HOLD

TP: Rs 26,607 | ⮝ 2%

SHREE CEMENT | Cement | 01 August 2026

Opex impact short term, volume focus is the key; Retain HOLD

- **Healthy volume growth (17%) though lower clinker factor (1.5) lead to lower trade mix (62%) and dent in realisations (3%)**
- **EBITDAM contracts by ~573bps YoY impacted by sharp disruption in pet-coke supply, SRCM indicated peak cost has been absorbed**
- **Revise down FY27E/FY28E/FY29E EBITDA estimates factoring pain. TP revised to Rs 26,607(Rs 27,199) on rollover to Jun 2028, Retain HOLD**

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Realisation subdued due to operational disruptions: SRCM reported healthy revenue growth of 13.6% YoY (flat QoQ) to ~Rs56.2bn, driven by robust cement sales volume growth of ~17% YoY to ~10.5mnt (including clinker sales of 0.26mnt), aided by strong demand across North and South markets. However, lower clinker conversion due to higher coal usage resulted in a lower trade mix (62% vs 71% YoY), partially impacting product mix. Realisations fell by 3% YoY to Rs 5,360/tn.

Disruption led cost spike estimated to have peaked: Overall cost/tn rose ~4%/6% YoY/QoQ to ~Rs4,336/t, due to disruptions in pet-coke and gypsum supplies. Pet-coke consumption fell sharply to 9% (vs 54% QoQ), pushing fuel cost to ~Rs1.95/kcal (shift to low grade coal). Effectively, raw material cost jumped ~19%/25% YoY/QoQ, Freight cost spiked ~10%/22% YoY/QoQ. SRCM indicated fuel cost has majorly peaked and expects cost pressure to gradually ease from Q2FY27 as contracted pet-coke supplies normalise and packaging costs softens.

Cost headwinds impact margins: EBITDA slipped ~12.6% YoY to ~Rs10.7bn, as elevated fuel, raw material and freight costs more than offset strong volume growth. EBITDA/tn fell sharply by ~25% YoY to ~Rs1,024/t, while EBITDA margin contracted by ~573bps YoY (~313bps QoQ). This impacted PAT that fell by 29% to ~Rs4.4bn

Expansion pipeline: The UAE expansion (doubling capacity to ~7mtpa) remains on track for commissioning by Q3FY27, while the Meghalaya integrated plant (~1mtpa) will be ready by Q4FY28. SRCM maintained FY27 India capex guidance of Rs15bn.

Cut earnings estimates; retain HOLD: We cut FY27/FY28/FY29 EBITDA/PAT estimates by 5%/10%, to factor in the H1FY27 impact. SRCM's focus shifting back on volume growth is core and beyond the short-term war impact (that will reverse). We continue to value SRCM at 15x EV/EBITDA Jun 2028, as shift in focus on volume growth will help in improving efficiencies and sustained margins. Our FY25-29E Revenue/EBITDA CAGR estimates are 14%/16%. The UAE operations turning profitable is a key positive. We revise our TP at to Rs26,607 (earlier Rs27,199), at our target price SRCM is valued at Rs10.5bn/mnt replacement cost. Retain HOLD.

Key changes

Target	Rating
▼	◀ ▶

Ticker/Price	SRCM IN/Rs 26,055
Market cap	US$ 9.9bn
Free float	37%
3M ADV	US$ 6.8mn
52wk high/low	Rs 31,920/Rs 22,550
Promoter/FPI/DII	63%/13%/12%

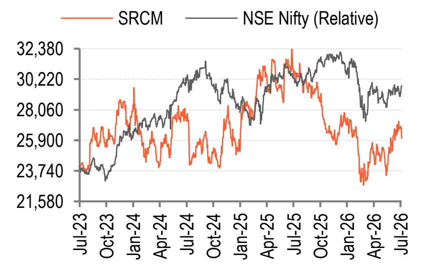
Source: NSE | Price as of 31 Jul 2026

Key financials

Y/E 31 Mar	FY26P	FY27E	FY28E
Total revenue (Rs mn)	1,93,105	2,26,542	2,55,252
EBITDA (Rs mn)	41,912	47,940	55,076
Adj. net profit (Rs mn)	17,062	18,446	20,939
Adj. EPS (Rs)	472.9	511.2	580.3
Consensus EPS (Rs)	472.9	507.9	652.4
Adj. ROAE (%)	7.8	8.0	8.6
Adj. P/E (x)	55.1	51.0	44.9
EV/EBITDA (x)	19.6	17.0	14.7
Adj. EPS growth (%)	42.6	8.1	13.5

Source: Company, Bloomberg, BOBCAPS Research | P – Provisional

Stock performance



Source: NSE

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Fig 1 – Conference Call Key Takeaways

