

ICICI Securities Limited
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Q4FY21 result preview

Top picks

- Shree Cement
- UltraTech Cement

INDIA

Cement

Yet another strong quarter; upgrades to continue

After posting >40% YoY EBITDA growth in each of the past two quarters, cement companies in our coverage universe are likely to repeat the performance in Q4FY21 too. This would be led by 24% YoY volume growth with EBITDA/te rising 14% YoY (Rs150/te) to Rs1,218/te. We expect realisations to rise 0.6% QoQ (Rs30/te) and 4% YoY (Rs190/te). Similarly, total cost/te may remain broadly flat QoQ, but up 1% YoY (Rs40/te). Key trigger to watch: seasonal price hikes in Apr'21 (already announced Rs15/bag) given peak construction period and necessitated by cost escalations. Consensus earnings are yet again likely to be upgraded given better than expected volumes / prices. SRCM & UTCEM remain our top picks. We also like ACEM, JKCE and TRCL. Key risks: lower demand / prices, and any regulatory interventions.

- ▶ **Industry volumes expected to grow 20% YoY / 15% QoQ during Q4FY21E** to 105mnte (our estimate) aided by the low base of Mar'20, with pan-India utilisation at ~85%. Adjusted for the base, industry growth is expected at 6-7% YoY. JKCE is likely to lead with >40% YoY volume growth while UTCEM / DALBHARA / ACEM / JKLC may see 24-30% YoY growth. ACC / SRCM / HEIM may report volume growth of ~20% YoY and TRCL / ICEM may see high single-digit YoY growth.
- ▶ **Average pan-India prices up 6% YoY during Q4FY21** led by 15% YoY rise in South and 10% YoY increase in West. Prices in North and Central regions are up 2-3% YoY while those in East are broadly flat YoY. On a QoQ basis, average pan-India prices are likely up ~1% QoQ led by 4% QoQ increase in East and 2% in West partly offset by ~1% QoQ drop in North and South regions. Realisations increase QoQ is likely to be greater given higher (~3% QoQ) price increases in non-trade segment, part of non-trade volumes shifting to trade segment, and better market mix change.
- ▶ **Average EBITDA/te may rise 14% YoY (Rs150/te) and 1% QoQ to Rs1,218/te** for our coverage universe. Overall cost/te may remain broadly flat QoQ (up 1% YoY) as sharp ~Rs150/te QoQ increase in variable costs (fuel, diesel, slag, packing materials, etc.) is likely to be offset by better operating leverage, lower maintenance costs, and cost efficiencies. EBITDA growth may be strong at ~70% YoY for TRCL and DALBHARA, and 40-50% YoY for UTCEM, JKCE, PRSMJ, and ORCMNT. EBITDA growth for ACEM, ACC and JKLC may come in at ~30% YoY. SRCM and TRCL are likely to lead with EBITDA/te of >Rs1,500/te while UTCEM and JKCE may report blended EBITDA/te of ~Rs1,300/te. With improving VSF prices, standalone EBITDA for Grasim may more than double YoY to Rs8bn on a low base.

Quarterly summary

Company (Rs mn)	Sales			EBITDA			PAT		
	JFM '21*	% chg		JFM '21*	% chg		JFM '21*	% chg	
		(YoY)	(QoQ)		(YoY)	(QoQ)		(YoY)	(QoQ)
UTCEM – consol.	1,38,328	30.8	13.9	34,870	42.7	12.7	18,478	62.9	16.6
SRCM^	38,652	20.1	16.8	12,703	17.7	16.7	8,051	36.9	28.6
ACEM^	35,697	29.3	2.9	8,024	33.0	4.5	6,126	53.5	23.3
ACC	43,141	25.7	6.1	7,469	27.4	6.6	4,693	45.3	(0.6)
DBEL	33,929	36.6	18.8	8,489	67.1	22.9	2,947	N.M.	61.9
JKCE	20,188	38.4	16.7	5,077	46.6	13.1	2,780	55.8	16.6
TRCL	16,178	16.7	21.3	4,804	72.1	21.0	2,632	80.0	30.7
JKLC^	14,444	36.1	21.1	2,599	28.6	35.5	1,467	45.6	43.4
ICEM^	14,043	21.9	21.1	2,652	210.2	21.7	919	N.M.	48.1
PRSC^	15,984	16.5	16.2	2,185	53.5	22.1	829	N.M.	9.6
ORCMNT	7,852	20.0	29.9	1,806	44.8	32.1	811	84.1	50.5
HEIM	6,255	22.8	5.6	1,517	19.1	26.2	855	28.9	34.3
Grasim^	39,197	6.2	6.8	8,007	145.5	24.0	4,228	334.6	27.2
Total (ex Grasim)	3,84,691	27.9	13.7	92,195	41.2	14.8	50,587	68.8	13.3

*JFM: Jan-Feb-Mar'21; ^standalone; Source: I-Sec research

Please refer to important disclosures at the end of this report

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Company-wise key highlights of Q4FY21

