

## Equity Research Report

### Dalmia Bharat Ltd.



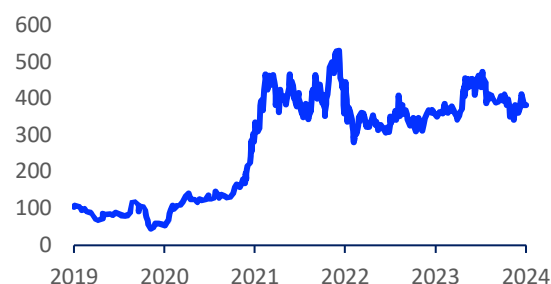
#### About the Company

- Dalmia Bharat is engaged in the business of Manufacturing and Selling of Cement. The company was started in 1939 and is the 4th largest cement manufacturer by installed capacity in India.
- Founded in 1939 by Late Shri Jaidayal Dalmia, Dalmia Bharat Group is one of the Fastest Growing and Most Profitable Groups in India. **Dalmia Bharat Ltd. is 4th largest cement manufacturing company in India** and Dalmia Bharat Sugar Ltd. is one of the fastest growing cane based multi-product companies
- As of Aug,23, company has 15 manufacturing plants across India with a total cement manufacturing capacity of ~44 MnTPA. It has ~22 MnTPA clinker capacity. It also owns 382 MW of captive power capacity. In FY23, company commissioned 2.5 MnT Line-2 at Bokaro, Jharkhand (JCW).
- As of Aug,23, company has ~41000 channel partners in 23+ states. Company enjoys leading market position in East, North-East and South region. The company has 12000+ truck fleet.
- In FY23, company has entered into definitive agreement to acquire cement assets of Jaiprakash Ltd.

Recommendation	XXX
CMP	1820
Target Price	XXXX

#### Stock data as on (June ,2024)

Nifty	23,549
52 Weeks H/L (INR)	2431/1700
Market Cap (INR)	0.34T
Dividend Yield (%)	1.09%
NSE Code	<b>DALBHARAT</b>



#### Absolute Returns(%)

1 Year	-17.13%
3 Year	0.97%
5 Year	71.6%%

#### Shareholding Pattern as on (june,2024)

Promoters	55.85%
DII	12.62%
FII	11.37%
Public Shareholding	20.16%

#### Q4 FY24 KeyHighlights

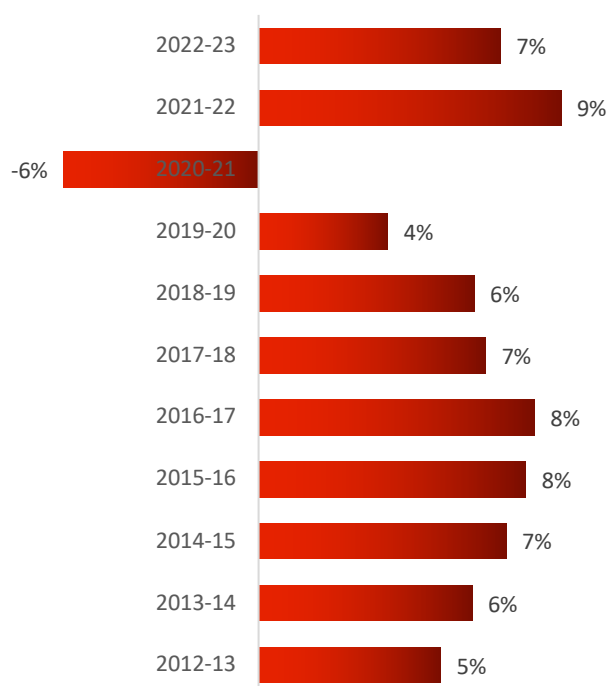
- Dalmia Bharat net profit down 47% to Rs 320 crore
- - 47.5% decline in consolidated net profit to Rs 320 crore vs Rs 609 crore in January-March period
- - Decline in profit attributed to drop in prices
- - Revenue from operations up 10% to Rs 4,307 crore as against Rs 3,915 crore in the year-ago period
- - Total expenses during the quarter under review at Rs 4,075 crore, an increase of 13.04%

## Global Economy

The global economy will grow steadily in the coming years, with a GDP growth rate of 3.2% in both 2024 and 2025. This forecast aligns with the growth rate observed in 2023, indicating a period of stabilization following the economic disruptions caused by the COVID-19 pandemic and ongoing geopolitical tensions. Advanced economies are expected to see a slight increase in growth, from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025, driven by improved consumer confidence, easing supply chain disruptions, and supportive monetary policies. In contrast, emerging markets and developing economies are projected to grow at 4.2% in both 2024 and 2025, a slight decrease from the 4.3% growth rate in 2023.