Parameter	Q1FY27	Q4FY26	Our view
Volumes and realisations	Cement sales volume grew ~17% YoY to ~10.2mt, while total grey cement volumes (including subsidiaries/UAE) reached ~11.5mt. Management reiterated its 40mt FY27 volume guidance, implying ~10% growth, with H1 volumes expected at 19.5–20mt. Despite a sharp increase in non-trade sales (trade mix declined to 62% vs 71% YoY) due to lower clinker conversion, SRCM reported standalone cement realisations improved to Rs4,919/t (vs Rs4,854/t YoY). Blended cement share moderated to 60% (vs 70% YoY) while premium products remained healthy at 23.3% of trade sales. Capacity utilisation stood at 62%, with North/East/South utilisation at 66%/60%/57%, respectively.	Volume recovery was strong in Q4FY26, with cement sales rising ~11% YoY and ~25% QoQ to ~10.6mnt (vs 8.5mnt in Q3FY26), reflecting a clear shift towards volume-led growth. Total volumes (including clinker) stood at ~10.8mnt (+9% YoY, +23% QoQ). Reported cement realisations improved sequentially to Rs 4,725/t (vs Rs 4,652/t in Q3FY26, +1.6% QoQ), supported by a stable pricing environment. The company continued to narrow its pricing gap with peers to ~Rs15–20/bag and intends to compress it further. Capacity utilisation improved to 66% (vs 56% in Q3FY26). Trade sales were at 64% while blended cement constituted 62%. For FY26, volumes grew modestly by ~2.2% YoY to ~36.4mnt, in line with earlier guidance. FY27 volume guidance stands at ~40mnt,	SRCM yet again shifted focus back on volumes in continuing its act of balancing the margin and market share gains. However, this implies the continuous shift in focus. Though SRCM indicates Q1 to be exceptional quarter we feel the next couple of quarters are likely to be challenging due to cost pressure and hence the walk between margins and market share becomes more tighter.
Margins	Petcoke and gypsum imports were significantly impacted in Q1FY27 due to West Asia war. Petcoke usage declined sharply to 9% (vs 54% in Q4FY26) while coal usage increased to 74%, raising fuel cost to Rs1.95/kcal vs . Lower-quality coal reduced the clinker conversion factor to 1.5 (vs 1.58 YoY), forcing higher OPC/non-trade sales and increasing raw material consumption. Management indicated fuel cost has largely peaked with little to no impact expected in Q2FY27. Packaging costs have already started easing while gypsum procurement is expected to normalise. Lead distance improved to 445km from 459km YoY.	Fuel cost stood at ~Rs 1.6/kcal in Q4FY26 vs Rs 1.48 in Q4FY25 and is expected to rise by ~10–12% in Q1FY27 due to geopolitical disruptions. Fuel mix in Q4FY26 was Petcoke 54%, Coal 32%, AFR 14%. Cost inflation in Q4FY26 was ~Rs 20-30. Total cost inflation is guided at ~Rs150–200/t in the near term, led by higher fuel and packaging costs. Freight cost also remained elevated due to higher lead distance (~457km vs ~446km in Q4FY25), though management aims to reduce it to sub-440km levels going forward. Despite these headwinds, pricing actions (~Rs25/bag hikes) are expected to largely offset near-term cost pressures.	Fuel cost inventory holding is ~90 days, implying that the impact in the next couple of quarters on cost inflation will likely be higher, leading to EBITDA and EBITDA margins pressure. With increasing competitive intensity volume in nearby markets will be under pressure. implying the lead distance pressure may add to cost pressure.
Green Energy	Renewable energy contribution increased further to ~65% vs ~61% QoQ. SRCM is working on implementing battery energy storage systems (BESS). It also plans to induct around 100 electric commercial vehicles during FY27 and is exploring electrification of mining equipment to reduce logistics and mining costs over the medium term.	Green power share increased to ~61% in Q4FY26 (vs ~59% YoY), with total renewable capacity at ~666MW. This remains among the highest in the industry and supports structural cost efficiency.	Green-energy mix is commendable, but the commodity-intensive business (manufacturing) will imply higher reliance on thermal power
Capacity	Management reiterated its strategy of expanding through subsidiaries and overseas operations. UAE cement capacity expansion (doubling capacity to ~7mtpa) remains on track for commissioning by Q3FY27. Meghalaya integrated plant continues progressing as scheduled for Q4FY28, with infrastructure being created for eventual expansion to 4–5mtpa despite the initial 1mtpa phase. South India	Capacity expansion remained on track with the commissioning of the Kodla (Karnataka) integrated unit (3.65mt clinker + 3.5mt cement), taking total installed capacity to ~69.3mtpa. The company is also setting up a new integrated unit in Meghalaya (0.95mt clinker + ~1mt cement), supported by large limestone reserves (~600mnt), ensuring long-term raw material security. Management reiterated its long-term capacity	Focus on middle east market expansion is likely to tap the rebuilding process, following the war in the middle east. We feel this may be beneficial in the medium term. Focus on domestic market expansion seems to be moderating.

