

# Cement

**Sector Update**

June 30, 2026

Coverage Universe

Name of the Company	Rating	CMP (INR)	TP (INR)
ACC	BUY	1,333	2,188
Ambuja Cement	BUY	424	524
Dalmia Bharat	BUY	1,700	2,235
JK Cement	Accumulate	5,366	6,101
JK Lakshmi Cement	BUY	603	765
JSW Cement	Accumulate	133	142
Nuvoco Vistas Corporation	Buy	304	474
Shree Cement	Accumulate	25,280	27,907
Ultratech Cement	BUY	11,336	13,835

## Price stability takes the center stage

### Quick Pointers

- All-India avg. price remained flat MoM to INR330/bag.
- Dealers do not expect further price hikes during monsoon.

We interacted with cement dealers across regions in India to assess demand and pricing trends in Jun'26. Our discussions indicate that demand remained mixed during June, with North and Central markets witnessing healthy pre-monsoon construction activity, while East continued to remain subdued amid project delays while South region remained weak due to sluggish real estate activity and the lingering impact of labour disruptions. Pricing remained largely stable across most markets (except South where it declined), with no meaningful price hikes implemented during the month as companies focused on maintaining realizations amid the seasonal slowdown. Dealers expect construction activity to soften further with the onset of the monsoon, limiting near-term pricing actions. Overall, the industry has entered its seasonally weak quarter, with companies largely expected to prioritize price stability over aggressive pricing until demand improves post-monsoon.

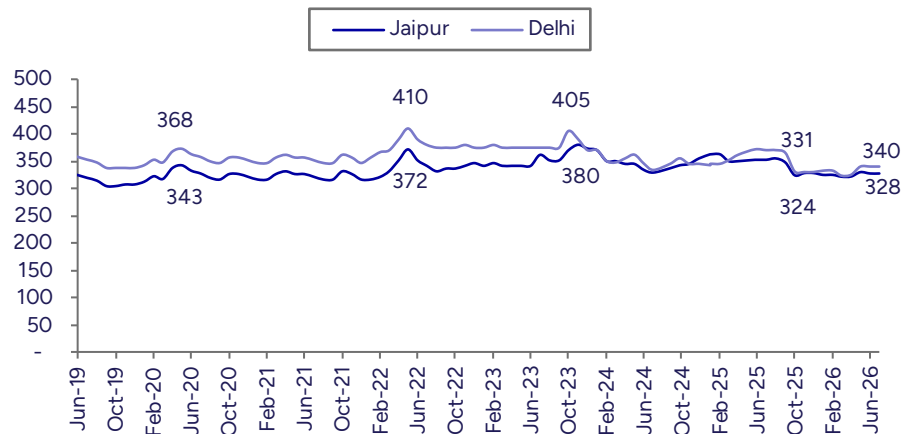
Price stability and monsoon will be the key monitorables over the coming months as weak/ uneven monsoon will have its negative impact on rural economy and cement demand in the medium term. For Q1, companies have taken price hikes in Apr-May which should largely suffice to maintain margins. While input cost pressures have eased somewhat with the correction in pet coke prices, higher freight and other operating costs would warrant price hikes in Q2. We continue to maintain positive stance on companies having diversified market presence and better cost management which should continue gaining market share over the long term. Top Picks: UTCEN, JKCE & JSWCEN.

### Northern Region

Cement prices in **Delhi** remained largely unchanged MoM. Demand remained broadly stable, supported by steady construction activity, with dealers describing it as decent despite persistent labour shortages in some pockets. Dealers do not expect any meaningful price hikes in the near term given the onset of the monsoon, and expect prices to remain stable over the coming months. Among major players, UTCEN continues to maintain its leadership, followed by ACEM and JKCE, while SRCM has witnessed relatively moderate traction in the market.

Cement prices in **Jaipur** were flat MoM. Demand remained healthy during the month, driven primarily by the retail and individual housing segments, supported by the resumption of renovation activity following the normalization of tile availability. Dealers indicated that labour shortages continue to be a challenge, resulting in higher labour costs. With the onset of the monsoon expected from early July, dealers expect construction activity to gradually shift towards indoor work and do not anticipate any meaningful price hikes in the near term. Among major players, ACEM and UTCEN continue to perform well in the market.

