

June 30, 2025

Exhibit 1: PL Universe

Companies	Rating	CMP (Rs)	TP (Rs)
ACC	Buy	1,920	2,383
Ambuja Cement	Buy	575	658
Dalmia Bharat	Acc	2,209	2,273
Nuvoco Vistas Corporation	Acc	357	374
Shree Cement	Reduce	31,031	28,336
Ultratech Cement	Buy	12,213	13,668

Source: PL Acc=Accumulate

Top Picks

UltraTech Cement

Dalmia Bharat

Ambuja Cement

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Early monsoon halts price uptick but pricing remains strong YoY

Quick Pointers:

- Cement prices declined by Rs 6–8/bag in the South, West, and East in Jun'25, while prices remained flat in the North and Central regions. The all-India average price fell by ~Rs 4/bag MoM.
- Dealers expect prices to decline further in Jul'25 as the monsoon picks up. However, prices remain strong compared to FY25 and YoY prices are up significantly in Southern & Eastern regions.

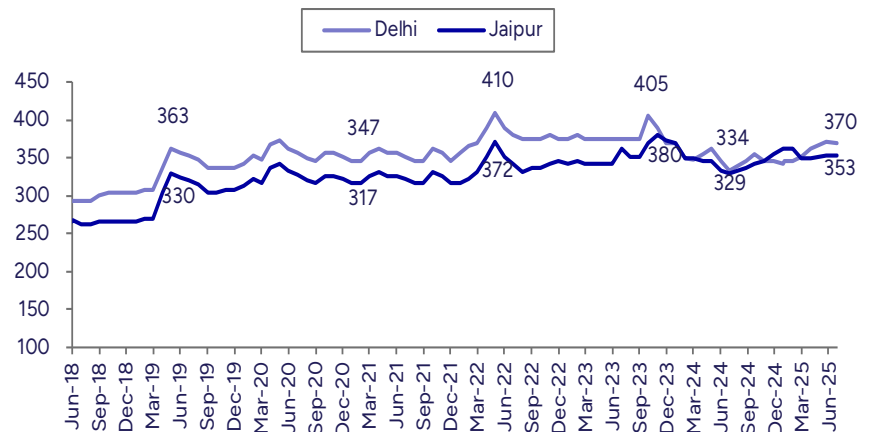
We interacted with cement dealers across regions in India to assess the demand and pricing scenario in Jun'25. Our discussions indicate a mixed demand environment across markets. While heatwaves continued to impact demand in some regions, the onset of the monsoon further contributed to demand weakness. As the monsoon sets in across regions, pricing momentum has begun to fade. The southern, western, and eastern markets witnessed a price decline of Rs6–8/bag, while prices in the central and northern regions remained flat MoM. As a result, the all-India average price declined by ~Rs 4/bag to Rs 361/bag by June-end. Looking ahead, dealers expect further price corrections as the monsoon progresses.

The first two months of the quarter witnessed a strong uptick in pricing, supported by government infrastructure spending that boosted demand. However, the unexpectedly early onset of the monsoon acted as a partial spoilsport during the quarter. Despite the peak monsoon ahead, the IHB segment is expected to provide some support as interior work is unlikely to come to a complete halt. We expect cement companies under our coverage to post strong Q1FY26 results, led by better pricing, with southern and eastern-focused players likely to see a sharp QoQ rise in EBITDA/t, supported by the steepest price hikes in those regions. Additionally, the decline in pet coke prices will aid cost-cutting initiatives, leading to a strong improvement in margins.

Cement prices in **Delhi** remained flat during the month, with no price hike expected for at least the next two months. Demand remained mixed due to the heat, which continued to impact labor availability as workers returned to their hometowns during this period. Demand is likely to weaken further once the rainy season fully sets in, which could lead to a price decline of around Rs10/bag.

Jaipur cement prices also remained flat MoM. Demand in the region continued to be healthy, supported by purchases from farmers driven by the release of their crop payments during this period. Dealers do not expect prices to rise in the coming months due to the onset of monsoon and an anticipated reduction in demand from both farmers and the IHB segment. Rain has already started in the region and is likely to intensify in the coming days. While a few dealers reported a Rs10/bag increase in prices, the majority reported flat pricing.