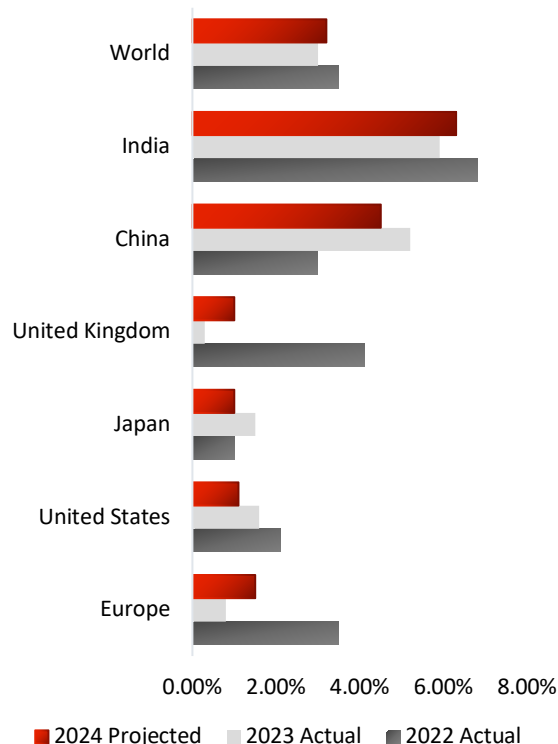
Inflation trends show a global decline, with the IMF forecasting a drop from 6.8% in 2023 to 5.9% in 2024 and further down to 4.5% in 2025. This reduction is attributed to the tightening of monetary policies by central banks worldwide, which is expected to moderate demand and curb price increases. In advanced economies, inflation is expected to fall more rapidly, reaching levels close to central bank targets due to stronger monetary policy frameworks and less volatile supply conditions. Conversely, inflation in emerging markets and developing economies is projected to decrease more slowly due to persistent supply-side constraints, currency depreciations, and higher pass-through of global commodity prices.

Source : [IMF, OCED](#)



Source : [MOSPI](#)

## Global GDP Growth (%)



Source : [IMF](#)

## Indian Economy

India witnessed a 7.2% growth in FY 23 which is significantly above the global average growth rate of 3.5%. India surpassed U.K. by becoming 5th largest economy in FY23.

Despite the global economic challenges viz. post COVID impact, supply chain disruption, high inflation & interest rate hikes, India economic was resilient towards growth.

India's strong economic growth is driven by some important factors such as fast pace digitization, prudent fiscal policy, government initiatives, robust local demand, push for the infrastructure development, stabilizing the prices of the commodity prices and resilient supply chain.

India is set to become the world's third-largest economy by FY28, two years earlier than projected, according to economists at SBI Research. The team said the figures, which would see India surpass Japan and Germany and account for 4% of the global GDP share, were achievable with growth rates anywhere between 6.5% to 11.5%.

CPI inflation for 2024-25 is projected at 4.5 per cent with Q1 at 4.9 per cent; Q2 at 3.8 per cent; Q3 at 4.6 per cent; and Q4 at 4.5 per cent.

# Dalmia Bharat Ltd



## Indian Cement Industry

India's cement market accounts for 7% of the global installed capacity. India's cement production for FY24 is expected to grow by 7-8% driven by infrastructure-led investment and mass residential projects.

- Cement consumption is expected to reach 450.78 million tonnes by the end of FY27. Cement production increased by 5.6% in January 2024 over January 2023. Its cumulative index increased by 9% during April-January, 2023-24 over the corresponding period of the previous year.

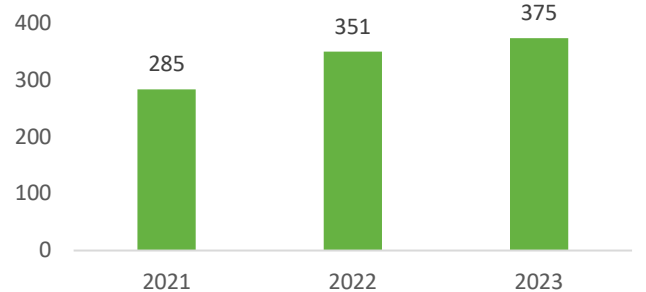
- India's cement production reached 374.55 million tonnes in FY23, a growth rate of 6.83% year-on-year (yoy). It is supported by a high level of activity going on in real estate and high Government spending on smart cities and urban infrastructure.

- Growth in the Infrastructure and real estate sector, post-COVID-19 pandemic, is likely to augment the demand for cement in 2021. The industry is likely to add an ~8 MTPA capacity in cement production. ▪ In 2023, infrastructure emerged as the top sector, attracting US\$ 11.6 billion (Rs. 9.65 lakh crore) across 57 deals, marking a 29% year-on-year growth (compared to US\$ 9 billion (Rs. 7.49 lakh crore) across 75 deals in 2022), representing the second-highest investment level ever in PE/VC.

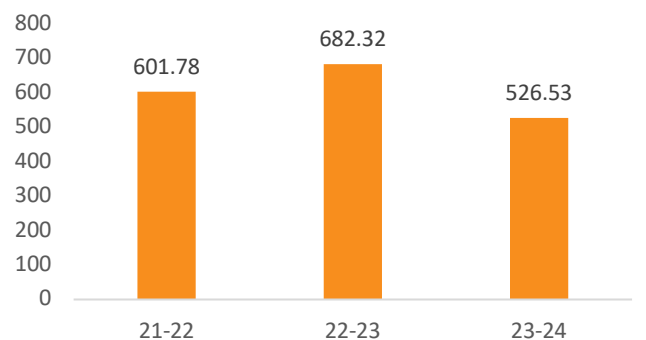
India's cement industry, as per CRISIL Ratings, plans to increase its capacity by 150-160 MT between FY25 and FY28, building upon the 119 MT annual capacity addition over the last five years, to cater to growing infrastructure and housing demands. The consumption of cement in India reached 375.19 million tonnes in FY23 while the cement production reached 374.55 MT in FY23. India's overall cement production accounted for 350.59 million tonnes (MT) in FY22 and 284.91 million tonnes (MT) in FY21. The country's cement industry is among the world's most energy-efficient industries, in terms of specific energy consumption.