- **UTCCEM's consolidated EBITDA is likely to increase 43% YoY at Rs34.8bn** owing to 26.5% YoY increase in volumes and 3.4% YoY increase in realisation. EBITDA/te is likely to rise 13% YoY to Rs1,286/te.
- **SRCM's standalone EBITDA is likely to expand 18% YoY to Rs12.7bn** due to 20% YoY increase in volumes. Blended realisation is likely to be higher by 1.0% QoQ and flat YoY.
- **ACEM's standalone EBITDA is estimated to be up 33% YoY to Rs8.0bn.** We estimate ~4.5% YoY increase in cement realisation, 23.8% YoY increase in volumes and 1.9% YoY increase in cost/te. We expect the company to report consolidated revenue / EBITDA / PAT of Rs79bn / Rs15bn / Rs8.5bn respectively.
- **ACC's EBITDA is likely to increase 27% YoY to Rs7.5bn** owing to 20% YoY increase in volumes and 4.7% YoY rise in blended realisation. We expect its cost/te to increase ~4.2% YoY.
- **DALBHARA's EBITDA may rise 67% YoY to Rs8.5bn** on account of 30.9% YoY increase in cement volumes, 6.2% increase in realisation and 1.6% YoY decline in blended cost/te.
- **TRCL's EBITDA may expand 72% YoY to Rs4.8bn** led by 9.1% YoY increase in cement realisation, 7.5% increase in volumes, and 3.7% YoY decline in cost/te.
- **ICEM's EBITDA is estimated to increase 2.1x YoY to Rs2.6bn** mainly due to 13.3% YoY increase in cement realisation and 7.5% increase in volumes.
- **JKCE's EBITDA is likely to increase 47% YoY to Rs5bn** on account of 44.1% YoY increase in volumes and 5.7% decline in blended cost/te. Blended realisation is likely to decline 4% YoY.
- **JKLC's EBITDA is may increase 29% YoY to Rs2.6bn** owing to 29.4% YoY increase in volumes and 5.2% YoY increase in realisation. We expect ~6.6% YoY increase in cost/te.
- **ORCMNT's EBITDA is likely to increase 45% YoY to Rs1.8bn** owing to ~7.1% YoY increase in realisation and 12% YoY increase in volumes. Cost/te is likely to increase 1.9% YoY.
- **PRSMJ's EBITDA is estimated to increase 53% YoY to Rs2.2bn.** We expect cement realisation to decline 0.7% YoY, cement volumes to increase 15.9% YoY, and cement EBITDA/te to decline 7% YoY to Rs949/te. Consolidated TBK division may see 43% YoY revenue growth with 12% EBITDA margin.
- **HEIM's EBITDA is likely to increase 19% YoY at Rs1.5bn** owing to ~22% YoY increase in volumes and 0.7% YoY increase in realisation. Cost/te may increase 1.7% YoY.
- **Grasim Industries is expected to report standalone EBITDA increase by 1.4x YoY to Rs8.0bn** owing to improving pricing / margins in its core VSF business.

Table 1: Valuation summary

Company	Reco	Target Price	P/E (x)			EV/EBITDA (x)			EV/te (US\$)		
			FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E
UTCEM	BUY	8,000	36.2	28.6	24.0	18.6	15.5	13.2	242	222	194
ACC*	BUY	2,050	21.5	21.8	19.3	12.7	10.5	9.1	129	122	114
ACEM*	BUY	330	22.4	21.5	18.4	13.4	11.1	9.3	148	138	131
SRCM	BUY	28,000	50.5	39.7	31.9	26.7	21.4	17.5	318	301	272
DALBHARA	ADD	1,350	33.0	27.6	24.4	11.1	9.5	8.4	151	123	117
TRCL	BUY	1,050	31.3	25.8	21.4	17.5	14.7	12.4	212	191	184
JKCE	BUY	2,890	31.4	25.2	22.6	15.9	13.5	12.2	218	213	212
ICEM	SELL	120	89.7	18.6	19.5	14.7	10.2	9.6	81	79	77
JKLC	BUY	475	12.6	11.1	10.0	6.5	5.8	5.6	67	64	68
ORCMNT	ADD	93	11.1	10.7	10.3	5.5	5.1	4.9	49	44	35
PRSMJ	BUY	118	60.1	22.6	18.6	13.5	8.7	7.4	143	115	91
HEIM	BUY	265	21.8	16.4	13.6	10.4	8.1	6.6	114	106	99
GRASIM	ADD	1,330	34.1	12.3	9.9	15.3	7.6	6.4	-	-	-

*December ending CY20, CY21E, CY22E; Source: I-Sec research;

Table 2: Stock price performance

(%)

	Absolute performance (%)			Relative to Nifty (%)		
	1M	3M	YoY	1M	3M	YoY
UTCEM	4.5	24.7	114.1	7.2	22.3	34.1
ACC	8.7	12.5	107.3	11.5	10.3	29.8
ACEM	12.3	18.8	114.3	15.2	16.5	34.2
SRCM	16.2	22.3	96.6	19.2	20.0	23.1
DALBHARA	7.6	29.5	236.8	10.4	27.0	111.0
ICEM	6.1	7.3	79.5	8.9	5.2	12.4
TRCL	5.4	25.3	130.0	8.1	22.8	44.0
JKCE	9.9	33.9	216.2	12.7	31.3	98.1
JKLC	1.5	24.1	137.6	4.2	21.7	48.8
ORCMNT	1.6	18.6	136.7	4.2	16.3	48.2
PRSMJ	18.7	55.7	313.2	21.7	52.7	158.8
HEIM	8.6	5.2	69.0	11.4	3.2	5.8
GRASIM	7.7	44.2	182.4	10.5	41.4	76.9

Source: Bloomberg

Table 3: Geographic breakup of market mix

	UTCEM	ACC	ACEM	SRCM	TRCL	JKLC	JKCE	ICEM	DALBHARA	ORCMNT	PRSMJ	HEIM
North	23	22	31	46		34	57	13				
Central	15	21	8	25		6	14				75	90
East	18	25	23	29	25	22		5	60		25	
West	26	13	36			38	14	12	10	50		
South	18	19	2		75		15	70	30	50		10