Exhibit 2: Cement price remained flat in the Northern region in Jun'25

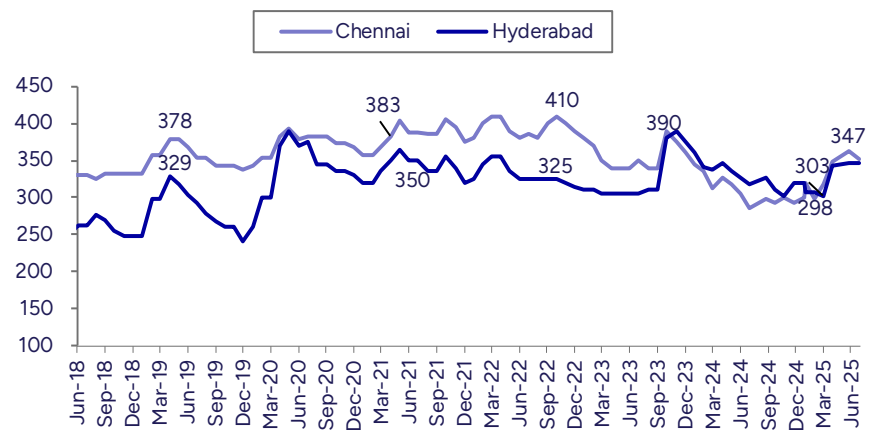


Source: PL

Southern region

Cement dealers in **Chennai** reported a price drop of ~Rs10/bag in Jun'25. Dealers indicated that demand is good to moderate, especially amid a slowdown in construction activity. There is also uncertainty about the sustainability of current prices, with some expecting a possible further cut of Rs5-10/bag to stimulate demand. Labor shortages caused by many North Indian workers returning to their villages have also impacted construction activities.

Exhibit 3: Chennai led to decline average price in South by Rs6/bag MoM



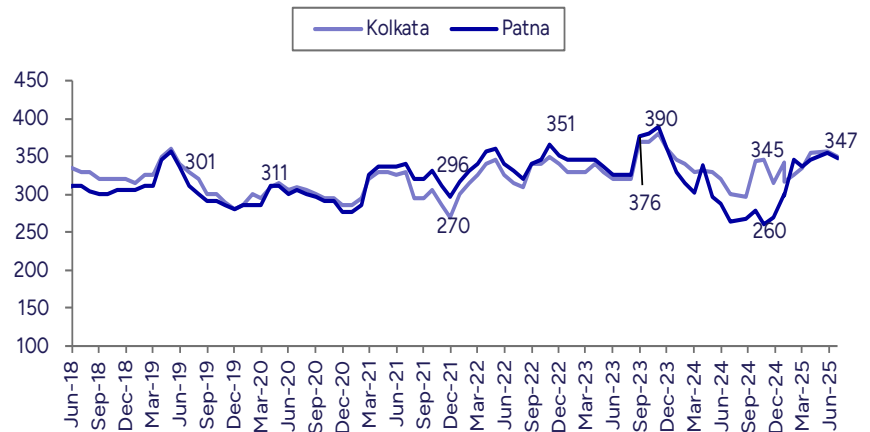
Source: PL

Cement dealers in **Hyderabad** reported flattish demand, with no change in prices since May'25 amid subdued market conditions. A local Bonalu festival, which started on 25th Jun and will continue till 24th July, has further impacted productivity and demand. Dealers cite the prolonged real estate slowdown as a key reason for weak demand. While companies are attempting price hikes, but these are not holding in the market. Some dealers anticipate a possible Rs 20/bag price increase post the festival, but no improvement is expected in July as monsoon activity picks up.

Eastern region

Cement dealers in **Kolkata** report that demand during the month has been good, but not exceptionally high. There was no price hike in Jun'25, and dealers do not expect any increase in the near term, especially with the onset of the monsoon. In fact, some dealers anticipate a slight price correction due to rain affecting construction activities.