Source : [IBEF](#)

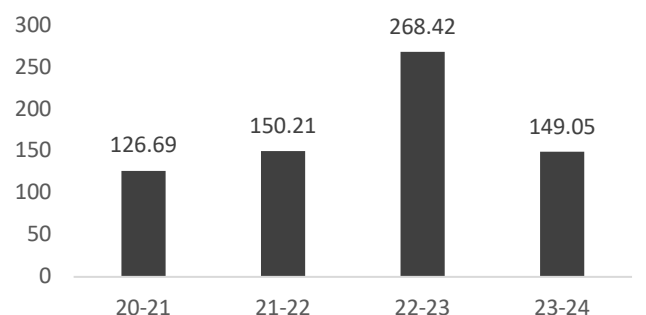
Cement Production in INDIA



CEMENT Export From INDIA



CEMENT Import to INDIA



# Dalmia Bharat Ltd



## Concall Analysis

### Financial Performance

- Healthy volume growth of 18.5% YoY in Q4 and 11.8% YoY for the full year.
- Revenues increased by 10% YoY in Q4 and 8.4% YoY for the full year.
- EBITDA declined by 7.8% YoY in Q4 but increased by 13.4% YoY for the full year.
- Declared a final dividend of INR 5 per share, subject to shareholder approval.\

### Management Overview

- Puneet Dalmia, MD and CEO, provided an overview of the company's performance.
- Mentioned healthy volume growth and regained market share in the last 2 quarters.
- Acknowledged higher costs incurred to regain market share.
- Shared concerns about declining prices in key markets affecting EBITDA per ton.
- Expressed belief in India's GDP growth and cement demand growth.

### Operational Details

- Trade sales were 65% in Q4, premium products at 21%, and blended sales at 87%.
- Green power usage at 28% and fuel mix with pet coke at 56%.
- Expecting further reduction in power and fuel costs in the next quarter.
- Focus on brand building activities and improving cost efficiencies.

### Strategic and Operational performance

- Trade sales were 65% in Q4, premium products at 21%, and blended sales at 87%.
- Green power usage at 28% and fuel mix with pet coke at 56%.
- Expecting further reduction in power and fuel costs in the next quarter.
- Focus on brand building activities and improving cost efficiencies.
- Jaypee assets contributing to volume growth, with plans to integrate them into normal cost structures.
- No specific profitability details shared for Jaypee operations.

### Challenges and strategies

- Focused on regaining market share and improving profitability over the next few quarters.
- Operating leverage expected to play a role as capacity utilization improves.
- Reinvesting in brand building activities to drive long-term growth.
- Expecting gradual improvement in profitability of Jaypee assets over a 2-year period.

### Corporate Social Responsibility

- Corporate Social Responsibility activities assessed on ISO 26000, a first for an Indian cement company

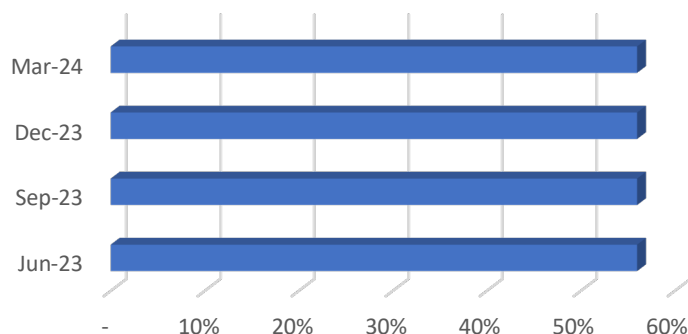
# Dalmia Bharat Ltd



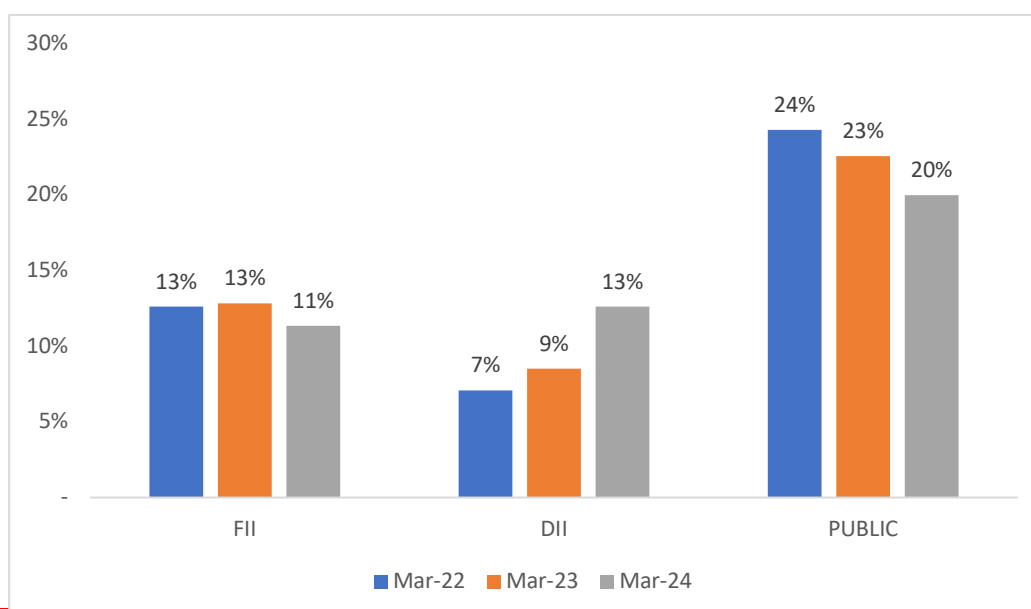
## Shareholding Pattern

The shareholding pattern of Dalmia Bharat Ltd. from March 2022 to March 2024 reveals constant: Promoter holdings have remained largely stable at around 56%, ensuring strong control. Domestic Institutional Investors (DII) have shown a consistent increase from 7% to 13%, indicating growing confidence in the company's prospects. Conversely, Foreign Institutional Investors (FII) shareholding has gradually decreased from 13% to 11%, suggesting minor fluctuations. Public shareholding also declined from 24% to 20%. Overall, the promoters holding, FII and DII shows the strong fundamentals of the company.

