



UltraTech Cement Ltd Intrinsic Value Calculation

Applying the Futurecaps Intrinsic Value framework to ULTRACEMCO (NSE/BSE) — data as of Jul 2026

This report applies the Intrinsic Value framework described by Futurecaps Stocks, adapted from Benjamin Graham's *The Intelligent Investor*, to UltraTech Cement Ltd using current publicly available financial data.

1. Current Snapshot — UltraTech Cement Ltd (NSE/BSE)

Metric	Value
Sector	Cement (Construction Materials)
Current Market Price (CMP)	Rs. 11,731
Market Cap	Rs. 3,45,691 Cr
Stock P/E	40.1
Book Value / share	Rs. 2600
Dividend Yield	2.05%
ROCE	12.8%
ROE	11.2%
EPS (TTM)	Rs. 289.77

2. Framework Inputs

The framework requires three inputs — EPS, a projected growth rate (G), and a no-risk reference return (Y), typically a bank fixed deposit rate:

Input	Value Used	Basis
EPS	Rs. 289.77	Trailing twelve months (TTM), consolidated
G (Growth Rate)	18%	3-year compounded profit growth
Y (No-Risk Return)	6%	SBI 5-year fixed deposit rate

Note: UltraTech's profit growth has accelerated recently — 3-year compounded growth is 18%, well above the 5-year figure (8%), aided by capacity additions and TTM growth of 27%.

3. Intrinsic Value Calculation

$$\text{Intrinsic Value} = \text{EPS} \times (8.5 + 2G) \times 4.4 / Y$$

Substituting UltraTech Cement Ltd's figures (EPS = 289.77, G = 18, Y = 6):

$$\text{Intrinsic Value} = 289.77 \times (8.5 + 36) \times 4.4 / 6 = 289.77 \times 32.63 \approx \text{Rs. 9,456}$$

4. Margin of Safety & Fair Value

UltraTech Cement Ltd is a large-cap constituent of the Nifty 50 / BSE Sensex, so a 20% margin of safety is applied, per the framework's guidance for large-caps.

$$\text{Fair Value} = \text{Intrinsic Value} - 20\% = \text{Rs. 9,456} \times 0.80 \approx \text{Rs. 7,565}$$

Metric	Value
Intrinsic Value	Rs. 9,456
Margin of Safety (large-cap)	20%
Fair Value	Rs. 7,565
Current Market Price (CMP)	Rs. 11,731
Decision	SELL

5. Decision Rule Applied

Decision	Condition	ULTRACEMCO Status
BUY	CMP < Fair Value	No
HOLD	Fair Value < CMP < Intrinsic Value	No
SELL	CMP > Intrinsic Value	Yes

6. Takeaway

At a CMP of Rs. 11,731, UltraTech trades above both its estimated Fair Value (Rs. 7,565) and Intrinsic Value (Rs. 9,456) on this framework, placing it in SELL territory, with the market pricing in continued volume-led growth as India's largest cement producer.

This is an educational, formula-based estimate — not investment advice. Intrinsic Value depends heavily on the growth and discount-rate assumptions used, both of which are inherently uncertain. Please do your own research or consult a qualified financial advisor before making investment decisions.

Fair Value is the Maximum Price you should pay for a stock.

Want stocks trading at a steep discount to Intrinsic Value? [Click here to claim your FREE Multibagger @ 90% Intrinsic Value Discount!](#)

Source: Futurecaps Stocks Intrinsic Value framework; company public financial filings and stock exchange disclosures, data as of Jul 2026.