Parameter	Q1FY27	Q4FY26	Our view
	capacity continues ramping up aiding in penetrating Maharashtra and Gujarat markets.	target of ~80mt by FY29, although execution pace to stay calibrated based on demand visibility and industry capacity additions.	
Capex	Capex guidance for FY27 remains unchanged at ~Rs15bn, of which ~Rs4.6bn has already been spent in Q1FY27. The guidance excludes UAE expansion, which is being funded entirely through local cash generation.	Capex for FY27 is guided at ~Rs 15bn, focused on RMC expansion, railway sidings, and initial work on the Meghalaya project. Capex continues to be funded through internal accruals; maintaining a conservative capital structure. SRCM maintains a strong balance sheet with ~Rs80bn cash (Rs 67bn – investments and Rs17bn cash) and remains net debt-free.	The capex shift is more towards value added services over capacity expansion clearly indicating incremental capex for capacity addition will be more calibrated depending on demand situation arising in the next few quarters.
Other key points	Subsidiaries now contribute ~10% of consolidated revenue and SRCM is confident of this increasing to ~25% level. RMC business continued scaling with 33 operational plants, volumes rising 156% YoY to 2.36 lakh cubic meter, though profitability remains neutral at this stage. Railway share in Q1FY27 was 9% efforts are made to increase this through Gati Shakti contracts.	The company has transitioned from a value-focused strategy to a balanced approach of value plus volume, after stabilising the pricing and narrowing the gap with peers. Clinker factor was at ~64% vs 63.9% in Q3FY26 and trending ~64.8% in Q1FY27. RMC revenue in Q4FY26 was Rs 900mn and volume was at 1.99 lakh MT. For FY26, revenue was Rs2.5bn. RMC capacity expansion remains in focus, with plant count increasing to 26 (with further ramp-up underway). Union Cement sales increased by 18% YoY to 0.45mnt. Revenue increased by 39% YoY to Rs 870mn.	SRCM's focus on eastern region and in the overseas market will provide growth cushion. Healthy balance sheet to be another comfort in vulnerable business conditions. Venturing into RMC business will further facilitate cement consumption as the markets shift towards concreter demand over cement usage.

Fig 2 – Key metrics

	Q1FY27	Q1FY26	YoY (%)	Q4FY26	QoQ (%)	Q1FY27E	Deviation (%)
Volumes (mn mt)	10.5	9.0	17.2	10.8	(2.6)	10.2	3.3
Cement realisations (Rs/t)	5,360	5,528	(3.0)	5,245	2.2	5,365	(0.1)
Operating costs (Rs/t)	4,336	4,155	4.3	4,079	6.3	4,419	(1.9)
EBITDA/t (Rs)	1,024	1,373	(25.4)	1,167	(12.2)	1,123	(8.8)