### Promoter Holding



Particulars	Mar-24	Dec-23	Sep-23	Jun-23	Mar-23	Dec-22	Sep-22	Jun-22	Mar-22
Promoter	56%	56%	56%	56%	56%	56%	56%	56%	56%
FII	11%	13%	14%	14%	13%	12%	12%	13%	13%
DII	13%	11%	9%	9%	9%	8%	8%	7%	7%
Public	20%	20%	21%	21%	22%	24%	24%	24%	24%



# Dalmia Bharat Ltd



## CONSOLIDATED BALANCE SHEET

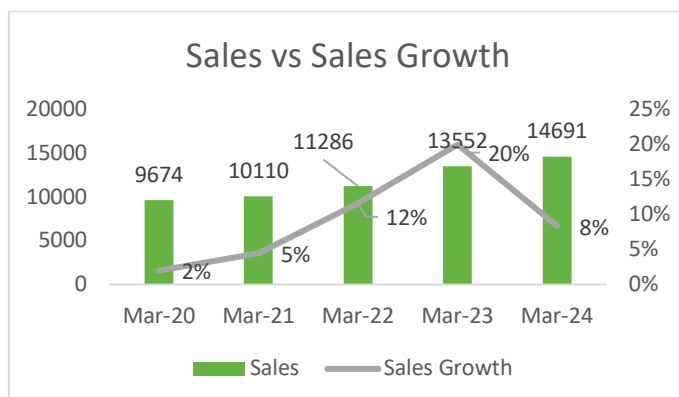
	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Equity Share Capital	39	37	37	37	38
Reserves	10522	12773	16024	15591	16359
Borrowings	6049	3839	3176	3855	4805
Other Liabilities	4268	5237	5431	6036	6547
<b>Total</b>	<b>20878</b>	<b>21886</b>	<b>24668</b>	<b>25519</b>	<b>27749</b>
Fixed Assets Net Block	12555	13626	14147	14796	15843
Capital Work in Progress	1740	1006	1034	1859	2284
Investments	2816	4033	5704	3524	4462
Other Assets	1726	1703	2005	3039	2524
<b>Total NCA</b>	<b>18837</b>	<b>20368</b>	<b>22890</b>	<b>23218</b>	<b>25113</b>
Receivables	664	511	673	700	836
Inventory	974	760	945	1316	1218
Cash & Bank	403	247	160	285	582
<b>Total Current Assets</b>	<b>2041</b>	<b>1518</b>	<b>1778</b>	<b>2301</b>	<b>2636</b>
<b>Total Assets</b>	<b>20878</b>	<b>21886</b>	<b>24668</b>	<b>25519</b>	<b>27749</b>

# Dalmia Bharat Ltd



## Revenue

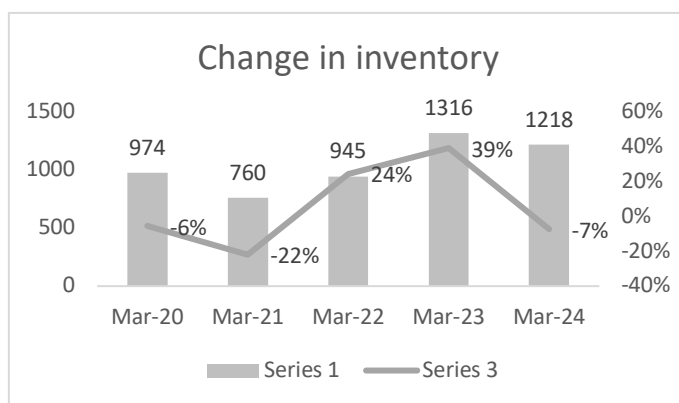
The company demonstrated strong revenue growth from FY20 to FY24, with sales rising from 9,674 crore to 14,691. Despite a slight dip in FY21 due to Covid 19, sales rebounded significantly, growing by 12% in FY22 and 20.0% in FY23. The momentum dis-continued with an 8% increase in FY24. Over the last 5 years revenue has grown at a rate of 9.32% While the Industry has grown with the average rate of 7.5%. The company's enduring expansion highlights its robust business strategy and adept handling of market obstacles, setting it up for future growth and wealth generation.



## Inventory

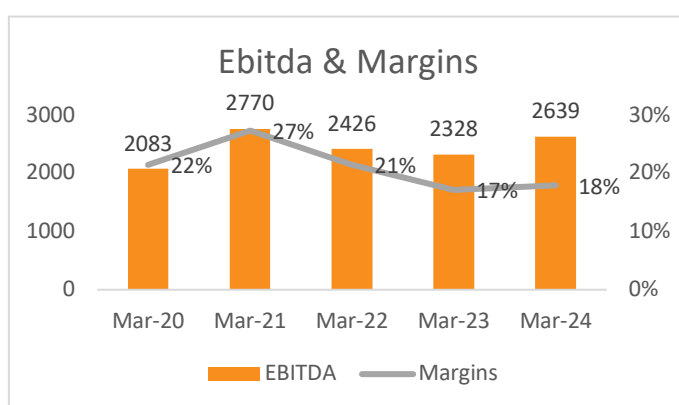
In general, the company's revenue and inventory increase are out of pace. Notably, during COVID in FY21, inventory levels soared as a result of a decline in sales.