Source: Company data, I-Sec research

Table 4: Coverage universe to see ~24% YoY volume growth in Q4FY21E

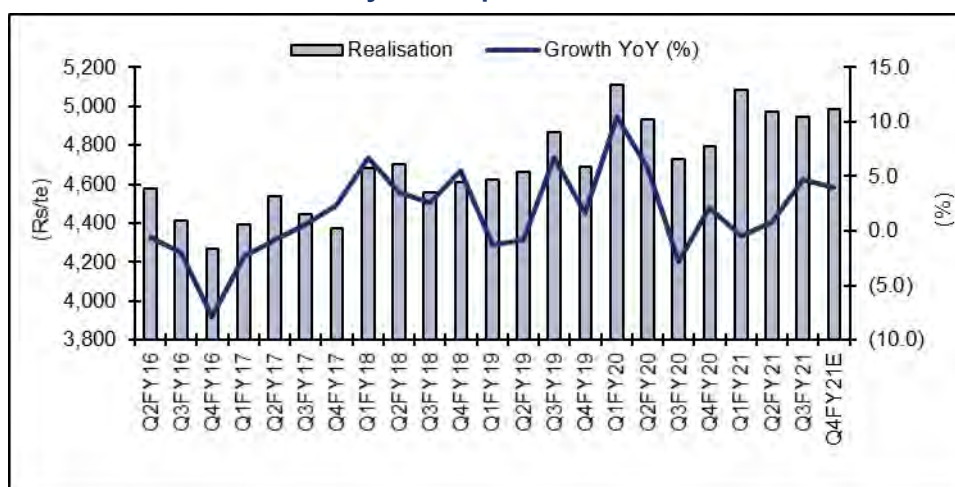
Volumes (mn te)*	Q4FY21E	Q4FY20	% YoY	Q3FY21	% QoQ
UTCEM – consolidated	27.1	21.4	26.5	23.9	13.6
ACC	8.1	6.7	20.0	7.8	3.9
ACEM	7.1	5.8	23.8	7.0	1.3
SRCM	8.3	6.9	20.0	7.2	15.7
DALBHARA	6.8	5.2	30.9	5.8	16.7
ICEM – standalone	2.8	2.6	7.5	2.4	19.8
TRCL	3.2	2.9	7.5	2.6	20.5
JKCE – Total	3.8	2.7	44.1	3.2	21.4
JKLC	3.2	2.5	29.4	2.7	18.3
ORCMNT	1.8	1.6	12.0	1.4	29.8
PRSMJ	1.7	1.5	15.9	1.4	23.0
HEIM	1.3	1.1	22.0	1.3	4.8
Total of above	75.3	60.9	23.6	66.6	13.1
Industry	104.5	87.1	20.0	91.3	14.6

Source: Company data, *including clinker sale, I-Sec research;

Table 5: Realisation/te likely to be up 4% YoY / ~1% QoQ

Realisation	Q4FY21E	Q4FY20	% YoY	Q3FY21	% QoQ
UTCEM (blended)- Consolidated	5,101	4,934	3.4	5,085	0.3
ACC (grey cement)	4,935	4,576	7.8	4,881	1.1
ACC (blended)	5,334	5,094	4.7	5,226	2.1
ACEM	4,999	4,783	4.5	4,920	1.6
SRCM (including power)	4,665	4,659	0.1	4,620	1.0
DALBHARA (excluding refractory)	4,820	4,540	6.2	4,717	2.2
ICEM (grey cement)	4,901	4,325	13.3	4,840	1.3
TRCL (grey cement)	5,140	4,713	9.1	5,068	1.4
JKCE (grey cement)	4,512	4,618	(2.3)	4,487	0.5
JKCE (blended)	5,250	5,468	(4.0)	5,459	(3.8)
JKLC	4,530	4,305	5.2	4,426	2.3
ORCMNT	4,451	4,156	7.1	4,449	0.0
PRSMJ (grey cement)	4,392	4,424	(0.7)	4,363	0.7
HEIM	4,703	4,672	0.7	4,669	0.7
Weighted average (blended)	4,983	4,792	4.0	4,948	0.7

Source: Company data, I-Sec research

Chart 1: Realisation/te likely to be up 4% YoY / ~1% QoQ

Source: Company data, I-Sec research

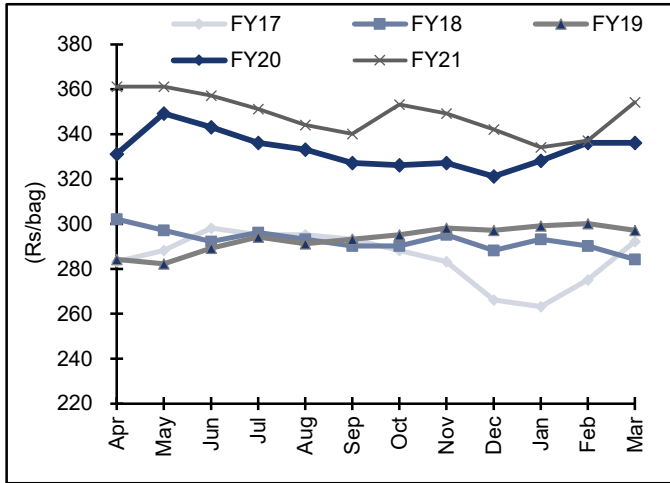
Table 6: Cement prices in Q4FY21 are likely to be up 6% YoY / ~1% QoQ

Cement price per bag of 50kg	North	East	West	Central	South	All-India
Avg. Q4FY21E	348	326	331	351	383	347
Avg. Q4FY20	335	326	300	346	332	327
YoY change (%)	3.7	0.1	10.3	1.5	15.3	6.1
Avg. Q3FY21	351	313	324	350	385	344
QoQ change (%)	(0.8)	4.2	2.0	0.5	(0.6)	0.8