Exhibit 1 : Prices in North remained flat MoM despite healthy demand



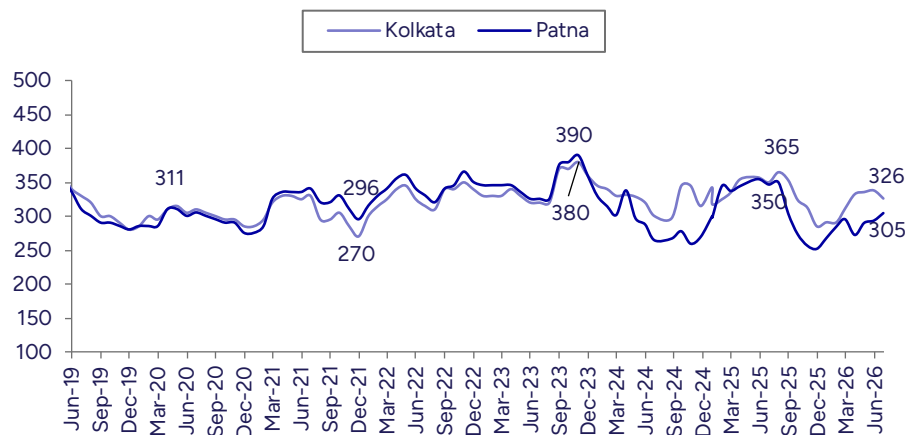
Source: PL

### Eastern Region

Cement prices in **Patna** grew ~INR10/bag led by healthy demand across the state, supported by strong trade activity and robust volumes. Dealers highlighted that UTCЕМ witnessed strong sales aided by a successful dealer scheme, while SRCМ also reported healthy trade volumes outperforming the non-trade segment. Despite healthy demand, there has been no indication of any price hike so far.

Cement prices in **Kolkata** declined by ~INR10/bag MoM. Demand remained muted throughout the month, as the anticipated pickup following the state elections failed to materialize till now. Dealers attributed the weak market to the new government's pause on projects sanctioned by the previous administration, resulting in funding delays and limited new project execution. Government has ordered a construction ban on new high-rise buildings till 31<sup>st</sup> July due to recent under construction warehouse collapse at Taratala. While labour availability has improved, the lack of construction activity and the onset of the monsoon continue to weigh on demand. Dealers do not expect any price hikes in the near term, though they remain constructive on the longer-term outlook once project execution resumes post-monsoon. UTCЕМ continues to lead the market, followed by ACEM/ACC, NUVOCO and DALBHARA.

Exhibit 2 : Patna prices increased by INR10/bag, while Kolkata prices declined by INR10/bag



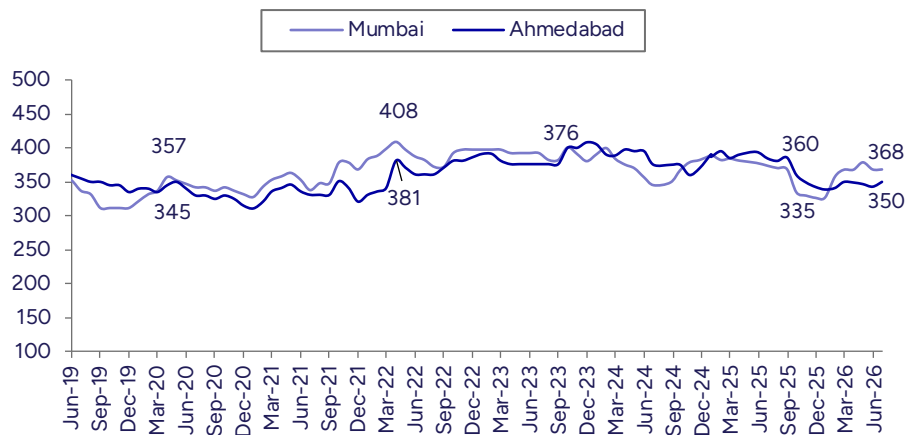
Source: PL

### Western Region

Cement prices in **Ahmedabad** remained largely flat MoM. While volumes were initially under pressure, companies pushed dispatches towards the quarter-end to meet sales targets, resulting in healthy demand during the month. Dealers expect prices to remain broadly stable going forward despite the onset of the monsoon.

