Q2FY26 Cement Result Review

DOLAT CAPITAL
IN-DEPTH-PRECISE-ACTIONABLE

In Q2FY26, our cement sector coverage universe reported revenue growth of 17.9% YoY (-9.0% QoQ) to Rs498.8 bn, led by +11.9% YoY volume growth (-8.5% YoY QoQ) to 90.1mt coupled with +5.4% YoY (-0.5% QoQ) increase in blended realization/tn to Rs5,534. EBITDA grew +55.9% YoY/-24.8% QoQ to Rs84.2 bn and blended EBITDA/tn declined by 17.7% QoQ (+39.2% YoY) to Rs934, primarily due to +3.9% QoQ (+0.4% YoY) in opex/tn coupled with -0.5% QoQ (+5.4% YoY) in blended realization/tn. APAT increased by 85.1% YoY to Rs25.2 bn.

On a YoY basis in Q2FY26: (1) All companies reported revenue growth, with Sagar cement (+26.7) being the highest and NUVOCO being the lowest at +8.3%, 2) **Like to like Volume growth was** highest for Sagar Cement (+20.7%) and lowest for TRCL (+1.3%), 3) **Realization/tn growth** was highest for SRCM (+10.1%) and lowest for HEIL (+1.5%) and 4) **EBITDA/tn growth** was highest for SGC (+113.4%) and lowest for TRCL (+22.3%).

On QoQ basis, all companies reported Q2FY26 **Realization/tn de-growth** (excl. BCORP/JKCE/JKLC/NUVOCO/UTCEM) with JKLC being highest (+2.9%) and SGC the lowest (-6.2%). On **EBIDTA/tn**, all companies reported EBITDA/tn degrowth (excl. ACC/ACEM) with Ambuja (+0.2%) and SGC lowest (-55.8%). **Opex/tn** increased by Rs172 QoQ led by +16.0% (Rs119)/+5.3% (Rs48)/+13.2% (Rs38)/+1.2%(Rs15) growth in other expenses/RM cost/Employee cost/ P&F cost partially offset by -3.8%(Rs48) in Freight cost.

Net Debt increased by Rs132.0 bn in H1FY26 to Rs326.0 bn from Rs194.0 bn in FY25 with highest net debt increase in ACEM (Rs83.1 bn), whereas SRCM witnessed the highest net debt decrease (Rs6.4 bn). **Net Debt/EBITDA increased from 0.60x in FY25 to 0.84x in Q2FY26.**

The earnings trajectory is set to reverse sharply for FY26 (>63% YoY growth for coverage universe), led by low base on volume/prices coupled with ongoing cost reduction. Introduction and sustenance of price hike is key monitorable given >175mtpa capacity addition over FY25-28E. Risk to our view will be the volatility in cement prices. Notably, the current 1yr fwd EV/EBITDA valuations are broadly marginally lower vs. 5-year historic avg for most of the stocks under our coverage.

As the top 2 companies (Ultratech and Ambuja) prioritize market share gains, cement industry may move their focus back towards volume growth, thereby limiting any major uptick in pricing. Additionally, incremental supply of >175mtpa over FY26E-28E remains higher compared to incremental demand of 100mt over FY26E-28E which will restrict cement price hike, if not decrease. In declining/stagnant pricing scenario, volume growth, cost reduction and increase in trade/premium share will be key monitorable.

We estimate **Revenue CAGR of 12.0% over FY25-28E, primarily driven by volume CAGR of 10.3% (~9.5% like-to-like excl. Orient Cement, Penna Cement and India Cement) and blended realization/tn CAGR of 1.5% (~1.8% CAGR over FY19-25).** However, we expect EBITDA CAGR of 23.6% over FY25-28E, primarily driven by 10.3% volume CAGR, coupled with +1.5%/-0.7% realization/Opex/tn CAGR as EBITDA/tn is estimated to rise at ~12.1% CAGR.

Company	CMP / Target (Rs)
ACC	1,845 / 2,194
Ambuja	558 / 683
Birla Corp	1,171 / 1,417
Dalmia	2,045 / 2,526
Heidelberg	186 / 165
JK Cement	5,527 / 6,568
JK Lakshmi	839 / 883
Nuvoco	375 / 473
Sagar	216 / 236
Shree	27,035 / 30,618
Star	242 / 292
Ramco	999 / 996
UltraTech	11,825 / 13,192

**CMP as on 11th November 2025*

TOP PICKS: JK Cement
Ambuja Cement

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GST rate cut impact on cement prices has been completely passed on to the consumers. However, considering seasonality, Oct'25 prices are down -1.7%/-7.3% vs. Sep'25/Q2FY26, whereas FY25 prices are 6.9% lower vs. FY24. Our EBITDA/tn forecast of Rs1,088/Rs1,172/Rs1,239 for FY26E/FY27E/FY28E will have an upside potential if realization upticks further vs. our assumption of 3.5/0.6%/0.5% for FY26E/FY27E/FY28E. Our EBITDA estimates have ~4.8% sensitivity to a 1% change in realization. We factor 10.3% (~7.9% like-to-like)/10.8%/9.7% volume growth in FY26E/FY27E/FY28E vs. 7.6% in FY25.

In H1FY26, our coverage companies' Revenue/EBITDA/APAT grew by +14.9%/ +49.0%/+66.2% to Rs1,047.0 bn/Rs196.0 bn/Rs75.1 bn resp. Revenue growth was primarily driven by +9.7% volume growth to 188.6mt coupled with +4.8% growth in blended realization/tn to Rs5,550. EBITDA/tn increased by 35.8% to Rs1,039 led by +4.8% in blended realization/tn to Rs5,550 coupled with -0.5% reduction in opex/tn to Rs4,511.

(Note: HEIM, SRCM & TRCL numbers are on standalone basis, whereas others are consolidated)

Top Picks

JK Cement

JK Cement has delivered the leading industry volume CAGR of >16% over FY20-25, which is likely to grow at a higher than industry volume CAGR of 10.3% over FY25-28E. The current grey cement capacity stands at 26.26mtpa with further expansion plans of 4mtpa clinker/1mtpa cement expansion at Panna and 1mtpa cement at Hamirpur on track for Dec’25 commissioning, 3mtpa split GU at Bihar on track for commissioning by Jan-Feb'26. Post these expansions, the company's total grey cement capacity will increase from 26.26mtpa currently to 31.26mtpa by FY26. In the next phase of expansion, JKCE plans to add 4mtpa clinker/ 7mtpa cement capacity to be completed for Q2FY28E, taking total capacity to expand to 38.36mtpa by Q2FY28E. These expansions will support FY26E/FY27E/ FY28E volume growth in our view.

As per the Q1FY26 call, the company targets to reach 50mtpa by FY30E. These expansions are likely to be funded through internal accruals with minimal increase in net debt. Along with expansion, the company is also focusing on cost/tn reduction of Rs150-200/tn over the next 2-3 years. For FY26, JKCE aims to achieve cost savings of Rs 75–90/tn and rest Rs75-80/tn in FY27E. JKCEM also has exposure in white cement and putty in the domestic as well as international markets. The company also operates the Paints business, wherein JKCEM expects a ramp up in revenue in FY26E/FY27E, along with EBITDA breakeven expected in FY27E. We expect improvement in EBITDA/tn from Rs1003/Rs890 in FY25/Q2FY26 to Rs1,084/Rs1,157/Rs1,239 in FY26E/FY27E/FY28E. **Accordingly, we recommend ‘Accumulate’ rating with TP of Rs7,091 based on 17.5x consolidated FY27E EV/EBITDA + 50% FY27E CWIP.**

Ambuja Cement

ACEM is likely to deliver volume growth higher than the industry volume CAGR of 10.3% over FY25-28E supported by capacity additions. In Q2FY26, the company increased market share by ~1% to 16.6% in Q2FY26 vs. 15.5% in Q1FY26; targets to increase market share to 20-22% by FY28E. At present, Adani's (Ambuja + ACC + Sanghi + Penna + Orient) current total cement capacity stands at 106.8mtpa (of which North/Central/West/South/East accounts for 18%/8%/23%/28%/23%) and ACEM targets to reach ~118mtpa/130-135mtpa/155mtpa (vs. earlier 140mtpa) in FY26E/FY27E/FY28E. Clinker capacity to expand from 65mtpa currently to 73mtpa/81mtpa/96mtpa by FY26E/FY27E/FY28E; this will support the cement capacity additions. Along with aggressive capacity addition targets to support volume growth, ACEM also maintains its cost reduction target to reach EBITDA/tn of Rs1,500 by FY28E.

ACEM targets total cost reduction/tn of Rs4,000/Rs3,800/ Rs3,600-3,650 by exit of Mar'26/Mar'27/Mar'28 from current ~Rs4,200 at 5% reduction rate/year led by improved efficiencies and higher operating leverage, reduced lead distance and higher share of green power. Raw material/Power and fuel/logistics/other overheads cost to reduce by ~Rs50/~Rs200/ ~Rs100/~Rs50 over Mar'26 exit to Mar'28 exit. The company plans to achieve this through higher share of coal consumption, benefit of withdrawal of GST on coal cess, reduction in lead distance of ~50 km, increase in share of sea logistics to 5%, increase in green power share to 60%, reduction in power cost from Rs6/Kwh to Rs4.5/Kwh, long term tie ups for flyash/slag and improved operational efficiencies through use of latest technology. ACEM will also benefit from synergy gains from the merger with Penna/Sanghi, as these subsidiaries also move towards 4-digit EBITDA/tn. **Accordingly, we recommend ‘Accumulate’ rating with TP of Rs683 based on 15.5x consolidated FY28E EV/EBITDA + 50% FY28E CWIP.**

Valuation Matrix

Company	Revenue (Rs bn)					EBITDA (Rs bn)					APAT (Rs bn)					Capacity (mtpa)		CAGR (25-28E)		
	FY25	FY26E	FY27E	FY28E	CAGR	FY25	FY26E	FY27E	FY28E	CAGR	FY25	FY26E	FY27E	FY28E	CAGR	FY25	FY28E	Volume	Realization	EBITDA/tn
ACC	219.2	255.5	275.0	298.7	10.9	30.6	35.3	41.6	48.9	16.9	13.4	20.1	23.7	28.2	28.2	38.6	50.4	9.7	0.3	6.6
Ambuja	353.4	421.8	489.9	556.3	16.3	59.7	85.0	108.6	130.3	29.7	17.6	28.9	41.9	51.4	43.0	91.8	155.3	15.6	0.6	12.2
Birla Corp	92.1	97.7	104.6	109.4	5.9	12.2	14.0	16.0	17.0	11.7	3.3	4.7	5.9	6.2	23.1	20.0	24.2	5.8	(0.0)	5.4
Dalmia	139.8	150.6	164.1	182.4	9.3	24.1	33.8	37.8	43.2	21.5	7.0	12.7	14.3	16.1	32.4	49.5	70.0	7.2	2.0	13.4
Heidelberg#	21.5	23.3	24.7	26.0	6.5	2.4	3.3	3.8	4.1	20.1	1.1	1.8	2.2	2.5	32.0	6.3	6.5	5.8	0.7	13.5
JK Cement	118.8	134.3	153.4	170.6	12.8	20.3	24.6	29.9	35.4	20.5	7.6	10.4	12.9	15.8	27.7	27.4	41.9	12.3	0.5	7.3
JK Lakshmi	61.9	69.9	75.8	85.4	11.3	8.6	10.8	12.6	15.4	21.1	3.1	4.6	5.2	6.3	26.3	16.5	22.6	9.7	1.5	10.4
Nuvoco	103.6	115.5	126.2	139.4	10.4	13.7	19.2	22.1	25.3	22.6	0.1	4.8	5.9	7.2	316.1	25.0	33.5	8.3	2.3	13.2
Sagar Cement	22.6	27.5	31.5	33.3	13.9	1.4	4.0	4.8	5.5	57.6	(1.8)	(0.2)	0.4	1.2	(187.9)	10.1	11.8	10.3	3.0	42.9
Shree Cement#	180.4	198.2	213.0	228.8	8.3	38.4	47.6	52.2	57.2	14.2	12.0	20.5	22.1	25.0	27.9	56.4	71.8	6.2	1.9	7.5
Star Cement	31.6	37.0	41.6	45.4	12.8	5.8	8.4	9.7	10.1	20.3	1.7	3.6	4.7	4.8	41.5	7.7	9.7	12.0	0.8	7.4
Ramco Cement#	85.0	93.0	103.3	113.1	10.0	12.3	18.0	21.0	23.5	24.0	0.7	4.9	7.4	9.3	131.7	24.4	30.2	7.1	2.8	15.8
UltraTech	759.6	880.6	980.6	1,074.0	12.2	125.6	174.4	210.2	246.1	25.1	61.4	89.5	115.6	141.3	32.1	188.8	229.4	10.3	1.8	13.5

