RATING ACCUMULATE | CMP INR 1,060 | TP INR 1,162

Hindalco Industries (HNDL IN)

Q1FY27 Result Update

August 08, 2026

☑ Estimate Change | ☑ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	Accumulate		Accumulate	
Target Price	1,162		1,050	
Sales (INR mn)	3,449	3,558	3,276	3,414
% Chng.	*5.3*	*4.2*		
EBITDA (INR mn)	469	491	423	459
% Chng.	*10.9*	*7.0*		
EPS (INR)	118.7	119.0	103.0	109.3
% Chng.	*15.2*	*8.9*		

Key Data

HALC.BO | HNDL IN	
BSE Code	500440
NSE Code	HINDALCO
52-W High / Low	INR 1,179 / INR 656
Face Value	1
Sensex / Nifty	78,499 / 24,571
Market Cap	INR 2,381 bn / $ 25,010 mn
Shares Outstanding	2247.23 mn
3M Avg. Daily Value	INR 6,283.99 mn

Shareholding Pattern (%)

Promoters	34.66
FIIs	35.60
Mutual Funds	10.05
Domestic Institutions	9.90
Public & Others	9.79
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	9.3	0.4	12.4	54.3
Relative	8.9	(0.5)	19.7	58.5

Key Financials - Consolidated

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR mn)	2,385	2,749	3,449	3,558
EBITDA (INR mn)	328	352	469	491
Margin (%)	*13.8*	*12.8*	*13.6*	*13.8*
PAT (INR mn)	169	204	264	264
EV (INR mn)	2,758	3,092	3,138	3,051
Total Debt (INR mn)	619	967	971	871
C&C Eq. (INR mn)	108	148	107	94
EPS (INR)	76.0	91.7	118.8	119.0
Gr. (%)	*66.6*	*20.6*	*29.6*	*0.2*
DPS (INR)	5.0	5.0	5.0	6.0
Yield (%)	*0.5*	*0.5*	*0.5*	*0.5*
RoE (%)	*14.7*	*15.6*	*17.7*	*15.1*
RoCE (%)	*15.4*	*13.8*	*15.8*	*15.3*
EV/Sales (x)	1.2	1.1	0.9	0.9
EV/EBITDA (x)	8.4	8.8	6.7	6.2
PE (x)	13.9	11.6	8.9	8.9
P/BV (x)	1.9	1.7	1.5	1.3

Strong pricing drives India; Novelis to improve gradually

Quick Pointers

- Hedging: FY27 metal 29% at US$3,004/t and 18% currency INR91.63/US$, FY28 metal at 21% US$3,160/t.
- Tariffs: US$70mn impact in Q1; expected to ease on Oswego ramp up and Bay Minette over next few quarters.

Hindalco Industries (HNDL) delivered robust Q1FY27, with 62% India EBITDA growth led by higher LME and higher copper bye-product prices while volume growth remained soft. Upstream aluminum benefited from higher NSR driving EBITDA/t to US$2,331, while downstream EBITDA improved on better product mix, pricing and improving FRP volumes. Novelis delivered an inline quarter aided by LME and premiums offsetting volume impact from the Oswego fire (33kt); while Asia and S. America regions continuing better margins and volumes supporting Oswego. With Oswego expected to get ramped up in next few quarters, Novelis volumes should recover, reducing elevated leverage gradually.

Going ahead, India earnings are expected to be driven by LME movement till the time new Aditya complex gets commissioned by FY29E. Timely commissioning of Aditya and captive coal mines remains the key. Improving downstream volumes, upcoming coal mines and lower tax rate (26%) provides a structural benefit while higher bye-product prices would continue to benefit in near term. Oswego's ramp-up and Bay Minette commissioning should drive Novelis volume recovery, while planned cost savings should support margins. US tariffs, scrap pricing and elevated leverage remain key monitorables. We believe Novelis is largely past the worst, with FY27 likely to remain a transition year as Oswego normalizes and Bay Minette moves towards commissioning. Cost savings, product qualifications and deleveraging are progressing. We upgrade our FY27/28E EBITDA by 11%/7% on strong Q1 and improving Novelis and expect 18% EBITDA CAGR over FY26-28E. At CMP, the stock is trading at EV of 6.2x FY28E EBITDA. Maintain 'Accumulate' with a revised TP of INR 1,162 (earlier INR 1,050) valuing at same 7x/6.5x India/Novelis biz respectively.

Other important points:

Brand royalty to AB group: 0.25% of revenue, capped at INR2.25bn in FY27.

Aluminum cash cost rose 4% QoQ; 5-6% further increase expected in Q2 on higher coal prices.

Net cash impact to be absorbed related to Oswego fires is expected at US$600mn after insurance recoveries.