**Mumbai** cement prices remained largely unchanged MoM. Demand continued to remain sluggish due to weak real estate activity, delayed builder payments and persistent labour shortages, which have constrained construction activity. Dealers indicated that intense competition among brands continues to weigh on pricing, with no discussions around price hikes at present. The onset of the monsoon is also expected to further impact demand in the near term across the market.

**Exhibit 3 : Prices in Mumbai and Ahmedabad remained flat MoM on sluggish demand**



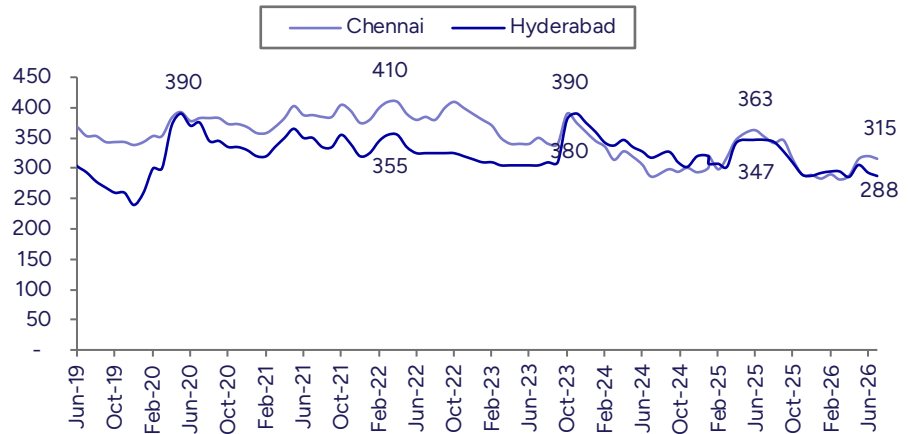
Source: PL

### Southern Region

Cement prices in **Chennai** declined by INR5/bag during the month. Demand remained stable during the month, with UTCCEM continuing to report robust volumes. While no price hikes have been announced so far, dealers expect a modest increase of ~INR10/bag in July, although there is no formal confirmation yet. Overall, market sentiment remains positive, with demand expected to remain resilient despite the seasonal slowdown.

Cement prices in **Hyderabad** declined by ~INR6/bag. Dealers indicated that demand remained weak, impacted by the after-effects of labour strikes in May and the first half of June, along with a slowdown in real estate activity. Overall market demand remained subdued due to intense competition. Dealers expect construction activity to gradually recover after the monsoon, with a more meaningful pickup likely from August onwards.

Exhibit 4 : Chennai and Hyderabad prices declined by Rs5/bag MoM



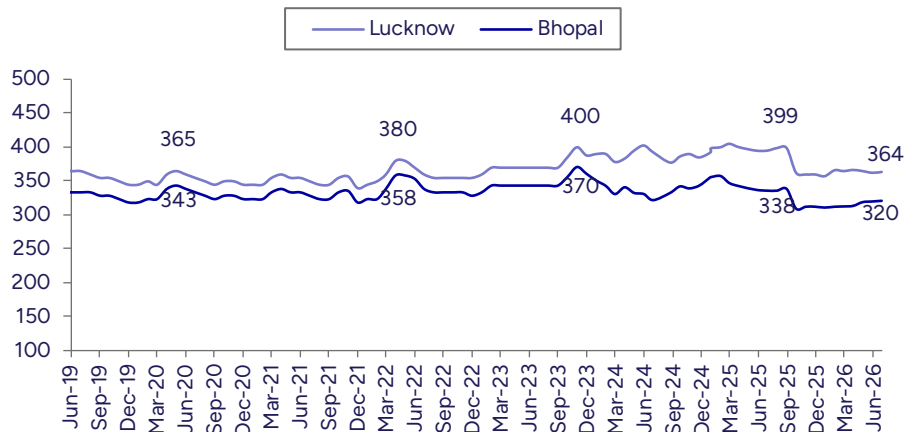
Source: PL

### Central Region

Cement prices in **Bhopal** remained broadly stable MoM, with most of the April price hike being rolled back due to inadequate demand support. Dealers indicated that while prices remain ~INR10/bag higher than March levels, demand has been moderate, supported primarily by retail housing activity and pre-monsoon government projects. Labour shortages continue to persist due to extreme heatwaves, impacting construction activity. Dealers expect a potential price hike of ~INR10-20/bag in early June, driven by higher diesel costs and pre-monsoon demand, though implementation and sustainability remain uncertain.