Sources: Company, Dolat Capital, #Standalone

Company	Mcap (Rs bn)	CMP* (Rs)	TP (Rs)	Rating	EV/EBITDA (x) FY25	FY26E	FY27E	FY28E	EV/tn ($) FY25	FY26E	FY27E	FY28E	Net Debt/ EBITDA (x) FY25	FY26E	FY27E	FY28E	RoE (%) FY25	FY26E	FY27E	FY28E
ACC	347	1,845	2,194	Accumulate	10.3	8.9	7.4	6.2	92	84	80	68	(1.0)	(0.9)	(0.9)	(0.9)	7.7	10.1	10.7	11.5
Ambuja	1,378	558	683	Accumulate	26.1	30.3	21.5	16.4	266	214	164	139	(1.7)	(0.6)	(0.4)	(0.3)	3.7	5.2	7.1	8.1
Birla Corp	92	1,191	1,417	Accumulate	9.4	8.3	7.3	7.2	64	60	61	56	1.8	1.7	1.6	1.8	4.9	6.5	7.7	7.6
Dalmia Bharat	384	2,045	2,526	Accumulate	16.2	11.7	11.2	10.5	89	91	86	73	0.3	0.4	1.1	1.6	4.0	7.1	7.5	7.9
Heidelberg#	42	186	165	SELL	15.9	11.3	9.4	8.3	68	65	63	60	(1.7)	(1.5)	(1.6)	(1.8)	7.5	12.8	15.3	16.5
JK Cement	427	5,527	6,568	Accumulate	22.7	19.3	16.3	14.0	190	156	158	133	1.7	1.9	2.0	1.9	15.0	15.9	17.0	17.7
JK Lakshmi	67	839	883	Reduce	9.8	8.0	7.4	6.5	58	54	52	50	2.0	1.8	2.1	2.1	9.1	12.3	12.6	13.5
Nuvoco Vistas	134	375	473	Accumulate	12.4	9.6	8.0	6.7	77	77	60	57	2.7	2.6	2.0	1.4	0.4	7.4	8.0	9.0
Sagar Cement	28	216	236	SELL	28.9	10.8	8.2	6.5	46	48	38	35	9.0	3.7	2.4	1.4	(11.5)	1.0	15.4	9.3
Shree Cement#	975	27,035	30,618	Reduce	24.0	19.0	17.2	15.5	184	149	141	139	(1.5)	(1.4)	(1.5)	(1.5)	5.8	9.3	9.4	9.9
Star Cement	98	242	292	Accumulate	17.5	12.3	10.6	10.4	149	120	120	122	0.5	0.6	0.5	0.7	6.0	11.7	13.8	12.4
Ramco Cement#	236	999	996	SELL	22.8	15.4	13.1	11.5	130	104	103	101	3.6	2.3	1.9	1.4	5.7	11.2	8.5	9.8
UltraTech	3,485	11,825	13,192	Reduce	29.1	20.9	17.1	14.3	219	203	187	174	1.4	0.9	0.6	0.2	9.4	12.1	14.1	15.3

*Sources: Company, Dolat Capital, *CMP as on 11th Nov 2025 #Standalone*

Q2FY26 Sector Performance

Exhibit 1: Q2FY26 performance for coverage stocks (13 stocks)

(Rs mn)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	H1FY26	H1FY25	YoY (%)
Total Revenue	**4,98,760**	**4,22,927**	**17.9**	**5,48,192**	**(9.0)**	**10,46,952**	**9,10,895**	**14.9**
Raw Material Cost	86,055	73,998	16.3	89,373	(3.7)	1,75,428	1,57,837	11.1
Employee Expenses	29,570	26,805	10.3	28,569	3.5	58,138	51,619	12.6
Power and Fuel Cost	1,12,524	1,02,254	10.0	1,21,554	(7.4)	2,34,078	2,21,388	5.7
Freight Cost	1,08,640	99,738	8.9	1,23,514	(12.0)	2,32,154	2,14,513	8.2
Other Expenses	77,820	66,138	17.7	73,347	6.1	1,51,167	1,34,017	12.8
Total Expenditure	**4,14,608**	**3,68,933**	**12.4**	**4,36,357**	**(5.0)**	**8,50,965**	**7,79,374**	**9.2**
EBITDA	**84,152**	**53,994**	**55.9**	**1,11,835**	**(24.8)**	**1,95,987**	**1,31,521**	**49.0**
Other Income	7,823	9,552	(18.1)	8,337	(6.2)	16,160	17,727	(8.8)
Depreciation	38,445	34,214	12.4	36,983	4.0	75,428	66,795	12.9
Interest	12,077	11,790	2.4	11,699	3.2	23,776	22,700	4.7
EBT *(before exceptional item)*	**41,453**	**17,542**	**136.3**	**71,489**	**(42.0)**	**1,12,942**	**59,754**	**89.0**
Exceptional items	(2,228)	(539)	-	176	-	(2,052)	(2,903)	-
Profit/Loss share of associates	(11)	(75)	-	(1)	-	(12)	14	-
EBT	**39,214**	**16,928**	**131.7**	**71,665**	**(45.3)**	**1,10,879**	**56,864**	**95.0**
Tax	(6,279)	3,658	-	19,483	-	13,204	12,688	4.1
RPAT	**45,493**	**13,270**	**242.8**	**52,181**	**(12.8)**	**97,675**	**44,176**	**121.1**
Minority Interest	5,417	338	1,503.6	1,843	193.9	7,260	1,752	314.4
Adjustments	(14,868)	690	-	(457)	-	(15,325)	2,758	-
APAT	**25,208**	**13,622**	**85.1**	**49,881**	**(49.5)**	**75,089**	**45,182**	**66.2**
			bps		***bps***			***bps***
EBIDTA Margin (Excl. O.I.)	16.9	12.8	411	20.4	(353)	18.7	14.4	428
Tax Rate (%)	(16.0)	21.6	(3,762)	27.2	(4,320)	11.9	22.3	(1,040)
NPM (%)	5.1	3.2	183	9.1	(405)	7.2	5.0	221

Source: Company, Dolat Capital

Exhibit 2: Volume, Realization & Cost/tn Analysis

Particulars	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	H1FY26	H1FY25	YoY (%)
Volume (MT)	90.1	80.5	11.9	98.5	(8.5)	188.6	172.0	9.7
Realization/tn (Rs)	5,534	5,253	5.4	5,564	(0.5)	5,550	5,297	4.8
EBITDA/tn (Rs)	934	671	39.2	1,135	(17.7)	1,039	765	35.8
Cost/tn (Rs)	4,601	4,582	0.4	4,429	3.9	4,511	4,533	(0.5)
Raw Material Cost/tn (Rs)	955	919	3.9	907	5.3	930	918	1.3
Employee Expenses/tn (Rs)	328	333	(1.4)	290	13.2	308	300	2.7
Power and Fuel Cost/tn (Rs)	1,249	1,270	(1.7)	1,234	1.2	1,241	1,288	(3.6)
Freight Cost/tn (Rs)	1,205	1,239	(2.7)	1,254	(3.8)	1,231	1,248	(1.4)
Other Expenses/tn (Rs)	864	821	5.1	744	16.0	801	779	2.8

Source: Company, Dolat Capital

Exhibit 3: % of Revenue

(%)	Q2FY26	Q2FY25	Bps	Q1FY26	Bps	H1FY26	H1FY25	Bps
Raw Material Cost	17.3	17.5	(24)	16.3	95	16.8	17.3	(57)
Employee Expenses	5.9	6.3	(41)	5.2	72	5.6	5.7	(11)
Power and Fuels	22.6	24.2	(162)	22.2	39	22.4	24.3	(195)
Freight Expenses	21.8	23.6	(180)	22.5	(75)	22.2	23.5	(138)
Other expenses	15.6	15.6	(4)	13.4	222	14.4	14.7	(27)

Source: Company, Dolat Capital

Exhibit 4: Revenue grew 17.9% YoY (-9.0% QoQ)

(Rs mn)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	H1FY26	YoY%
ACC	59,317	46,345	28.0	60,872	(2.6)	1,20,189	22.2
Ambuja	91,745	75,525	21.5	1,02,891	(10.8)	1,94,636	22.1
Birla Corp	22,065	19,526	13.0	24,542	(10.1)	46,608	12.5
Dalmia Bharat	34,170	30,870	10.7	36,360	(6.0)	70,530	5.1
Heidelberg#	5,117	4,614	10.9	5,975	(14.4)	11,092	11.6
JK Cement	30,192	25,601	17.9	33,525	(9.9)	63,717	18.7
JK Lakshmi	15,318	12,343	24.1	17,409	(12.0)	32,727	17.0
Nuvoco Vistas	24,576	22,686	8.3	28,727	(14.5)	53,303	8.7
Sagar Cements	6,019	4,751	26.7	6,707	(10.3)	12,725	22.9
Shree Cement#	43,032	37,270	15.5	49,480	(13.0)	92,512	8.1
Star Cement	8,109	6,415	26.4	9,120	(11.1)	17,229	23.7
The Ramco Cements#	22,348	20,382	9.6	20,701	8.0	43,050	4.3
UltraTech	1,96,069	1,62,944	20.3	2,12,755	(7.8)	4,08,824	16.4
Total	**4,98,760**	**4,22,927**	**17.9**	**5,48,192**	**(9.0)**	**10,46,952**	14.9

Source: Company, Dolat Capital #Standalone

Exhibit 5: Volume grew 11.9% YoY (-8.5% QoQ); like-to-like basis +7.6% YoY (-9.2% QoQ)

(MT)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	H1FY26	YoY%
ACC	12.1	9.9	22.1	12.3	(1.7)	24.4	17.2
Ambuja	16.9	14.2	18.4	18.8	(10.4)	35.7	18.6
Birla Corp	4.3	4.0	7.1	4.8	(11.2)	9.0	8.2
Dalmia Bharat	6.9	6.7	2.9	7.0	(1.9)	13.9	(1.7)
Heidelberg#	1.1	1.0	9.2	1.3	(14.3)	2.3	10.1
JK Cement	5.0	4.4	15.0	5.6	(10.5)	10.6	15.1
JK Lakshmi	2.8	2.5	15.1	3.3	(14.5)	6.2	12.3
Nuvoco Vistas	4.3	4.2	1.9	5.1	(15.0)	9.4	4.1
Sagar Cements	1.4	1.2	20.7	1.5	(4.3)	2.9	13.8
Shree Cement#	7.9	7.5	4.8	9.0	(11.6)	16.9	(1.3)
Star Cement	1.2	1.0	20.0	1.3	(9.4)	2.5	15.9
The Ramco Cements#	4.5	4.5	1.3	4.1	10.4	8.7	(2.0)
UltraTech	33.9	29.4	15.1	36.8	(8.1)	70.7	12.3
Total	**90.1**	**80.5**	**11.9**	**98.5**	**(8.5)**	**188.6**	**9.7**