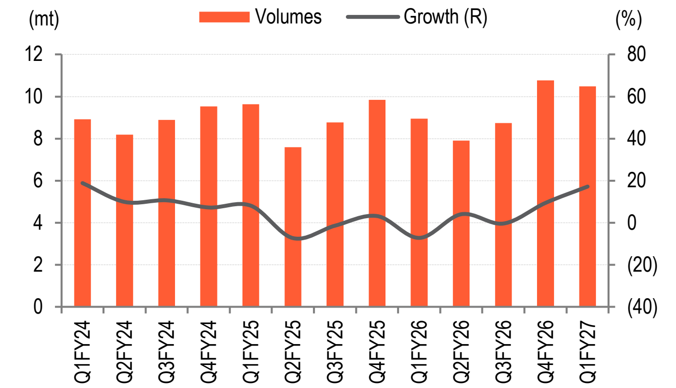
Source: Company, BOBCAPS Research

Fig 3 – Quarterly performance

(Rs mn)	Q1FY27	Q1FY26	YoY (%)	Q4FY26	QoQ (%)	Q1FY27E	Deviation (%)
Net Sales	**56,227**	**49,480**	**13.6**	**56,493**	**(0.5)**	**56,297**	**(0.1)**
Expenditure							
Change in stock	(690)	(284)	143.0	465	(248.5)	(384)	
Raw material	5,849	4,185	39.8	4,797	21.9	4,622	26.5
purchased products	1,556	1,698	(8.3)	2,933	(46.9)	2,510	-
Power & fuel	14,813	11,461	29.2	12,478	18.7	13,801	7.3
Freight	13,070	10,840	20.6	13,487	(3.1)	13,460	(2.9)
Employee costs	2,881	2,545	13.2	2,619	10.0	2,919	(1.3)
Other exp	8,004	6,744	18.7	7,148	12.0	7,957	0.6
Total Operating Expenses	45,482	37,189	22.3	43,927	3.5	44,885	1.3
EBITDA	**10,745**	**12,291**	**(12.6)**	**12,566**	**(14.5)**	**11,412**	**(5.8)**
EBITDA margin (%)	**19.1**	**24.8**	**(573bps)**	**22.2**	**(313bps)**	**20.3**	**(116bps)**
Other Income	2,014	2,011	0.2	1,122	79.5	1,111	81.3
Interest	555	446	24.5	548	1.3	566	(1.9)
Depreciation	5,862	5,524	6.1	6,377	(8.1)	6,410	(8.6)
PBT	6,342	8,331	(23.9)	6,764	(6.2)	5,547	14.3
Non-recurring items	0	0	-	0	-	0	-
PBT (after non-recurring items)	6,342	8,331	(23.9)	6,764	(6.2)	5,547	14.3
Tax	(1,962)	(2,146)	(8.6)	(1,381)	42.1	(1,109)	76.8
Reported PAT	4,380	6,185	(29.2)	5,383	(18.6)	4,438	(1.3)
Adjusted PAT	**4,380**	**6,185**	**(29.2)**	**5,383**	**(18.6)**	**4,438**	**(1.3)**
NPM (%)	**7.8**	**12.5**	**(471bps)**	**9.5**	**(174bps)**	**7.9**	**(9bps)**
Adjusted EPS (Rs)	**118.1**	**166.7**	**(29.2)**	**145.1**	**(18.6)**	**119.6**	**(1.3)**