Cement prices in **Lucknow** remained largely unchanged MoM, as earlier price hikes were rolled back amid weak demand conditions. Demand remained decent to subdued, impacted by extreme heatwaves, though discussions around price hikes continue in the market. Dealers highlighted an increase in construction-related input costs, including Morang, aggregates (gitti), and loading/unloading charges, with morang prices rising ahead of the monsoon season. Companies are discussing price hikes of up to INR20/bag; however, dealers believe a more realistic increase of ~INR10/bag which may be achievable if demand conditions remain stable.

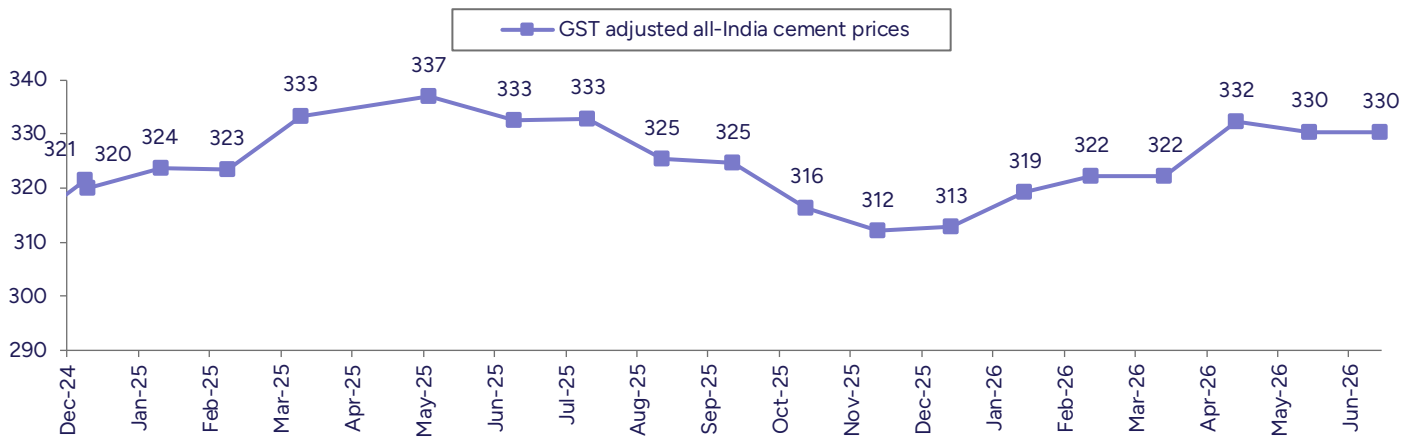
Exhibit 5 : Central prices remained flattish MoM prices in June despite decent demand



