

## Result Preview



### Company

ACC

Ambuja Cements

Birla Corporation

Dalmia Bharat

Grasim Industries

India Cements

JK Cement

JK Lakshmi Cement

JSW Cement

The Ramco Cements

Shree Cement

UltraTech Cement

## Robust volume supports earnings growth

### Demand recovery seen; prices remained weak sequentially in 3Q

- We estimate our cement coverage universe (incl. GRASIM) to post ~19%/42%/65% YoY growth in revenue/EBITDA/PAT in 3QFY26. Aggregate cement volume is likely to grow ~17% YoY to 108mt, aided by inorganic growth. However, on a like-to-like basis, volume growth is estimated at ~13% YoY. Blended realization is estimated to grow ~1% YoY (down ~2% QoQ) to INR5,359/t. We estimate EBITDA/t to rise ~21% YoY (down ~1% QoQ) to INR890. Average EBITDA margin (ex-GRASIM) is estimated to expand 2.7pp YoY (flat QoQ) to ~17%.
- Cement prices were under pressure in 3QFY26 and declined across regions, with higher correction seen in East and South regions, followed by West, North and Central regions. The non-trade price corrected sharply after GST rate cut, while the trade price was relatively steady. This also led to a higher gap between trade and non-trade prices. However, after a gradual recovery in cement demand over Nov-Dec'25, the price hike attempt in non-trade segment has been effective in select markets (North and South). Moreover, cement demand was initially weak due to the festive season and labor shortages. However, demand picked up at Nov'25 end and remained strong during Dec'25. Non-trade demand witnessed a strong pickup in the South and West regions amid higher government spending. In North and Central regions, demand uptick was still muted. We estimate industry volume growth in high single digits YoY in 3QFY26. Average grinding capacity utilization (on expanded capacity) is estimated at ~77% vs. ~77%/74% in 3QFY25/2QFY26.
- GRASIM's revenue is estimated to increase ~20% YoY. VSF volume is estimated to inch up ~1% YoY and realization is likely to increase ~6%. Chemical volume is likely to grow ~2% YoY and realization may increase ~5%. Revenue from high-growth businesses (Opus and Birla Pivot) may rise ~3% QoQ to INR27.2b (up ~71% YoY). Overall EBITDA is estimated to grow ~44% YoY to INR3.9b, and OPM is likely to improve 70bp YoY to ~4%. GRASIM is estimated to report a net loss of INR1.3b vs. a net loss of INR1.7b in 3QFY25.

### Opex/t down ~2% QoQ, offsetting the impact of weak realization

- Cement volume growth for our coverage companies is estimated at ~17% YoY in 3QFY26, aided by inorganic growth. However, volume growth on a like-to-like basis is estimated at ~13% YoY. JKCE volume is estimated to grow ~14% YoY. We estimate volume growth of ~21% YoY for UTCEM (including ICEM and Kesoram cement volume). However, on a like-to-like basis, UTCEM's volume growth is estimated at ~13% YoY. ACEM's consol. volume may grow ~13% YoY (incl. Penna Cement and Orient Cement volumes), while on a like-to-like basis, it is likely to grow ~5% YoY. Volume growth is estimated at ~12% YoY for ACC/ICEM, followed by ~9% for DALBHARA/JSWC, ~6% for BCORP/JKLC/SRCM and ~5% for TRCL.
- Average opex/t for our coverage universe is estimated to decline ~2% YoY/QoQ (each), led by lower freight cost/employee expenses/other expenses per ton, whereas variable cost/t is estimated to remain flat YoY. Average imported petcoke (US) price was up ~19% YoY/5% QoQ, while average imported coal

(South Africa) price was down ~22% YoY/5% QoQ. The spot imported coal (South Africa) price at USD87/t inched up ~1% vs. 3QFY26 average, while spot imported petcoke (US) price at USD111/t fell ~4% vs. 3QFY26 average.

- We estimate aggregate EBITDA/t of our cement coverage universe to increase ~21% YoY to INR890 (down ~1% QoQ). We estimate EBITDA/t of INR1,077 for SRCM (the highest in our coverage universe), INR1,009 for UTCEM, INR996 for JKCE and INR953 for ACEM. EBITDA/t is estimated to be in the range of INR620-850 for the remaining players (ACC/BCORP/DALBHARA/JKLC/TRCL/JSWC), except for ICEM, which should post INR251/t.
- We estimate ACEM to report EBITDA growth of ~100% YoY, albeit on a low base, followed by ACC at ~59% and UTCEM/BCORP/JKLC at ~28-29%. EBITDA growth for DALBHARA is estimated at ~20% YoY, JKCE/JSWC/TRCL at ~12-15% and SRCM at ~6%. ICEM is estimated to report EBITDA of INR587m, compared to the operating loss of INR1.9b in 3QFY25.

### Sector outlook and recommendation

- We estimate demand to remain healthy in 4QFY26 given the peak construction period. Further, demand improvement could lead to price hike announcements as well in the near term. However, a strong pipeline of capacity addition in the near to medium term (expect capacity addition of ~150-160mtpa till FY28 end) could restrict a sustainable material price hike in the medium term.
- Given expected muted growth in realization amid aggressive capacity addition, we have cut our EBITDA estimates (aggregate) for cement coverage companies by ~2%/4%/4% for FY26/FY27/FY28. Accordingly, we cut our PAT estimates by ~3%/7%/9% owing to higher leverage. We prefer UTCEM in the large-cap space and JKCE and DALBHARA in the mid-cap space.

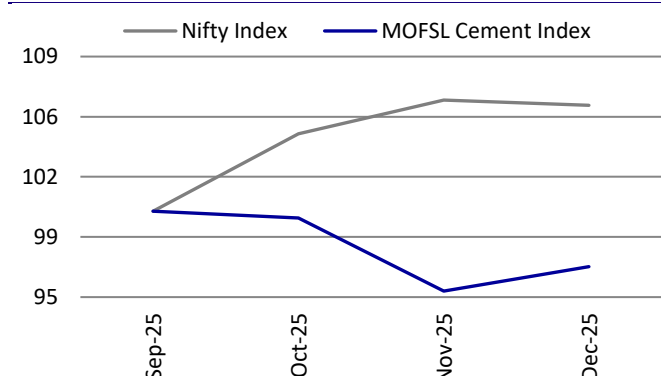
### Exhibit 1: Summary of our 3QFY26 estimates

Companies	CMP (INR)	Rating	Sales (INR m)			EBITDA (INR m)			PAT (INR m)		
			Dec-25	YoY (%)	QoQ (%)	Dec-25	YoY (%)	QoQ (%)	Dec-25	YoY (%)	QoQ (%)
ACC	1,749	Neutral	61,854	17.6	5.7	7,503	58.8	(8.4)	4,047	79.6	26.0
Ambuja Cements	565	Buy	99,432	16.9	8.4	17,719	100.1	0.6	5,801	40.2	3.9
Birla Corporation	1,110	Buy	24,212	7.3	9.7	3,189	28.6	4.6	1,089	249.2	20.4
Dalmia Bharat	2,146	Buy	34,647	8.9	1.4	6,141	20.2	(11.8)	1,704	188.9	(27.8)
Grasim Industries	2,858	Buy	97,365	19.9	1.3	3,895	43.9	6.3	(1,264)	NM	NM
India Cements	446	Sell	10,514	16.4	(5.9)	587	NM	NM	(277)	NM	NM
J K Cements	5,570	Buy	32,543	11.1	7.8	5,525	12.3	23.7	2,410	27.4	50.1
JK Lakshmi Cem.	798	Buy	16,988	13.5	10.9	2,573	27.5	23.6	1,090	83.5	34.7
JSW Cement	123	Neutral	15,336	7.0	6.8	2,448	14.5	(8.5)	380	NM	(56.0)
Shree Cement	27,027	Neutral	48,756	15.1	13.3	10,055	6.2	14.9	3,480	51.7	18.6
Ramco Cements	1,057	Neutral	21,997	11.3	(1.6)	3,139	12.3	(18.9)	253	695.8	(65.9)
Ultratech Cement	11,895	Buy	2,11,064	18.7	7.6	37,050	28.0	19.7	16,438	20.9	33.5
<b>Cement</b>			<b>6,74,706</b>	<b>19.1</b>	<b>6.2</b>	<b>99,823</b>	<b>42.3</b>	<b>7.3</b>	<b>35,152</b>	<b>64.5</b>	<b>(10.6)</b>