Source: Company, Dolat Capital #Standalone

Exhibit 6: Realization/tn grew 5.4% YoY (-0.5% QoQ)

(Rs/ tn)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	H1FY26	YoY%
ACC	4,905	4,678	4.9	4,946	(0.8)	4,926	4.3
Ambuja	5,443	5,304	2.6	5,470	(0.5)	5,457	2.9
Birla Corp	5,192	4,918	5.6	5,129	1.2	5,159	4.0
Dalmia Bharat	4,974	4,625	7.5	5,194	(4.2)	5,085	6.9
Heidelberg#	4,760	4,689	1.5	4,765	(0.1)	4,763	1.4
JK Cement	6,016	5,867	2.5	5,981	0.6	5,998	3.2
JK Lakshmi	5,388	4,996	7.8	5,234	2.9	5,305	4.2
Nuvoco Vistas	5,702	5,362	6.3	5,666	0.6	5,683	4.4
Sagar Cements	4,250	4,050	4.9	4,530	(6.2)	4,393	8.0
Shree Cement#	5,440	4,940	10.1	5,528	(1.6)	5,487	9.5
Star Cement	6,907	6,560	5.3	7,037	(1.8)	6,975	6.7
The Ramco Cements#	4,914	4,541	8.2	5,027	(2.3)	4,968	6.5
UltraTech	5,792	5,542	4.5	5,777	0.3	5,784	3.7
Average	**5,534**	**5,253**	**5.4**	**5,564**	**(0.5)**	**5,550**	**4.8**

Source: Company, Dolat Capital #Standalone

Exhibit 7: Cement Realization/tn grew 4.4% YoY (-1.2% QoQ)

(Rs/ tn)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	H1FY26	YoY%
ACC	4,898	4,685	4.5	4,940	(0.9)	4,919	4.1
Ambuja	5,174	5,101	1.4	5,249	(1.4)	5,213	2.3
Birla Corp	4,875	4,718	3.3	4,892	(0.3)	4,884	2.2
Dalmia Bharat	4,974	4,625	7.5	5,194	(4.2)	5,085	6.9
Heidelberg#	4,760	4,689	1.5	4,765	(0.1)	4,763	1.4
JK Cement	4,848	4,712	2.9	4,950	(2.0)	4,902	4.5
JK Lakshmi	4,850	4,486	8.1	4,801	1.0	4,824	4.3
Nuvoco Vistas	5,104	4,803	6.3	5,164	(1.2)	5,137	4.9
Sagar Cements	4,250	4,050	4.9	4,530	(6.2)	4,393	8.0
Shree Cement#	4,951	4,639	6.7	4,892	1.2	4,919	5.6
Star Cement	6,907	6,560	5.3	7,037	(1.8)	6,975	6.7
The Ramco Cements#	5,079	4,630	9.7	5,178	(1.9)	5,126	8.0
UltraTech	5,145	4,965	3.6	5,192	(0.9)	5,170	3.1
Average	**5,082**	**4,867**	**4.4**	**5,142**	**(1.2)**	**5,113**	**4.1**

Source: Company, Dolat Capital #Standalone

Exhibit 8: EBITDA grew 55.9% YoY (-24.8% QoQ)

(Rs mn)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	H1FY26	YoY%
ACC	8,457	4,364	93.8	7,780	8.7	16,237	45.6
Ambuja	17,609	11,114	58.4	19,611	(10.2)	37,220	55.6
Birla Corp	3,049	1,772	72.1	3,467	(12.1)	6,516	49.6
Dalmia Bharat	6,960	4,340	60.4	8,830	(21.2)	15,790	43.2
Heidelberg#	575	375	53.6	885	(35.0)	1,461	26.5
JK Cement	4,466	2,840	57.3	6,877	(35.1)	11,342	47.3
JK Lakshmi	2,083	893	133.3	3,112	(33.1)	5,194	66.7
Nuvoco Vistas	3,670	2,188	67.8	5,186	(29.2)	8,856	57.5
Sagar Cements	513	199	157.6	1,215	(57.7)	1,728	159.3
Shree Cement#	8,513	5,925	43.7	12,291	(30.7)	20,804	37.9
Star Cement	1,902	956	99.0	2,282	(16.7)	4,184	97.6
The Ramco Cements#	3,869	3,121	24.0	3,976	(2.7)	7,846	24.2
UltraTech	30,943	20,272	52.6	44,103	(29.8)	75,047	48.8
Total	**84,152**	**53,994**	**55.9**	**1,11,835**	**(24.8)**	**1,95,987**	**49.0**

Source: Company, Dolat Capital #Standalone

Exhibit 9: EBITDA Margin expanded by 411 bps YoY (-353 bps QoQ)

(%)	Q2FY26	Q2FY25	Bps	Q1FY26	Bps	H1FY26	Bps
ACC	14.3	9.4	484	12.8	148	13.5	217
Ambuja	19.2	14.7	448	19.1	13	19.1	413
Birla Corp	13.8	9.1	474	14.1	(31)	14.0	347
Dalmia Bharat	20.4	14.1	631	24.3	(392)	22.4	594
Heidelberg#	11.2	8.1	313	14.8	(357)	13.2	154
JK Cement	14.8	11.1	370	20.5	(572)	17.8	345
JK Lakshmi	13.6	7.2	636	17.9	(428)	15.9	473
Nuvoco Vistas	14.9	9.6	529	18.1	(312)	16.6	515
Sagar Cements	8.5	4.2	433	18.1	(958)	13.6	714
Shree Cement#	19.8	15.9	389	24.8	(506)	22.5	486
Star Cement	23.4	14.9	855	25.0	(157)	24.3	908
The Ramco Cements#	17.3	15.3	200	19.2	(190)	18.2	292
UltraTech	15.8	12.4	334	20.7	(495)	18.4	399
Average	**16.9**	**12.8**	**411**	**20.4**	**(353)**	**18.7**	**428**

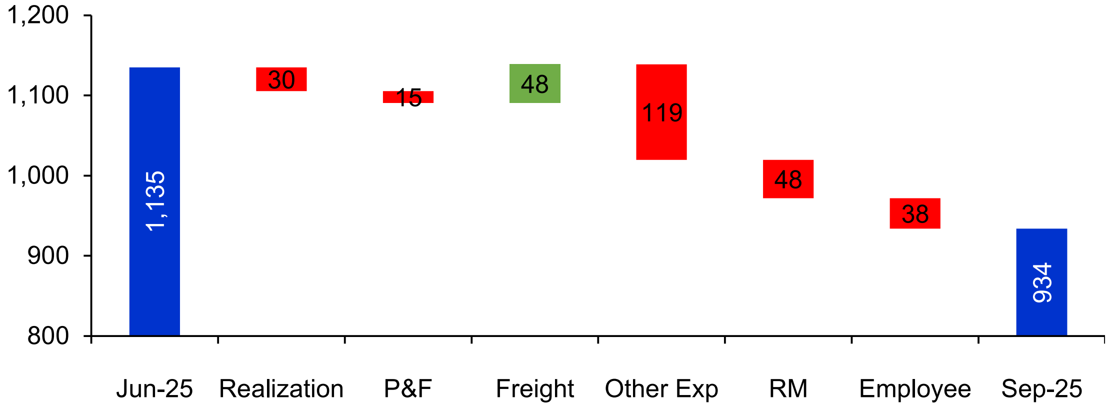
Source: Company, Dolat Capital #Standalone

Exhibit 10: EBITDA/tn grew 39.2% YoY (-17.7% QoQ)

(Rs/ tn)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	H1FY26	YoY%
ACC	699	440	58.8	632	10.6	665	24.2
Ambuja	1,045	780	33.8	1,043	0.2	1,044	31.2
Birla Corp	717	446	60.7	725	(1.0)	721	38.4
Dalmia Bharat	1,013	650	55.8	1,261	(19.7)	1,138	45.6
Heidelberg#	535	381	40.6	706	(24.2)	627	14.8
JK Cement	890	651	36.7	1,227	(27.5)	1,068	28.0
JK Lakshmi	733	361	102.7	936	(21.7)	842	48.5
Nuvoco Vistas	851	517	64.7	1,023	(16.8)	944	51.4
Sagar Cements	362	170	113.4	820	(55.8)	596	127.9
Shree Cement#	1,076	785	37.0	1,373	(21.6)	1,234	39.7
Star Cement	1,620	977	65.8	1,761	(8.0)	1,694	70.5
The Ramco Cements#	851	695	22.3	966	(11.9)	905	26.8
UltraTech	914	690	32.6	1,197	(23.7)	1,062	32.5
Average	**934**	**671**	**39.2**	**1,135**	**(17.7)**	**1,039**	**35.8**

Source: Company, Dolat Capital #Standalone

Exhibit 11: Movement in EBITDA/tn in Q2FY26



Source: Company, Dolat Capital

Exhibit 12: Total Cost/tn increased 0.4% YoY (+3.9% QoQ)

(Rs/ tn)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	H1FY26	YoY%
ACC	4,206	4,238	(0.7)	4,314	(2.5)	4,261	1.7
Ambuja	4,398	4,523	(2.8)	4,427	(0.7)	4,414	(2.1)
Birla Corp	4,474	4,472	0.1	4,404	1.6	4,437	(0.0)
Dalmia Bharat	3,961	3,975	(0.3)	3,933	0.7	3,947	(0.7)
Heidelberg#	4,224	4,308	(1.9)	4,059	4.1	4,135	(0.4)
JK Cement	5,126	5,217	(1.7)	4,755	7.8	4,930	(1.0)
JK Lakshmi	4,655	4,635	0.4	4,299	8.3	4,463	(1.4)
Nuvoco Vistas	4,851	4,845	0.1	4,643	4.5	4,738	(1.7)
Sagar Cements	3,887	3,880	0.2	3,709	4.8	3,796	(0.3)
Shree Cement#	4,364	4,154	5.0	4,155	5.0	4,253	3.0
Star Cement	5,288	5,583	(5.3)	5,276	0.2	5,282	(4.7)
The Ramco Cements#	4,063	3,846	5.6	4,061	0.0	4,062	2.8
UltraTech	4,878	4,853	0.5	4,579	6.5	4,722	(1.1)
Average	**4,601**	**4,582**	**0.4**	**4,429**	**3.9**	**4,511**	**(0.5)**

Source: Company, Dolat Capital #Standalone

Exhibit 13: Power & Fuel Cost/tn decline 1.7% YoY (+1.2% QoQ)

(Rs/ tn)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	H1FY26	YoY%
ACC	746	791	(5.6)	698	6.9	722	(15.8)
Ambuja	1,353	1,275	6.1	1,336	1.3	1,344	4.1
Birla Corp	1,052	1,025	2.7	825	27.6	932	(8.1)
Dalmia Bharat	1,044	1,059	(1.5)	1,036	0.8	1,040	0.2
Heidelberg#	1,379	1,351	2.1	1,235	11.6	1,302	(0.7)
JK Cement	1,210	1,129	7.2	1,067	13.4	1,135	(1.4)
JK Lakshmi	1,295	1,298	(0.2)	1,137	14.0	1,210	0.3
Nuvoco Vistas	1,052	1,070	(1.6)	1,014	3.8	1,032	(3.9)
Sagar Cements	1,028	1,319	(22.1)	1,521	(32.4)	1,280	(9.3)
Shree Cement#	1,314	1,327	(0.9)	1,281	2.6	1,296	(8.0)
Star Cement	1,133	1,192	(5.0)	1,091	3.8	1,111	2.5
The Ramco Cements#	1,029	1,121	(8.2)	1,222	(15.8)	1,120	(7.4)
UltraTech	1,313	1,402	(6.3)	1,320	(0.5)	1,317	(7.0)
Average	**1,249**	**1,270**	**(1.7)**	**1,234**	**1.2**	**1,241**	**(3.6)**

