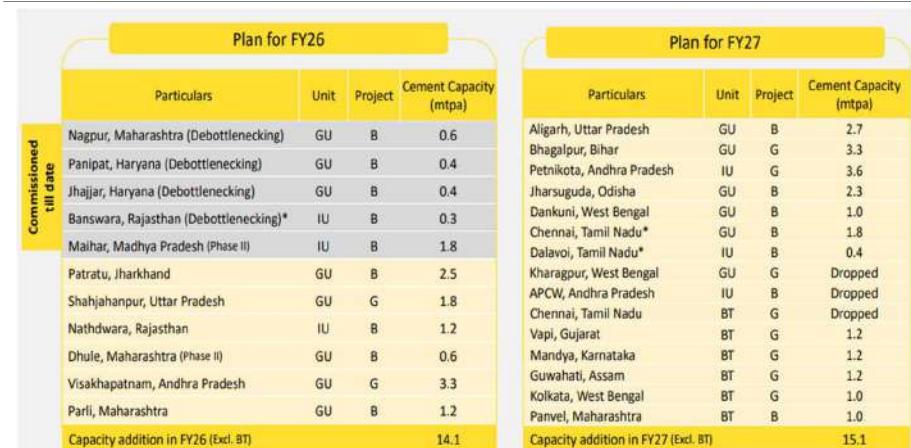
Source: Company, YES Sec

**Exhibit 18: Regional Mix as on date and further adding to reach ~241mtpa by FY28E**



Source: Company, YES Sec

**Exhibit 19: Organic Growth Plans on Track**



Plan for FY26				Plan for FY27			
Particulars	Unit	Project	Cement Capacity (mtpa)	Particulars	Unit	Project	Cement Capacity (mtpa)
Nagpur, Maharashtra (Debottlenecking)	GU	B	0.6	Aligarh, Uttar Pradesh	GU	B	2.7
Panipat, Haryana (Debottlenecking)	GU	B	0.4	Bhagalpur, Bihar	GU	G	3.3
Jhajjar, Haryana (Debottlenecking)	GU	B	0.4	Petrikota, Andhra Pradesh	IU	G	3.6
Banswara, Rajasthan (Debottlenecking)*	IU	B	0.3	Jharsuguda, Odisha	GU	B	2.3
Malhar, Madhya Pradesh (Phase II)	IU	B	1.8	Dankuni, West Bengal	GU	B	1.0
Patratu, Jharkhand	GU	B	2.5	Chennai, Tamil Nadu*	GU	B	1.8
Shahjahanpur, Uttar Pradesh	GU	G	1.8	Dalavoi, Tamil Nadu*	IU	B	0.4
Nathdwara, Rajasthan	IU	B	1.2	Kharagpur, West Bengal	GU	G	Dropped
Dhule, Maharashtra (Phase II)	GU	B	0.6	APCW, Andhra Pradesh	IU	B	Dropped
Visakhapatnam, Andhra Pradesh	GU	G	3.3	Chennai, Tamil Nadu	BT	G	Dropped
Parli, Maharashtra	GU	B	1.2	Vapi, Gujarat	BT	G	1.2
Capacity addition in FY26 (Excl. BT)			14.1	Mandy, Karnataka	BT	G	1.2
Capacity addition in FY27 (Excl. BT)			15.1	Guwahati, Assam	BT	G	1.2

Source: Company, YES Sec

**Exhibit 20: Phase IV of Expansion Plan**



Source: Company, YES Sec

# UltraTech Cement

## Exhibit 21: Expansion Plan Details

Expansion plan details (UltraTech: 22.2 mtpa; India Cements: 0.6mtpa)			ADITYA BIRLA UltraTech	
Location	Greenfield (G) Brownfield (B)	Cement Capacity (mtpa)	Particulars	Clinker Capacity (mtpa)
Phase IV Expansion:			Brownfield expansion – North	8.04
Vikram, Madhya Pradesh	B	1.4	Debottlenecking:	
Sehore, Madhya Pradesh	G	3.0	North	3.05
Dhar, Madhya Pradesh	B	1.4	West	2.05
Lalitpur, Uttar Pradesh	G	1.8	Central	2.54
Dadri, Uttar Pradesh	B	2.7	Total	15.68
Jhajjar, Haryana	B	2.7		
Bhatinda, Haryana	B	1.4		
Pali, Rajasthan	B	3.0		
Banswara, Rajasthan (ICL)	B	0.6		
North		18.0		
Kovaya, Gujarat	B	2.4		
Wanakbori, Gujarat	B	2.4		
West		4.8		
Total		22.8		