## Exhibit 2: Comparative valuations

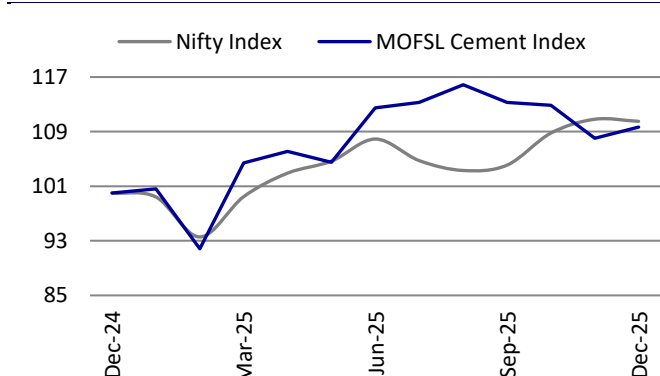
Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
<b>Cement</b>						<b>41.4</b>	<b>34.1</b>	<b>28.6</b>	<b>3.3</b>	<b>3.1</b>	<b>2.9</b>	<b>8.0</b>	<b>9.2</b>	<b>10.2</b>
ACC	1,749	Neutral	87.5	115.6	133.9	20.0	15.1	13.1	1.6	1.5	1.3	8.5	10.1	10.6
Ambuja Cements	565	Buy	11.4	14.1	15.8	49.7	40.0	35.9	2.4	2.3	2.2	5.1	6.0	6.3
Birla Corporation	1,110	Buy	67.4	76.8	88.2	16.5	14.5	12.6	1.1	1.1	1.0	7.2	7.7	8.2
Dalmia Bharat	2,146	Buy	65.8	68.6	78.5	32.6	31.3	27.3	2.2	2.1	2.0	6.9	6.8	7.4
Grasim Industries	2,858	Buy	81.9	102.2	123.4	34.9	28.0	23.2	3.4	3.3	3.2	-4.3	-1.2	1.3
India Cements	446	Sell	-0.7	5.6	11.5	-676.0	79.7	38.8	1.4	1.4	1.4	-0.2	1.8	3.6
J K Cements	5,570	Buy	141.0	165.4	200.5	39.5	33.7	27.8	6.1	5.3	4.5	16.6	16.8	17.4
JK Lakshmi Cem.	798	Buy	41.1	44.0	42.7	19.4	18.1	18.7	2.5	2.3	2.0	13.8	13.2	11.5
JSW Cement	123	Neutral	2.1	2.7	3.5	58.6	45.2	35.3	2.7	2.5	2.3	6.7	5.8	6.9
Ramco Cements	1,057	Neutral	15.2	23.6	31.2	69.7	44.8	33.9	3.2	3.0	2.8	4.7	7.0	8.6
Shree Cement	27,027	Neutral	482.0	547.1	624.6	56.1	49.4	43.3	4.4	4.1	3.9	8.0	8.6	9.2
Ultratech Cement	11,895	Buy	266.6	315.9	383.3	44.6	37.7	31.0	4.6	4.3	3.9	10.7	11.8	13.2

## Exhibit 3: Relative performance – three months (%)



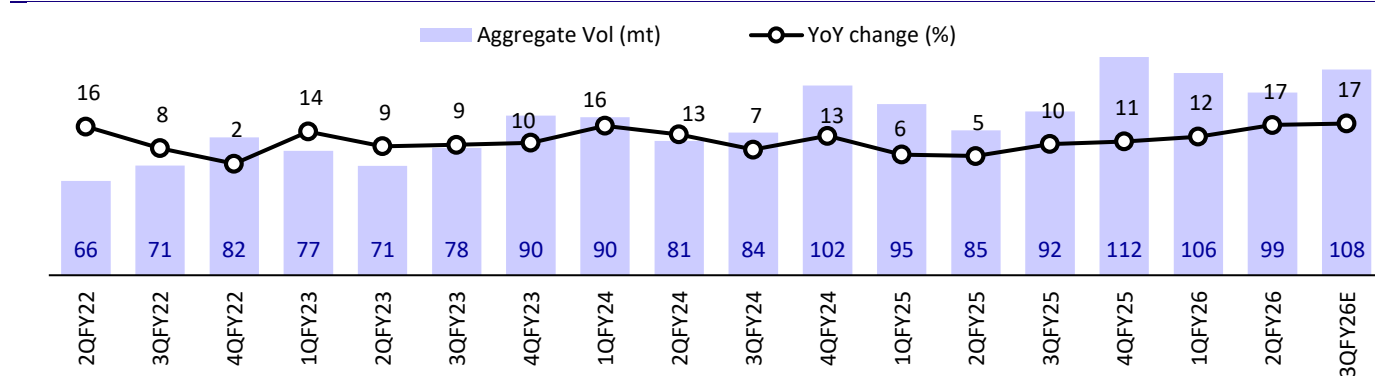
Source: Bloomberg, MOFSL

## Exhibit 4: Relative performance – one year (%)

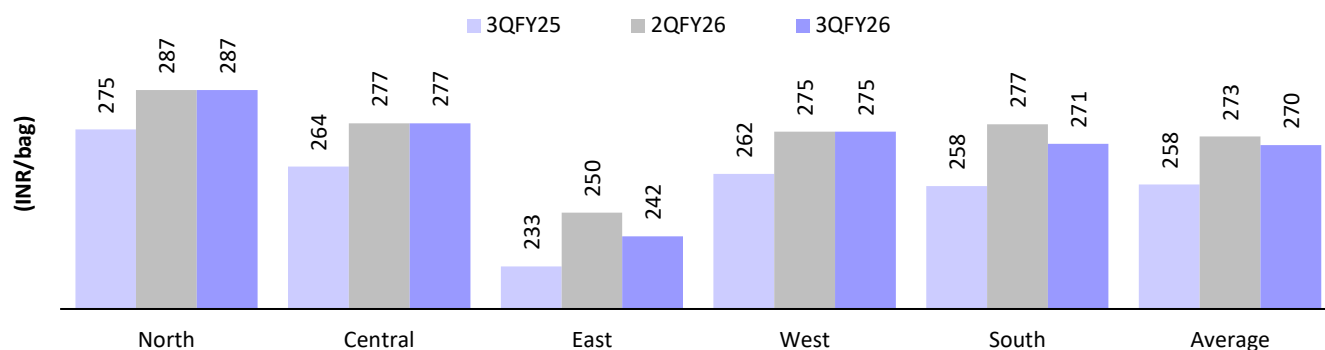


Source: Bloomberg, MOFSL

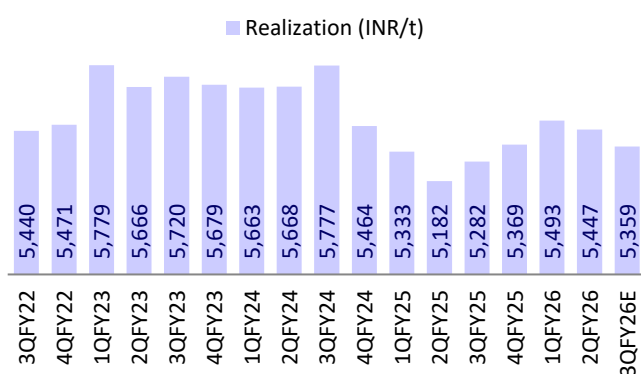
## Exhibit 5: Estimate ~17% YoY growth in aggregate sales volume for our coverage universe, aided by inorganic growth