Source: Company, Dolat Capital #Standalone

Exhibit 14: Freight Cost/tn decline 2.7% YoY (-3.8% QoQ)

(Rs/ tn)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	H1FY26	YoY%
ACC	882	941	(6.2)	930	(5.1)	906	(6.5)
Ambuja	1,224	1,282	(4.5)	1,288	(5.0)	1,258	(3.6)
Birla Corp	1,299	1,249	4.0	1,347	(3.6)	1,324	2.9
Dalmia Bharat	1,060	1,103	(3.9)	1,136	(6.7)	1,098	(1.1)
Heidelberg#	685	690	(0.7)	732	(6.4)	711	0.4
JK Cement	1,299	1,319	(1.5)	1,365	(4.8)	1,334	3.1
JK Lakshmi	1,235	1,140	8.4	1,194	3.4	1,213	11.7
Nuvoco Vistas	1,501	1,465	2.5	1,550	(3.1)	1,527	3.5
Sagar Cements	767	824	(6.9)	875	(12.3)	822	2.1
Shree Cement#	1,191	1,182	0.8	1,211	(1.6)	1,202	2.3
Star Cement	1,225	1,091	12.3	1,234	(0.8)	1,230	10.6
The Ramco Cements#	1,045	1,019	2.6	1,038	0.6	1,041	0.0
UltraTech	1,219	1,299	(6.2)	1,262	(3.4)	1,242	(5.2)
Average	**1,205**	**1,239**	**(2.7)**	**1,254**	**(3.8)**	**1,231**	**(1.4)**

Source: Company, Dolat Capital #Standalone

Exhibit 15: Other expenses/tn increase 5.1% YoY (+16.0% QoQ)

(Rs/ tn)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	H1FY26	YoY%
ACC	443	516	(14.1)	520	(14.8)	482	(2.7)
Ambuja	805	723	11.3	771	4.4	787	13.5
Birla Corp	1,119	1,126	(0.6)	952	17.5	1,030	(6.5)
Dalmia Bharat	793	818	(3.0)	770	3.0	782	2.2
Heidelberg#	971	1,015	(4.3)	933	4.1	951	(0.2)
JK Cement	1,198	1,219	(1.7)	897	33.5	1,039	(0.7)
JK Lakshmi	725	762	(4.8)	672	7.8	697	(0.7)
Nuvoco Vistas	885	806	9.8	754	17.4	815	3.7
Sagar Cements	540	571	(5.5)	518	4.1	529	(2.0)
Shree Cement#	851	771	10.3	753	12.9	799	11.5
Star Cement	968	1,030	(6.0)	841	15.2	901	(4.3)
The Ramco Cements#	578	510	13.5	586	(1.3)	582	10.3
UltraTech	882	834	5.8	696	26.8	785	(1.7)
Average	**864**	**821**	**5.1**	**744**	**16.0**	**801**	**2.8**

Source: Company, Dolat Capital #Standalone

Exhibit 16: Raw material Cost/tn increase 3.9% YoY (+5.3% QoQ)

(Rs/ tn)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	H1FY26	YoY%
ACC	1,986	1,808	9.9	2,000	(0.7)	1,993	17.1
Ambuja	776	999	(22.3)	810	(4.2)	794	(20.4)
Birla Corp	649	719	(9.8)	964	(32.7)	816	18.1
Dalmia Bharat	735	667	10.3	667	10.2	701	(5.9)
Heidelberg#	804	869	(7.6)	844	(4.8)	825	1.1
JK Cement	926	1,035	(10.5)	984	(5.9)	957	(5.1)
JK Lakshmi	942	990	(4.8)	922	2.2	931	(18.8)
Nuvoco Vistas	998	1,113	(10.3)	971	2.7	983	(11.0)
Sagar Cements	1,276	903	41.2	566	125.3	913	12.6
Shree Cement#	682	543	25.6	626	9.1	652	21.1
Star Cement	1,353	1,609	(15.9)	1,595	(15.2)	1,480	(18.2)
The Ramco Cements#	1,093	894	22.3	871	25.5	988	14.2
UltraTech	1,149	993	15.7	1,037	10.9	1,091	11.7
Average	**955**	**919**	**3.9**	**907**	**5.3**	**930**	**1.3**

Source: Company, Dolat Capital #Standalone

Exhibit 17: Employee expenses/tn decline 1.4% YoY (+13.2% QoQ)

(Rs/ tn)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	H1FY26	YoY%
ACC	148	183	(18.9)	167	(11.1)	158	(5.0)
Ambuja	240	245	(1.8)	222	8.2	231	4.2
Birla Corp	357	354	0.8	318	12.3	336	(2.5)
Dalmia Bharat	329	328	0.3	324	1.4	327	3.0
Heidelberg#	385	384	0.3	315	22.4	347	(5.0)
JK Cement	493	515	(4.1)	441	11.8	466	(2.9)
JK Lakshmi	457	445	2.7	374	22.4	412	7.1
Nuvoco Vistas	414	391	5.7	354	16.8	381	0.6
Sagar Cements	277	262	5.8	230	20.6	253	5.2
Shree Cement#	325	331	(1.8)	284	14.2	303	4.9
Star Cement	609	660	(7.8)	515	18.2	560	(5.9)
The Ramco Cements#	318	303	5.1	345	(7.6)	331	7.4
UltraTech	314	324	(3.1)	264	19.1	288	4.7
Average	**328**	**333**	**(1.4)**	**290**	**13.2**	**308**	**2.7**

Source: Company, Dolat Capital #Standalone

Exhibit 18: APAT grew 85.1% YoY (-49.5% QoQ)

(Rs mn)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	H1FY26	YoY%
ACC	4,478	2,347	90.8	3,759	19.1	8,237	38.6
Ambuja	2,787	6,357	(56.2)	7,691	(63.8)	10,479	(17.9)
Birla Corp	905	(252)	(459.2)	1,196	(24.3)	2,101	2,727.1
Dalmia Bharat	2,360	550	329.1	3,770	(37.4)	6,130	118.9
Heidelberg#	249	112	122.4	482	(48.3)	732	43.1
JK Cement	1,607	247	549.4	3,244	(50.5)	4,851	131.2
JK Lakshmi	809	(307)	(363.8)	1,502	(46.1)	2,311	277.4
Nuvoco Vistas	364	(804)	(145.3)	1,311	(72.2)	1,676	(316.1)
Sagar Cements	(423)	(556)	(23.8)	12	(3,568.0)	(411)	(51.1)
Shree Cement#	2,771	931	197.6	6,185	(55.2)	8,957	118.0
Star Cement	719	57	1,153.3	985	(26.9)	1,704	363.3
The Ramco Cements#	743	256	189.9	860	(13.6)	1,603	162.3
UltraTech	12,316	7,029	75.2	22,643	(45.6)	34,959	52.9
Total	**25,208**	**13,622**	**85.1**	**49,881**	**(49.5)**	**75,089**	**66.2**

Source: Company, Dolat Capital #Standalone

Exhibit 19: Change in estimates

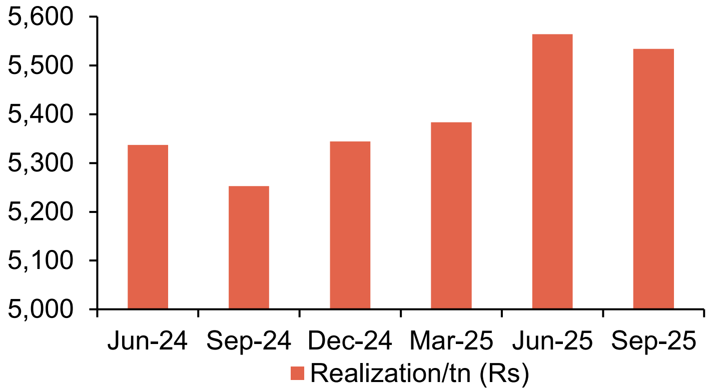
Particulars (Rs mn)	FY26E			FY27E			FY28E
	New	Old	Chg (%)	New	Old	Chg (%)	Introduced
Net revenues	22,49,262	22,39,856	0.4	25,08,719	25,00,680	0.3	27,64,340
EBIDTA	4,43,042	4,63,684	(4.5)	5,28,745	5,50,143	(3.9)	6,13,026
EBIDTA margin (%)	19.7	20.7	(100)	21.1	22.0	(92)	22.2
Adj. Net Profit	1,86,016	2,01,027	(7.5)	2,38,491	2,56,312	(7.0)	2,87,206

Source: Company, Dolat Capital

We maintain our Revenue estimates for FY26E/FY27E, however, considering lower realization and higher opex/tn, we decrease our EBITDA/APAT estimates by 4.5%/ 7.5% for FY26E and 3.9%/7.0% for FY27E. We introduce FY28E.

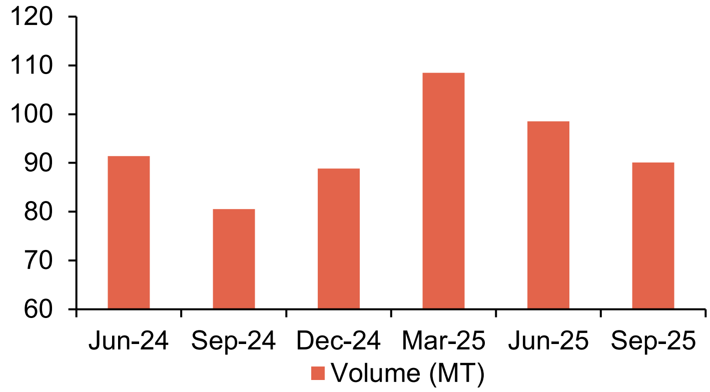
Note: As we factor Ambuja Cements consolidated numbers, we do not include ACC numbers at an aggregate level.