Exhibit 4: Eastern region prices declined by Rs8/bag despite stable demand



Source: PL

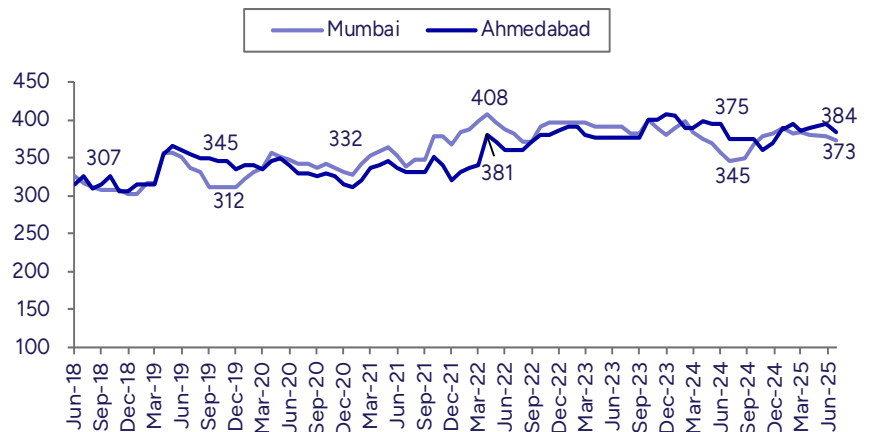
Cement dealers in **Patna** report that demand is currently moderate and not particularly strong, which has kept prices flat for the past 1–2 months. North Bihar is seeing relatively better sales than South Bihar, benefiting brands like UTCЕМ and SRCМ. Dealers noted that the first half of June saw good offtake, but momentum has slowed slightly in the latter half. The monsoon has yet to fully set in across the state, which may add further pressure on demand.

Western region

Cement prices in **Mumbai** remained unchanged, mainly due to the onset of the monsoon. Demand has been severely impacted, halting construction activities, with government projects coming to a complete standstill. However, despite the early monsoon, prices have declined by just ~Rs5/bag, supported by builder-driven projects. Dealers do not anticipate any price hike attempts in Jul'25, as sustaining increases during the peak monsoon season will be challenging.

Ahmedabad cement dealers indicate that overall demand is low, primarily due to the early onset of monsoons in key regions like Surat and Ahmedabad. The dominant trend reflects subdued market activity and flattish demand. As a result, cement prices have declined by ~Rs 10/bag since the beginning of the month, with no recovery expected in the immediate term. Going forward, price correction is likely to intensify amid the peak monsoon season.

Exhibit 5: Western region prices declined by Rs7/bag MoM due to monsoon

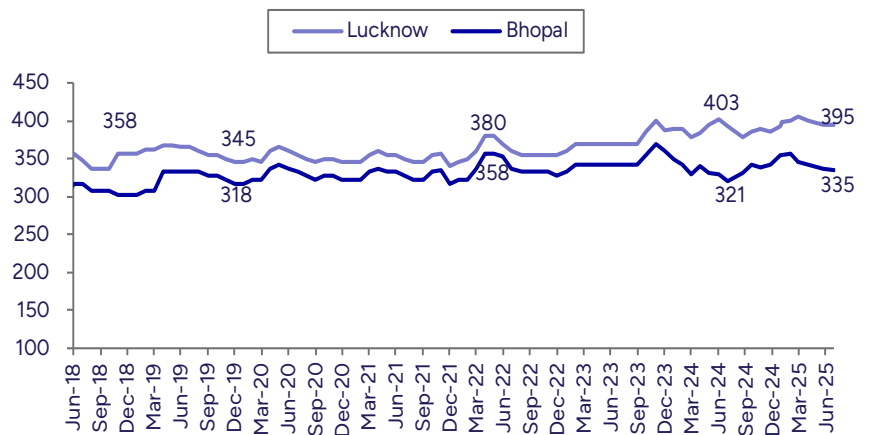


Source: PL

Central region

Heat has been the biggest concern in **Lucknow**, leading to reduced work and impacting labor availability. Demand was decent during the month, which kept prices flat MoM. A few dealers also mentioned a sustained increase in non-trade sales over the past few months. The monsoon is expected to affect demand, likely leading to a price decline in Jul'25.