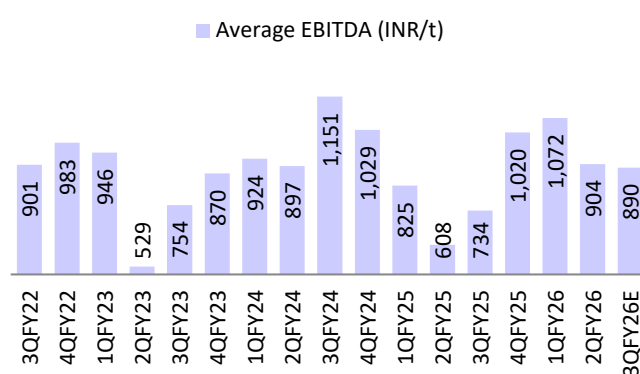
Source: MOFSL, Company, E: MOFSL estimate

**Exhibit 6: Pan-India average cement price (WSP-net of GST) trend**


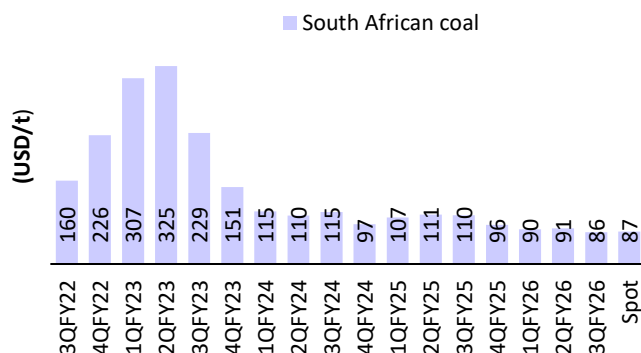
Source: MOFSL, Industry

**Exhibit 7: Expect realization to inch up ~1% YoY (-2% QoQ)**


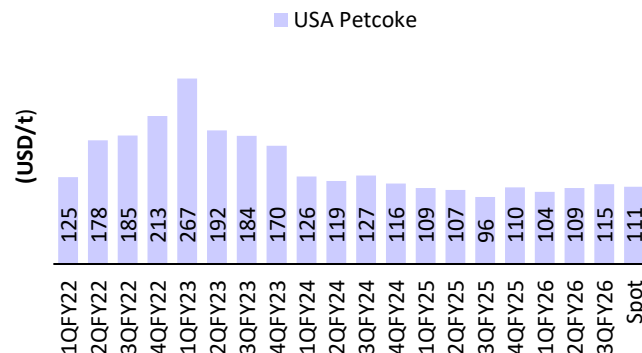
Source: MOFSL; E: MOFSL estimate

**Exhibit 8: Expect EBITDA/t to increase ~21% YoY (-1% QoQ)**


Source: Company, MOFSL; E: MOFSL estimate

**Exhibit 9: Average South African coal price declined ~22% YoY and ~6% QoQ in 3QFY26**


Source: Bloomberg, MOFSL

**Exhibit 10: Average US petcoke price increased ~19% YoY and 5% QoQ in 3QFY26**


Source: Company, Industry

**Exhibit 11: Key operating parameters**

Companies	Volume (mt)			Realization (INR/t)			EBITDA (INR/t)		
	3QFY26E	YoY (%)	QoQ (%)	3QFY26E	YoY (INR)	QoQ (INR)	3QFY26E	YoY (INR)	QoQ (INR)
ACC	12.0	12.0	7.0	5,161	246	(64)	626	184	(106)
Ambuja Cements (Consol.)	18.6	12.7	10.0	5,349	196	(80)	953	417	(89)
Birla Corporation	4.8	6.0	12.2	5,076	61	(116)	668	117	(49)
Dalmia Bharat	7.2	8.7	5.0	4,782	9	(170)	848	81	(161)
India Cements	2.3	12.4	(4.0)	4,488	155	(90)	251	1,154	(83)
JK Cement	5.5	13.9	11.0	5,868	(148)	(176)	996	(14)	102
JK Lakshmi Cement	3.2	6.0	13.0	5,288	348	(100)	801	135	68
JSW Cement	3.4	9.1	9.5	4,503	(89)	(115)	719	34	(141)
The Ramco Cements	4.6	5.0	0.9	4,794	271	(120)	684	45	(167)
Shree Cement	9.3	6.4	18.0	5,224	394	(217)	1,077	(2)	(29)
UltraTech Cement	36.7	20.9	8.4	5,750	(105)	(43)	1,009	56	95
<b>Sector aggregate/avg.</b>	<b>107.7</b>	<b>17.3</b>	<b>8.9</b>	<b>5,359</b>	<b>77</b>	<b>(88)</b>	<b>890</b>	<b>156</b>	<b>(13)</b>

**Exhibit 12: Valuation summary**

Company Name	M-cap (USD b)	CMP INR	Rating	EV/EBITDA (X)			EV/t (USD)			Net debt/EBITDA (x)		
				FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Cement												
UltraTech Cement	38.2	11,895	Buy	22.1	18.7	16.0	196	180	175	1.0	0.7	0.4
Ambuja Cements (Consol.)	15.5	565	Buy	19.6	16.8	14.7	148	134	125	0.3	0.2	0.1
Shree Cement	10.8	27,027	Neutral	20.4	17.5	15.3	146	137	129	(1.2)	(1.2)	(1.4)
JK Cement	4.8	5,570	Buy	19.1	16.7	14.3	158	162	135	2.2	2.3	1.8
Dalmia Bharat	4.5	2,146	Buy	12.6	11.5	10.4	90	82	78	0.5	0.8	0.8
ACC	3.7	1,749	Neutral	9.0	7.1	6.2	75	71	61	(0.5)	(0.8)	(0.9)
The Ramco Cements	2.8	1,057	Neutral	17.5	14.8	12.7	123	105	103	2.6	2.1	1.5
JSW Cement	1.9	123	Neutral	17.9	16.0	13.3	110	97	85	3.6	3.6	3.2
India Cements	1.5	446	Sell	40.9	24.6	16.6	109	98	96	3.9	3.1	1.7
JK Lakshmi	1.0	798	Buy	9.9	9.6	9.0	68	64	60	1.8	2.2	2.1
Birla Corporation	0.9	1,110	Buy	7.5	6.4	6.3	55	53	56	1.9	2.0	2.2

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

## ACC

Neutral

**CMP: INR1,749 | TP: INR1,900 (+9%)**
**EPS CHANGE (%): FY26|27|28: -0.8|-0.6|-1.6**

- Sales volume is estimated to grow ~12% YoY, whereas blended realization is estimated to increase ~3% YoY.
- EBITDA/t is estimated at INR626 vs. INR442/INR732 in 3QFY25/2QFY26.
- Variable cost/t is likely to increase ~4% YoY and opex/t to increase ~1%. OPM is expected to expand 3.1pp YoY to ~12%.
- Adj. PAT is expected to increase 80% YoY to INR4.1b.