Exhibit 20: Realization/tn +5.4% YoY (-0.5% QoQ)



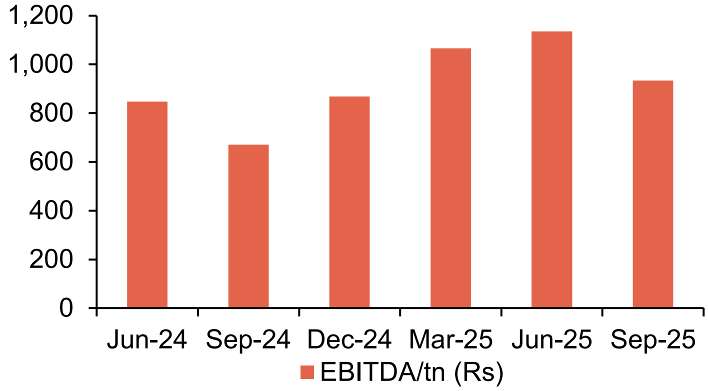
Source: Company, Dolat Capital

Exhibit 21: Volume +11.9% YoY (-8.5% QoQ)



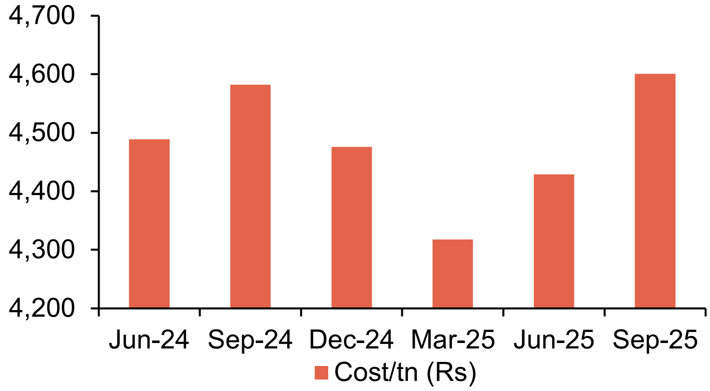
Source: Company, Dolat Capital

Exhibit 22: EBITDA/tn +39.2% YoY (-17.7% QoQ)



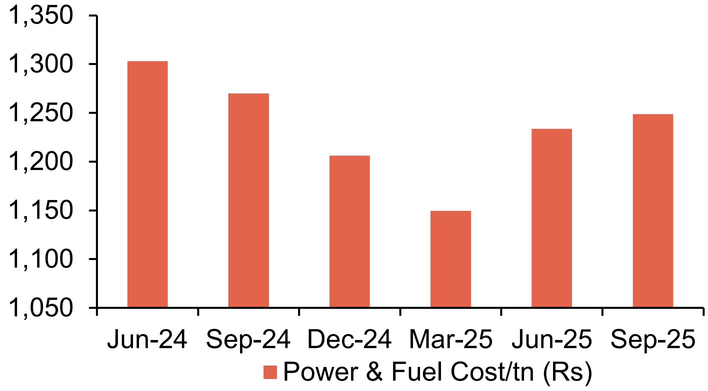
Source: Company, Dolat Capital

Exhibit 23: Cost/tn +0.4% YoY (+3.9% QoQ)



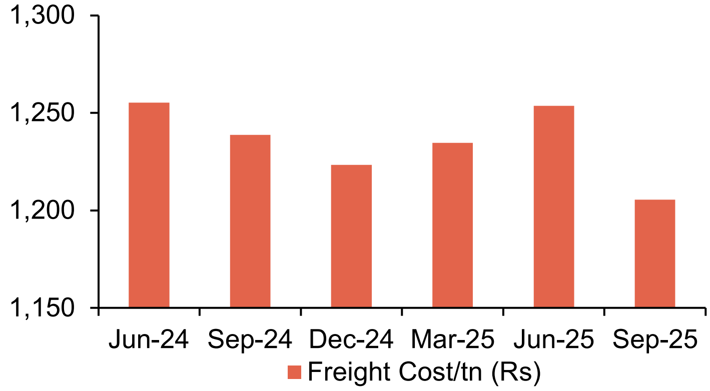
Source: Company, Dolat Capital

Exhibit 24: P&F Cost/tn -1.7% YoY (+1.2% QoQ)



Source: Company, Dolat Capital

Exhibit 25: Freight Cost/tn -2.7% YoY (-3.8% QoQ)



Source: Company, Dolat Capital

Exhibit 26: Net Debt and Net Debt/EBITDA(x) increased in H1FY26

(Rs bn)	Net Debt		Net Debt/EBITDA (x)	
	H1FY26	FY25	H1FY26	FY25
ACC	(2.9)	(35.9)	(0.1)	(1.2)
Ambuja	(18.1)	(101.3)	(0.2)	(1.7)
Birla Corp	24.3	25.4	1.7	2.1
Dalmia Bharat	16.0	7.2	0.6	0.3
Heidelberg#	(3.2)	(4.1)	(1.2)	(1.7)
JK Cement	42.3	33.4	1.8	1.6
JK Lakshmi	14.2	17.3	1.3	2.0
Nuvoco Vistas	52.9	36.4	3.1	2.7
Sagar Cements	14.3	12.6	5.8	9.0
Shree Cement#	(63.6)	(57.2)	(1.4)	(1.5)
Star Cement	4.3	3.1	0.5	0.5
The Ramco Cements#	45.5	44.4	3.3	3.6
UltraTech	197.1	176.7	1.3	1.4
Total	**326.0**	**194.0**	**0.84**	**0.60**

Source: Company, Dolat Capital, #Standalone

	Industry & Demand
ACC & Ambuja Cements	▪ **Industry demand:** Despite moderate growth of 4% at industry level for Q2FY26, ACEM core volume growth stood at 11%. Demand is expected to grow by 7-8% for FY26E, driven by improved economic sentiments, higher investments both from public and private sectors. ACEM targets double-digit volume growth over the next many quarters, supported by capacity expansions. ▪ **Consolidated volume:** Stood at 16.9mt (+18.4% YoY/-10.4% QoQ) in Q2FY26; core growth excl. Penna/Orient stood at 11%. ▪ **Market share:** ACEM has increased market share by ~1% to 16.6% in Q2FY26 vs. 15.5% in Q1FY26; targets to increase market share to 20-22% by FY28E. Entire sales of Penna and Orient have been under ACC/ACEM brands, which is well received by the customers. ▪ **Capacity Utilisation Trends:** Capacity utilization stood at 65-67% in Q2FY26, base assets (ACC+ACEM) utilization stood at 75%, Orient utilization remained healthy; however, Sanghi was affected due to the monsoon in Q2FY26. Expect Sanghi utilization to increase to 65-70% in Q3FY26E/Q4FY26E. Utilization for Penna remains lower as per the typical trends of the South region. ▪ **Trade share:** Stood at 68% in Q2FY26 vs. 74%/74% in Q1FY26/Q2FY25. ▪ **Blended cement share**: Stood at 77% in Q2FY26 vs.80%/84% in Q1FY26/ Q2FY25. ▪ **Premium Mix & Product Optimization:** Premium share of trade sales stood at 35% in Q2FY26 vs. 33%/26 % in Q1FY26/Q2FY25. The company is also installing 13 blenders at various locations over 12 months, which will optimize the product mix and increase higher share of premium cement, thereby improving realisation. ▪ **Clinker factor:** Stood at 67% in Q2FY26 vs. 65.8%/63.5% in Q1FY26/Q2FY25. ▪ **Lead Distance & Logistics Efficiency:** Lead distance in Q2FY26 stood at 265 kms vs. 269 kms/271 kms in Q1FY26/Q2FY25. The company plans to reduce lead distance by 50 km (vs. 50-75 km earlier) by FY28E, as it expands capacities to cater to new and existing markets with the revised 155mtpa capacity. ▪ **Direct dispatches:** Stood at 59% in Q2FY26 vs. 54% in Q2FY25.

Birla Corporation	▪ **Outlook:** The company expects 4-5% YoY industry volume growth in Q3FY26 with demand improvement led by government capex, infrastructure and rural housing. BCORP expects northern and western regions to drive demand recovery, while the southern and eastern regions are expected to continue to suffer from supply overhang. ▪ **Regional demand trend**: In Q2FY26, overall demand in North and Central India remained stable, while Eastern (ex Bihar) and Western markets saw weakness due to intense competition and GST-related disruptions. Management expects demand revival in Q3FY26, led by Government infrastructure capex, healthy monsoon, and improving rural housing demand. ▪ **Consolidated volume:** Stood at 4.25 mt in Q2FY26 (+7.05% YoY/-11.2% QoQ). Mukutban volume stood at 0.6mt in Q1FY26 vs. 0.66mt/0.50mt in Q1FY26/ Q2FY25. ▪ **Capacity utilization**: Stood at ~85% in Q2FY26 vs. 96%/88% in Q1FY26/ Q2FY25. ▪ **Trade share**: Stood at 79% in Q2FY26 vs. 78%/71% in Q1FY26/Q2FY25; the company will continue to focus on maintaining trade share. ▪ **Blended cement:** Stood at 89.0% in Q2FY26 vs. 89.0%/83.0% in Q1FY26/Q2FY25; supported by strong volume growth of 7–11% in Madhya Pradesh and Rajasthan. The company will continue its focus on blended cement. ▪ **Premium cement: Share in trade** stood at 60% in Q2FY26 vs. 58.0%/62.0% in Q1FY26/Q2FY25; will maintain this share going ahead. Perfect Plus grew 20% by volume in Q2FY26 vs ~15% in FY25, whereas Unique Plus grew 28% in Q2FY26 vs 37% in Q1FY26 on a lower base. The company will try to maintain a premium share in this range in order to optimize its product mix between value and premium products. ▪ **Lead distance**: Stood at 340 kms in Q2FY26 vs. 342 kms/350 kms in Q1FY26/Q2FY25.

	Industry & Demand
Dalmia Bharat	▪ **Industry Demand & Outlook:** Cement industry demand grew in low single digits in Q1FY26 and Q2FY26, impacted by erratic rains, flash floods and the GST regime change, which led to slower channel inventory pickup and postponement of non-critical purchases by customers. However, the company expects momentum to improve in H2FY26, driven by improved customer sentiment, pent-up demand, back-to-back good monsoons, and potential RBI support to the real estate sector through ECBs. ▪ **Company Outlook & Guidance:** DALBHARA refrained from giving any industry volume growth (vs. earlier 6-7%)/company's growth guidance for FY26E; however, it is confident that H2FY26 will perform better than H1FY26. The company expects industry demand growth of ~7-8% for this decade. The company will continue to focus on profitable growth. ▪ **Cons. volume stood** at 6.9mt (+2.9% YoY) vs. 6.7 mt/7.0mt in Q1FY26/Q2FY25. ▪ **Trade:Non-Trade mix** stood at 62:38 in Q2FY26 vs. 68:32 in Q1FY26 vs. 63:37 in Q2FY25. ▪ **Blending ratio** stood at 80% in Q2FY26 vs. 85%/82.7% in Q1FY26/Q2FY25. ▪ **Premium share as % of trade** stood at 22% in Q2FY26 maintained at YoY & QoQ. ▪ **Cement to clinker ratio** stood at 1.62x in Q2FY26 vs.1.71x/1.64x in Q1FY26/Q2FY25. ▪ **Road:Rail mix** stood at 87:13 in Q2FY26 vs. 84:16 in Q1FY26 vs. 85:15 in Q2FY25. ▪ **Lead distance** stood at 287 kms in Q2FY26 vs. 280 kms/280 kms in Q1FY26/Q2FY25. ▪ **Direct dispatches** stood at 60% in Q2FY26 vs. 55% in Q2FY25.
JK Cement	▪ **Q2 Vol. Snapshot**: Consolidated volume grew by 15% YoY to 5mt in Q2FY26 (10.5% QoQ) with consolidated Grey/White volume growth of 16.1%/8.7% YoY to 4.5mt/0.44mt. UAE volumes stood at 0.12mt in Q2FY26 vs. 0.13mt/0.13mt in Q1FY26/Q2FY25. For JKCEM, volume growth was driven by strong performance in the Central (mid-teen) and South regions (on a low base), North largely remained flattish at 5–6%. ▪ **FY26 Vol. Guidance**: JKCE maintains volume guidance of 20mt (>10% growth) in grey cement for FY26; the industry is expected to grow by 7-8% in FY26. The company aims to grow ahead of industry growth, leveraging its expanded presence in high-potential markets to drive higher volumes as new capacities come onstream. ▪ **Capacity Utilisation**: Capacity Utilization stood at 69% in Q2FY26 vs. 83%/64% in Q1FY26/Q2FY25. Clinker utilization stood at 90% in Q2FY26 Vs 92% in Q1FY26. Clinker sales were substantially higher QoQ. ▪ **Trade:Non-trade mix**: Stood at 68% in Q1FY26 Vs 71%/63% in Q4FY25/ Q1FY25. The company plans to maintain trade:non-trade mix at 70:30, however, if opportunities are better in the non-trade segment, the company will cater to the market. ▪ **Blended mix**: Stood at 67% in Q2FY26 vs. 68%/65% in Q1FY26/Q2FY25. ▪ **Premium products share in trade**: Stood at 15% in Q2FY26 vs. 14%/14% in Q1FY26/Q2FY25. ▪ **Road:Rail mix:** Stood at 90:10 in Q2FY26 vs. 89:11/91:9 in Q1FY26/Q2FY25. ▪ **Lead distance:** Stood at 431 kms in Q2FY26 vs. 436 kms/419 kms in Q1FY26/Q2FY25. Expect 12-15 kms reduction post start of 3mtpa GU at Buxar, Bihar.