Source: I-Sec research

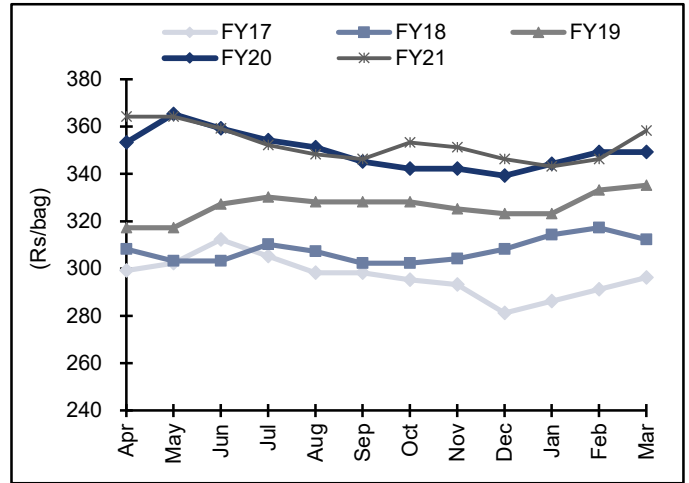
Average pan-India cement prices in Q4FY21 are up 6% YoY

Chart 2: North region prices up 4% YoY



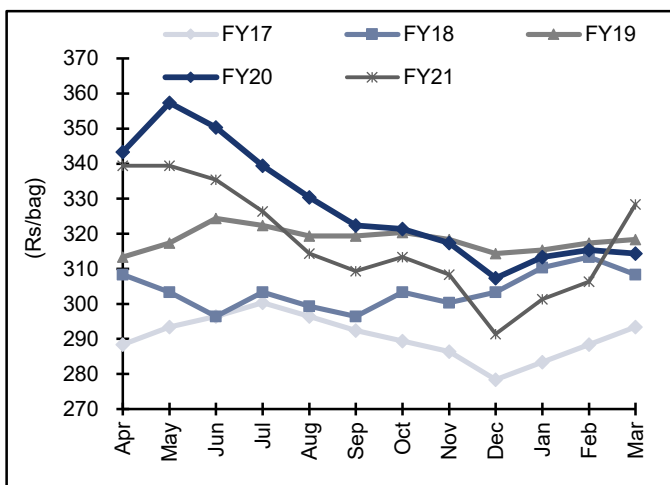
Source: Industry data, I-Sec research

Chart 3: Central region prices up 1.5% YoY



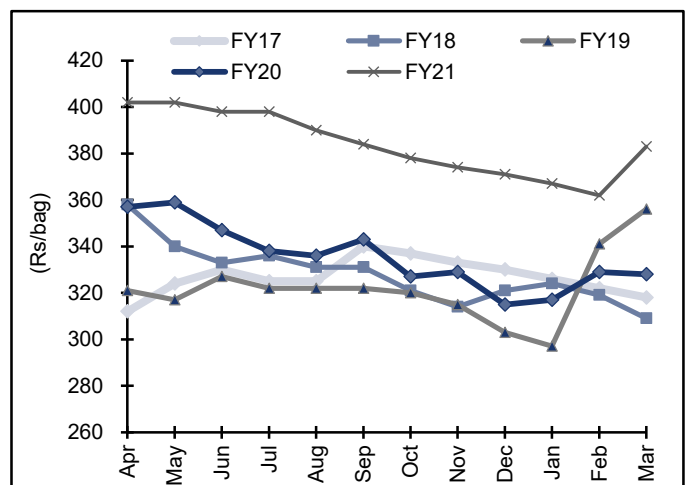
Source: Industry data, I-Sec research

Chart 4: East region prices flat YoY



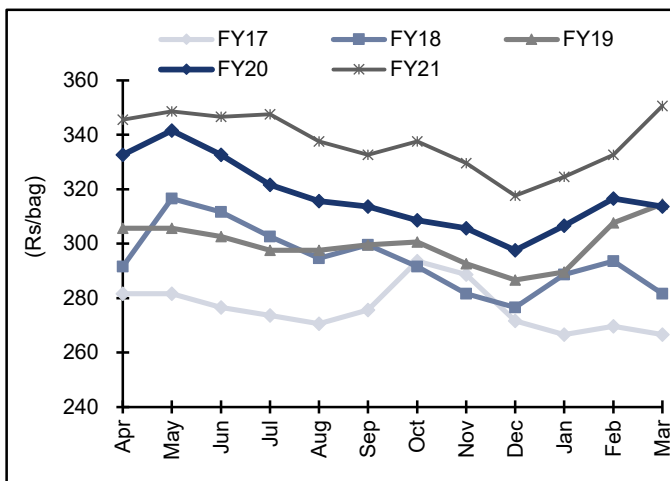
Source: Industry data, I-Sec research

Chart 5: South region prices up 15% YoY



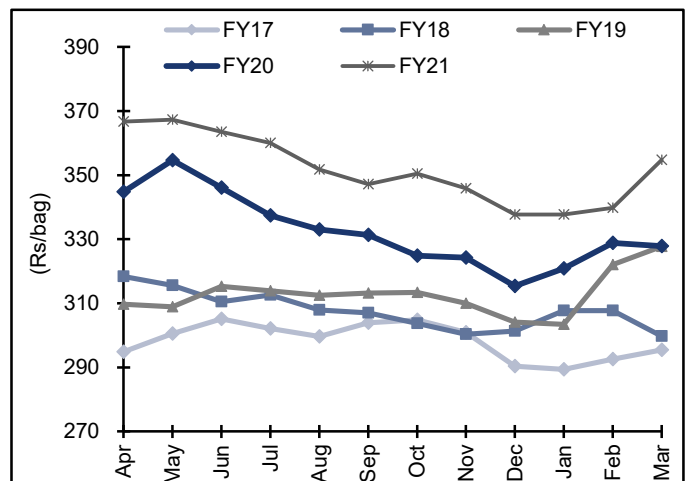
Source: Industry data, I-Sec research

Chart 6: West region prices up 10% YoY



Source: Industry data, I-Sec research

Chart 7: All-India prices up 6% YoY



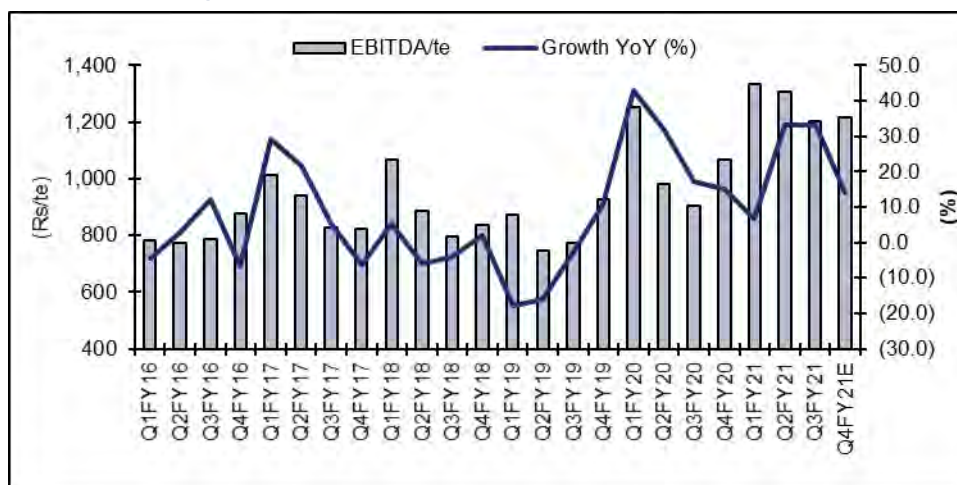
Source: Industry data, I-Sec research

Table 7: Average EBITDA/te expected to increase 13% YoY / 2% QoQ

EBITDA/te*	Q4FY21E	Q4FY20	% YoY	Q3FY21	% QoQ
UTCEM (incl. white cement)- console	1,286	1,140	12.8	1,296	(0.8)
ACC (incl. RMC)	923	870	6.1	900	2.5
ACEM	1,124	1,045	7.5	1,089	3.2
SRCM (cement only)	1,533	1,562	(1.9)	1,520	0.9
DALBHARA (blended)	1,255	983	27.7	1,191	5.3
ICEM (blended)	931	323	188.5	916	1.7
TRCL(cement only)	1,520	955	59.2	1,508	0.8
JKCE (incl. white cement)	1,320	1,298	1.7	1,417	(6.8)
JKLC	815	820	(0.6)	712	14.5
ORCMNT	1,024	792	29.3	1,006	1.8
PRSMJ (grey cement)	946	1,016	(6.9)	918	3.1
HEIM	1,141	1,168	(2.4)	947	20.4
Weighted average	1,218	1,074	13.4	1,199	1.6

Source: Company data, I-Sec research *including other operating income

Chart 8: Average EBITDA/te expected to rise 13% YoY / 2% QoQ



Source: Company data, I-Sec research