Quarter Summary

Y/e Mar	Q1'27E	Q1'27A	% Var.	Q1'26A	YoY gr. (%)
Net Sales (INR mn)	834	848	*1.7*	642	*32.1*
EBITDA (INR mn)	119	139	*17.2*	79	*76.2*
Margin (%)	*13.0*	*16.4*	*218 bps*	*12.3*	*412 bps*
PAT (INR mn)	50	70	*40.4*	40	*75.1*

Source: Company, PL

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Strong realizations drive broad-based growth: Standalone AL revenue grew 37% YoY while copper revenue grew 16% YoY. Upstream AL revenue is up 44% YoY on better realization (volumes were up 3% YoY) and EBITDA was up 81% on strong operating performance. CoP remained flat YoY US$1,895/t (-2% QoQ). Upstream EBITDA/t at US$2,329/t. Export mix was at 23% (27% in Q4; 23% in Q1FY26). Downstream revenue is up 46% YoY on account of better NSR while shipments were up just 3% YoY to 104kt. EBITDA is up 30% YoY supported by favorable product mix, higher FRP and higher pricing. (Downstream EBITDA/t at US$303/t). Copper revenue is up 16% YoY despite 8% decline in CCR sales (on higher realization in by-products like sulphuric acid) and higher realization (average LME CU up 4%) while EBITDA grew 36% YoY to INR9.18bn. Copper EBITDA/t higher on account of higher volumes in CCR and by-production realization. AL upstream sales volumes grew 3% YoY to 335kt, downstream sales volumes grew 3% YoY to 104kt. Blended realization for AL business inched up 13% QoQ to INR313k/t (up 33% YoY) while copper business realization down 5% QoQ to INR1,641k/t (up 37% YoY).

Higher LME lifts India earnings: Standalone EBITDA grew 123% YoY to INR69.85bn (+36% QoQ) on higher LME, higher profitability across all businesses. Cons. EBITDA grew 76% YoY at INR139bn (39% QoQ; PLe INR118.8bn) on strong India performance and Novelis delivering tad better. Cons. reported PAT up 75% YoY to INR70.13bn. Exceptional items of INR22.99bn. Exceptional items include costs associated with Oswego fire (Rs23bn) has been recorded as exceptional expenses, net of insurance proceeds. Business interruption recoveries of INR4.47bn related to fire is recorded under other income.

Higher realizations offset lower volumes: Novelis's revenue grew 23% YoY to US$5.79bn (+21% QoQ; PLe of US$5.65bn) on higher LME pricing & premium (up 19% YoY) which partially offset lower volumes in North America. Average realization improved 12% QoQ to US$6,324/t (+29% YoY Vs PLe of US$6,227/t) on higher LME and better premiums over LME.

Strong Europe and Asia offset North America weakness: Shipments of flat rolled products (FRP) declined 5% YoY to 916kt (+9% QoQ, PLe 908kt) impacted by impacted by Oswego fires (~33kt lower). **North America:** FRP Shipments declined 3% YoY in N.A. to 376kt. EBITDA/t declined 14% YoY in N. A. to US$295/t on lower shipments and unfavorable product mix due to Oswego fires negated by favorable scrap and product prices aided. **Europe:** Volumes grew 5% YoY to 275kt; EBITDA/t grew 37.5% YoY to US$367/t in Europe on higher beverage packaging & automotive shipments to support North America. Benefitted by favorable product price & mix coupled with metal benefit. **Asia:** Volumes grew 7% YoY to 232kt; Asia EBITDA/t increased 20.6% YoY to US$522/t aided by higher beverage packaging, specialties, and aerospace shipment. Favorable metal benefit was negated by unfavorable product mix. **South America:** Volumes were up 7% YoY to 167kt. EBITDA/t was up 46% YoY to US$1,114/t aided by higher beverage packaging shipments to support North America and favorable metal benefit. SA Operations benefited due to higher premium, easier availability of scarp, VAT benefit till CY27 giving tailwinds.

Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27	*YoY gr. (%)*	Q2FY27E	*YoY gr. (%)*	Q3FY27E	*YoY gr. (%)*	Q4FY27E	*YoY gr. (%)*
Sales	848.25	*32.1%*	832.37	*26.0%*	808.07	*21.5%*	960.23	*22.9%*
EBITDA	139.32	*76.2%*	111.80	*24.7%*	108.72	*36.0%*	108.72	*8.5%*
Margin (%)	*16.4%*	-	*13.4%*	-	*13.5%*	-	*11.3%*	-
Adj. PAT	70.13	*75.1%*	50.42	*6.4%*	62.09	*203.0%*	81.08	*212.2%*

Source: Company, PL

HNDL Q1FY27 Concall Highlights:

Demand & Industry

- **Aluminium:** Global aluminium market remains in deficit, with the CY26 deficit expected at 1mt vs. 0.3mt pre-ME conflict.
- **Copper:** Q1 refined copper demand was subdued due to customer inventory optimization amid geopolitical uncertainty; management expects volumes to improve in Q2.