**Expected Timeline**  
  
**FY28**

Source: Company, YES Sec

## Exhibit 22: Annual Operational Performance Estimates (Consolidated)

Rs mn	New Estimates			Old Estimates			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue	759,551	904,204	983,274	902,695	962,034	NA	(15.86)	(6.01)	NA
EBITDA	125,575	169,538	213,935	170,888	197,240	NA	(26.5)	(14.0)	NA
EBITDA Margin (%)	16.5	18.7	21.8	18.9	20.5	NA	(237)bps	(175)bps	NA
APAT	61,122	81,408	115,271	83,031	103,000	NA	(26.4)	(21.0)	NA
Adj. EPS (Rs)	207.8	276.8	391.9	282.3	350.2	NA	(26.4)	(21.0)	NA

Source: Company, YES Sec

## Exhibit 23: Annual Operational Performance Estimates (Consolidated)

Operating Details	FY24	FY25	FY26E	FY27E	FY28E
Volume (mt)	119	136	160	172	185
YoY (%)	12.8	14.0	18.0	7.1	7.8
Utilization (%)	82	83	79	79	77
Realization (Rs)	5,952	5,592	5,641	5,728	5,840
YoY (%)	(0.6)	(6.0)	0.9	1.5	2.0
Cost per tonne (Rs)					
Raw Material Cost (Rs/mt)	999	1,009	1,034	1,068	1,120
Employee Cost/tn (Rs)	255	265	270	274	277
Power & Fuel Cost (Rs/mt)	1,535	1,356	1,261	1,151	1,036
Freight Cost/tn (Rs)	1,333	1,285	1,275	1,255	1,225
Other Expenses (Rs/mt)	742	752	743	733	721
<b>Blended EBITDA(Rs/tn)</b>	<b>1,089</b>	<b>924</b>	<b>1,058</b>	<b>1,246</b>	<b>1,461</b>

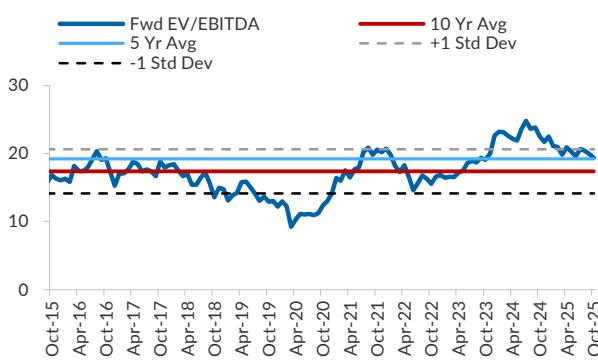
Source: Company, YES Sec

## Exhibit 24: Valuation Summary

Valuation	Rs mn
Sep'27E EBITDA (Rs mn)	242,085
Target Multiple (x)	19
EV (Rs mn)	4,599,610
Less: Net Debt (Rs mn)	166,274
Add: Star Cement Investment Value (Rs mn)	7,282
Less: India Cement Minority Interest	22,514
Equity Value (Rs mn)	4,418,103
No of Shares (in mn)	294
Value of shares (Rs)	15,020
CMP (Rs)	12,370
Upside / (downside) %	21%

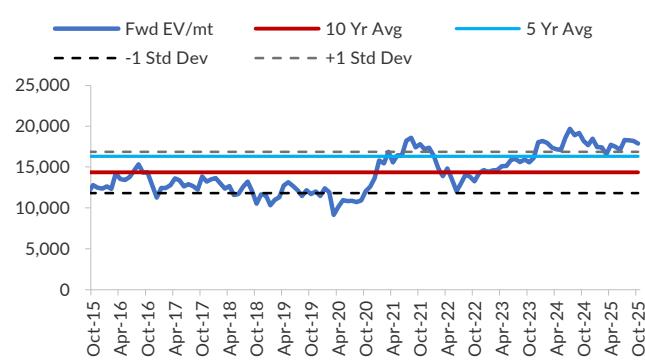
Source: Company, YES Sec

## Exhibit 25: 1-yr forward EV/EBITDA band



Source: Company, YES Sec

## Exhibit 26: 1-yr forward EV/te (\$) band



Source: Company, YES Sec

## FINANCIALS

Exhibit 27: Balance Sheet (Consolidated)