The company has managed to increase revenues after covid and leveled inventory build-up when the situation improved. The company's inventory day is 111, which is significantly higher than the industry median. Keeping larger inventory levels may be necessary to guarantee order fulfillment on time.



## Margins

EBITDA showed a moderate increase trend, rising from 2083 crores in FY20 to 2639 crores in FY24. Due to COVID-19, the EBITDA margin varied marginally over the years, beginning at 22% in FY20 and falling to 21% in FY22. This variation shows how resilient the business has been in sustaining profitability under various cost constraints and market circumstances. Dalmia Bharat ability to control operational costs and propel growth in its core business operations is demonstrated by the steady improvement in EBITDA and overall stability in EBITDA margins.



# Dalmia Bharat Ltd



## DISCOUNTING COMMON FACTOR

Calculation of FCFF	Mar-24A	Mar-25 F	Mar-26 F	Mar-27 F	Mar-28 F	Mar-29 F
EBIT	₹ 1,141.0 ₹	1,201.8 ₹	1,265.9 ₹	1,333.3 ₹	1,404.4 ₹	1,479.3
Tax Rate	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
EBIT(1-T)	₹ 798.7 ₹	841.3 ₹	886.1 ₹	933.3 ₹	983.1 ₹	1,035.5
Less Reinvestment Rate	243.12%	208.52%	208.52%	208.52%	208.52%	104.72%
FCFF	₹ (1,143.1) ₹	(912.9) ₹	(961.6) ₹	(1,012.9) ₹	(1,066.8) ₹	(48.9)
Mid Yr convention		0.5	1.5	2.5	3.5	4.5
Discounting Factor		0.883	0.688	0.537	0.418	0.326
pv of FCFF	₹	(806.1) ₹	(661.9) ₹	(543.5) ₹	(446.3) ₹	(15.9)

Expected Growth	5.33%
Terminal Growth	6.50%
WACC	28.27%

Calculation of Terminal Value	
FCFF(n+1)	₹ (51.5)
Wacc	28.27%
Terminal Growth Rate	6.50%
<b>Terminal Value</b>	<b>₹ (236.5)</b>

Sensitivity Analysis					
₹	(113.16)	8.00%	10.14%	12.00%	14.00%
4.00%	₹ (122.2)	₹	(118.3) ₹	(116.7) ₹	(115.6)
5.38%	₹ (128.0)	₹	(120.4) ₹	(117.8) ₹	(116.3)
6.00%	₹ (133.2)	₹	(121.8) ₹	(118.5) ₹	(116.7)
7.00%	₹ (155.3)	₹	(125.2) ₹	(120.0) ₹	(117.4)
8.00%	#DIV/0!	₹	(131.8) ₹	(122.2) ₹	(118.5)

Calculation of Equity Value	
Pv of FCFF	₹ (5,146.2)
PV of Terminal Value	₹ (77.1)
Enterprise Value	₹ (77.1)
Add Cash	582
Less Debt	4805
<b>Value of Equity</b>	<b>₹ (4,300.1)</b>
No of shares	38
Value per share	₹ (113.16)
Share Price	945.7
<b>Times</b>	<b>-8.36x</b>



# Dalmia Bharat Ltd



## OVERALL RATIO ANALYSIS

Years	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
<b>Sales Growth</b>	2.00%	4.51%	11.63%	19.97%	8.50%
<b>EBITDA Growth</b>	7.26%	32.98%	-12.42%	-4.53%	13.95%
<b>EBIT growth</b>	34.62%	769.29%	-18.73%	-21.44%	-2.83%
<b>Net Profit Growth</b>	-81.58%	4847.62%	-35.13%	-20.62%	0.75%
<b>Dividend Growth</b>	0.00%	0.00%	0.00%	0.00%	50.09%
<b>Gross Margin</b>	30.56%	34.93%	29.52%	24.91%	54.46%
<b>EBITDA Margin</b>	21.53%	27.40%	21.50%	17.10%	17.96%
<b>EBIT Margin</b>	5.74%	15.03%	10.55%	7.47%	7.77%
<b>EBT Margin</b>	1.45%	12.04%	8.76%	5.74%	5.14%
<b>Net Profit Margin</b>	0.22%	10.28%	5.97%	3.95%	3.67%
<b>Sales Expenses% Sales</b>	9.02%	7.53%	8.03%	7.81%	36.50%
<b>Depreciation % Sales</b>	15.79%	12.36%	10.94%	9.64%	10.20%
<b>Operating Income% sales</b>	1.45%	12.04%	8.76%	5.74%	5.14%
<b>Return on capital employed</b>	3.34%	9.13%	6.19%	5.19%	5.38%
<b>Retained Earnings %</b>	100.00%	100.00%	100.00%	-43.18%	-113.31%
<b>Return on equity %</b>	0.20%	8.11%	4.20%	3.42%	3.29%
<b>self-Sustained Growth rate</b>	0.20%	8.11%	4.20%	-1.48%	-3.72%
<b>interest coverage ratio</b>	1.34x	5.02x	5.90x	4.32x	2.96x

