

# **JK Lakshmi Cement**

**TARGET: RS 200**

**CMP: Rs 108.70**

**R**eligare has retained “accumulate” tag for JK Lakshmi Cement on May 22 even after the earnings downgrade for FY09 and FY10.

It said: “The stock trades at a one-year forward P/E multiple of 2.7x and on EV/EBITDA at 3.0x. We expect that the negatives (like higher fuel prices, continuous government pressure to reduce prices, export ban, etc) are all factored into the current price. The stock is also trading at ~50 per cent discount to the current replacement cost (\$100/MT).”