	Industry & Demand
JK Lakshmi Cement	▪ **Industry demand:** Industry demand grew by 6-7% in Q2FY26 (muted in Q1FY26), and H2FY26 is expected to witness better demand. Having said that, Oct'25 saw muted demand due to prolonged monsoons and ongoing festivities. ▪ **Volume:** Q2FY26 Consolidated cement sales volume stood at 2.8mt (+15.1% YoY/-14.5% QoQ). The company expects to sustain its momentum and deliver higher-than-industry growth for H2FY26E**.** ▪ **Capacity utilization:** Stood at 69% in Q2FY26 vs. 78%/57% in Q1FY26/Q2FY25. ▪ **Non-Cement Revenue:** Total non-cement revenue stood at Rs1.53 bn in Q2FY26 vs. Rs1.44 bn/Rs1.26 bn in Q1FY26/Q2FY25. RMC revenue stood at Rs720 mn in Q2FY26 vs. Rs700 mn/Rs660 mn in Q1FY26/Q2FY25. Margins for non-cement revenue stood at 4% in Q2FY26 vs. 4%/5% in Q1FY26/Q2FY25. ▪ **Trade: Non-trade mix:** Stood at 53:47 in Q2FY26 vs. 56:44/54:46 in Q1FY26/Q2FY25. ▪ **Premium Share:** Stood at 26% in Q2FY26 vs. 23%/25% in Q1FY26/Q2FY25; aims to increase this share. JKLC's 'Pro+' and 'Green Plus' brands are doing well in all markets, and this is one of the reasons the company can bridge the price gap with competitors. ▪ ▪ **Blending ratio:** Stood at 62% in Q2FY26 vs. 63%/66% in Q1FY26/Q2FY25**.** ▪ **Lead distance**: Stood at 395 kms in Q2FY26 vs. 399 kms/374 kms in Q1FY26/Q2FY25.
Nuvoco Vistas Corporation	▪ **Muted Q2 due to seasonality**: Cement demand in Q2FY26 was impacted by intense monsoon, festivities and channel realignment post GST rate revision. Industry volume growth remained low at 2-4% in Q2FY26; demand remained tepid in the East, whereas North remained buoyant. However, the near-term outlook looks positive with revival in infrastructure and higher capex in housing and infra sector; the company expects industry to grow at 7-8% in H2FY26E; Nuvoco to grow in line (the company will try to maintain its market share). It plans to grow at 1.2-1.5x the industry growth in its key markets of Chhattishgarh, Haryana, Rajasthan and Gujarat. The implementation of revised GST rates from 28% to 18% will provide a structural boost to the sector; the company and industry have passed on the benefit to the customers. ▪ **Trade share** stood at 74% in Q2FY26 vs. 76%/71% in Q1FY26/Q2FY25. ▪ **Premium products** share in trade stood at 44% in Q2FY26 vs. 41%/43% in Q1FY26/Q2FY25. The company expects 25% QoQ increase in premium volume in Q3FY26 and a further 10% QoQ increase in Q4FY26; expects 150-200 bps improvement in premium share in the upcoming quarters. ▪ **Cement to clinker ratio** stood at 1.72x in Q2FY26 Vs 1.74x/1.75x in Q1FY26/Q2FY25. The company expects cc ratio in East to improve from 2.1x to 2.3x. ▪ **Lead distance** stood at 331 kms in Q2FY26 vs. 334 kms/330 kms in Q1FY26/Q2FY25. ▪ **Road:Rail** share stood at 60:40 in Q2FY26 vs. 63:37 in Q1FY26 vs. 60:40 in Q2FY25.

	Industry & Demand
Sagar Cements	▪ **Demand:** Overall demand remained subdued in Q2FY26 due to seasonality but is expected to improve in H2FY26. South markets continue to perform well. In FY26, South is expected to grow by high single digit to low double digit. For FY26, AP/Telangana is expected to grow by high single digit, expect flat to slightly positive for Tamil Nadu and 3-5% growth for Karnataka. For FY27E, it expects volume growth of >15% YoY for AP/Telangana, 5-10% for Tamil Nadu and 3-5% for Karnataka. AP demand is expected to be higher on the back of new infra projects, Telangana demand is expected to see an uptick on the back of traction in low-cost housing. ▪ **Guidance:** SGC maintains its volume target of 6mt in FY26E; further expects to achieve at least 7mt in FY27E (could be revised upwards) with the commissioning of new units. ▪ **Clinker sales** stood at 0.053mt in Q2FY26 vs. 0.053mt/0.012mt in Q1FY26/ Q2FY25. ▪ **Trade:Non-trade** mix stood at 51:49 in Q2FY26 vs 52:48/51:49 in Q1FY26/ Q2FY25. ▪ **Blended cement** stood at 50% in Q2FY26 vs 53%/51% in Q1FY26/Q2FY25. ▪ **OPC/PPC/PSC/CC/PPCIP/SRC/GGBS** ratio stood at 50%/32%/8%/3%/ 3%/1%/ 3% in Q2FY26 vs. 48%/33%/10%/4%/2%/1%/2% in Q1FY26 vs. 49%/34%/9%/ 3%/2%/0%3% in Q2FY25. ▪ **Capacity utilization** stood at 53% in Q2FY26 vs. 55%/43% in Q1FY26/Q2FY25. Capacity utilization for Jeerabad/Jajpur/Gudipadu/Bayyavaram/Mattampally/ Andhra Cements stood at 94%/34%/92%/63%/48%/32% in Q2FY26 vs. 94%/ 48%/77%/66%/54%/32% in Q1FY26 vs. 59%/20%/83%/52%/42%/27% in Q2FY25. ▪ **Lead distance** stood at 255kms in Q2FY26 vs. 255/254 kms in Q1FY26/Q2FY25
Star Cement	▪ **Volume:** Q2FY26 volume stood at 1.2mt (+19.7% YoY); STRCEM maintained its volume guidance at 5.4-5.5mt in FY26E. ▪ **Consol production**: Clinker production stood at 0.918mt in Q2FY26 vs. 0.89mt/0.658mt in Q1FY26/Q2FY25. Cement production stood at 0.101 mt in Q2FY26 vs. 1.231mt/0.96mt in Q1FY26/Q2FY25. ▪ **Consol sales**: Cement Sales stood at 1.073mt (0.764mt NE/0.309mt outside NE) in Q2FY26 vs. 1.22mt/0.96mt in Q1FY26/Q2FY25. Clinker sales stood at 0.101mt in Q2FY26 vs. 0.074mt/0.016mt in Q1FY26/Q2FY25. ▪ **Trade:Non-trade mix**: Stood at 80:20 in Q2FY26 vs. 81:19/85:15 in Q1FY26/ Q2FY25. ▪ **Premium share**: Stood at 14.1% in Q2FY26 vs. 12.2%/10.6% in Q1FY26/ Q2FY25. ▪ **PPC:OPC share**: Stood at 84:16 in Q2FY26 vs. 85:15/90:10 in Q1FY26/ Q2FY25. ▪ **Geological mix**: Stood at 71:29 in Q2FY26 for NE: Outside NE vs. 73:27/78:12 in Q1FY26/Q2FY25. ▪ **Lead distance**: Stood at 230 kms in Q2FY26 vs. 220 kms/218 kms in Q1FY26/ Q2FY25.

	Industry & Demand
UltraTech Cement	▪ Industry demand and outlook: UTCEM witnessed industry growth of 4.5-5% in Q2FY26 and expects 6-7% growth for FY26E. Rural markets continue to outperform (13% YoY in Q2FY26); the company remains confident that rural markets will achieve ~10% growth in FY26E supporting IHB segment growth. New infrastructure projects, including highways, metro, ports, Sagarmala, and announced data centres, are expected to further drive cement consumption. UTCEM expects an increase in premiumization as the GST rate cut has declined cement prices by Rs30/bag. UTCEM expects to grow higher than the industry in FY26E and targets to increase market share from 28% currently to 3233%. ▪ **Volume:** On a consolidated basis, UTCEM's sales volume stood at 33.85mt (+15.1% YoY/-8.1% QoQ) in Q2FY26. ICEM volume stood at 2.44mt in Q2FY26 vs. 2.18mt in Q1FY26. Excl. ICEM, UTCEM volume stood at 31.4mt (+6.8% YoY/9.4% QoQ) in Q2FY26. ▪ **Geo-wise capacity utilisation** stood at 70%/high 60%/low 60% for North and South/West/Central and East. ▪ **Trade share** stood at 65.7% in Q2FY26 vs. 66.3%/67.5% in Q1FY26/Q2FY25. ▪ **Premium products** contributed 37.4% in Q2FY26 vs. 33.8%/23.4% in Q1FY26/Q2FY25. ▪ **Cement to clinker ratio** stood at 1.48x in Q2FY26 vs.1.49x/1.46x in Q1FY26/Q2FY25. As ongoing expansion is completed company targets cc ratio of 1.54 by FY27E, and as phase IV expansion completes, targets cc ratio of 1.6x. ▪ **Lead distance** stood at 366 kms in Q2FY26 vs. 370 kms/388 kms in Q1FY26/Q2FY25. ▪ **Road/Rail/Sea mix** stood at 75%/22%/3% in Q2FY26 vs. 72%/26%/2% in Q1FY26 vs.71%/ 27%/ 2% in Q2FY25. ▪ **Direct/depot sales** stood at 58.7%/41.3% in Q2FY26 vs.59.5%/40.5% in Q1FY26 vs.55.3%/44.7% in Q2FY25.

