

Opportune

Exclusively curated opportunities to re-enter fundamentally strong companies at attractive valuations!

ADD – Dalmia Bharat (DALBHARA)

CMP: ₹1,595 (Upside Potential: 12.9%) as on 7th Sep 2022

Fair Value (FV): ₹1,800 | Time Period: **12 months**

Why Invest?

- We expect DALBHARA's volumes to grow at the rate of 15% over FY22-25E.
- Q1FY23 EBITDA were in line with our estimates with strong volumes (+27% yoy).
- DALBHARA continues to remain net cash in Q1FY23; healthy OCF to support growth capex.
- Expansion projects remain on track; increasing share of green power is encouraging.
- The company provides strong growth visibility with balance sheet strength.
- Our Fair Value of Rs1,800/share is based on 8.5x EV/EBITDA September 2024E.

(OCF – Operating Cash Flow; EV – Enterprise Value; EBITDA – Earnings Before Interest, Tax, Depreciation and Amortization)

Maintain ADD with **FV Rs 1,800**

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