### Standalone quarterly performance

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	52.0	46.3	52.6	60.6	60.7	58.5	61.9	69.3	210.5	250.4
Change (YoY %)	(0.0)	4.4	6.9	12.2	16.7	26.4	17.6	14.5	(5.2)	18.9
EBITDA	6.8	4.3	4.7	8.0	7.7	8.2	7.5	9.2	22.9	32.6
Margin (%)	13.0	9.3	9.0	13.2	12.7	14.0	12.1	13.3	10.9	13.0
Change (YoY %)	(11.9)	(21.7)	(47.7)	(4.4)	14.1	90.9	58.8	15.1	140.5	42.8
Depreciation	2.2	2.3	2.5	2.5	2.4	2.6	2.6	2.6	9.6	10.2
Interest	0.3	0.3	0.3	0.1	0.3	0.3	0.3	0.4	1.1	1.3
Other Income	0.7	1.5	1.1	0.6	0.7	0.2	0.5	0.6	4.0	2.0
PBT before EO Item	4.9	3.2	3.1	6.0	5.7	5.5	5.1	6.8	16.2	23.2
EO Income/(Expense)	0.0	0.0	11.7	2.6	0.0	2.1	0.0	0.0	14.3	2.1
PBT after EO Item	4.9	3.2	14.8	8.6	5.7	7.6	5.1	6.8	30.5	25.2
Tax	1.3	0.8	3.9	1.2	1.9	-3.6	1.1	1.4	7.2	0.8
Rate (%)	25.6	26.5	26.2	14.4	33.0	(47.0)	21.0	21.1	23.6	3.4
Reported PAT	3.7	2.3	10.9	7.4	3.8	11.1	4.0	5.3	23.3	24.4
Adjusted PAT	3.7	2.3	2.3	5.1	3.8	3.2	4.0	5.3	13.4	16.4
Margins (%)	7.0	5.1	4.3	8.5	6.3	5.5	6.5	7.7	6.4	6.6
Change (YoY %)	(21.1)	(39.1)	(57.3)	4.5	5.0	37.3	79.6	4.1	35.3	22.9

## Ambuja Cements

Buy

**CMP: INR565 | TP: INR670 (+19%)**
**EPS CHANGE (%): FY26|27|28: -0.1|-5.4|-11.8**

- Consolidated volume is expected to increase ~13% YoY. On a like-to-like basis, its volume is likely to grow ~5% YoY.
- Consolidated EBITDA/t is expected to be INR953 vs. INR537/INR1,042 in 3QFY25/2QFY26.
- We estimate variable cost/t to decline ~8% YoY. Opex/t is expected to decline ~5% YoY.
- Depreciation is estimated to increase ~34% YoY. Adjusted PAT (after MI) is estimated to grow 40% YoY.

### Consolidated quarterly performance

(INR b)

Y/E December/March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	83.9	73.8	85.0	99.8	102.9	91.7	99.4	113.9	342.5	408.0
Change (YoY %)	-3.7	-0.6	4.6	12.2	22.6	24.3	16.9	14.2	10.0	19.1
EBITDA	12.8	9.7	8.9	18.7	19.6	17.6	17.7	22.6	50.1	77.5
Change (YoY %)	-23.2	-25.2	-48.9	9.9	53.2	80.9	100.1	21.1	73.0	54.9
Margin (%)	15.3	13.2	10.4	18.7	19.1	19.2	17.8	19.8	14.6	19.0
Depreciation	4.8	5.2	6.6	7.9	8.0	8.9	8.9	9.4	24.5	35.1
Interest	0.7	0.7	0.7	0.1	0.7	0.8	0.8	0.8	2.2	3.1
Other Income	3.5	3.7	2.4	2.7	2.6	2.6	2.5	2.6	12.4	10.2
PBT before JV profit/(loss)	10.9	7.6	4.0	13.4	13.5	10.6	10.5	15.0	35.9	49.6
Share of JV Profit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Extraordinary Inc./(Exp.)	0.0	-0.2	19.4	4.4	0.4	-2.2	0.0	0.0	23.5	-1.8
PBT after EO Exp./(Inc.)	10.9	7.4	23.4	17.8	14.0	8.4	10.6	15.0	59.5	47.9
Tax	3.1	2.5	5.2	4.6	4.0	2.5	2.7	3.6	15.4	12.9
Prior Period Tax Adj. and Reversal	0.0	0.0	-8.1	0.4	-0.3	-17.1	0.0	0.0	-7.7	-17.4
Rate (%)	28.4	33.3	22.3	26.0	29.0	29.3	25.8	24.3	25.9	-9.4
Reported Profit	7.8	5.0	26.2	12.8	10.2	23.0	7.8	11.3	51.8	52.4
Adj PAT before MI	7.8	5.1	3.0	7.3	9.6	7.6	7.8	11.3	41.9	40.8
Minority Interest	1.4	0.2	5.0	3.3	1.8	5.4	2.0	2.4	9.9	11.6
Adj. Pat after MI	6.4	4.9	4.1	4.4	7.8	5.6	5.8	8.9	19.9	28.1
Change (YoY %)	(29.3)	(38.0)	(49.7)	(17.0)	22.0	13.6	40.2	102.1	(29.6)	41.5

## Birla Corporation

Buy

CMP: INR1,110 | TP: INR1,340 (+21%)

EPS CHANGE (%): FY26|27|28: -4.0|-9.8|-7.3

- Volume is expected to grow ~6% YoY. Blended realization may inch up ~1% YoY.
- EBITDA/t is estimated at INR668 vs. INR551/INR717 in 3QFY25/2QFY26.
- Variable cost/t is likely to decline 1% YoY and opex/t is estimated to decline 1% YoY/QoQ (each).
- EBITDA may grow ~29% YoY to INR3.2b, while Adj PAT is likely to jump ~249% YoY to INR1.1b on a low base

### Consolidated quarterly performance

Y/E March	FY25				FY26E				(INR b)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	21.9	19.5	22.6	28.1	24.5	22.1	24.2	28.0	92.1	98.8
Change (YoY %)	(9.1)	(14.6)	(2.4)	6.0	12.0	13.0	7.3	(0.6)	(4.6)	7.2
Total Expenditure	19.3	17.8	20.1	22.8	21.1	19.0	21.0	23.6	80.0	84.7
EBITDA	2.6	1.8	2.5	5.3	3.5	3.0	3.2	4.4	12.2	14.1
Margin (%)	11.8	9.1	11.0	19.0	14.1	13.8	13.2	15.8	13.2	14.3
Change (YoY %)	-13.3	-38.7	-34.5	13.0	34.3	72.1	28.6	-17.4	-15.3	16.0
Depreciation	1.5	1.5	1.4	1.4	1.3	1.3	1.4	1.4	5.7	5.4
Interest	0.9	0.9	0.8	0.7	0.7	0.7	0.7	0.7	3.3	2.8
Other Income	0.2	0.2	0.2	0.5	0.3	0.3	0.3	0.2	1.0	1.1
Profit before Tax	0.4	-0.4	0.4	3.7	1.8	1.3	1.4	2.5	4.2	7.0
EO (Income)/Expense	-	-	-	0.4	-	-	-	-	0.4	-
Profit before Tax after EO	0.4	-0.4	0.4	3.3	1.8	1.3	1.4	2.5	3.8	7.0
Tax	0.1	-0.1	0.1	0.7	0.6	0.4	0.3	0.5	0.8	1.8
Rate (%)	25.9	29.4	24.6	21.8	32.6	30.9	21.0	20.4	21.9	25.6
Reported PAT	0.3	-0.3	0.3	2.6	1.2	0.9	1.1	2.0	3.0	5.2
Adj. PAT	0.3	-0.3	0.3	2.9	1.2	0.9	1.1	2.0	3.3	5.2
Margins (%)	1.5	-1.3	1.4	10.2	4.9	4.1	4.5	7.1	3.5	5.3
Change (YoY %)	(45.4)	NM	(71.4)	52.2	266.6	NM	249.2	(30.3)	(21.8)	59.5