	Cement Prices
ACC & Ambuja Cements	▪ In Q2FY26, cement price per bag stood at Rs258/bag vs. Rs261/249 per bag YoY/QoQ (+3.6% YoY/-1.1% QoQ).
Birla Corporation	▪ **Realization/tn**: BCORP's cement realization/tn stood at Rs 4,878 (+3.3% YoY/0.3% QoQ) in Q2FY26. In Q2FY26, QoQ decline was much lower, supported by an increased share of premium share (60% vs. 58% in Q1FY26). ▪ **Non-trade pricing:** Due to the GST rate cut, many players dispatched heavy volumes in the non-trade segment in order to receive benefit of incentives. This led to pressure in non-trade prices, which continued post GST rate cut in Oct'25 as well. Prices in Central region declined by 3-5 per bag, and Telangana saw a decline of Rs7-10 per bag. Non-trade prices have witnessed a steeper decline Rs10-15/ bag in the central, western and northern India, which led to pressure in trade prices. The company mentioned that it has a lower non-trade share, which shielded it from any major impact due to this decline in prices. ▪ **Outlook:** Realizations are expected to remain broadly stable; prices may improve marginally on demand recovery in H2FY26. After a sharp decline in non-trade prices, prices are now expected to stabilize and slowly firm up on demand pull.
Dalmia Bharat	▪ **Pricing & Realization Trends:** The company has improved its price positioning in many markets, leading to improved realization/tn vs. industry. ▪ **Stable Pricing Amid Seasonal Weakness**: In Q2FY26, cement prices remained flat despite seasonal weakness. The company has passed on the GST reduction from 28% to 18% to customers. With improvement in demand, the company remains confident that pricing trends will remain stable.
JK Cement	▪ **In Pricing Trends:** Cement prices have witnessed marginal pressure post Q2FY26. The South market witnessed a price reduction compared to the North markets, where pricing pressure exists. ▪ **GST rate cut on cement prices:** The company has passed on the full benefit of GST rate cut to its consumers.
JK Lakshmi Cement	▪ Blended realization/tn stood at Rs5,388 (+7.8% YoY/+2.9% QoQ) whereas cement realization stood at Rs4,850/tn (+8.1% YoY/+1.0% QoQ). While trade prices remained largely stable across regions post Q2FY26, non-trade prices have declined.
Nuvoco Vistas Corporation	▪ **GST cut impact:** With the Union Government's GST reduction, the company passed on full benefit to customers. The GST change, announced around the festive season, briefly disrupted dealer purchases, but demand rebounded postimplementation. With construction activity peaking in the winter months, the company expects a 7–8% rise in demand ahead. ▪ **Stable pricing**: In Q2FY26, cement prices remained stable vs. Q1FY26; Oct prices also remain flat vs. Q2FY26 prices; however, there were minor seasonal declines in East UP. ▪ **Realization focus:** While near-term price hikes are unlikely, focus remains on improving realizations (Rs25-50/tn) in H2FY26 through a better geographical mix and targeting high-margin markets like Rajasthan, Chhattisgarh, and Haryana, along with continued work on premiumization.
Sagar Cements	▪ **Q2FY26 prices** did not see significant changes vs. exit of Q1FY26; 3-4% decline in realization was due to the seasonal impact on pricing. Trade prices remained flat, whereas nontrade pricing saw a decline in Q2FY26. ▪ **Cement prices are expected to remain flat in Q3FY26** and start improving in Q4FY26 as demand improves; however, they may see some decline in Mar'26 due to year end volume targets.

Star Cement	▪ **Pricing in Northeast market:** In Q2FY26, cement prices in Northeast increased by Rs8/bag QoQ to Rs493; current prices remain similar to Q2FY26. ▪ **Pricing in Outside Northeast market:** Cement prices in Bihar/WB declined by Rs5/Rs7 per bag QoQ in Q2FY26, and current cement prices in both regions are at similar levels as Q2FY26.
UltraTech Cement	▪ In Q2FY26, prices were impacted in the Central region, which led to lower realization/tn. Cement pricing currently remains stable vs. Q2FY26 avg.

	Profitability
ACC & Ambuja Cements	▪ **EBITDA & Cost reduction Roadmap:** ACEM maintains its target of achieving EBITDA/tn of Rs1,500 by FY28E with total cost reduction/tn to Rs4,000/Rs3,800/ Rs3,600-3,650 by exit of Mar'26/Mar'27/Mar'28 from current ~Rs4,200 at 5% reduction rate/year led by improved efficiencies and higher operating leverage, reduced lead distance and higher share of green power. Raw material/Power and fuel/logistics/other overheads cost to reduce by ~Rs50/~Rs200/ ~Rs100/~Rs50 over Mar'26 exit to Mar'28 exit. The company plans to achieve this through higher share of coal consumption, benefit of withdrawal of GST on November 03, 2025 5 Ambuja Cements coal cess, reduction in lead distance of ~50 km, increase in share of sea logistics to 5%, increase in green power share to 60%, reduction in power cost from Rs6/Kwh to Rs4.5/Kwh, long term tie ups for flyash/slag and improved operational efficiencies through use of latest technology. ▪ **Subsidiaries Profitability Outlook:** ACEM targets Penna and Sanghi to ramp up to 4-digit EBITDA/tn and sustain these levels before gradually increasing further.
Dalmia Bharat	▪ DALBHARA remains focused on delivering profitable growth going forward on the back of improved realizations and a consistent focus on cost leadership. The company maintains its target to reduce its total cost by Rs150-200/tn over the next 2 years (announced in Q1FY25).
JK Cement	▪ **Q2FY26 profitability:** Profitability was impacted by Rs100/tn due to shutdown at various plants and advertising and marketing spends, however, with increased volume and favourable operating leverage, the company expects this Rs100/tn impact to be reversed in Q3FY26E. Additionally increase in clinker inventory has led to higher P&F cost (incl. lower WHRS consumption due to shutdown); this has impacted profitability by Rs100-120 mn (Rs30/tn). ▪ **Cost Reduction Target:** The company maintains its target cost/tn reduction of Rs150-200/tn over the next 2-3 years. For FY26, JKCE aims to achieve cost savings of Rs 75–90/tn (vs. earlier guidance of Rs40–50/tn) and rest Rs75-80/tn in FY27E. Cost savings to come in from lower logistics costs, improving green power and AFR share.
JK Lakshmi Cement	▪ The company continues to strengthen its core markets, with the share of North (including Gujarat) rising to 69% in Q2FY26, while East declined 3% in Q2FY26. Improved geographical mix, along with higher contribution from the subsidiary business (Rs1.53 bn vs. Rs1.44 bn QoQ), supported blended realizations. The focus on branding and premiumization also remains intact, aiding margin stability. ▪ **Cost optimisation initiatives:** JKLC maintains its target of total cost reduction of Rs100-120/tn over the next 18-24 months led by multiple levers (1) higher share of renewable power and improved TSR, (2) logistics optimisation via reduced lead distance and digital initiatives, (3) efficiency gains at the plant level through AI- and ESR-driven process automation, and (4) strengthening price positioning through an enhanced premium product mix. The company remains on track to deliver these savings, supported by the strong performance of its newly launched premium brand and ongoing focus on technology-led cost efficiencies. ▪ It aims to achieve Rs1,000/tn EBITDA.
Nuvoco Vistas Corporation	▪ **Focus areas:** NUVOCO remains focused on cost efficiency and value-led growth to drive strong EBITDA growth, which includes premiumization, geo-optimization, trade share, fuel mix optimization, brand strengthening and cost efficiency. ▪ **Growth strategy**: It will focus on both volume and value growth. ▪ **Cost savings**: NUVOCO expects cost savings of Rs50/tn YoY in H2FY26E led by 1) increase in use of AFR, 2) improvement in WHRS, 3) lead reduction, 4) commissioning of railway siding in Odisha.

Sagar Cements	▪ **EBITDA guidance**: SGC aims to clock an EBITDA/tn of Rs 600/tn (maintained) in FY26E, considering current cement prices remain stable. The company is working on cost optimization initiatives, which include lowering clinker factor, reducing lead distances, and leveraging operating efficiency as plant utilization improves. ▪ **Q2FY26 performance**: Q2FY26 EBITDA/tn was affected by inventory adjustments and a 3-4% decrease in realizations resulting from seasonal and GST influences. ▪ The **Andhra Cement plant** is expected to break even at 50% utilization (currently at 32%), targeting 60% next year with expected EBITDA/tn of Rs500–600, subject to realizations.
Star Cement	▪ **EBITDA:** Company targets EBITDA/tn of Rs1500-1650 for FY26E.
UltraTech Cement	▪ **EBITDA/tn for UTCEM** existing operations/ICEM/Kesoram stood at Rs966/Rs386/Rs755. The company plans to reach Rs1,000/tn EBITDA for Kesoram in Q3FY'26 and Rs1,000/tn EBITDA for India Cement before the expansion gets over. ▪ **Q2FY26 profitability** was affected due to higher maintenance/shutdown cost (617 kiln days vs. 207 in Q1FY26), increased ad spends (Rs500 mn higher QoQ), and higher staff costs due to annual increments and bonuses (Rs 940 mn higher QoQ), together affecting EBITDA by ~Rs200/tn. In Q3FY26E, the company expects a reversal of Rs100/tn due to normalization of maintenance and other one-off costs.

	COST
ACC & Ambuja Cements	▪ **RM Cost:** RM cost/tn stood at Rs810 in Q2FY26 (-22.3% YoY/-4.2% QoQ); plans to maintain lower RM cost. Higher clinker consumption and higher clinker production vs volumes have led to excess stock lying in closing stock, and the benefit of this is expected to flow in Q3FY26. In the long term, expect RM cost to reduce with initiatives viz., long-term arrangement for major raw materials, infra for raw material handling viz. BCFC projects, maximization of cheaper raw material, replacing costlier raw materials viz. activated gypsum etc. ▪ **P&F cost:** Kiln fuel cost stood at Rs1.6 per Kcal in Q2FY26 vs. Rs1.59/1.59 per Kcal in Q1FY26/Q2FY25; expect to sustain this level in Q3FY26. The company has 2 months' equivalent inventory of low-cost coal, which will help to sustain the lower cost. Power cost stood at Rs5.96/kWh in Q2FY26 vs. Rs6.34/kWh in Q2FY25. ▪ **Fuel Mix Update:** Fuel mix for Q2FY26 stood at 66%/34% for coal/petcoke; the company targets to improve this to 71%/29% for coal/petcoke in H2FY26E. ▪ **Freight cost:** Freight cost/tn declined 4.5%/5.0% YoY/QoQ to Rs1,224. The company expects this to decrease going forward, with an increase in lead distance by 50 km, an increase of sea transport share to 5% (vs. 10% earlier), improved direct dispatches, a long-term contract with CONCOR, etc. The company has also planned logistics debottlenecking, which is expected to improve current capacity utilization by 3% over the next 24 months. ▪ **Other expenses:** Other expenses/tn stood at Rs805 in Q2FY26 vs. Rs771/Rs723 in Q1FY26/Q2FY25, an increase was on account of an increase in sales promotion and marketing expenses; however, with increased volumes and improvement in utilization of acquired assets, other expenses are expected to reduce going ahead. ▪ **Green power:** Green power share stood at 32.9% in Q2FY26 vs. 28.1% (WHRS share 16.6%)/18.2% (WHRS share 15.1%) in Q1FY26/Q2FY25; targets to reach 60% by FY28E. As green power share increases, the power cost is expected to reduce to Rs4.5/kWh vs. Rs6.0/kWh in Q2FY26. At present, WHRS capacity stands at 228MW, with targets to increase to 376MW by FY28E. RE capacity to increase from 673MW currently to 1,122MW by FY28E. ▪ **TSR:** Stood at 6.0% in Q2FY26 vs. 6.4%/9.5% in Q1FY26/Q2FY25.
Birla Corporation	▪ **RM cost** – RM cost/tn stood at Rs649 (-9.8% YoY/-32.7% QoQ); increase was on account of purchase of clinker due to Maihar (MP) plant shutdowns (impact of Rs200-250 mn). The company does not expect to purchase clinker for the H2FY26E as all plants are now up and running. ▪ **P&F cost**: P&F cost/tn stood at Rs 1,052 in Q2FYF26 vs. Rs825/Rs1,025 in Q1FY26/Q2FY25. Fuel cost stood at Rs1.48 per Kcal in Q2FY26 vs. Rs1.46/Rs1.47 per Kcal in Q1FY26/Q2FY25. ▪ **Freight cost:** Freight cost/tn stood at Rs1,299 in Q2FY26 vs. Rs1,347/Rs1,249 in Q1FY26/Q2FY25. ▪ **Renewable Power:** Share of renewable power in the total power consumed stood at 30% in Q2FY26 vs. 26.9%/25% in Q1FY26/Q2FY25. To further enhance the green power share, the company has begun sourcing 6MW of wind-solar hybrid power at Chanderia from Oct'25 and 6.98MW at Durgapur from Nov'25. Additionally, the board approved 9MW of Solar BESS at Chanderia and plans to generate 5MW solar power at Mukutban. With this, RE share is expected to rise to 32% in H2FY26.