Aluminium Upstream

- Utkal alumina production stood at 654kt, up 1% YoY. External alumina sales were 138kt in Q1 as one shipment was missed; Q2 sales are expected at 190kt.
- **Alumina prices:** Prices have started to improve and are currently around US$330-340/t. Mgmt. expects prices to remain in range till the time Middle East smelters remain offline.
- **Cash cost:** Aluminium cash cost increased 4% QoQ in Q1, with benefits from lower-cost inventories. Northern region coal prices have increased during the monsoon; mgmt. expects another 5-6% QoQ increase in Q2.
- **Captive coal:** Chakla, Bandha and Meenakshi mines remain on track, with Chakla targeted for H1FY27, Bandha in FY27 and Meenakshi in FY29. ~1.5mt captive coal volume is expected in FY28E.

Aluminium Downstream

- Product mix: FRP volumes increased 4% YoY as the Aditya FRP plant ramped up.
- **MJP:** Market premium remains elevated as Middle East supplies to Japan and Korea have been disrupted. Mgmt. expects MJP to remain high until ME crisis and moderate once smelters restart.
- Current downstream EBITDA/t of US$303 is supported by the high MJP; Mgmt. considers ~US$250/t more sustainable for FY27, longer-term target remains US$300+/t.
- HNDL will try to maximise exports to benefit from high MJP but does not expect a significant change in domestic/export mix given attractive Indian market returns and downstream requirements.
- Aditya battery foil plant has been commissioned, with customer qualification underway.
- Taloja coated AC fins facility has been commissioned, with customer qualification underway.
- Chakan battery enclosure facility is fully ramped up to optimal levels.
- Precipitated hydrate facility has been commissioned and customer approvals are underway.
- Aditya FRP plant is scaling up towards optimal utilization.

Copper

- Copper downstream: Margins are better than initially expected, with product qualification and volume ramp-up remaining the key challenges
- Excluding the shutdown impact, EBITDA/t would have been ~US$1,000.
- **Q2 volumes:** Copper volumes are expected to increase as the planned shutdown was completed in Q1.

- EBITDA in Q2 to remain broadly similar to Q1, supported by strong sulphuric acid prices.
- Copper concentrate availability remains tight, with TCRC at historical low, negative levels of ~US$0.26-0.30/lb. Tightness is expected to persist.
- Sulphuric acid prices remain elevated due to West Asia disruption; expects similar pricing in Q2.
- Concentrate security: 85% of copper concentrate requirements are locked in
- **Copper exploration:** HNDL is exploring opportunities in India and neighbouring countries, with drilling underway on one block. Preliminary samples are positive, although evaluation will take another year.
- E-waste/recycling: Copper e-waste recycling project remains on track for FY27 commissioning. The project has an IRR in the high teens and management indicated that its economics are more attractive than the conventional copper smelter.

Projects & Capex

- **Aditya alumina refinery:** Project remains on track for FY28, with 95% of package orders placed.
- **Aditya smelter Phase 1:** 181kt capacity targeted for FY28, with phase 2 slated for FY29.
- **Aditya commissioning:** Management clarified that the first 180 pots are expected in Dec'27, while the next 180 pots are expected in Dec'28. The first phase will come up alongside the refinery.
- **Alumina:** Even after the Aditya expansion, HNDL will have 800kt of surplus alumina.
- Renewable capacity stood at 470MW at Q1 exit, comprising 326MW solar, 140MW wind and 4MW hydel. Another 175MW solar, 239MW wind and 90MW pumped storage is planned for the rest of FY27, taking total renewable capacity to 884MW by FY27-end.

Balance Sheet, Hedging & Tax

- Cons. net debt increased by INR 126.5bn QoQ to INR775bn. Net debt to EBITDA increased to 1.95 vs (1.83 in Q4FY26). Target net leverage ~2x on a consolidated basis.
- Tax: Effective tax rate reduced to 26% in Q1FY27 from 30% in Q1FY26 and 34% in Q4FY26 following the transition to the new tax regime. Management considers this a structural benefit.
- **FY27 hedging:** Aluminium hedging remains at 29% at US$3,004/t, with 18% currency hedged at INR91.63/US$. HNDL has stopped adding FY27 volume hedges.
- **FY28 hedging:** Aluminium hedged 21% at US$3,160/t, looking to add around US$3,200/t.
- Brand royalty payable to Birla Group Holdings is 0.25% of revenue, capped at INR2.25bn each for 1 year for both HNDL and Novelis.