YE March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
<i>Sources of funds</i>					
Eq. Share Capital	2,887	2,947	2,947	2,947	2,947
Reserves & Surplus	599,388	704,121	762,733	854,463	985,029
<b>Shareholders' Funds</b>	<b>602,275</b>	<b>707,068</b>	<b>765,680</b>	<b>857,410</b>	<b>987,976</b>
Non-Controlling Interest	559	31,866	31,871	31,875	31,879
Total Loan Funds	114,030	241,022	176,145	155,328	146,771
Other liabilities	73,627	107,898	110,204	111,464	113,014
<b>Total Liabilities</b>	<b>1,008,020</b>	<b>1,336,972</b>	<b>1,368,512</b>	<b>1,452,109</b>	<b>1,575,352</b>
<i>Application of funds</i>					
Net Block	556,159	860,467	892,952	924,935	967,905
Right use of Assets	9,163	8,357	8,441	8,525	8,611
Capital WIP	67,828	61,883	60,000	75,000	75,000
Investments	82,490	51,565	52,120	61,594	73,090
Other non-current assets	115,646	145,918	158,867	165,945	174,652
Inventories	83,297	95,630	86,705	96,980	118,415
Trade Receivables	42,782	58,903	54,500	61,960	71,049
Cash & Bank Balances	7,832	16,733	10,267	8,604	33,260
Other current Assets	42,825	37,516	44,661	48,566	53,370
Total Current Assets	176,736	208,781	196,132	216,111	276,095
Trade Payables	84,783	93,275	99,091	94,287	74,010
Other Current Liabilities	132,746	155,843	185,522	201,746	221,703
Total Current Liabilities	217,529	249,118	284,613	296,032	295,713
Net Current Assets	(37,476)	(86,278)	(127,748)	(102,766)	(39,060)
<b>Total Assets</b>	<b>1,008,020</b>	<b>1,336,972</b>	<b>1,368,512</b>	<b>1,452,109</b>	<b>1,575,352</b>

Source: Company, YES Sec

## Exhibit 28: Income statement (Consolidated)

YE March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Net Sales	709,081	759,551	904,204	983,274	1,080,541
Expenses:					
Raw Materials	119,029	137,037	165,719	183,327	207,208
Employee Cost	30,376	36,046	43,338	47,103	51,322
P&F Cost	182,833	184,192	202,130	197,603	191,695
Freight cost	158,807	174,598	204,434	215,521	226,734
Other Expenses	88,351	102,104	119,046	125,785	133,349
<b>EBITDA</b>	129,686	125,575	169,538	213,935	270,234
Depreciation & Amortization	31,453	40,150	49,397	53,017	57,030
<b>EBIT</b>	98,233	85,425	120,141	160,918	213,204
Other Income	6,170	7,442	7,520	7,590	7,660
Finance cost	9,680	16,505	19,161	14,864	13,486
Exceptional items	(720)	(974)	-	-	-
<b>PBT</b>	94,002	75,387	108,500	153,644	207,379
Tax Expenses	24,183	14,885	27,125	38,411	51,845
Share in Profit / (Loss) of Asso and JV	220	(106)	39	42	47
Minority Interest	(10)	5	5	4	4
Profit from discontinued operations	-	-	-	-	-
<b>RPAT</b>	70,050	60,391	81,408	115,271	155,577
<b>APAT</b>	70,590	61,122	81,408	115,271	155,577

Source: Company, YES Sec

## Exhibit 29: Cash Flow (Consolidated)

YE March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Operating profit before WC changes	130,291	126,451	177,097	221,567	277,942
Net chg in working capital	(4,811)	(6,711)	42,065	(10,011)	(35,389)
Income tax Paid	(16,505)	(13,006)	(27,125)	(38,411)	(51,845)
<b>CFO</b>	108,975	106,734	192,037	173,145	190,708
Adj. CFO	100,441	91,944	172,876	158,282	177,223
Capital expenditure	(90,056)	(91,293)	(80,084)	(100,084)	(100,085)
Other Investments	2,175	(73,751)	(13,504)	(16,552)	(20,202)
<b>CFI</b>	(87,881)	(165,045)	(93,587)	(116,636)	(120,288)
Adj FCF	10,385	651	92,793	58,197	77,137
Change in Equity	19	20	-	-	-
Debt (Incl. Interest)	(8,492)	70,541	(82,120)	(34,631)	(20,753)
Dividend	(10,944)	(20,117)	(22,796)	(23,541)	(25,011)
Others	161	313	-	-	-
<b>CFF</b>	(19,257)	50,758	(104,916)	(58,172)	(45,765)
Net chg in cash	1,838	(7,553)	(6,466)	(1,663)	24,656
Opening Cash & Eq	11,496	7,832	16,733	10,267	8,604
Other Adj:	(5,502)	16,454	-	-	-
<b>Closing Cash &amp; Eq</b>	7,832	16,733	10,267	8,604	33,260