Source: PL

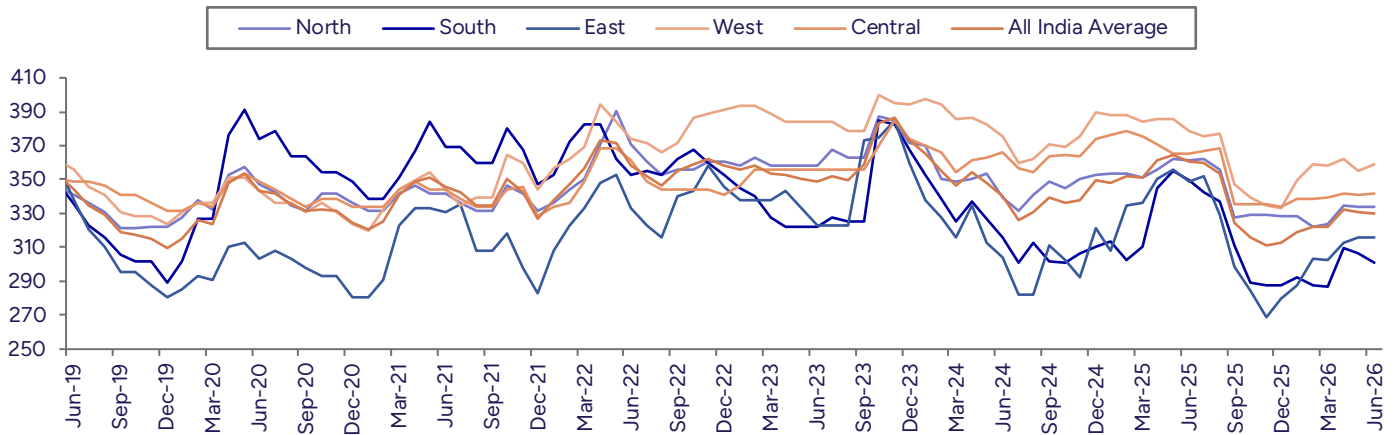
## All-India pricing

Exhibit 6 : All India average prices remained flat in June due on mixed demand



Source: PL adjusted for GST 2.0 rationalization

Exhibit 7 : Cement prices declined in South, while remained largely flattish in West, North, East & Central.



Source: PL, unadjusted for GST 2.0

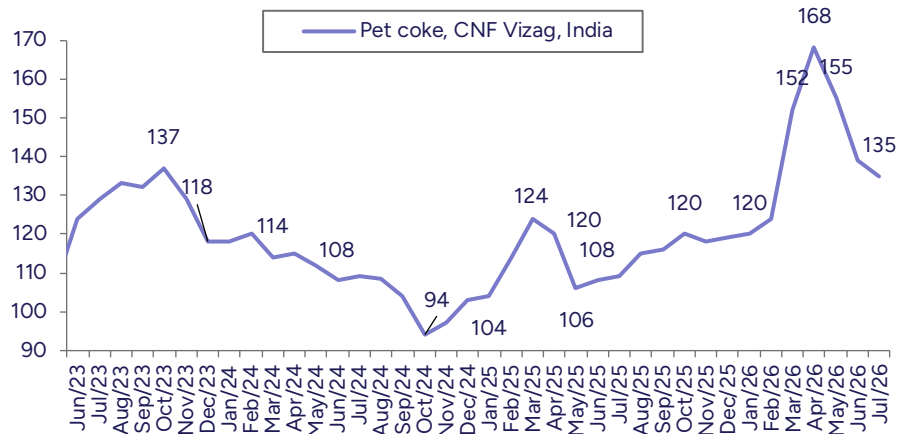
All-India cement prices remained largely stable on a MoM basis, reflecting a balanced pricing environment despite the onset of the seasonally weak monsoon period. While demand remained mixed across regions, supported by pre-monsoon construction activity in select North and Central markets, East and South continued to witness subdued demand due to project delays and weak real estate activity. Dealers expect pricing to remain broadly stable in the near term, with limited scope for meaningful price hikes until construction activity improves post-monsoon. We believe maintaining price stability during the seasonally weak quarter will be critical for protecting realizations and margins in Q2FY27.

Exhibit 8: 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
Jul-25	363	342	352	375	367	360
Aug-25	356	337	329	377	368	353
Sep-25	328	311	299	347	335	324
Oct-25	329	289	285	340	336	316
Nov-25	329	288	269	335	336	311
Dec-25	329	287	279	333	334	312
Jan-26	329	292	288	349	339	319
Feb-26	323	288	304	359	338	322
Mar-26	324	287	303	358	340	322
Apr-26	335	310	313	363	342	332
May-26	334	306	316	355	341	330
Jun-26	334	301	316	357	342	330

Source: PL

Exhibit 8 : Imported pet coke came off to \$135/t in last few weeks on US-Iran peace talks (\$/t)



Source: CoalMint, PL

Imported pet coke prices have come off from recent highs of \$168 to \$135 now which should give some sigh of relief. Although situation is quite fragile on negotiations, if incremental disruptions doesn't happen, it will aid cement companies in terms of lower prices and higher availability of pet coke. Companies are looking to optimise their fuel mix (rely on domestic coal, pet coke) and improve efficiency to mitigate cost pressures, though the extent of pass-through via price hikes will remain critical.