## Dalmia Bharat

Buy

CMP: INR2,146 | TP: INR2,500 (+16%)

EPS CHANGE (%): FY26|27|28: -3.2|-5.7|-7.3

- Sales volume is estimated to increase ~9% YoY. Realization is expected to be flat YoY (down 3% QoQ).
- EBITDA/t is estimated at INR848 vs. INR767/ INR1,009 in 3QFY25/2QFY26.
- Variable cost/t may be flat YoY. Opex/t is estimated to decline ~2% YoY.
- Adj. PAT is estimated to increase ~189% YoY (on a low base).

### Consolidated quarterly performance

Y/E March	FY25				FY26E				(INR b)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	36.2	30.9	31.8	40.9	36.4	34.2	34.6	44.1	139.8	149.3
Change (YoY %)	-0.3	-2.0	-11.7	-5.0	0.4	10.7	8.9	7.9	-4.8	6.8
Total Expenditure	29.5	26.5	26.7	33.0	27.5	27.2	28.5	34.2	115.7	117.5
EBITDA	6.7	4.3	5.1	7.9	8.8	7.0	6.1	9.9	24.1	31.8
Margins (%)	18.5	14.1	16.1	19.4	24.3	20.4	17.7	22.5	17.2	21.3
Change (YoY %)	8.4	-26.3	-34.4	21.3	32.0	60.4	20.2	25.0	-8.8	32.3
Depreciation	3.2	3.4	3.6	3.1	3.2	3.2	3.3	3.3	13.3	13.1
Interest	1.0	1.0	1.0	1.1	1.1	1.2	1.2	1.1	4.0	4.6
Other Income	0.5	0.7	0.4	0.9	0.5	0.7	0.7	0.8	2.5	2.7
PBT before EO Expense	3.1	0.7	0.8	4.7	5.0	3.2	2.3	6.2	9.3	16.8
Extra-Ord. Expense	1.1	0.0	0.0	0.0	-0.2	0.0	0.0	0.0	1.1	-0.2
PBT after EO Expense	1.9	0.7	0.8	4.7	5.2	3.2	2.3	6.2	8.2	16.9
Tax	0.5	0.2	0.2	0.3	1.2	0.8	0.6	1.6	1.2	4.3
Prior Period Tax Adj.	0.0	0.1	0.0	-0.8	0.0	0.0	0.0	0.0	-0.7	0.0
Rate (%)	16.0	20.5	22.9	22.9	24.5	24.8	25.6	26.4	5.6	25.2
Reported PAT	1.5	0.5	0.7	4.4	4.0	2.4	1.7	4.6	7.0	12.7
Minority + Associate	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.2	0.1
PAT Adj. for EO Items	2.3	0.6	0.6	3.6	3.7	2.4	1.7	4.5	7.0	12.3
Change (YoY %)	82.9	-53.8	-78.1	40.7	65.8	329.1	188.9	27.8	-9.0	77.6



## Grasim Industries

Buy

CMP: INR2,858 | TP: INR3,600 (+26%)

EPS CHANGE (%): FY26|27|28: +1.5|-0.8|-0.6

- Revenue for VSF/Chemical segments is expected to increase 7% YoY each.
- EBITDA for the VSF segment may grow ~17% YoY and OPM is expected to expand 80bp YoY to ~9.2%.
- The Chemical segment's EBITDA should rise 2% YoY and OPM is likely to decline by 80bp YoY to ~14%.
- Standalone revenue is estimated to increase ~20% YoY. EBITDA is expected to rise ~44% YoY to INR3.9b. OPM may expand 70bp YoY to 4.0%.
- Interest/depreciation are estimated to increase ~14%/23% YoY. Net loss is estimated to be INR1.3b vs. INR1.7b in 3QFY25.

### Standalone quarterly performance

Y/E March	FY25				FY26E				(INR b)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	68.9	76.2	81.2	89.3	92.2	96.1	97.4	101.0	315.6	386.7
Change (YoY %)	10.5	18.3	26.9	31.9	33.8	26.1	19.9	13.1	22.1	22.5
EBITDA	3.3	3.3	2.7	2.2	3.8	3.7	3.9	4.5	11.4	15.9
Change (YoY %)	(51.7)	(45.2)	(48.2)	(58.1)	(50.7)	18.3	12.6	43.9	(50.7)	18.3
Margin (%)	4.7	4.3	3.3	2.5	4.2	3.8	4.0	4.4	3.6	4.1
Depreciation	3.5	4.1	4.2	5.0	4.8	5.0	5.2	5.3	16.8	20.3
Interest	1.4	1.6	1.8	2.0	2.1	2.0	2.1	2.1	6.8	8.3
Other Income	0.9	12.9	1.0	2.3	1.4	14.2	1.7	2.0	17.2	19.3
PBT before EO Items	-0.7	10.5	-2.3	-2.5	-1.6	10.8	-1.7	-0.9	5.0	6.7
Extraordinary Inc./ (Exp.)	-	(0.5)	-	(1.1)	-	-	-	-	(1.6)	-
PBT after EO Items	-0.7	10.0	-2.3	-3.7	-1.6	10.8	-1.7	-0.9	3.3	6.7
Tax	-0.2	2.8	-0.6	-0.8	-0.4	2.8	-0.4	-0.2	1.2	1.7
Rate (%)	25.8	28.0	26.8	21.8	24.4	25.6	25.6	27.3	36.2	25.6
Reported PAT	-0.5	7.2	-1.7	-2.9	-1.2	8.0	-1.3	-0.6	2.1	5.0
Prior period tax Adj.	-	-	-	-	-	-	-	-	-	-
Adj. PAT	-0.5	7.6	-1.7	-2.1	-1.2	8.0	-1.3	-0.6	3.3	5.0
Margins	-0.8	9.9	-2.1	-2.4	-1.3	8.4	-1.3	-0.6	1.0	1.3
Change (YoY %)	(114.7)	(4.7)	(171.4)	(191.6)	NM	6.2	NM	NM	(79.8)	52.2

## India Cements

Sell

CMP: INR446 | TP: INR370 (-17%)

EPS CHANGE (%): FY26|27|28: --|46.7|2.1

- Volume is expected to increase ~12% YoY, and blended realization may grow ~4% YoY.
- EBITDA/t is estimated at INR251 vs. operating loss/t of INR904 in 3QFY25.
- Variable cost/t would decline 15% YoY. Total opex/t is estimated to fall 19% YoY.
- ICEM is estimated to report a net loss of INR277m vs. a net loss of INR2.6b/INR69m in 3QFY25/2QFY26.

