Operating assumption summary

Operational assumptions/estimates for coverage universe

	Sales Vol (mn MT)			Sales Vol YoY (%)			NSR (INR/MT)			EBITDA (INR/MT)			Opex (INR/MT)		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
UltraTech $	136.8	157.8	172.7	*14.8*	*15.4*	*9.4*	5,627	5,638	5,717	925	1,060	1,278	4,702	4,578	4,439
Shree Cem	35.9	40.6	44.6	*1.0*	*13.0*	*10.0*	5,015	5,076	5,126	1,036	1,198	1,261	3,980	3,878	3,866
Ambuja $	65.1	80.7	92.8	*10.0*	*24.0*	*15.0*	5,242	5,320	5,427	752	1,006	1,207	4,489	4,315	4,219
ACC $	42.7	46.7	52.1	*16.2*	*9.2*	*11.6*	4,698	4,792	4,840	569	708	803	4,129	4,083	4,037
Dalmia Bharat $	29.4	31.7	34.9	*2.0*	*8.0*	*10.0*	4,746	4,864	4,913	828	954	986	3,917	3,910	3,927
Nuvoco $	19.0	20.3	21.9	*1.0*	*7.0*	*8.0*	4,876	4,997	5,072	677	856	951	4,199	4,141	4,122
Ramco Cem	18.4	19.7	21.7	-	*7.0*	*10.0*	4,623	4,692	4,762	745	797	901	3,877	3,895	3,862
JK Cement $	19.9	21.8	24.4	*5.1*	*9.2*	*12.0*	5,913	6,034	6,072	986	1,159	1,248	4,927	4,875	4,824
Birla Corp $	18.0	18.9	19.8	*2.0*	*5.0*	*5.0*	4,862	4,983	5,083	616	774	857	4,246	4,209	4,227
Heidelberg	4.6	4.7	4.8	*(5.0)*	*2.0*	*3.0*	4,749	4,844	4,941	489	606	689	4,260	4,238	4,252
Star Cem $	4.7	5.3	6.0	*6.1*	*13.0*	*13.0*	6,597	6,663	6,663	1,170	1,438	1,428	5,427	5,224	5,235
JK Lakshmi $	12.1	13.2	14.4	*1.0*	*9.0*	*9.0*	5,067	5,194	5,324	648	863	968	4,419	4,331	4,356
Orient Cem	5.4	6.1	6.7	*(12.0)*	*13.0*	*10.0*	5,038	5,139	5,242	610	757	825	4,428	4,382	4,417
Sagar Cem $	5.5	6.2	7.0	*(1.9)*	*13.0*	*12.0*	4,010	4,090	4,131	249	468	523	3,761	3,623	3,608
Deccan Cem	1.8	2.1	2.4	*(6.0)*	*15.0*	*15.0*	3,336	3,403	3,454	175	283	344	3,161	3,120	3,110

Source: Company, HSIE Research, $ - Consolidated numbers

Peer-set valuations and TP revisions

Rating and target price revision summary

Company	Mcap (INR bn)	CMP (INR/sh)	New Rating	Old Rating	New TP	Old TP	Valuation multiple^	EV/EBITDA (x)			EV/MT (USD)		
								FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
UltraTech	3,313.6	11,478	BUY	BUY	12,500	12,500	17.0	*27.4*	*20.7*	*15.4*	212	199	182
Shree Cem	1,086.6	30,115	ADD	ADD	28,000	28,000	16.5	*27.0*	*21.0*	*18.0*	205	163	156
Ambuja Cem	614.0	547	ADD	ADD	580	600	16.5	*29.4*	*19.9*	*15.6*	187	158	146
ACC	376.9	2,005	ADD	ADD	2,160	2,280	8.0	*13.1*	*9.6*	*7.5*	94	84	77
Dalmia Bharat	333.4	1,802	BUY	BUY	2,070	2,140	12.0	*15.4*	*12.9*	*12.0*	88	92	97
Nuvoco Vistas	112.0	314	BUY	BUY	420	420	9.0	*11.2*	*8.9*	*7.3*	69	74	59
Ramco Cem	220.6	934	ADD	ADD	850	900	12.0	*19.3*	*17.0*	*13.7*	134	103	102
JK Cement	382.5	4,950	REDUCE	REDUCE	4,590	4,475	13.0	*21.7*	*17.1*	*14.3*	164	136	138
Birla Corp	84.3	1,095	BUY	BUY	1,490	1,490	8.0	*9.8*	*7.5*	*6.5*	64	60	53
Heidelberg	44.3	196	REDUCE	REDUCE	130	136	7.5	*18.0*	*14.1*	*12.0*	72	72	71
Star Cem	88.6	219	BUY	BUY	240	240	11.0	*16.5*	*11.9*	*10.9*	138	110	93
JK Lakshmi	92.9	790	BUY	BUY	872	872	9.0	*13.9*	*9.8*	*8.4*	71	64	61
Orient Cem	73.0	356	REDUCE	REDUCE	266	145	**	*22.3*	*17.0*	*15.5*	100	107	74
Sagar Cem	25.3	194	ADD	ADD	264	237	**	*28.7*	*13.4*	*10.5*	44	40	37
Deccan Cem	10.4	739	REDUCE	REDUCE	544	450	**	*45.6*	*36.7*	*23.8*	93	50	49

Source: Company, HSIE Research, ^ Target multiples are EV/EBITDA based on Mar-27E. CMP as on Jan 17, 2025. ** We value Orient Cement at an average of 7.5x its FY27E EBITDA and EV/MT of USD 80 (FY27E capacity). Similarly, we value Sagar Cements and Deccan Cements at an average of 6.5x their FY27E EBITDA and EV/MT of USD 70 (on their FY27E capacities).