Novelis Q1FY27 Concall Highlights:

- **Oswego:** Product qualifications at the facility have now been completed.
- Q1 Includes US$18m net +ve impact from fire; US$29m of lost margin of lower production of 33kt.
- Adj. EBITDA at US$563/t; excluding US$18mn impact at US$525/t
- Net leverage increased to 4.5x. with US$2.1bn liquidity, additional US$500mn 2 years maturity ST loans taken. However, on path to be FCF positive by end FY27.
- **Bay Minnette update:** Commercial shipment by 1QFY28. Middle of commissioning now, process of qualification would take ~2 months, and 18-24months to ramp up. First focus will be on cans, auto capacity yet to be contracted but expect it to be done over next 1-2 years. Confident of achieving US$1000/t EBITDA over long-term.
- **Cost savings:** Operating cost benefits stood at US$86mn YoY, including US$225mn of run-rate SG&A efficiency savings. However, asset utilization remains below optimal levels, keeping volumes below potential despite stable market demand.
- **EBITDA outlook:** Management expects some moderation in EBITDA as metal prices normalize and the exceptional benefit from wider spreads fades in the coming quarters. EBITDA/t is expected to move towards US$600/t, with normalized performance starting from Q3 and improving progressively thereafter.
- **Tariff impact in Q1:** US$70m for Q1; EBITDA of US$525/t includes US$70m impact. tariffs will go down over the period as US production improves from Oswego & Bay Minette.

Exhibit 2: **India capex: status & timeline**

Upstream Projects	Target Commissioning	Current Status
Captive Coal Mines	Chakla – H1FY27 Bandha – FY27 Meenakshi – FY29	FC 1 approval received Box Cut Done On Track
Aditya Alumina Refinery	FY28	+95% PO placed for packages
Aditya Aluminium Smelter Ph 1 (181Kt)	FY28	+90% PO placed for packages
Aditya Aluminium Smelter Ph 2 (193Kt)	FY29	+25% PO placed for packages
Copper Smelter	FY29	+25% PO placed for packages

Downstream Projects	Current Status
Aditya FRP	Scaling-up production to reach optimal utilization
Battery Enclosure (Chakan)	Fully ramped up to its optimal levels
Copper Inner Grooved Tubes (Vadodara)	Commissioned; customer qualification in progress
AC Fins (Taloja)	Commissioned. Customer qualification in progress

Downstream Projects	Current Status
Aditya Battery Foil	Commissioned
Precipitate Hydrate	Commissioned; customer qualification in progress
Copper E Waste & Recycling	On Track; Target Commissioning – FY 27