Exhibit 6: Prices remained flat MoM due to monsoon in the Central region

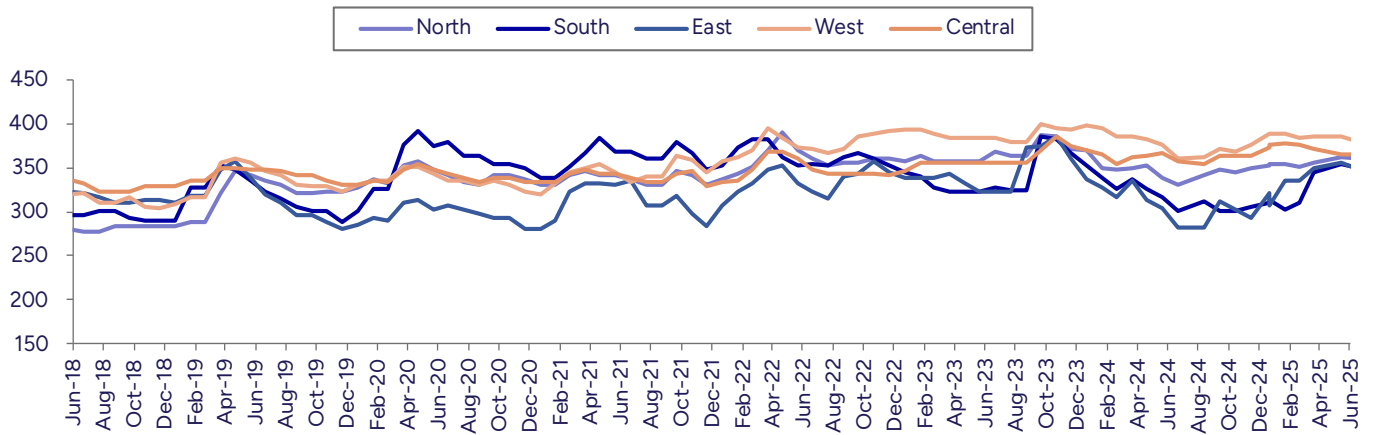


Source: PL

Cement prices in **Bhopal** remained flat during the month. Demand was stable in the first half of the month but was affected in the second half due to rain. Rain is expected to continue playing a spoilsport for cement demand in Jul'25 and Aug'25, which will likely prevent any price increases in the near future.

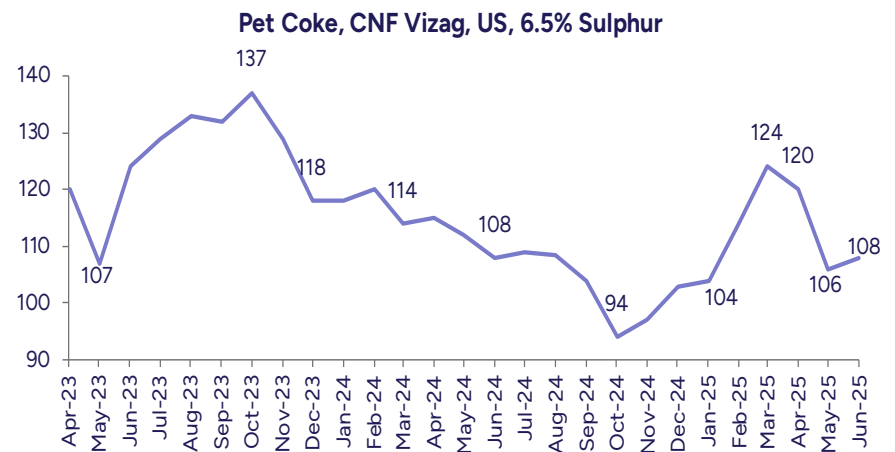
All-India pricing

Exhibit 7: All-India average price declined 1% MoM due to mixed demand amid monsoon



Source: PL

Exhibit 8: Imported pet coke prices softening again (USD/t)