### Standalone quarterly performance

Y/E March	FY25				FY26E				(INR b)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	9.7	10.2	9.0	12.0	10.2	11.2	10.5	12.9	40.9	44.9
Change (YoY %)	(30.3)	(16.8)	(16.5)	(3.9)	5.5	9.9	16.4	8.0	(17.3)	9.7
EBITDA	(0.3)	(1.6)	(1.9)	0.0	0.8	0.8	0.6	1.3	(3.8)	3.6
Change (YoY %)	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Margin (%)	(3.2)	(16.1)	(20.9)	0.0	8.0	7.3	5.6	10.3	(9.4)	7.9
Depreciation	0.6	0.5	0.6	0.7	0.7	0.7	0.8	0.8	2.4	3.0
Interest	0.8	0.7	0.7	0.5	0.3	0.3	0.3	0.3	2.8	1.3
Other Income	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.5	0.5
PBT before EO Expense	(1.6)	(2.8)	(3.1)	(1.0)	(0.2)	(0.1)	(0.4)	0.4	(8.5)	(0.3)
Extra-Ord. Expense	(2.4)	(0.1)	1.9	0.0	-	-	-	-	(0.5)	-
PBT	0.8	(2.7)	(5.0)	(1.0)	(0.2)	(0.1)	(0.4)	0.4	(7.9)	(0.3)
Tax	0.0	(0.3)	(0.7)	(0.3)	(0.0)	(0.0)	(0.1)	0.1	(1.3)	(0.1)
Rate (%)	1.7	12.6	13.7	25.2	15.3	39.4	25.0	25.1	16.0	25.0
Reported PAT	0.8	(2.4)	(4.3)	(0.8)	(0.1)	(0.1)	(0.3)	0.3	(6.7)	(0.2)
Tax	-	-	-	-	-	-	-	-	-	-
Adj. PAT	(1.6)	(2.5)	(2.6)	(0.7)	(0.1)	(0.1)	(0.3)	0.3	(7.4)	(0.2)
Change (YoY %)	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Margin (%)	(16.4)	(24.2)	(29.3)	(6.2)	(1.3)	(0.6)	(2.6)	2.2	(18.2)	(0.5)



## JSW Cement

Neutral

**CMP: INR123 | TP: INR130 (+5%)**
**EPS CHANGE (%): FY26|27|28: -10.8|-5.8|-4.0**

- Sales volume is expected to increase 9% QoQ. Realization is estimated to decline ~2% YoY.
- EBITDA/t is estimated at INR719 vs. INR685/INR860 in 3QFY25/2QFY26.
- We expect opex/t to decline ~3% YoY. Variable cost/t is expected to decline ~7% YoY.
- Depreciation/interest costs may rise 1%/3% YoY. Adj. PAT would be INR380m vs. net loss of INR199m in 3QFY25.

### Consolidated quarterly performance

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>Net Sales</b>	<b>14.5</b>	<b>12</b>	<b>14</b>	<b>17.1</b>	<b>15.6</b>	14.4	15.3	19.0	<b>58.1</b>	<b>64.3</b>
YoY Change (%)	NA	NA	NA	NA	7.8	17.4	7.0	11.4	0.0	10.7
<b>EBITDA</b>	<b>2.3</b>	<b>2</b>	<b>2</b>	<b>2.5</b>	<b>3.2</b>	2.7	2.4	3.6	<b>8.6</b>	<b>11.9</b>
YoY Change (%)					38.8	65.2	14.5	42.4	-20.1	38.8
Margins (%)	16.1	13.2	14.9	14.6	20.7	18.6	16.0	18.7	14.8	18.5
Depreciation	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.9	3.1	3.3
Interest	1.1	1.1	1.2	1.1	1.0	1.0	1.2	1.3	4.5	4.5
Other Income	0.2	0.3	0.3	0.2	0.2	0.2	0.2	0.4	1.0	1.1
<b>PBT before EO Expense</b>	<b>0.7</b>	<b>0.0</b>	<b>0.4</b>	<b>0.8</b>	<b>1.6</b>	<b>1.1</b>	<b>0.7</b>	<b>1.8</b>	<b>2.0</b>	<b>5.2</b>
Extra-Ord loss/ (income)	0.3	0.4	0.7	0.1	14.7	-	-	-	1.4	14.7
<b>PBT after EO Expense</b>	<b>0.4</b>	<b>-0.3</b>	<b>-0.2</b>	<b>0.7</b>	<b>-13.0</b>	<b>1.1</b>	<b>0.7</b>	<b>1.8</b>	<b>0.5</b>	<b>-9.4</b>
Tax	0.3	0.0	0.3	0.6	0.6	0.5	0.1	0.2	1.2	1.4
Prior period tax adjustment	-	-	-	-	-	-	-	-	-	-
Rate (%)	80.4	-3.9	-134.0	86.4	-5.0	41.2	12.0	9.5	0.0	0.0
<b>Reported PAT (pre minority)</b>	<b>0.1</b>	<b>-0.3</b>	<b>-0.5</b>	<b>0.1</b>	<b>-13.7</b>	<b>0.7</b>	<b>0.6</b>	<b>1.6</b>	<b>-0.7</b>	<b>-10.8</b>
Share of loss/(profit) from JV	0.3	0.3	0.2	-0.1	-0.0	-0.2	0.2	0.6	1.0	1.0
Minority	-0.1	-0.1	-0.1	-0.2	-0.1	-0.1	-0.1	-0.2	-0.5	-0.5
<b>PAT Adj. for EO items and post MI</b>	<b>0.1</b>	<b>-0.4</b>	<b>-0.2</b>	<b>0.4</b>	<b>1.1</b>	<b>0.9</b>	<b>0.4</b>	<b>1.0</b>	<b>-0.1</b>	<b>3.4</b>
YoY Change (%)	NA	NA	NA	NA	NA	NA	NA	148.5	NA	NA
Margins (%)	0.6	-3.0	-1.4	2.4	7.1	6.0	2.5	5.4	-0.1	5.3

## JK Cement

Buy

**CMP: INR5,570 | TP: INR6,580 (+18%)**
**EPS CHANGE (%): FY26|27|28: -3.4|-11.9|-7.7**

- JKCE's volume is estimated to grow ~14% YoY. Blended realization is estimated to decline 2% YoY.
- EBITDA/t is estimated at INR996 vs. INR1,010/INR894 in 3QFY25/2QFY26.
- Variable cost/t is expected to decline 2% YoY. Opex/t is estimated to fall ~3% YoY.
- EBITDA may grow ~12% YoY, while adj. PAT is estimated to increase ~27% YoY.