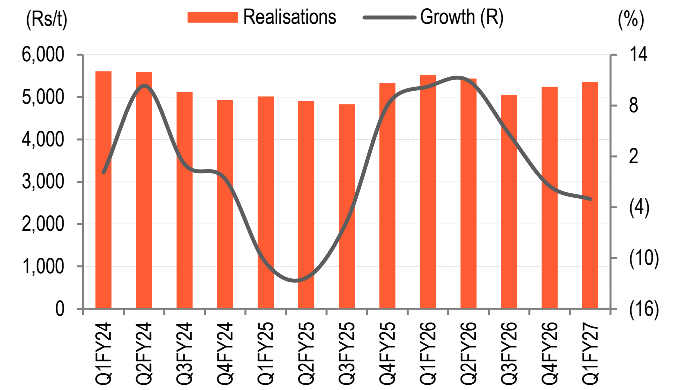
Source: Company, BOBCAPS Research

Fig 4 – Capacity expansion help penetrate Western markets driving volumes



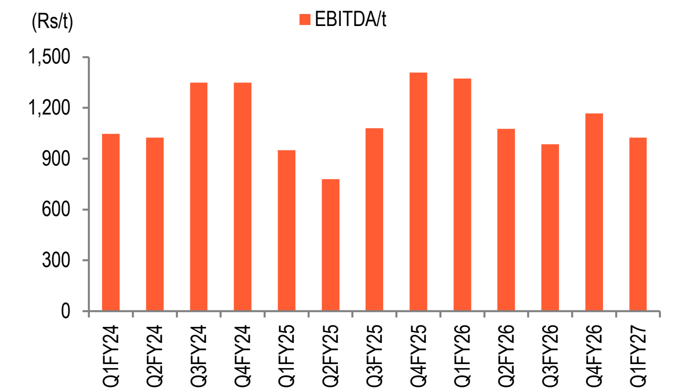
Source: Company, BOBCAPS Research

Fig 5 – Lower share of trade sales dampens realisations



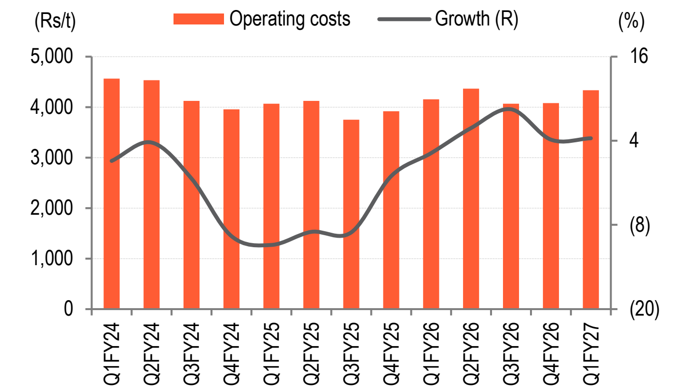
Source: Company, BOBCAPS Research

Fig 6 – Cost inflationary pressure nearing peak levels



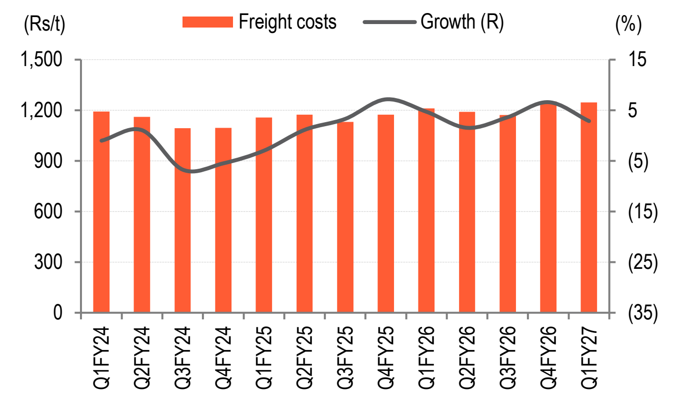
Source: Company, BOBCAPS Research

Fig 7 – Calibrated approach to pricing aimed at offsetting inflationary pressure



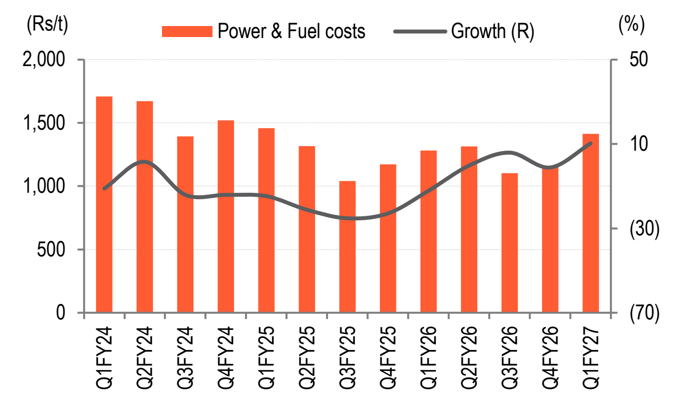
Source: Company, BOBCAPS Research

Fig 8 – Lead distance improvement provides partial respite though increased fuel price drive up cost



Source: Company, BOBCAPS Research

Fig 9 – Shift to lower quality coal impacts the cost despite increase in green power



Source: Company, BOBCAPS Research

Valuation Methodology

We cut FY27/FY28/FY29 EBITDA/PAT estimates by 5%/10%, to factor in the H1FY27 impact. SRCM's focus shifting back on volume growth is core and beyond the short-term war impact (that will reverse). We continue to value SRCM at 15x EV/EBITDA Jun 2028, as shift in focus on volume growth will help in improving efficiencies and sustained margins. Our FY25-29E Revenue/EBITDA CAGR estimates are 14%/16%. The UAE operations turning profitable is a key positive.

Focus on middle east market expansion is likely to tap the rebuilding process, following the war in the middle east. We feel this may be beneficial in the medium term. Focus on domestic market expansion seems to be moderating. Effectively, the capex shift is more towards value added services over capacity expansion clearly indicating incremental capex for capacity addition will be more calibrated depending on demand situation arising in the next few quarters

This seems to be the preferred strategy, considering the growth and margins scenario, as the cost-saving levers will be handy, contributed by green power and railway siding operational. Higher EBITDA/tonne remains the highlight only through cost savings in an uncertain realisations scenario. Capacity expansion plans may progress at a slow pace, given the current over-supply conditions and lower capacity utilisation.

We revise our TP at to Rs26,607 (earlier Rs27,199), at our target price SRCM is valued at Rs10.5bn/mnt replacement cost. Retain HOLD

Fig 10 – Revised estimates

(Rs mn)	New			Old			Change (%)		
	FY27E	FY28E	FY29E*	FY27E	FY28E	FY29E*	FY27E	FY28E	FY29E*
Revenue	2,26,542	2,55,252	2,88,123	2,26,542	2,55,252	2,88,123	0.0	0.0	0.0
EBITDA	47,940	55,076	61,946	50,837	58,224	65,261	(5.7)	(5.4)	(5.1)
Adj PAT	18,446	20,939	23,835	20,531	23,142	26,155	(10.2)	(9.5)	(8.9)
Adj EPS (Rs)	511.2	580.3	660.6	569	641.4	724.9	(10.1)	(9.5)	(8.9)