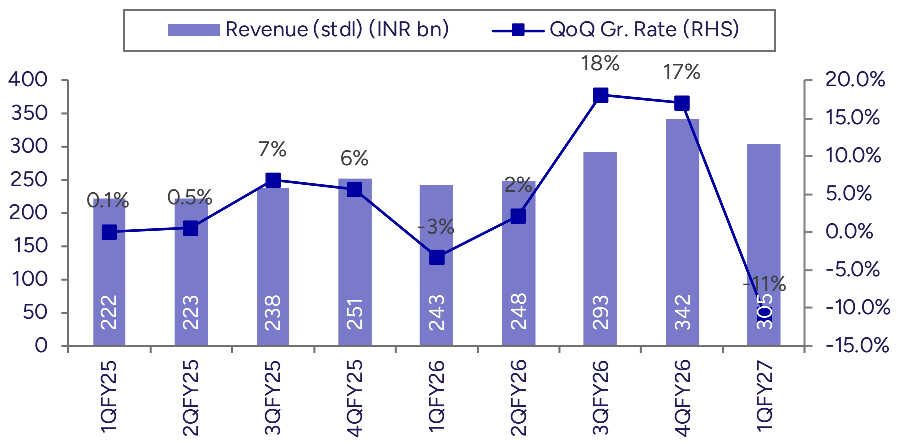
Source: Company, PL

Exhibit 3: Q1FY27 Result Overview - Consolidated

Y/e March	1QFY27	1QFY26	YoY gr. (%)	1QFY27E	% Var.	4QFY26	QoQ gr. (%)	FY27E	FY26	YoY gr. (%)
Net Sales	**848.3**	**642.3**	***32.1***	**834.4**	***1.7***	**781.3**	***8.6***	**3448.9**	**2749.4**	***25.4***
Raw material	537.2	409.5	*31.2*	546.3	*-1.7*	520.0	*3.3*	2578.5	1906.6	*35.2*
% of Net Sales	*63.3%*	*63.8%*		*65.5%*		*66.6%*		*0.7*	*0.7*	
Staff Cost	47.3	42.5	*11.1*	46.5	*1.6*	44.3	*6.8*	193.0	171.5	*12.6*
% of Net Sales	*5.6%*	*6.6%*		*5.6%*		*5.7%*		*0.1*	*0.1*	
Other expenses	124.5	111.2	*11.9*	122.8	*1.4*	116.9	*6.5*	208.8	319.3	*-34.6*
% of Net Sales	*14.7%*	*17.3%*		*14.7%*		*15.0%*		*0.1*	*0.1*	
Total expenditure	**708.9**	**563.3**	***25.9***	**715.5**	***-0.9***	**681.2**	***4.1***	**2980.4**	**2397.4**	***24.3***
EBITDA	**139.3**	**79.1**	***76.2***	**118.9**	***17.2***	**100.2**	***39.1***	**468.6**	**352.0**	***33.1***
Margin (%)	*16.4%*	*12.3%*		*14.2%*		*12.8%*		*0.1*	*0.1*	
Depreciation	23.4	20.8	*12.4*	23.9	*-2.2*	23.8	*-1.6*	89.4	91.5	*-2.3*
EBIT	**116.0**	**58.3**	***99.0***	**95.0**	***22.1***	**76.4**	***51.7***	**379.2**	**260.5**	***45.5***
Other income	10.6	6.0	*75.6*	5.3	*98.4*	10.3	*3.1*	9.4	28.9	*-67.5*
Interest	9.7	7.5	*28.1*	10.3	*-5.9*	10.4	*-7.3*	36.9	34.8	*6.0*
PBT	**116.9**	**56.7**	***106.0***	**90.0**	***29.8***	**76.3**	***53.2***	**351.7**	**254.6**	***38.1***
Extraordinary income/(expense)	-23.0	0.0	*NA*	-12.1	*NA*	-41.7	*NA*	0.0	-69.6	*NA*
PBT (afer EO)	93.9	56.7	*65.4*	77.9	*20.5*	34.6	*171.7*	351.7	185.0	*90.1*
Tax	23.8	16.7	*42.3*	28.0	*-15.0*	8.5	*178.7*	88.0	51.1	*72.4*
Reported PAT	**70.1**	**40.0**	***75.1***	**49.9**	***40.4***	**26.0**	***169.4***	**264**	**134**	***96.9***
Minority interest	0.0	0.0	*NA*	0.0	*NA*	0.0	*NA*	0	0	*NA*
Share of profit/(losses) in Associates	0.1	0.0	*NA*	0.0	*NA*	0.0	*NA*	0	0	*NA*
Net Profit attributable to shareholders	70.1	40.0	*75.1*	49.9	*40.5*	26.0	*170.0*	264	204	*29.6*