### Consolidated quarterly performance

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>Net Sales</b>	<b>28.1</b>	<b>25.6</b>	<b>29.3</b>	<b>35.8</b>	<b>33.5</b>	<b>30.2</b>	<b>32.5</b>	<b>38.9</b>	<b>118.8</b>	<b>135.1</b>
Change (YoY %)	1.6	(7.0)	(0.2)	15.3	19.4	17.9	11.1	8.6	2.8	13.8
Total Expenditure	23.2	22.8	24.4	28.2	26.6	25.7	27.0	31.2	98.5	110.6
<b>EBITDA</b>	<b>4.9</b>	<b>2.8</b>	<b>4.9</b>	<b>7.6</b>	<b>6.9</b>	<b>4.5</b>	<b>5.5</b>	<b>7.7</b>	<b>20.3</b>	<b>24.5</b>
Change (YoY %)	19.2	-39.2	-21.3	36.6	41.4	57.3	12.3	0.4	-1.6	21.1
Margin (%)	17.3	11.1	16.8	21.4	20.5	14.8	17.0	19.7	17.1	18.2
Depreciation	1.5	1.5	1.5	1.6	1.5	1.5	1.6	1.9	6.0	6.4
Interest	1.1	1.2	1.1	1.1	1.1	1.1	1.1	1.2	4.6	4.5
Other Income	0.4	0.4	0.4	0.5	0.6	0.5	0.5	0.5	1.7	2.1
<b>PBT before EO Expense</b>	<b>2.7</b>	<b>0.5</b>	<b>2.8</b>	<b>5.4</b>	<b>4.9</b>	<b>2.4</b>	<b>3.3</b>	<b>5.1</b>	<b>11.4</b>	<b>15.8</b>
Extra-Ord. Expense	-	(1.0)	-	-	-	-	-	-	(1.0)	-
<b>PBT</b>	<b>2.7</b>	<b>1.6</b>	<b>2.8</b>	<b>5.4</b>	<b>4.9</b>	<b>2.4</b>	<b>3.3</b>	<b>5.1</b>	<b>12.4</b>	<b>15.8</b>
Tax	0.9	0.2	0.9	1.7	1.6	0.8	0.9	1.5	3.7	4.9
Profit from Associate and MI	(0.0)	0.1	(0.0)	0.0	(0.0)	(0.0)	-	-	0.1	(0.0)
Tax-Rate (%)	32.3	12.2	32.1	32.5	33.7	34.5	28.0	28.7	29.8	31.0
<b>Reported PAT</b>	<b>1.9</b>	<b>1.3</b>	<b>1.9</b>	<b>3.6</b>	<b>3.2</b>	<b>1.6</b>	<b>2.4</b>	<b>3.7</b>	<b>8.6</b>	<b>10.9</b>
<b>Adj. PAT</b>	<b>1.9</b>	<b>0.4</b>	<b>1.9</b>	<b>3.6</b>	<b>3.2</b>	<b>1.6</b>	<b>2.4</b>	<b>3.7</b>	<b>7.7</b>	<b>10.9</b>
Change (YoY %)	49.3	(80.0)	(33.3)	69.1	75.1	346.8	27.4	1.1	(3.7)	41.4
Margin (%)	6.6	1.4	6.5	10.1	9.7	5.3	7.4	9.4	6.5	8.1

## JK Lakshmi

Buy

CMP: INR798 | TP: INR920 (+15%)

EPS CHANGE (%): FY26|27|28: -0.5|-13.6|-16.8

- Sales volume is expected to increase 6% YoY. Realization may rise ~7% YoY.
- EBITDA/t is estimated at INR801 vs. INR666/INR733 in 3QFY25/2QFY26.
- We expect opex/t to increase ~5% YoY. Variable cost/t is expected to rise ~4% YoY.
- Depreciation/interest costs may increase ~3%/15% YoY. Adj. PAT is estimated to grow ~83% to INR1.1b.

### Consolidated quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	15.6	12.3	15.0	19.0	17.4	15.3	17.0	19.7	61.9	69.4
Change (YoY %)	(9.6)	(21.6)	(12.1)	6.6	11.3	24.1	13.5	3.9	(8.8)	12.1
EBITDA	2.2	0.9	2.0	3.5	3.1	2.1	2.6	3.5	8.6	11.3
Change (YoY %)	13.3	(58.9)	(33.2)	4.4	39.9	133.3	27.5	(0.2)	(17.8)	30.4
Margin (%)	14.2	7.2	13.5	18.5	17.9	13.6	15.1	17.8	14.0	16.2
Depreciation	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	3.0	3.1
Interest	0.5	0.4	0.5	0.4	0.5	0.5	0.5	0.5	1.8	2.1
Other Income	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.5	0.9
PBT before EO Expense	1.2	(0.2)	0.9	2.5	2.0	1.0	1.5	2.4	4.3	7.0
Extra-Ord. Exp. (Inc.)	0.4	-	-	-	-	-	-	-	0.4	-
PBT	0.8	(0.2)	0.9	2.5	2.0	1.0	1.5	2.4	3.9	7.0
Tax	0.3	0.0	0.3	0.8	0.5	0.2	0.4	0.7	1.3	1.8
Prior Period Tax Adj.	-	-	-	-	-	-	-	-	-	-
Rate (%)	32.3	(10.6)	29.7	31.7	26.5	21.5	26.5	28.6	33.6	26.5
Reported PAT	0.5	(0.2)	0.6	1.7	1.5	0.8	1.1	1.7	2.6	5.1
Minority Interest	(0.0)	0.1	0.0	(0.1)	(0.0)	(0.0)	0.0	0.0	0.0	0.0
Adj. PAT	0.9	(0.3)	0.6	1.8	1.5	0.8	1.1	1.7	3.0	5.1
Change (YoY %)	17.7	(133.1)	NA	11.9	62.6	NM	83.5	(3.1)	(36.3)	72.0
Margin (%)	5.9	-2.5	4.0	9.3	8.6	5.3	6.4	8.6	4.8	7.4

## The Ramco Cements

Neutral

CMP: INR1,057 | TP: INR1,000 (-5%)

EPS CHANGE (%): FY26|27|28: -5.4|-4.2|-9.9

- Volume is expected to increase ~5% YoY and realization is expected to grow 6% YoY.
- EBITDA/t is estimated at INR684 vs. INR639/INR851 in 3QFY25/2QFY26.
- Variable cost/t is expected to increase 8% YoY. Opex/t is expected to rise ~6% YoY.
- EBITDA should grow 12% YoY to INR3.1b. Adj. PAT would increase 696% YoY to INR253m on a low base.

### Standalone quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	20.9	20.4	19.8	23.9	20.7	22.3	22.0	27.7	85.0	92.8
Change (YoY %)	(6.8)	(12.5)	(6.2)	(10.5)	(0.9)	9.6	11.3	16.0	(9.1)	9.2
Total Expenditure	17.7	17.3	17.0	20.7	16.7	18.5	18.9	22.6	72.6	76.7
EBITDA	3.2	3.1	2.8	3.2	4.0	3.9	3.1	5.1	12.3	16.1
Change (YoY %)	(6.5)	(21.7)	(29.3)	(23.1)	(74.4)	21.1	0.6	82.8	(20.7)	30.6
Margin (%)	15.3	15.3	14.1	13.4	19.2	17.3	14.3	18.4	14.5	17.3
Depreciation	1.7	1.7	1.7	1.8	1.8	1.8	1.9	1.9	6.9	7.4
Interest	1.1	1.2	1.1	1.1	1.0	1.1	1.1	1.0	4.6	4.3
Other Income	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.4	0.4
PBT before EO Expense	0.5	0.3	0.0	0.4	1.2	1.0	0.3	2.3	1.3	4.8
Extra-Ord Exp./(Inc.)	-	-	(3.3)	(0.1)	-	-	-	-	(3.4)	-
PBT	0.5	0.3	3.3	0.5	1.2	1.0	0.3	2.3	4.7	4.8
Tax	0.1	0.1	0.1	0.2	0.3	0.3	0.1	0.6	0.5	1.3
Prior Year Tax Adj.	-	-	-	-	-	-	-	-	-	-
Rate (%)	26.3	26.9	2.4	37.1	26.2	25.9	26.0	26.0	10.4	26.0
Reported PAT	0.4	0.3	3.3	0.3	0.9	0.7	0.3	1.7	4.2	3.6
Adj. PAT	0.4	0.3	0.0	0.3	0.9	0.7	0.3	1.7	0.9	3.6
Change (YoY %)	(55.0)	(74.7)	(96.6)	(76.7)	142.3	190.5	695.8	512.0	(76.6)	287.4
Margins (%)	1.7	1.3	0.2	1.2	4.2	3.3	1.2	6.2	1.1	3.9