Source: BOBCAPS Research, * FY29 new introduced

Fig 11 – Key assumptions

	FY26P	FY27E	FY28E	FY29E
Volumes (mt)	37.28	41	45.1	50.06
Growth (%)	3.99	9.98	10.00	11.00
Realisations (Rs/t)	5,317	5,429	5,565	5,662
Growth (%)	5.9	2.1	2.5	1.7
Operating costs (Rs/t)	4,167	4,264	4,348	4,428
Growth (%)	5.1	2.3	2.0	1.9
EBITDA/t (Rs)	1,150	1,165	1,217	1,233
Growth (%)	9.0	1.3	4.5	1.4

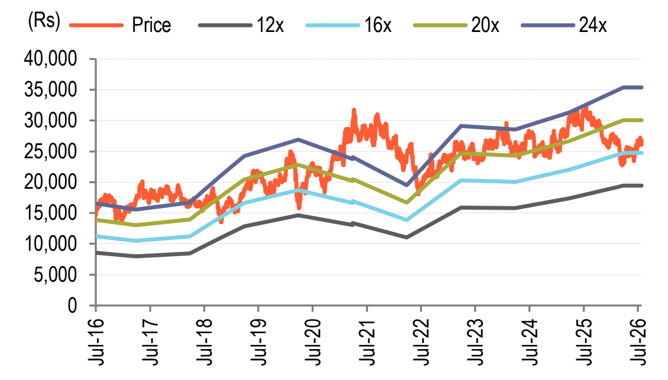
Source: Company, BOBCAPS Research

Fig 12 – Valuation summary

(Rs mn)	June 2028E
Target EV/EBITDA (x)	15.0
EBITDA	56,793
Target EV	823,503
Total EV	823,503
Net debt	(137,537)
Target market capitalisation	961,040
Target price (Rs/sh)	**26,607**
Weighted average shares (mn)	**36.12**

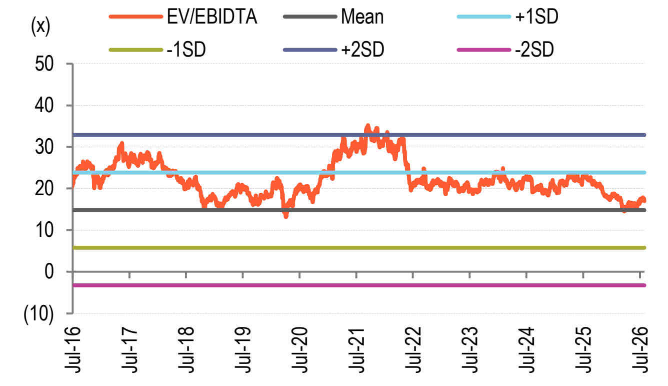
Source: BOBCAPS Research| 1-year forward earnings, rolled forward to June 2028

Fig 13 – EV/EBITDA band: SRCM valuation moderates to align with earnings



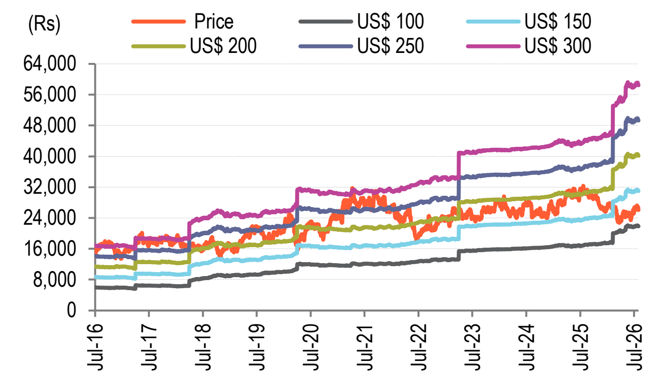
Source: Company, Bloomberg, BOBCAPS Research

Fig 14 – EV/EBITDA 1YF: We continue to value SRCM at 15x EV/EBITDA, near its mean valuation



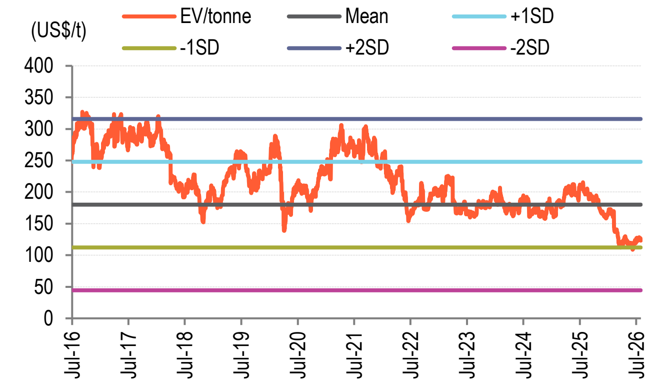
Source: Company, Bloomberg, BOBCAPS Research

Fig 15 – Replacement cost band: Earnings reflect in replacement cost valuations; assets are yet to fully used



Source: Company, Bloomberg, BOBCAPS Research

Fig 16 – Replacement cost band: 1YF will reverse to mean chasing earnings



Source: Company, Bloomberg, BOBCAPS Research

Key Risks

Key risks to our estimates:

- Key downside risks: severe competition in northern India can add pricing pressure; return of focus to volume growth may dent realisations.
- A faster reversal in fuel prices can inflate costs, posing a downward risk to our earnings estimates.
- Faster-than-expected demand revival and better realisations are the key upside risks.