# Dalmia Bharat Ltd



## OVERALL RATIO ANALYSIS

<b>Debtor turnover Ratio</b>	<b>14.57x</b>	<b>19.78x</b>	<b>16.77x</b>	<b>19.34x</b>	<b>17.57x</b>
<b>Creditor Turnover</b>	2.27x	1.93x	2.08x	2.24x	2.24x
<b>Inventory Turnover</b>	3.44x	2.51x	1.98x	3.84x	3.29x
<b>Fixed Assets turnover</b>	0.77x	0.74x	0.80x	0.92x	0.93x
<b>Capital Turnover</b>	0.92x	0.79x	0.70x	0.87x	0.90x
<b>Debtor Days</b>	25 days	18 days	22 days	19 days	21 days
<b>Payable Days</b>	161 days	189 days	176 days	163 days	163 days
<b>Inventory Days</b>	106 days	146 days	184 days	95 days	111 days
<b>Cash Conversion Days</b>	-30 days	-25 days	31 days	-49 days	-31 days
<b>CFO/Sales</b>	27.07%	43.41%	12.60%	16.11%	18.66%
<b>CFO/Total Assets</b>	12.54%	20.05%	5.76%	8.55%	9.88%
<b>CFO/Total Debt</b>	43.30%	114.33%	44.77%	56.58%	57.07%

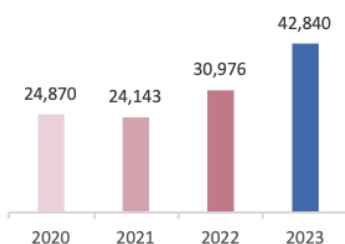
# Dalmia Bharat Ltd



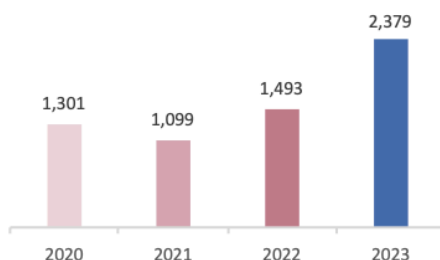
## DUPONT ANALYSIS

### Financial Summary

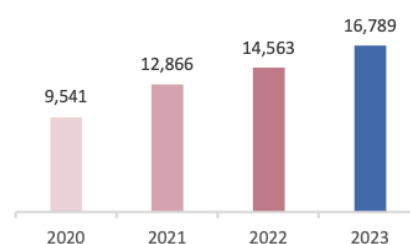
Revenues (INR Crs.)



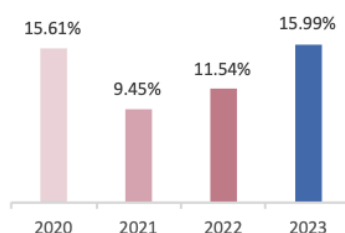
Net Profit (INR Crs.)



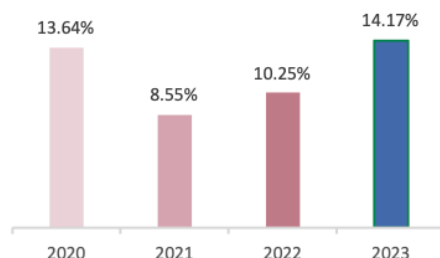
Average Total Assets (INR Crs.)



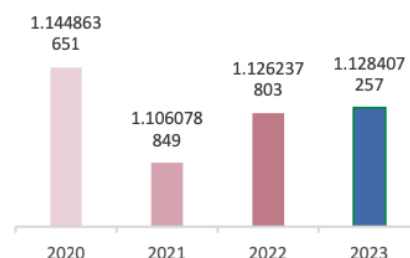
Return on Equity (%)



Return on Asset (%)



Financial Leverage



### Recent Updates

The new look of Dalmia Cement is now visible on ground with RCF Shows, signages, shop and wall paintings, etc

Aim to reach 26+ Crore views through this campaign on TV and digital mediums

Ranveer Singh featuring as an energetic contractor in TV commercial - "RCF Strong, Toh Ghar Strong"

Over 90% of the fleet is equipped with GPS, enabling optimized routes, diversion detection, and improved fuel usage

Implemented Green Channel for dealer trucks at the plant, ensuring priority loading

Introduced Express Delivery via Stock on Wheels, allowing orders to be placed on in-transit vehicles for quicker delivery.

# Dalmia Bharat Ltd



## DUPONT ANALYSIS

### Dupont Analysis - Return on Equity & Return on Asset

Return on Equity (ROE)							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	292.0	308.0	224.0	1,171.0	816.0	1,035.0	826.0
Average Shareholder Equity	15,654.5	15,919.5	16,966.0	20,840.5	23,875.0	23,826.5	16,397.0
<b>Return on Equity</b>	<b>1.87%</b>	<b>1.93%</b>	<b>1.32%</b>	<b>5.62%</b>	<b>3.42%</b>	<b>4.34%</b>	<b>5.04%</b>

ROE - Dupont Equation							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	292.0	308.0	224.0	1,171.0	816.0	1,035.0	826.0
Revenue	8,579.0	9,484.0	9,674.0	10,110.0	11,286.0	13,540.0	14,691.0
<b>Net Profit Margin (A)</b>	<b>3.40%</b>	<b>3.25%</b>	<b>2.32%</b>	<b>11.58%</b>	<b>7.23%</b>	<b>7.64%</b>	<b>5.62%</b>
Revenue	8,579.0	9,484.0	9,674.0	10,110.0	11,286.0	13,540.0	14,691.0
Average Total Asset	21,313.0	20,951.0	20,708.0	21,382.0	23,277.0	25,093.5	26,634.0
<b>Asset Turnover Ratio (B)</b>	<b>0.4x</b>	<b>0.5x</b>	<b>0.5x</b>	<b>0.5x</b>	<b>0.5x</b>	<b>0.5x</b>	<b>0.6x</b>