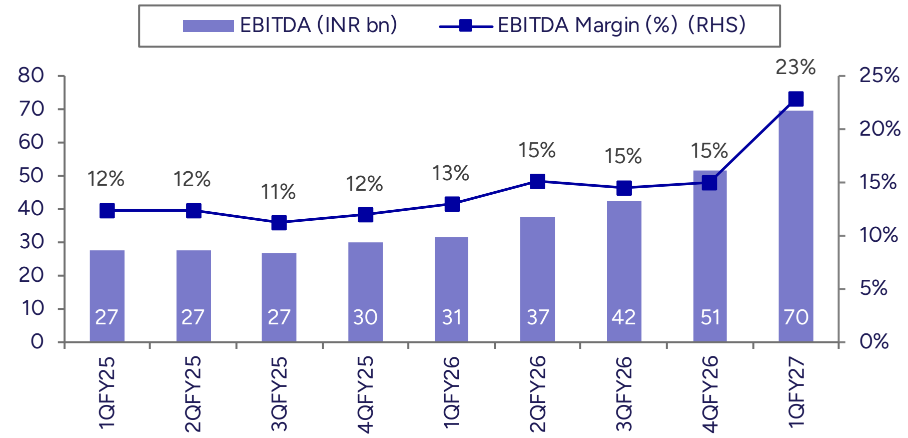
Source: Company, PL

Exhibit 4: Revenue declined 11% QoQ to 305bn



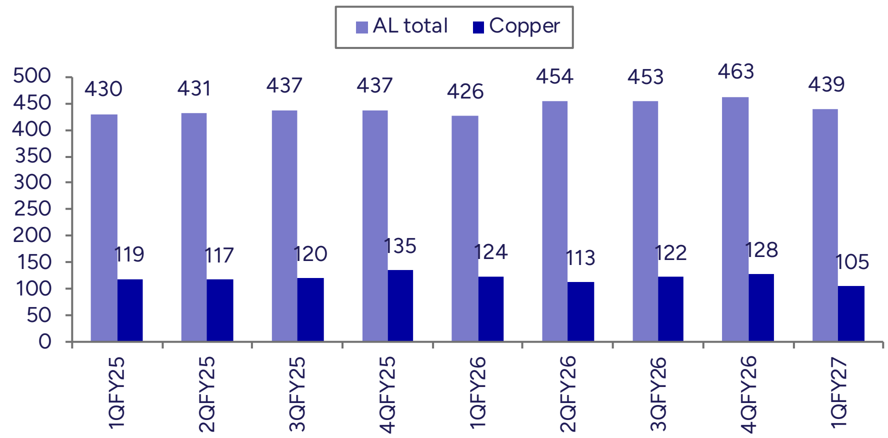
Source: Company, PL

Exhibit 5: EBITDA grew 123% YoY on higher profitability across all businesses



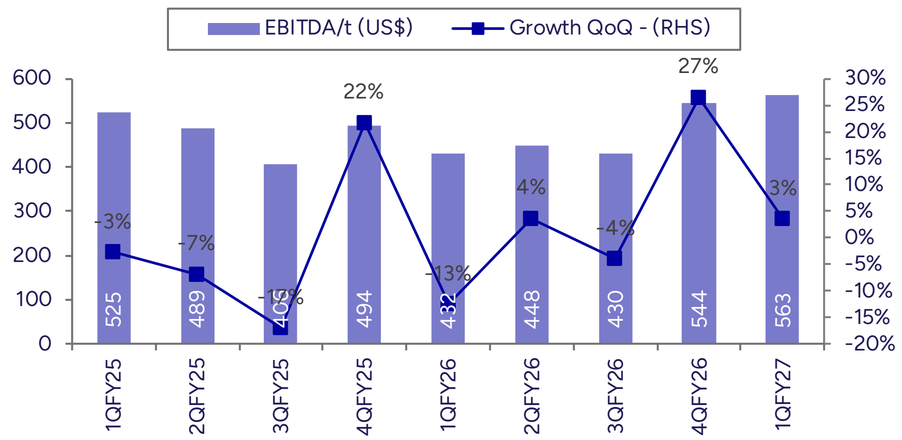
Source: Company, PL

Exhibit 6: AL volumes increased 3% YoY while CU volumes lower 15% YoY



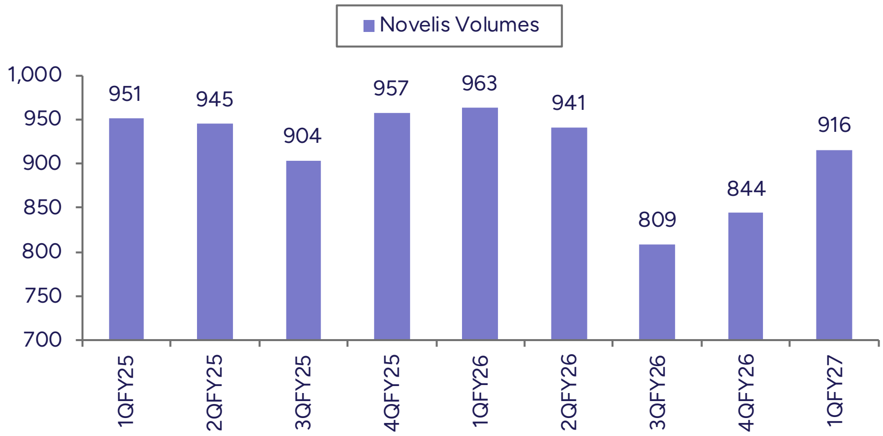
Source: Company, PL

Exhibit 7: Novelis Adj EBITDA/t up 30% YoY to US$563/t as per mgmt.



Source: Company, PL

Exhibit 8: Shipments declined 5% YoY to 916kt impacted by Oswego fire



Source: Company, PL

Exhibit 9: Target Price calculation

(In INR bn)	Mar'28 PLe	EV/EBITDA (x)	EV
Novelis EBITDA	211	6.5	1,374
HNDL India EBITDA	280	7	1,957
Net debt			719
Equity value			2,611
Per share equity value			**1,162**