## Shree Cement

Neutral

CMP: INR27,027 | TP: INR28,000 (+4%)

EPS CHANGE (%): FY26|27|28: -9.0|-2.6|-7.7

- Volume is expected to increase 6% YoY and blended realization is estimated to rise ~8% YoY.
- We estimate EBITDA/t at INR1,077 vs. INR1,079/INR1,106 in 3QFY25/2QFY26.
- Variable cost/t is estimated to increase 22% YoY. Opex/t is estimated to rise 11% YoY.
- Depreciation may decline ~16% YoY, while interest would rise ~1% YoY. Adj. PAT is estimated to increase ~52% YoY.

### Standalone quarterly performance

(INR b)

	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	48.3	37.3	42.4	52.4	49.5	43.0	48.8	55.8	180.4	197.1
Change (YoY %)	-2.7	-18.3	-13.6	3.3	2.3	15.5	15.1	6.5	-7.5	9.3
Total Expenditure	39.2	31.3	32.9	38.3	37.2	34.3	38.7	42.7	141.7	152.9
EBITDA	9.2	5.9	9.5	14.1	12.3	8.8	10.1	13.1	38.7	44.2
Change (YoY %)	-1.7	-31.9	-23.3	6.4	34.1	47.7	6.2	-7.3	-11.4	14.2
Margin (%)	19.0	15.9	22.3	26.9	24.8	20.3	20.6	23.4	21.4	22.4
Depreciation	6.4	6.7	7.5	7.5	5.5	5.5	6.3	7.5	28.1	24.9
Interest	0.6	0.6	0.5	0.4	0.4	0.5	0.5	0.5	2.1	2.0
Other Income	1.3	1.8	1.1	1.5	2.0	1.6	1.5	1.3	5.8	6.3
PBT before EO Exp.	3.5	0.4	2.6	7.7	8.3	4.3	4.7	6.3	14.3	23.6
Extra-Ord. Exp./(Inc.)	0.0	0.0	0.0	0.3	0.0	0.2	0.0	0.0	-0.3	0.2
PBT	3.5	0.4	2.6	7.4	8.3	4.0	4.7	6.3	14.0	23.4
Tax	0.3	-0.5	0.3	1.9	2.1	1.3	1.2	1.5	2.0	6.1
Rate (%)	9.4	-108.1	11.4	25.1	25.8	31.2	25.5	24.4	14.4	26.3
Reported PAT	3.2	0.9	2.3	5.6	6.2	2.8	3.5	4.8	12.0	17.2
Prior Period Tax Adj.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adj. PAT	3.2	0.9	2.3	5.8	6.2	2.9	3.5	4.8	12.2	17.4
Change (YoY %)	-45.3	-81.0	-68.8	-12.5	94.7	215.1	51.7	-17.3	-50.6	42.6

## UltraTech Cement

Buy

CMP: INR11,895 | TP: INR13,650 (+15%)

EPS CHANGE (%): FY26|27|28: -2.3|-9.9|-9.6

- Sales volume (consolidated) is expected to increase ~21% YoY. On a like-to-like basis, UTCEM's volume growth is estimated to grow ~13% YoY.
- Blended realization is estimated to decline 2% YoY.
- RMC revenue may grow 28% YoY, whereas white cement revenue is expected to increase 7% YoY.
- Variable cost per ton is expected to remain flat YoY and opex/t is expected to decline 3% YoY.
- We expect EBITDA/t at INR1,009 vs. INR953/INR914 in 3QFY25/2QFY26.
- Depreciation/interest expenses are estimated to increase 22%/3% YoY. Adj. PAT is estimated to increase 21% YoY.

### Consolidated performance

(INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	188.2	162.9	177.8	230.6	212.8	196.1	211.1	251.9	759.6	871.8
Change (YoY %)	6.1	1.8	6.2	13.0	13.1	20.3	18.7	9.2	7.1	14.8
Total Expenditure	158.0	142.7	148.8	184.4	168.7	165.1	174.0	200.0	634.0	707.8
EBITDA	30.2	20.3	28.9	46.2	44.1	30.9	37.0	51.9	125.6	164.0
Change (YoY %)	-1.1	-20.5	-11.1	12.3	46.2	52.6	28.0	12.4	-3.2	30.6
Margin (%)	16.0	12.4	16.3	20.0	20.7	15.8	17.6	20.6	16.5	18.8
Depreciation	9.2	9.8	9.9	11.2	11.1	11.5	12.1	12.5	40.1	47.1
Interest	3.3	3.9	4.6	4.8	4.3	4.6	4.7	4.9	16.5	18.5
Other Income	1.7	2.3	2.5	1.0	1.8	1.7	1.8	1.8	7.4	7.1
PBT before EO Expense	19.4	8.8	16.9	31.2	30.5	16.6	22.0	36.3	76.4	105.5
Extra-Ord. Expense	0.88	-	-	0.09	0.38	-	-	-	0.97	0.38
PBT after EO Expense	18.5	8.8	16.9	31.1	30.1	16.6	22.0	36.3	75.4	105.1
Tax	3.6	1.7	3.3	6.3	7.9	4.2	5.6	9.3	14.9	26.9
Prior Period Tax Adj.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate (%)	19.6	19.5	19.4	20.1	26.1	25.1	25.3	25.6	19.7	25.6
Reported PAT	14.9	7.1	13.6	24.9	22.3	12.4	16.4	27.1	60.5	78.2
Minority Interest	0.0	0.1	0.1	0.0	0.0	0.1	0.0	0.0	-0.1	0.0
Adj. PAT	15.7	7.0	13.6	24.9	22.5	12.3	16.4	27.1	61.2	78.6
Change (YoY %)	-7.3	-45.2	-23.5	7.8	44.0	75.2	20.9	8.7	-13.3	28.4

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

## NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

\*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

#### Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on [www.motilaloswal.com](http://www.motilaloswal.com). MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may: (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/Litigation.aspx>

A graph of daily closing prices of securities is available at [www.nseindia.com](http://www.nseindia.com), [www.bseindia.com](http://www.bseindia.com). Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

#### Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

#### For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

#### For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

#### For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to [grievances@motilaloswal.com](mailto:grievances@motilaloswal.com).

Nainesh Rajani

Email: [nainesh.rajani@motilaloswal.com](mailto:nainesh.rajani@motilaloswal.com)

Contact: (+65) 8328 0276

#### Specific Disclosures

- Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).  
MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: No.  
Nature of Financial interest is holding equity shares or derivatives of the subject company
- Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.  
MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report: No
- Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.  
MOFSL may have received compensation from the subject company(ies) in the past 12 months.
- Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.  
MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
- Research Analyst has not served as an officer, director or employee of subject company(ies).
- MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
- MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
- MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
- MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
- MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

#### Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

#### Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

#### Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.

Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal,

Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dp@motilaloswal.com.