Average Total Asset	21,313.0	20,951.0	20,708.0	21,382.0	23,277.0	25,093.5	26,634.0
Average Shareholder Equity	15,654.5	15,919.5	16,966.0	20,840.5	23,875.0	23,826.5	16,397.0
<b>Equity Multiplier (C)</b>	<b>1.36x</b>	<b>1.32x</b>	<b>1.22x</b>	<b>1.03x</b>	<b>0.97x</b>	<b>1.05x</b>	<b>1.62x</b>
<b>Return on Equity (A*B*C)</b>	<b>1.87%</b>	<b>1.93%</b>	<b>1.32%</b>	<b>5.62%</b>	<b>3.42%</b>	<b>4.34%</b>	<b>5.04%</b>

Return on Asset							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	292.0	308.0	224.0	1,171.0	816.0	1,035.0	826.0
Average Total Asset	21,313.0	20,951.0	20,708.0	21,382.0	23,277.0	25,093.5	26,634.0
<b>Return on Asset</b>	<b>1.37%</b>	<b>1.47%</b>	<b>1.08%</b>	<b>5.48%</b>	<b>3.51%</b>	<b>4.12%</b>	<b>3.10%</b>

ROA - Dupont Equation							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	292.0	308.0	224.0	1,171.0	816.0	1,035.0	826.0
Revenue	8,579.0	9,484.0	9,674.0	10,110.0	11,286.0	13,540.0	14,691.0
<b>Net Profit Margin (A)</b>	<b>3.40%</b>	<b>3.25%</b>	<b>2.32%</b>	<b>11.58%</b>	<b>7.23%</b>	<b>7.64%</b>	<b>5.62%</b>
Revenue	8,579.0	9,484.0	9,674.0	10,110.0	11,286.0	13,540.0	14,691.0
Average Total Asset	21,313.0	20,951.0	20,708.0	21,382.0	23,277.0	25,093.5	26,634.0
<b>Asset Turnover Ratio (B)</b>	<b>0.4x</b>	<b>0.5x</b>	<b>0.5x</b>	<b>0.5x</b>	<b>0.5x</b>	<b>0.5x</b>	<b>0.6x</b>

<b>Return on Asset (A*B)</b>	<b>1.37%</b>	<b>1.47%</b>	<b>1.08%</b>	<b>5.48%</b>	<b>3.51%</b>	<b>4.12%</b>	<b>3.10%</b>
------------------------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------

### Dupont Summary

- ROE of Dalmia Bharat has been decreased to 1.32% during COVID and made a high of 5.62% in FY2021 currently at 5.04% as of 31 March 2024.
- ROE has been stabled significantly in past 6 years around 1.5% to 3%. While the company was able to increase Financial Leverage from 1.36x to 1.62x . Net profit Mragins of the company has been increased simultaneously from 3.4% to 5.62%%
- ROA of Dalmia Bharat has been increased from 1.37% in FY2018 to 3.1% in FY2023. While the asset efficiency remains constant, the reason for increase in ROA is increased net margin of the company.

# Dalmia Bharat Ltd



## Relative Pricing Valuation

A relative valuation is a market approach that used to assess the value of an asset, typically a stock, by comparing its price to the prices of similar assets. This approach involves evaluating key financial metrics and ratios of the target asset relative to those of comparable assets (or peer group) to determine whether the target asset is overvalued, undervalued, or fairly valued. The involves selecting a peer group of similar companies in the same industry with similar characteristics such as size, growth rate, and risk profile. And the Common metrics used include Price-to-Earnings (P/E) ratio, Price-to-Book (P/B) ratio, Price-to-Sales (P/S) ratio, and Enterprise Value-to-EBITDA (EV/EBITDA) ratio. The chosen financial metrics of the target company are compared to the average or median metrics of the peer group and this comparison help to understand where the target company stands relative to its peers. Relative valuation relies on current market prices, reflecting real-time investor sentiment and market conditions. This makes it particularly useful in dynamic and fluctuating markets. This approach is relatively straightforward and easy to understand. It provides a quick snapshot of how a company is valued compared to its peers.