Key assumptions

Table 8: Volume growth assumptions over FY20-FY23E

	Total volumes (mnte)				Growth YoY (%)			
	FY20	FY21E	FY22E	FY23E	FY20	FY21E	FY22E	FY23E
UTCEM	82.3	85.6	100.1	108.2	7.8	3.9	17.0	8.0
ACC	28.9	26.2	30.4	32.2	1.9	(9.3)	16.0	6.0
ACEM	24.1	22.7	26.6	28.5	(0.8)	(5.8)	17.5	7.0
SRCM	28.7	30.1	35.7	39.5	(0.0)	4.7	18.6	10.8
DALBHARA	19.3	21.0	25.0	27.3	3.3	9.0	19.0	9.0
ICEM	11.0	8.7	10.3	11.1	(11.4)	(20.9)	18.0	8.0
JKCE	10.2	11.9	14.3	15.3	0.2	16.2	20.3	7.1
TRCL	11.2	9.9	12.1	13.8	0.7	(11.5)	22.0	14.0
JKLC	10.0	10.7	12.5	13.4	(9.8)	6.6	16.5	7.1
ORCMNT	5.8	4.9	5.9	6.5	(9.5)	(15.5)	20.0	10.0
PRSMJ	5.7	5.6	6.3	6.7	(8.7)	(2.0)	12.0	6.0
HEIM	4.7	4.6	5.2	5.5	(3.9)	(3.0)	13.0	7.0
Total	242.1	241.9	284.4	307.9	1.3	(0.1)	17.6	8.3

Source: Company data, I-Sec research

Table 9: Realisation growth assumptions over FY20-FY23E

	Realisation (Rs/te)				Growth YoY (%)			
	FY20	FY21E	FY22E	FY23E	FY20	FY21E	FY22E	FY23E
UTCEM- blended	5,038	5,097	5,232	5,319	4.6	1.2	2.6	1.7
ACC - blended	5,156	5,151	5,347	5,463	2.7	(0.1)	3.8	2.2
ACC - grey cement	4,723	4,833	4,929	5,019	1.8	2.3	2.0	1.8
ACEM	4,717	4,928	5,057	5,208	4.2	4.5	2.6	3.0
SRCM	4,299	4,386	4,511	4,625	5.2	2.0	2.8	2.5
DALBHARA - cement	4,691	4,836	4,788	4,835	(1.1)	3.1	(1.0)	1.0
ICEM	4,672	4,938	4,938	5,012	1.5	5.7	-	1.5
JKCE - blended	5,603	5,423	5,505	5,597	10.5	(3.2)	1.5	1.7
TRCL	4,736	5,220	5,220	5,272	3.8	10.2	-	1.0
JKLC	4,342	4,377	4,496	4,568	12.1	0.8	2.7	1.6
ORCMNT	4,171	4,588	4,451	4,428	6.3	10.0	(3.0)	(0.5)
PRSMJ	4,516	4,457	4,502	4,592	2.1	(1.3)	1.0	2.0
HEIM	4,586	4,678	4,799	4,919	6.5	2.0	2.6	2.5
Weighted average	4,827	4,926	5,028	5,118	4.6	2.1	2.1	1.8