Source: PL

Financials

Income Statement (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Net Revenues	**2,385**	**2,749**	**3,449**	**3,558**
YoY gr. (%)	*10.4*	*15.3*	*25.4*	*3.2*
Cost of Goods Sold	1,471	1,770	2,483	2,572
Gross Profit	914	979	965	986
Margin (%)	*38.3*	*35.6*	*28.0*	*27.7*
Employee Cost	154	171	193	201
Other Expenses	432	456	304	294
EBITDA	**328**	**352**	**469**	**491**
YoY gr. (%)	*35.3*	*7.2*	*33.1*	*4.8*
Margin (%)	*13.8*	*12.8*	*13.6*	*13.8*
Depreciation and Amortization	89	91	89	94
EBIT	**239**	**261**	**379**	**397**
Margin (%)	*10.0*	*9.5*	*11.0*	*11.2*
Net Interest	34	35	37	41
Other Income	27	29	9	10
Profit Before Tax	**223**	**185**	**352**	**366**
Margin (%)	*9.4*	*6.7*	*10.2*	*10.3*
Total Tax	63	51	88	102
Effective Tax Rate (%)	*28.4*	*27.6*	*25.0*	*27.9*
Profit After Tax	**160**	**134**	**264**	**264**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**169**	**204**	**264**	**264**
YoY gr. (%)	*66.6*	*20.6*	*29.6*	*0.2*
Margin (%)	*7.1*	*7.4*	*7.6*	*7.4*
Extra Ord. Income / (Exp)	(9)	(70)	-	-
Reported PAT	**160**	**134**	**264**	**264**
YoY gr. (%)	*57.6*	*(16.3)*	*96.9*	*0.2*
Margin (%)	*6.7*	*4.9*	*7.6*	*7.4*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	160	134	264	264
Equity Shares O/s (mn)	**2**	**2**	**2**	**2**
EPS (INR)	**76.0**	**91.7**	**118.8**	**119.0**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Non-Current Assets				
Gross Block	**1,761**	**1,995**	**2,282**	**2,525**
Tangibles	1,592	1,796	2,082	2,326
Intangibles	169	199	199	199
Acc: Dep / Amortization	**862**	**988**	**1,078**	**1,171**
Tangibles	749	853	943	1,036
Intangibles	113	135	135	135
Net Fixed Assets	**899**	**1,007**	**1,204**	**1,354**
Tangibles	843	943	1,140	1,289
Intangibles	56	64	64	64
Capital Work In Progress	274	495	519	523
Goodwill	267	296	296	296
Non-Current Investments	149	191	191	191
Net Deferred Tax Assets	(88)	(46)	(46)	(46)
Other Non-Current Assets	35	48	48	48
Current Assets				
Investments	105	79	79	79
Inventories	488	755	947	977
Trade Receivables	198	272	341	352
Cash & Bank Balance	108	148	107	94
Other Current Assets	51	75	75	75
Total Assets	**2,660**	**3,478**	**3,919**	**4,101**
Equity				
Equity Share Capital	2	2	2	2
Other Equity	1,235	1,364	1,616	1,869
Total Networth	**1,237**	**1,366**	**1,618**	**1,872**
Non-Current Liabilities				
Long Term Borrowings	562	756	761	661
Provisions	7	8	8	8
Other Non Current Liabilities	72	79	79	79
Current Liabilities				
ST Debt / Current of LT Debt	57	211	211	211
Trade Payables	406	616	773	797
Other Current Liabilities	192	338	365	369
Total Equity & Liabilities	**2,660**	**3,478**	**3,919**	**4,101**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	223	185	352	366
Add. Depreciation	79	88	89	94
Add. Interest	34	35	37	41
Less Financial Other Income	27	29	9	10
Add. Other	(14)	2	(9)	(10)
Op. Profit before WC Changes	322	310	469	491
Net Changes-WC	(23)	(142)	(78)	(12)
Direct Tax	(55)	(65)	(88)	(102)
Net Cash from Op. Activities	**244**	**103**	**303**	**377**
Capital Expenditures	(204)	(298)	(310)	(247)
Interest / Dividend Income	9	12	9	10
Others	(52)	21	-	-
Net Cash from Invt. Activities	**(247)**	**(266)**	**(301)**	**(238)**
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	62	282	5	(100)
Dividend Paid	(8)	(11)	(11)	(11)
Interest Paid	(40)	(48)	(37)	(41)
Others	(31)	(14)	-	-
Net Cash from Fin. Activities	**(17)**	**209**	**(43)**	**(152)**
Net Change in Cash	**(20)**	**46**	**(42)**	**(13)**
Free Cash Flow	38	(198)	(8)	129