Amount in crores

Comparable Company Valuation

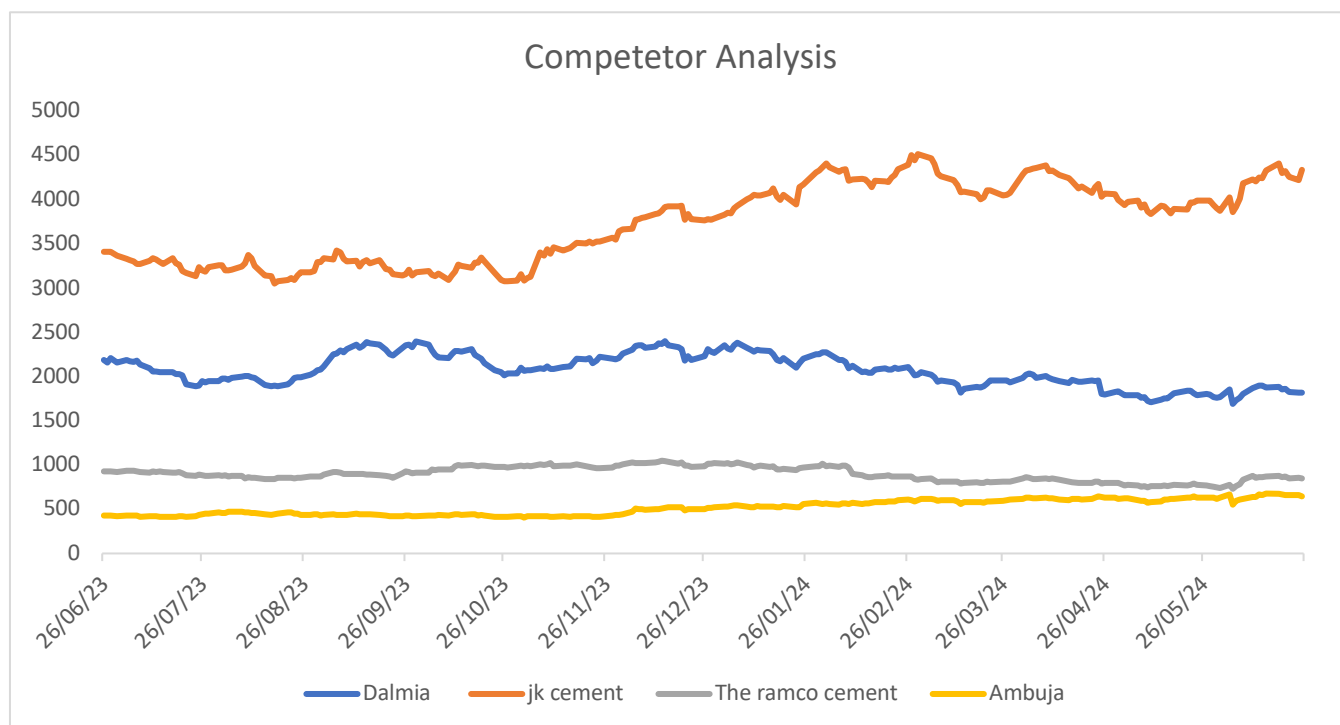
Company	Ticker	Market Data				Financials			Valuation			
		Share Price	Shares Outsta	Equity Value	Net Debt	Enterprise Value	Revenue	EBITDA	Net Income	EV/Revenue	EV/EBITDA	P/E
Dalmia BharatLtd		1814.5	18.75	34021.875	4223	38244.88	14,691	2,954	853	2.60x	12.95x	39.88x
UltraTech Cem.		9890.35	28.87	285534.405	10619.74	296154.14	70,908	13,608	7,004	4.18x	21.76x	40.77x
Ambuja Cements		620.7	198.56	123246.192	-10369.86	112876.33	33,160	7,590	4,738	3.40x	14.87x	26.01x
Shree Cement		26305.8	3.61	94963.938	1233.74	96197.68	20,521	5,115	2,396	4.69x	18.81x	39.63x
ACC		2521.95	18.78	47362.221	-1508.02	45854.20	19,959	3,567	2,337	2.30x	12.85x	20.27x
J K Cements		3896.7	7.73	30121.491	4682.9	34804.39	11,556	2,205	790	3.01x	15.79x	38.13x
The Ramco Cement		777.1	23.63	18362.873	4895.61	23258.48	9,246	1,481	344	2.52x	15.70x	53.45x
Nuvoco Vistas		321.1	35.72	11469.692	4296.76	15766.45	10,733	1,657	147	1.47x	9.51x	77.83x
Birla Corpn.		1474.95	7.7	11357.115	3744.26	15101.38	9,663	1,523	421	1.56x	9.91x	27.00x
High										4.69x	21.76x	77.83x
75th Percentile										3.40x	15.79x	40.77x
Average										2.86x	14.68x	40.33x
Median										2.60x	14.87x	39.63x
25th Percentile										2.30x	12.85x	27.00x
Low										1.47x	9.51x	20.27x
Cipla Comparable Valuation										EV/Revenue	EV/EBITDA	P/E
Implied Enterprise Value										38244.88	43927.63	33805.86
Net Debt										4223	4223	4223
Implied Market Value										34,022	39,705	29,583
Shares Outstanding										18.75	18.75	18.75
Implied Value per Share										1814.50	2117.58	1577.75

Undervalued Undervalued Overvalued

# Dalmia Bharat Ltd



## Peer Stock Performance (1Y)- Indexed



S.No.	Name	CMP Rs.	Mar Cap (in Crs)	P/E	PEG	ROE %	ROCE %	EV / EBITDA	Debt (Crs)	Dividend Yield %
1	Dalmia Bharat	1814	34021.88	44.5	1.44	4.78%	6.71%	13.5	4805	0.5%
2	JK Cement	3897	30121.5	43.5	1.78	15.8%	15.7%	17.8	5549.5	0.35%
3	The Ramco Cement	777	18362.77	58.9	-8.53	5.06%	8.13%	16.1	5064.2	0.23%
4	Ambuja	620	123246.2	48.3	5.71	10.3%	14%	20.5	699.01	0.31%

# Dalmia Bharat Ltd



## Analyst Coverage

Date	Research House	Target	Price at reco.	Type
26-Jun	CLSA	1900	1841	Buy
20-Jun	Axis Direct	2140	1862	Buy
14-May	Geojit BNP Pari- bas	2094	1757	Buy
26-Apr	BOB Capital Mar- kets	2345	1800	Buy
25-Apr	Motilal Oswal	2300	1806	Buy
20-Mar	Share khan	2250	1806	Buy