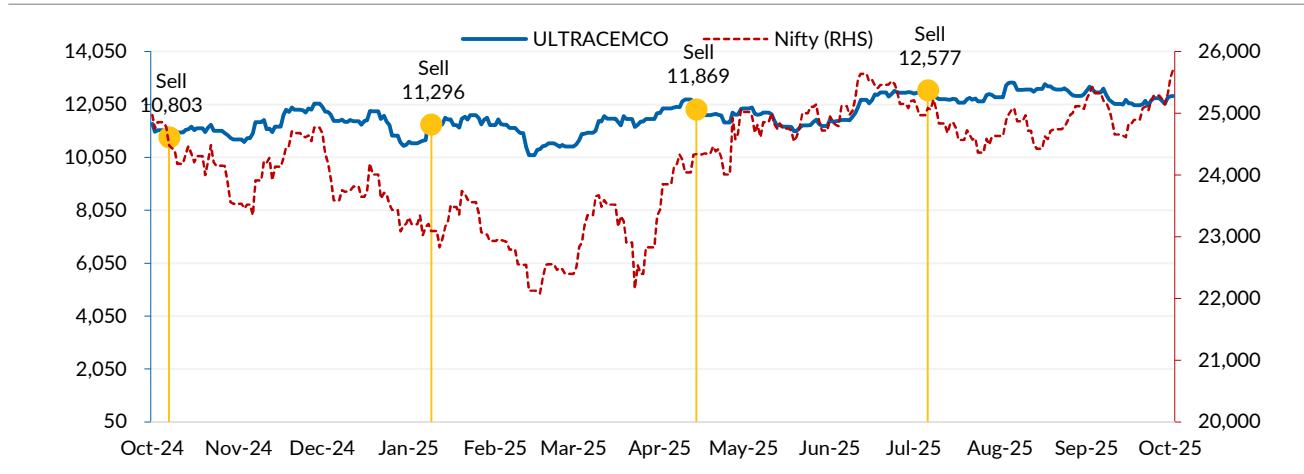
Source: Company, YES Sec

## Exhibit 30: Ratio Analysis (Consolidated)

YE March	FY24	FY25	FY26E	FY27E	FY28E
<b>Growth Ratio (%)</b>					
Revenue	12	7	19	9	10
<b>EBITDA</b>	<b>22</b>	<b>(3)</b>	<b>35</b>	<b>26</b>	<b>26</b>
Adjusted PAT	39	(13)	33	42	35
<b>Margin Ratios (%)</b>					
Gross Profit	83	82	82	81	81
EBITDA	18	17	19	22	25
EBIT	15	12	14	17	20
Core PBT	12	9	11	15	18
Adjusted PAT	10	8	9	12	14
<b>Return Ratios (%)</b>					
ROE	12	9	11	14	16
ROCE	11	9	10	13	15
<b>Turnover Ratios (days)</b>					
Gross Block Turnover (x)	1	1	1	1	1
Adj OCF/Adj PAT (%)	142	150	212	137	114
Inventory	38	43	37	34	36
Debtors	21	24	23	22	22
Creditors	40	43	39	36	28
Cash conversion cycle	19	25	21	20	30
<b>Solvency Ratio (x)</b>					
Debt-equity	0	0	0	0	0
Net debt-equity	0	0	0	0	0
<b>Gross Debt/EBITDA</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>
Current Ratio	1	1	1	1	1
Interest coverage ratio	11	6	7	11	16
<b>Dividend</b>					
DPS	70	78	80	85	85
Dividend Yield (%)	1	1	1	1	1
Dividend Payout (%)	29	37	29	22	16
<b>Per share Ratios (Rs)</b>					
Basic EPS (reported)	243	205	277	392	529
Adjusted EPS	245	208	277	392	529
CEPS	353	344	445	572	723
BVPS	2,088	2,512	2,711	3,023	3,467
<b>Valuation (x)*</b>					
Adj P/E	36	53	45	32	23
P/BV	4	4	5	4	4
EV/EBITDA	20	27	22	17	14
EV/Sales	4	5	4	4	3
<b>Adj Mcap / Core PBT</b>	<b>28</b>	<b>46</b>	<b>35</b>	<b>24</b>	<b>18</b>
<b>Adj Mcap / Adj OCF</b>	<b>24</b>	<b>35</b>	<b>21</b>	<b>23</b>	<b>20</b>

Source: Company, YES Sec

## Recommendation Tracker



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