Source: Company data, I-Sec research

Table 10: EBITDA/te growth assumptions over FY20-FY23E

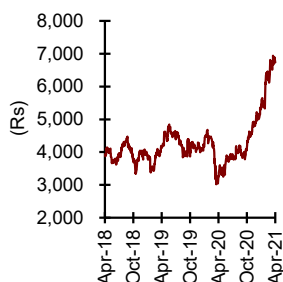
	EBITDA/te* (Rs)				Growth YoY (%)			
	FY20	FY21E	FY22E	FY23E	FY20	FY21E	FY22E	FY23E
UTCEM- consol.	1,144	1,321	1,317	1,382	28.7	15.5	(0.3)	5.0
ACC	835	952	972	1,025	11.8	14.0	2.1	5.5
ACEM	893	1,168	1,149	1,260	14.5	30.8	(1.6)	9.6
SRCM	1,288	1,354	1,400	1,504	36.4	5.1	3.4	7.4
DALBHARA	1,092	1,348	1,215	1,209	5.0	23.5	(9.9)	(0.5)
ICEM	568	928	839	857	10.8	63.4	(9.6)	2.1
JKCE	1,186	1,348	1,314	1,352	45.2	13.7	(2.6)	3.0
TRCL	991	1,557	1,492	1,500	7.6	57.1	(4.2)	0.6
JKLC	794	861	834	849	95.1	8.4	(3.2)	1.9
ORCMNT	659	1,069	856	796	35.5	62.1	(19.9)	(7.0)
PRSMJ	889	995	1,054	1,106	6.6	11.9	5.9	5.0
HEIM	1,122	1,104	1,174	1,247	13.7	(1.5)	6.3	6.2
Weighted average	1,031	1,233	1,217	1,275	24.9	19.6	(1.3)	4.8

Source: Company data, I-Sec research; *including other operating income

UltraTech Cement (BUY)

(QoQ chg: 24.7%; YoY: 114.1%)

Price chart



Quarterly estimates (consolidated)

(Rs mn, year ending March 31)

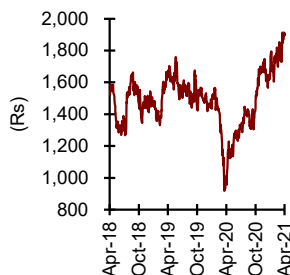
	Q4FY21E	Q4FY20	YoY (%)	Q3FY21	QoQ (%)
Volume sales (mnte)	27.1	21.4	26.5	23.9	13.6
Net realisation (Rs)	5,101	4,934	3.4	5,085	0.3
Net sales	1,38,328	1,05,790	30.8	1,21,440	13.9
EBITDA	34,870	24,436	42.7	30,943	12.7
EBITDA/te	1,286	1,140	12.8	1,296	(0.8)
Recurring pre-tax income	27,231	14,643	86.0	23,320	16.8
Recurring net income	18,478	11,342	62.9	15,843	16.6
Ratios (%)					
EBITDA margins	25.2	23.1		25.5	
Net profit margins	13.4	10.7		13.0	

Source: Company data, I-Sec research

ACC (BUY)

(QoQ chg: 12.5%; YoY chg: 107.3%)

Price chart



Quarterly estimates (consolidated)

(Rs mn, year ending December 31)

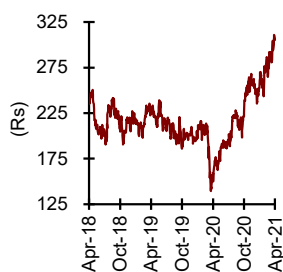
	1QCY21E	1QCY20	YoY (%)	4QCY20	QoQ (%)
Volume sales (mnte)	8.1	6.7	20.0	7.8	3.9
Net cement realisation including RMC	5,334	5,094	4.7	5,226	2.1
Net sales	43,141	34,330	25.7	40,660	6.1
EBITDA	7,469	5,865	27.4	7,007	6.6
EBITDA / te	923	870	6.1	900	2.5
Recurring pre-tax income	6,342	4,761	33.2	5,937	6.8
Recurring net income	4,693	3,230	45.3	7,772	(39.6)
Ratios (%)					
EBITDA margins	17.3	17.1		17.2	
Net profit margins	10.9	9.4		19.1	

Source: Company data, I-Sec research

Ambuja Cements (BUY)

(QoQ chg: 18.8%; YoY chg: 114.3%)

Price chart



Quarterly estimates (standalone)

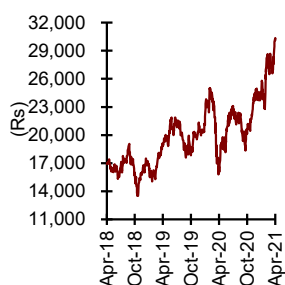
(Rs mn, year ending December 31)

	1QCY21E	1QCY20	YoY (%)	4QCY20	QoQ (%)
Volume including clinker	7.1	5.8	23.8	7.0	1.3
Avg. realisation	4,999	4,783	4.5	4,920	1.6
Net sales	35,697	27,600	29.3	34,680	2.9
EBITDA	8,024	6,032	33.0	7,677	4.5
EBITDA/te	1,124	1,045	7.5	1,089	3.2
Recurring pre-tax income	8,279	5,304	56.1	6,582	25.8
Recurring net income	6,126	3,991	53.5	4,970	23.3
Ratios (%)					
EBITDA margins	22.5	21.9		22.1	
Net profit margins	17.2	14.5		14.3	

Source: Company data, I-Sec research

Shree Cement (BUY)

(QoQ chg: 22.4%; YoY chg: 96.6%)