Source: CoalMint, PL

Exhibit 9: Region-wise pricing (Rs/bag)

	North	South	East	West	Central	All India
Jun-23	358	323	323	384	356	349
Jul-23	368	328	323	384	356	352
Aug-23	363	325	323	379	356	349
Sep-23	363	325	373	379	356	359
Oct-23	388	385	375	400	370	384
Nov-23	385	383	385	395	385	387
Dec-23	372	368	360	394	374	373
Jan-24	370	353	338	398	370	366
Feb-24	350	339	328	395	366	355
Mar-24	349	325	316	386	354	346
Apr-24	350	337	335	386	362	354
May-24	353	327	313	382	363	348
Jun-24	339	316	304	376	366	340
Jul-24	331	301	283	360	357	326
Aug-24	341	313	282	362	355	330
Sep-24	349	302	312	371	364	339
Oct-24	345	301	303	369	364	336
Nov-24	350	306	293	376	364	338
Dec-24	353	310	321	389	374	349
Jan-25	354	314	308	388	377	348
Feb-25	354	303	335	388	378	352
Mar-25	351	310	336	384	376	351
Apr-25	356	345	350	385	371	361
May-25	362	355	356	386	366	365
Jun-25	361	349	349	379	365	361

Source: PL

Exhibit 10: Valuation Summary

(Rs Mn)							Revenue			EBITDA			PAT			EV/EBITDA (x)			ROE (%)			ROCE (%)		
Company Name	Mkt Cap	CMP	TP	Rating	BV FY24 (Rs)	P/BV (x)	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
ACC	3,53,810	1,920	2,383	Buy	869	2.2	2,11,255	2,26,305	2,33,118	24,245	32,732	35,255	19,159	20,163	21,245	13.4	9.7	8.8	11.0	10.3	9.9	8.0	11.4	11.0
ACEM	13,68,388	575	658	Buy	189	2.9	3,42,184	4,41,322	4,72,664	51,443	86,418	1,03,675	36,411	38,550	42,915	27.1	16.9	14.0	7.7	7.0	7.3	5.6	9.2	10.0
DALBHARA	3,93,737	2,209	2,273	Accumulate	874	2.4	1,39,800	1,60,556	1,82,441	24,070	34,341	40,453	7,240	15,227	17,012	16.8	11.9	10.2	4.3	8.4	8.7	4.9	8.7	9.7
Nuvoco	1,26,542	357	374	Accumulate	252	1.4	1,03,567	1,13,701	1,25,795	13,720	15,967	19,445	100	1,333	3,440	11.9	10.7	8.6	0.1	1.4	3.7	3.9	4.9	6.6
SRCM	10,61,135	31,031	29,152	Reduce	5738	5.1	1,92,828	2,11,292	2,30,825	39,340	48,232	56,651	11,227	19,553	22,502	25.5	20.5	17.2	5.3	8.8	9.4	4.2	7.4	8.9
UTCEM	32,98,943	12,213	13,668	Buy	2086	5.4	7,59,551	9,15,989	10,40,688	1,25,575	1,90,587	2,27,359	60,391	1,03,022	1,30,845	27.7	18.1	14.8	9.2	13.8	15.6	10.4	14.1	16.2

Source: Company, PL

S=Standalone / C=Consolidated / Acc=Accumulate

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	ACC	BUY	2,383	1,938
2	Ambuja Cement	BUY	658	545
3	Dalmia Bharat	Accumulate	2,273	2,100
4	Hindalco Industries	Accumulate	724	663
5	Jindal Stainless	BUY	678	580
6	Jindal Steel & Power	Accumulate	978	893
7	JSW Steel	Accumulate	1,068	1,009
8	National Aluminium Co.	BUY	212	185
9	NMDC	Accumulate	75	71
10	Nuvoco Vistas Corporation	Accumulate	374	343
11	Shree Cement	Reduce	28,336	30,788
12	Steel Authority of India	Hold	133	130
13	Tata Steel	BUY	176	149
14	Ultratech Cement	BUY	13,668	12,114

PL's Recommendation Nomenclature

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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