## Exhibit 9 : Valuation Summary

Company Name	Mkt Cap (INR bn)	CMP (INR)	TP (INR)	Rating	BV FY26E (INR)	P/BV (x)	Revenue (Rs bn)				EBITDA (Rs bn)				PAT (Rs bn)				EV/EBITDA				ROE (%)				ROCE (%)			
							FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
ACC*	250	1,333	2,188	BUY	1093	1.2	212.8	259.6	273.8	293.4	24.2	29.5	43.0	51.0	19.1	27.1	29.5	34.9	9.2	8.4	4.9	3.6	10.9	13.9	13.5	14.0	8.0	9.2	14.0	15.0
ACEM	1,049	424	524	BUY	240	1.8	356.7	411.3	471.8	518.5	63.1	70.2	83.0	99.0	46.5	56.1	25.7	40.3	17.0	16.6	14.9	12.5	9.8	9.9	4.2	6.3	8.4	6.1	6.6	9.0
DALBHARA	319	1,701	2,235	BUY	959	1.8	139.8	148.0	174.9	200.5	24.1	30.8	35.0	44.0	7.2	10.9	12.8	17.7	13.7	11.0	11.1	8.9	4.3	6.2	7.0	8.9	4.9	7.2	7.4	9.0
JKCE	415	5,366	6,101	Accumulate	911	5.9	118.8	137.2	160.5	186.5	20.3	23.7	28.2	36.2	8.6	9.9	11.5	15.7	22.5	19.8	17.4	13.4	15.0	15.1	15.2	17.9	12.6	13.7	14.0	16.2
JKLC	75	603	765	BUY	313	1.9	61.9	67.6	76.6	84.7	8.6	10.1	11.0	13.0	3.0	4.3	3.9	4.0	10.2	8.7	8.9	8.5	8.8	11.5	9.6	9.2	10.2	11.0	10.3	9.7
JSWC	181	133	142	Accumulate	49	2.7	58.1	65.1	84.6	95.3	8.6	12.4	16.7	19.3	(1.1)	7.8	7.2	8.2	22.2	17.2	13.5	12.2	-4.7	17.5	10.4	10.8	6.5	9.6	11.0	11.0
NUVOCO	109	304	474	BUY	286	1.1	103.6	113.4	125.2	138.0	13.7	18.6	19.6	22.2	0.1	3.4	4.5	6.1	10.6	8.2	7.5	6.3	0.1	3.6	4.3	5.6	3.9	7.1	6.8	8.0
SRCM	912	25,280	27,907	Accumulate	6449	3.9	191.7	209.4	235.7	255.7	38.2	46.4	47.6	53.3	11.2	17.2	17.7	15.4	22.4	18.1	17.4	15.2	5.3	7.7	7.4	6.2	3.6	7.8	8.4	7.6
UTCEM	3,340	11,336	13,835	BUY	2600	4.4	759.6	885.1	1,022.8	1,154.5	125.6	170.2	202.9	231.5	60.4	81.7	103.7	112.8	28.1	20.5	17.1	14.8	9.2	11.1	12.9	12.7	10.4	12.8	14.6	16.2

Source: Company, PL

\*ACC to be discontinued post amalgamation into Ambuja Cement

**Analyst Coverage Universe**

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	ACC	BUY	2188	1411
2	Adani Port & SEZ	BUY	1879	1657
3	Ambuja Cement	BUY	524	445
4	Dalmia Bharat	BUY	2235	1796
5	Hindalco Industries	HOLD	1126	1109
6	Jindal Stainless	BUY	821	662
7	Jindal Steel	Accumulate	1289	1223
8	JK Cement	Accumulate	6101	5442
9	JK Lakshmi Cement	BUY	765	620
10	JSW Cement	Accumulate	142	127
11	JSW Infrastructure	Buy	342	284
12	JSW Steel	Accumulate	1381	1297
13	National Aluminium Co.	Hold	413	399
14	NMDC	Accumulate	97	92
15	Nuvoco Vistas Corporation	Buy	474	305
16	Shree Cement	Accumulate	27907	24975
17	Steel Authority of India	Accumulate	209	192
18	Tata Steel	Accumulate	247	217
19	Ultratech Cement	BUY	13835	10997

**PL's Recommendation Nomenclature (Absolute Performance)**

<b>BUY</b>	: > 15%
<b>Accumulate</b>	: 5% to 15%
<b>Hold</b>	: +5% to -5%
<b>Reduce</b>	: -5% to -15%
<b>Sell</b>	: < -15%
<b>Not Rated (NR)</b>	: No specific call on the stock
<b>Under Review (UR)</b>	: Rating likely to change shortly

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