Price chart**Quarterly estimates (standalone)**

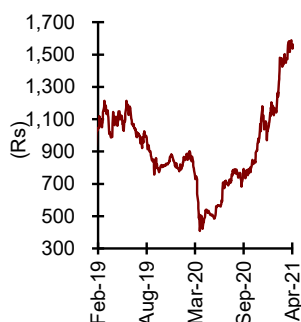
(Rs mn, year ending March 31)

	Q4FY21E	Q4FY20	% YoY	Q3FY21	% QoQ
Net sales	38,652	32,175	20.1	33,094	16.8
Net volumes (mnte)	8.3	6.9	20.0	7.2	15.7
Realisation – blended	4,633	4,431	4.6	4,578	1.2
EBITDA	12,703	10,789	17.7	10,890	16.7
EBITDA/te incl. power	1,533	1,562	(1.9)	1,520	0.9
Recurring pre-tax income	10,126	6,678	51.6	8,466	19.6
Recurring net income	8,051	5,882	36.9	6,262	28.6
Ratios (%)					
EBITDA margins	32.9	33.5		32.9	
Net profit margins	20.8	18.3		18.9	

Source: Company data, I-Sec research

Dalmia Bharat (ADD)

(QoQ chg: 29.5%; YoY chg: 236.8%)

Price chart**Quarterly estimates (consolidated)**

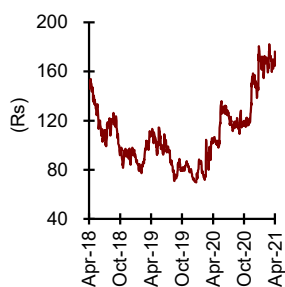
(Rs mn, year ending March 31)

	Q4FY21E	Q4FY20	% YoY	Q3FY21	% QoQ
Net sales	33,929	24,830	36.6	28,570	18.8
Volume including clinker	6.8	5.2	30.9	5.8	16.7
Realisation – cement	4,820	4,540	6.2	4,717	2.2
EBITDA	8,489	5,080	67.1	6,910	22.9
EBITDA/te (blended)	1,255	983	27.7	1,191	5.3
Recurring pre-tax income	4,620	650	610.7	3,170	45.7
Recurring net income	2,947	260	1,033.3	1,820	61.9
Ratios (%)					
EBITDA margins	25.0	20.5		24.2	
Net profit margins	8.7	1.0		6.4	

Source: Company data, I-Sec research

India Cements (SELL)

(QoQ chg: 7.3%; YoY chg: 79.5%)

Price chart**Quarterly estimates (standalone)**

(Rs mn, year ending March 31)

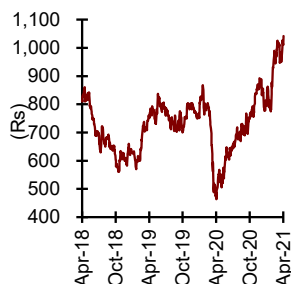
	Q4FY21E	Q4FY20	% YoY	Q3FY21	% QoQ
Volume including clinker (mnte)	2.8	2.6	7.5	2.4	19.8
Realisation – cement	4,901	4,325	13.3	4,840	1.3
Net sales	14,043	11,519	21.9	11,596	21.1
EBITDA	2,652	855	210.2	2,178	21.7
EBITDA/te (blended)	931	323	188.5	916	2.2
Recurring pre-tax income	1,369	(711)	(292.6)	889	54.1
Recurring net income	919	(110)	(932.9)	620	48.1
Ratios (%)					
EBITDA margins	18.9	7.4		18.8	
Net profit margins	6.5	(0.9)		5.3	

Source: Company data, I-Sec research

The Ramco Cements (BUY)

(QoQ chg: 25.3%; YoY chg: 130.0%)

Price chart



Quarterly estimates (standalone)

(Rs mn, year ending March 31)

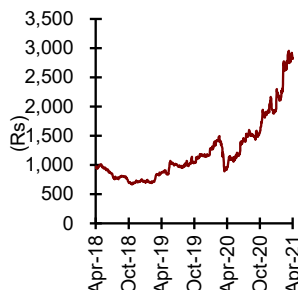
	Q4FY21E	Q4FY20	% YoY	Q3FY21	% QoQ
Volume including clinker	3.2	2.9	7.5	2.6	20.5
Realisation – cement	5,140	4,713	9.1	5,068	1.4
Net sales	16,178	13,862	16.7	13,334	21.3
EBITDA	4,804	2,792	72.1	3,970	21.0
EBITDA/te incl. power	1,525	952	60.1	1,519	0.4
Recurring pre-tax income	3,820	1,857	105.6	2,977	28.3
Recurring net income	2,632	1,462	80.0	2,014	30.7
Ratios (%)					
EBITDA margins	29.7	20.1		29.8	
Net profit margins	16.3	10.5		15.1	

Source: Company data, I-Sec research

JK Cement (BUY)

(QoQ chg: 33.9%; YoY chg: 216.2%)

Price chart



Quarterly estimates (standalone)

(Rs mn, year ending March 31)

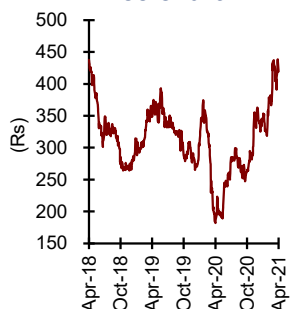
	Q4FY21E	Q4FY20	% YoY	Q3FY21	% QoQ
Volume incl. white cement	3.8	2.7	44.1	3.2	21.4
Blended realisation	5,250	5,468	(4.0)	5,459	(3.8)
Net sales	20,188	14,587	38.4	17,300	16.7
EBITDA	5,077	3,463	46.6	4,490	13.1
EBITDA/te	1,320	1,298	1.7	1,417	(6.8)
Recurring pre-tax income	4,161	2,585	61.0	3,578	16.3
Recurring net income	2,780	1,784	55.8	2,384	16.6
Ratios (%)					
EBITDA margins	25.1	23.7		26.0	
Net profit margins	13.8	12.2		13.8	