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY25A	FY26P	FY27E	FY28E	FY29E
Total revenue	**1,80,373**	**1,93,105**	**2,26,542**	**2,55,252**	**2,88,123**
EBITDA	38,368	41,912	47,940	55,076	61,946
Depreciation	(28,080)	(23,319)	(29,145)	(32,060)	(34,976)
EBIT	16,059	24,561	27,669	32,329	36,839
Net interest inc./(exp.)	(2,086)	(2,077)	(2,309)	(2,683)	(3,057)
Other inc./(exp.)	5,772	5,968	8,873	9,313	9,869
Exceptional items	0	0	0	0	0
EBT	13,974	22,484	25,360	29,646	33,782
Income taxes	(2,011)	(5,422)	(6,914)	(8,707)	(9,948)
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	**11,962**	**17,062**	**18,446**	**20,939**	**23,835**
Adjustments	0	0	0	0	0
Adjusted net profit	**11,962**	**17,062**	**18,446**	**20,939**	**23,835**

Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26P	FY27E	FY28E	FY29E
Accounts payables	14,331	15,343	17,755	20,012	22,594
Other current liabilities	42,790	42,376	40,539	41,235	46,810
Provisions	57	57	57	57	57
Debt funds	8,165	17,946	20,992	24,392	27,792
Other liabilities	(7,061)	(6,520)	(7,448)	(8,067)	(8,741)
Equity capital	361	361	361	361	361
Reserves & surplus	2,11,753	2,24,755	2,36,119	2,49,976	2,66,729
Shareholders' fund	2,12,102	2,25,115	2,36,490	2,50,360	2,67,126
Total liab. and equities	**2,70,383**	**2,94,316**	**3,08,385**	**3,27,989**	**3,55,638**
Cash and cash eq.	1,18,273	1,42,722	1,47,804	1,58,304	1,76,201
Accounts receivables	7,805	10,127	12,331	14,400	16,822
Inventories	20,754	23,328	27,301	30,699	34,590
Other current assets	23,457	23,846	26,230	28,853	31,739
Investments	0	0	0	0	0
Net fixed assets	46,029	34,390	25,975	14,645	400
CWIP	52,665	58,419	67,169	79,419	94,119
Intangible assets	1,400	1,484	1,573	1,668	1,768
Deferred tax assets, net	0	0	0	0	0
Other assets	0	0	0	0	0
Total assets	**2,70,384**	**2,94,316**	**3,08,385**	**3,27,989**	**3,55,638**

Cash Flows

Y/E 31 Mar (Rs mn)	FY25A	FY26P	FY27E	FY28E	FY29E
Cash flow from operations	**53,242**	**37,713**	**37,198**	**47,244**	**57,095**
Capital expenditures	(38,860)	(17,518)	(29,569)	(33,074)	(35,530)
Change in investments	(9,210)	(24,922)	(6,139)	(9,743)	(13,985)
Other investing cash flows	0	0	0	0	0
Cash flow from investing	**(48,070)**	**(42,440)**	**(35,708)**	**(42,818)**	**(49,515)**
Equities issued/Others	(1)	11	11	13	13
Debt raised/repaid	(6,572)	9,781	3,046	3,400	3,400
Interest expenses	0	0	0	0	0
Dividends paid	(2,649)	(7,693)	(5,604)	(7,082)	(7,082)
Other financing cash flows	3,388	2,155	0	0	0
Cash flow from financing	**(5,834)**	**4,254**	**(2,547)**	**(3,669)**	**(3,669)**
Chg in cash & cash eq.	**(662)**	**(473)**	**(1,057)**	**757**	**3,911**
Closing cash & cash eq.	**1,18,273**	**1,42,722**	**1,47,804**	**1,58,305**	**1,76,201**

Per Share

Y/E 31 Mar (Rs)	FY25A	FY26P	FY27E	FY28E	FY29E
Reported EPS	331.5	472.9	511.2	580.3	660.6
Adjusted EPS	331.5	472.9	511.2	580.3	660.6
Dividend per share	167.8	147.2	167.8	167.8	167.8
Book value per share	5,878.6	6,239.3	6,554.6	6,939.0	7,403.7

Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26P	FY27E	FY28E	FY29E
EV/Sales	4.6	4.3	3.6	3.2	2.8
EV/EBITDA	21.8	19.6	17.0	14.7	12.9
Adjusted P/E	78.6	55.1	51.0	44.9	39.4
P/BV	4.4	4.2	4.0	3.8	3.5

DuPont Analysis

Y/E 31 Mar (%)	FY25A	FY26P	FY27E	FY28E	FY29E
Tax burden (Net profit/PBT)	85.6	75.9	72.7	70.6	70.6
Interest burden (PBT/EBIT)	87.0	91.5	91.7	91.7	91.7
EBIT margin (EBIT/Revenue)	8.9	12.7	12.2	12.7	12.8
Asset turnover (Rev./Avg TA)	67.0	68.4	75.2	80.2	84.3
Leverage (Avg TA/Avg Equity)	1.3	1.3	1.3	1.3	1.3
Adjusted ROAE	5.8	7.8	8.0	8.6	9.2

Ratio Analysis

Y/E 31 Mar	FY25A	FY26P	FY27E	FY28E	FY29E
YoY growth (%)					
Revenue	(6.2)	7.1	17.3	12.7	12.9
EBITDA	(3.7)	9.2	14.4	14.9	12.5
Adjusted EPS	(51.5)	42.6	8.1	13.5	13.8
Profitability & Return ratios (%)					
EBITDA margin	21.3	21.7	21.2	21.6	21.5
EBIT margin	8.9	12.7	12.2	12.7	12.8
Adjusted profit margin	6.6	8.8	8.1	8.2	8.3
Adjusted ROAE	5.8	7.8	8.0	8.6	9.2
ROCE	7.5	10.9	11.4	12.5	13.3
Working capital days (days)					
Receivables	16	19	20	21	21
Inventory	42	44	44	44	44
Payables	37	37	36	36	36
Ratios (x)					
Gross asset turnover	1.0	1.0	1.0	1.1	1.1
Current ratio	3.0	3.5	3.7	3.8	3.7
Net interest coverage ratio	7.7	11.8	12.0	12.0	12.1
Adjusted debt/equity	0.0	0.1	0.1	0.1	0.1

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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BUY – Expected return >+15%

HOLD – Expected return from -6% to +15%

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Note: Recommendation structure changed with effect from 21 June 2021

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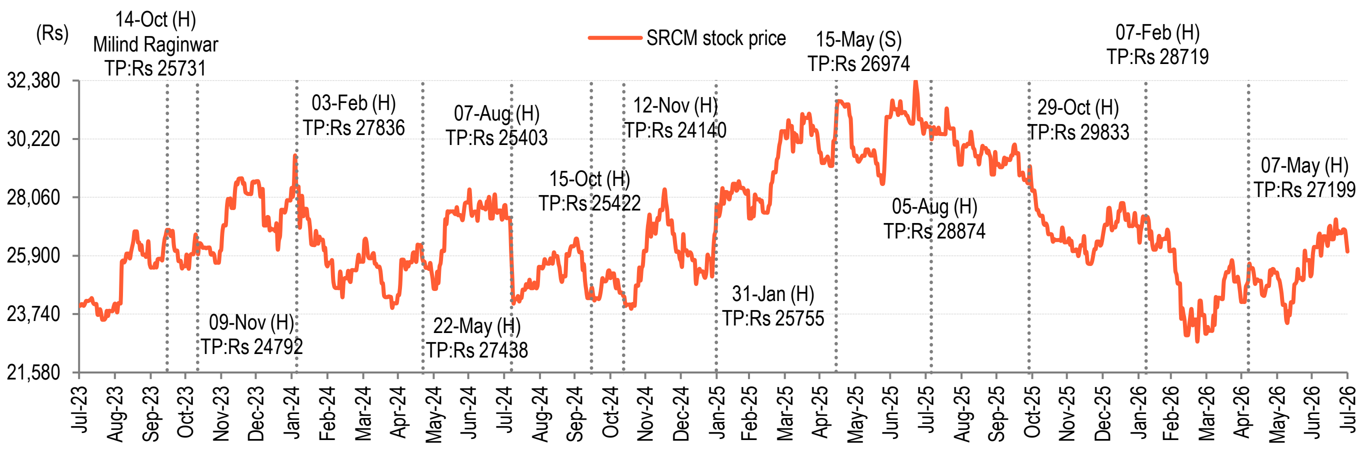
Ratings and Target Price (3-year history): SHREE CEMENT (SRCM IN)



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