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q2FY26	Q3FY26	Q4FY26	Q1FY27
Net Revenues	**661**	**665**	**781**	**848**
YoY gr. (%)	*13.5*	*13.9*	*20.4*	*32.1*
Raw Material Expenses	416	425	520	537
Gross Profit	245	240	261	311
Margin (%)	*37.0*	*36.1*	*33.4*	*36.7*
EBITDA	**90**	**80**	**100**	**139**
YoY gr. (%)	*13.7*	*5.4*	*13.4*	*76.2*
Margin (%)	*13.6*	*12.0*	*12.8*	*16.4*
Depreciation / Depletion	22	22	24	23
EBIT	**68**	**58**	**76**	**116**
Margin (%)	*10.3*	*8.7*	*9.8*	*13.7*
Net Interest	8	9	10	10
Other Income	7	5	10	11
Profit before Tax	**65**	**28**	**35**	**94**
Margin (%)	*9.9*	*4.3*	*4.4*	*11.1*
Total Tax	18	8	9	24
Effective Tax Rate (%)	*27.5*	*27.5*	*24.7*	*25.4*
Profit After Tax	**47**	**21**	**26**	**70**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**47**	**21**	**26**	**70**
YoY gr. (%)	*21.3*	*(45.0)*	*(50.8)*	*75.1*
Margin (%)	*7.2*	*3.1*	*3.3*	*8.3*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**47**	**21**	**26**	**70**
YoY gr. (%)	*21.3*	*(45.0)*	*(50.8)*	*75.1*
Margin (%)	*7.2*	*3.1*	*3.3*	*8.3*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**47**	**21**	**26**	**70**
Avg. Shares O/s (mn)	2	2	2	2
EPS (INR)	**21.1**	**9.1**	**11.6**	**31.2**

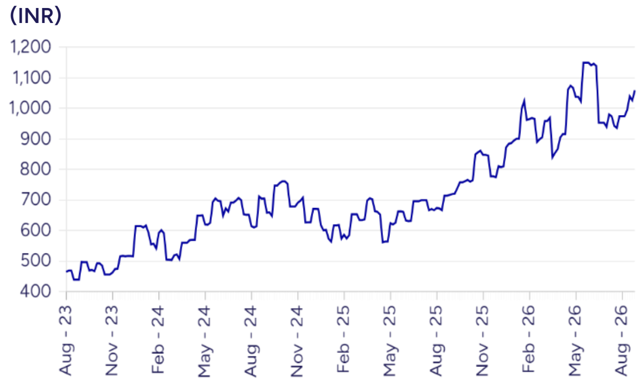
Source: Company, PL

Key Financial Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Per Share (INR)				
EPS	76.0	91.7	118.8	119.0
CEPS	116.1	132.9	159.0	161.2
BVPS	557.2	615.2	729.0	843.1
FCF	16.9	(89.4)	(3.5)	58.3
DPS	5.0	5.0	5.0	6.0
Return Ratio (%)				
RoCE	15.4	13.8	15.8	15.3
ROIC	11.3	10.1	12.5	11.5
RoE	14.7	15.6	17.7	15.1
Balance Sheet				
Net Debt : Equity (x)	0.3	0.5	0.5	0.4
Net Working Capital (Days)	43	55	55	55
Valuation (x)				
PER	13.9	11.5	8.9	8.9
P/B	1.9	1.7	1.4	1.2
P/CEPS	9.1	7.9	6.6	6.5
EV/EBITDA	8.4	8.7	6.6	6.2
EV/Sales	1.1	1.1	0.9	0.8
Dividend Yield (%)	0.4	0.4	0.4	0.5
FCFF Yield (%)	1.5	(8.5)	-	5.5
PEG Ratio	0.2	0.5	0.3	41.5

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	08-Jul-26	Accumulate	1050	972
2	23-May-26	HOLD	1126	1109
3	09-Apr-26	Accumulate	1043	986
4	13-Feb-26	Hold	907	964
5	09-Jan-26	Accumulate	962	904
6	08-Nov-25	Accumulate	846	790
7	08-Oct-25	BUY	883	768
8	13-Aug-25	Accumulate	762	667
9	08-Jul-25	Accumulate	738	692
10	21-May-25	Accumulate	724	663

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	ACC	BUY	2198	1384
2	Adani Port & SEZ	BUY	2113	1720
3	Ambuja Cement	BUY	504	435
4	Dalmia Bharat	BUY	2079	1811
5	Hindalco Industries	Accumulate	1050	972
6	Jindal Stainless	Buy	821	733
7	Jindal Steel	BUY	1298	1040
8	JK Cement	Accumulate	6205	5453
9	JK Lakshmi Cement	BUY	714	571
10	JSW Cement	Accumulate	141	136
11	JSW Infrastructure	Accumulate	361	345
12	JSW Steel	Accumulate	1351	1237
13	National Aluminium Co.	Accumulate	401	369
14	NMDC	Hold	86	84
15	Nuvoco Vistas Corporation	BUY	510	341
16	Shree Cement	Accumulate	29085	26055
17	Steel Authority of India	Accumulate	185	171
18	Tata Steel	Accumulate	212	190
19	Ultratech Cement	BUY	13832	11903

PL's Recommendation Nomenclature (Absolute Performance)

BUY	:	> 15%
Accumulate	:	5% to 15%
Hold	:	+5% to -5%
Reduce	:	-5% to -15%
Sell	:	< -15%
Not Rated (NR)	:	No specific call on the stock
Under Review (UR)	:	Rating likely to change shortly

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