Source: Company data, I-Sec research

JK Lakshmi Cement (BUY)

(QoQ chg: 24.1%; YoY chg: 137.6%)

Price chart



Quarterly estimates (standalone)

(Rs mn, year ending March 31)

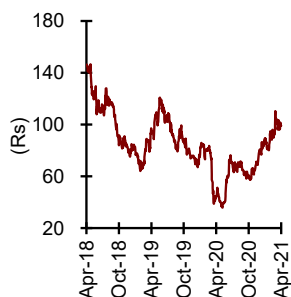
	Q4FY21E	Q4FY20	% YoY	Q3FY21	% QoQ
Volume including clinker (mn te)	3.2	2.5	29.4	2.7	18.3
Avg. realisation	4,530	4,305	5.2	4,426	2.3
Net sales	14,444	10,612	36.1	11,928	21.1
EBITDA	2,599	2,020	28.6	1,918	35.5
EBITDA/te	815	820	(0.6)	712	14.5
Recurring pre-tax income	1,953	1,311	49.0	1,272	53.6
Recurring net income	1,467	1,008	45.6	1,023	43.4
Ratios (%)					
EBITDA margins	18.0	19.0		16.1	
Net profit margins	10.2	9.5		8.6	

Source: Company data, I-Sec research

Orient Cement (ADD)

(QoQ chg: 18.6%; YoY chg: 136.7%)

Price chart



Quarterly estimates (standalone)

(Rs mn, year ending March 31)

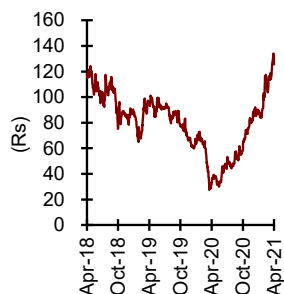
	Q4FY21E	Q4FY20	% YoY	Q3FY21	% QoQ
Volume including clinker (mn-te)	1.8	1.6	12.0	1.4	29.8
Avg. realisation	4,451	4,156	7.1	4,449	0.0
Net sales	7,852	6,545	20.0	6,046	29.9
EBITDA	1,806	1,247	44.8	1,367	32.1
EBITDA/te	1,024	792	29.3	1,006	1.8
Recurring pre-tax income	1,300	696	86.7	837	55.3
Recurring net income	811	441	84.1	539	50.5
Ratios (%)					
EBITDA margins	23.0	19.1		22.6	
Net profit margins	10.3	6.7		8.9	

Source: Company data, I-Sec research

Prism Johnson (BUY)

(QoQ chg: 55.7%; YoY: 313.2%)

Price chart



Quarterly estimates (standalone)

(Rs mn, year ending March 31)

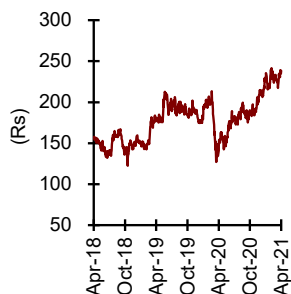
	Q4FY21E	Q4FY20	% YoY	Q3FY21	% QoQ
Volume sales (mn-te)	1.7	1.5	15.9	1.4	23.0
Net realisation (Rs)- Cement	4,392	4,424	(0.7)	4,363	0.7
Net sales	15,984	13,716	16.5	13,753	16.2
EBITDA	2,185	1,424	53.5	1,789	22.1
EBITDA/te- Cement	946	1,016	(6.9)	918	3.1
Recurring pre-tax income	1,342	419	220.2	945	42.1
Recurring net income	829	24	3,355.2	757	9.6
Ratios (%)					
EBITDA margins	13.7	10.4		13.0	
Net profit margins	5.2	0.2		5.5	

Source: Company data, I-Sec research

Heidelberg Cement (BUY)

(QoQ chg: 5.2%; YoY chg: 68.9%)

Price chart



Quarterly estimates (standalone)

(Rs mn, year ending March 31)

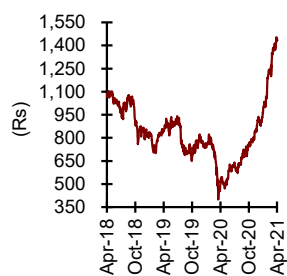
	Q4FY21E	Q4FY20	% YoY	Q3FY21	% QoQ
Volume including clinker (mn-te)	1.3	1.1	22.0	1.3	4.8
Avg. realisation	4,703	4,672	0.7	4,669	0.7
Net sales	6,255	5,093	22.8	5,925	5.6
EBITDA	1,517	1,273	19.1	1,202	26.2
EBITDA/te	1,141	1,168	(2.4)	947	20.4
Recurring pre-tax income	1,278	1,006	27.0	918	39.2
Recurring net income	855	663	28.9	636	34.3
Ratios (%)					
EBITDA margins	24.2	25.0		20.3	
Net profit margins	13.7	13.0		10.7	

Source: Company data, I-Sec research

Grasim Industries (ADD)

(QoQ chg: 44.2%; YoY chg: 182.4%)

Price chart



Quarterly estimates (standalone)

(Rs mn, year ending March 31)

	Q4FY21E	Q4FY20	% YoY	Q3FY21	% QoQ
Net sales	39,197	36,895	6.2	36,718	6.8
EBITDA	8,007	3,261	145.5	6,457	24.0
Recurring net income	4,228	973	334.6	3,323	27.2
Ratios (%)					
EBITDA margins	20.4	8.8		17.6	
Net profit margins	10.8	2.6		9.0	

Source: Company data, I-Sec research

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