	COST
Dalmia Bharat	▪ **Low-cost** producer: DALBHARA consistently upholds its position as one of the lowest total cost producers. ▪ **RM cos**t: RM cost/tn stood at Rs735 (+10.3% YoY/+10.2% QoQ) in Q2FY26. ▪ **P&F Cost:** Fuel consumption cost stood at $100 per tn in Q2FY26 vs. $100/$101 per tn in Q1FY26/Q2FY25. On a per Kcal basis, fuel cost stood at Rs1.38 in Q1FY26 vs. Rs1.33/Rs1.36 in Q1FY26/Q2FY25. Current spot prices stand $116 per tn; hence company expects a marginal increase in cost per kcal in Q3FY26. With reduction in GST for coal compensation cess, the company recorded a benefit of Rs200 mn in H1FY26; expect Rs200mn/Rs500-550 mn cost reduction benefit in H2FY26E/FY27E. ▪ **Freight Cost:** Freight cost/tn stood at Rs1,060 (-3.9% YoY/-6.7% QoQ) in Q2FY26. Decrease on a YoY/QoQ basis was partly due to temporary railway surcharge relief for two months in Q2FY26. ▪ **Green power:** Green share stood at 48.1% in Q2FY26 vs. 41.2%/39% in Q1FY26/Q2FY25. In Q2FY26, DALBHARA commissioned 93MW RE capacity under Group Captive, increasing its total RE capacity to 387MW (73MW WHRS/136MW Solar/177MW Group Captive) vs. 294MW/202MW in Q1FY26/Q1FY25. The company targets to reach 576MW by FY26E of which 88MW/172MW/316MW from WHRS/Solar/Group captive capacity. ▪ **Employee cost:** The company has introduced a variable pay structure for all senior and mid-level managers across the organization; the new framework links compensation to the company's overall performance, individual contributions and safety.

	COST
JK Cement	▪ **P&F cost:** On a per kcal basis, fuel cost stood at Rs1.56 per Kcal in Q2FY26 vs. Rs1.53/Rs1.65 per Kcal in Q1FY26/Q2FY25. ▪ **Fuel mix:** 75%/25% of petcoke/imported coal+AFR in Q2FY26 vs. 60%/40% in Q1FY26 vs. 75%/25% in Q2FY25. ▪ **Other expenses**: Other cost/tn stood at -1.7% YoY/+33.5% QoQ at Rs1,198. The sequential increase was as expected, as management had guided for higher other expenses in Q2FY26 owing to higher Advertisement & Maintenance and operating de-leverage. ▪ **Green Power mix**: Stood at 53 % in Q2FY26 vs. 52%/49% in Q1FY26/Q2FY25. The target is to reach 75% by FY30 (could be delivered early). At present, green power capacity stands at 237.14MW (82.3MW/154.84MW - WHRS/ Solar & Wind). ▪ **TSR:** Stood at 12.3% in Q1FY26 vs. 13.2%/13% in Q1FY26/Q2FY25. The target is to reach 35% by FY30.
JK Lakshmi Cement	▪ **P&F cost –**On a per Kcal basis, fuel cost stood at Rs1.54 in Q2FY26 vs. Rs1.5/Rs1.62 in Q1FY26/Q2FY25; increase was mainly due to lower share of green power on account of kiln shutdowns impacting WHRS generation and lower solar output amid weak weather conditions. Additionally, pet coke prices rose to ~$116–120/ton, leading to marginal cost pressure. Management expects P&F cost to remain largely stable in the coming quarters, unless there is a sharp uptick in pet coke prices. ▪ **TSR:** JKLC plans to increase its TSR from 4% to 16% in a phased manner at its Sirohi plant. ▪ **Green share:** stood at 46% in Q2FY26 vs. 49%/47% in Q1FY26/Q2FY25; targets to reach 52% in FY26E.
Nuvoco Vistas Corporation	▪ **RM cost:** RM cost: RM cost/tn -10.3% YoY/+2.7% to Rs998 in Q2FY26. Nuvoco continues to be better placed in slag supply due to long-term contracts. ▪ **Freight cost:** Freight cost/tn +2.5% YoY/-3.1% QoQ to Rs1,501 in Q2FY26, primarily supported by operational efficiency gains and partial waiver of Busy Season Surcharge. ▪ **P&F cost:** Blended fuel cost stood at Rs1.46 per Kcal in Q2FY26 vs. Rs1.43/Rs1.54 per Kcal in Q1FY26/Q2FY25; the increase QoQ was driven by an increase in petcoke prices and kiln/CPP shutdowns and slightly higher fuel prices. Post-November (Q3FY26), with all shutdowns completed and AFR usage rising from 10% to 12% in key factories (Nimbol, Chittor, Rizda), P&F cost is expected to normalize to ~Rs1.43 per Kcal, while remaining among the lowest in the industry due to optimized fuel mix and strategic sourcing. ▪ **Fuel Mix:** Petcoke/Coal (Imported + Domestic)/AFR stood at 48%/42%/10% in Q2FY26 vs. 46%/44%/10% in Q1FY26 vs. 50%/42%/8% in Q2FY25. ▪ **Finance cost:** The company plans to issue Rs12 bn of CCDs (split into two tranches of Rs6 bn each) to replace the bridge loan. Once CCDs are issued, the related interest expense will cease, partially reducing P&L financing costs. The impact of this conversion is expected in Q3FY26. The company expects a similar run rate of finance cost going forward.

	COST
Sagar Cements	▪ **P&F cost:** On a per Kcal basis, the cost of Petcoke/Imported coal/Domestic coal stood at Rs.1.68/Rs.1.43/Rs.1.26 in Q2FY26 vs. Rs1.74/Rs1.52/Rs1.23 in Q1FY26 vs. Rs1.66/Rs1.73/Rs1.51 in Q2FY25. At present, the cost of imported petcoke/Indian petcoke/Imported coal/Domestic coal stands at Rs1.70/Rs1.71/ Rs1.65/Rs1.47 per Kcal. On the thermal prices front, the cost of Petcoke/Imported coal/Domestic coal stood at Rs11,779/Rs11,591/Rs6,474 in Q2FY26 vs. Rs12,299/Rs11,869/Rs6,286 per tn in Q1FY26 vs. Rs12,121/Rs9,526/Rs6,793 per tn in Q2FY25. ▪ **RM Cost/ton:** The YoY/QoQ increase in RM cost was primarily due to operational disruptions as the kiln at the Dachepalli plant was shut down for the commissioning of a new preheater, while the Mattampally plant underwent a maintenance shutdown in Sep'25. On a per ton basis, the cost stood at Rs1,276 in Q2FY26 vs. Rs566/ Rs903 in Q1FY26/Q2FY25. ▪ **Inventory:** In Q2FY26, the company made significant use of clinker inventory that had been stored in Q1FY26, particularly due to scheduled shutdowns and upgrades at the Andhra and Mattampalli plants. The company expects that these inventory effects will return to normal by mid-Q3FY26, facilitating margin recovery. ▪ **Employee cost:** Employee costs have risen in Q2FY26, largely due to 10% annual increments. This increased employee cost is likely to remain steady for H2FY26, with a similar run-rate (Rs365 mn/qtr) expected for Q3FY26 and Q4FY26. ▪ **Fuel mix:** Domestic coal/Imported coal/Petcoke/AFR at 28%/18%/49%/5% in Q2FY26 vs. 30%/26%/40%/4% in Q1FY26 vs. 8%/15%/72%/5% in Q2FY25. ▪ **Fuel cost management:** Despite the rise in Petcoke prices, overall fuel costs remained steady as domestic and imported coal prices held firm. By strategically increasing imported coal usage, the company maintained a balanced fuel mix, offsetting the impact from higher Petcoke prices. ▪ **Grid/Thermal/Green power** stood at 65%/19%/16% in Q2FY26 vs.60%/24%/ 16% in Q1FY26 vs. 70%/18%/12% in Q2FY25. The company plans to increase its green power share to 24%/50% by FY26E/FY30E. ▪ **TSR** stood at 4.71% in Q2FY26 vs. 4.69%/5.4% in Q1FY26/Q2FY25. The company plans to increase its TSR to 11%/25% by FY26E/FY30E.
Star Cement	▪ **Fuel mix** stands at Spot contract coal+FSA/Nagaland Coal/AFR & Biomass 80%/0%/20% in Q2FY26 vs. 79%/3%/18% in Q1FY26 vs. 55%/27%/18% in Q2FY25. ▪ **Green Power Share**: The Company is setting up a 50MW solar plant in Assam, and land has been acquired for the same. ▪ **Fuel cost:** Stood at Rs1.25 per Kcal in Q2FY26 vs. Rs1.35/Rs1.5 per Kcal in Q1FY26/Q2FY25; expected to remain stable in the range of Rs 1.25–1.30 per Kcal over the near term (next 5–6 months), the sharp reduction was driven by the availability of low-cost coal and carry-forward inventory, including older rakes received in Q2FY26. STRCEM currently holds ~2.8 lakh tonnes of fuel stock, sufficient for 5–6 months, hence remains confident to maintain the fuel cost levels.

	COST
UltraTech Cement	▪ **RM cost/tn**: RM cost/ton increased QoQ due to increased prices of flyash and gypsum. ▪ **Freight cost/tn**: On a YoY basis, the freight cost/tn declined on account of lead distance reduction (~22 kms) coupled with sustainable improvement in logistics efficiencies. ▪ **Power & Fuel cost/tn**: Fuel cost stood at Rs1.80 per Kcal in Q2FY26 vs. 1.78/1.85 per Kcal in Q1FY26/Q2FY25. Blended imported fuel consumption (CV of 7500) at $125 in Q2FY26 vs. 127 per tn in Q1FY26. Total power cost stood at Rs5.3/kwh in Q2FY26 vs. Rs5.6/kwh in Q2FY25. The company expects fuel cost to remain flat despite an increase in petcoke prices. ▪ **Fuel mix:** Share of petcoke stood at 44% in Q2FY26 vs 52%/54% in Q1FY26/Q2FY25; share of coal increased to get the benefit of reduction in GST for coal compensation cess. ▪ **Green share**: Green power mix has increased to 41.6% in Q2FY26 vs 39.5%/30.2% in Q1FY26/ Q2FY25. Currently, WHRS/RE capacity stands at 369MW/1.19GW. ▪ **Other expenses**: Other expenses/tn increased due to plant maintenance, higher advertising spend in Q2FY26 and the impact of negative operating leverage, resulting in a cost increase of ~Rs200/tn in Q2FY26. ▪ **AFR** mix stood at 7.3% in Q2FY26 vs. 6.7%/4.9% in Q1FY26/Q2FY25.

	Capex and Expansions
ACC & Ambuja Cements	▪ Capex Spends: **Capex** incurred for H1FY26 stands at Rs35.6 bn; expect capex of Rs80 bn (vs. earlier ~Rs90-100 bn) for FY26E. ▪ **Net Cash:** Reduced to Rs18.1 bn as on Sep'25 vs. Rs29.7 bn (Q1FY26) vs. Rs101.3 bn (FY25). Net Debt/EBITDA stood at -0.2x (Q2FY26) vs. -0.4x (Q1FY26) vs. -1.7x (FY25). ▪ **Capacity Expansion Pipeline:** At present, Adani's (Ambuja + ACC + Sanghi + Penna + Orient) current total cement capacity stands at 106.8mtpa and targets to reach ~118mtpa/130-135mtpa/155mtpa (vs. earlier 140mtpa) in FY26E/ FY27E/FY28E. In FY26E, capacity to increase by 12.6mtpa, of which 2.4mtpa/ 2.4mtpa/1.2mtpa/1.0mtpa at Salai Banwa/Marwar/Dahej/Kalamboli to be completed by Q3FY26, further, 1.2mtpa/2.0mtpa/2.4mtpa to be completed by Q4FY26, taking total cement capacity to 118mtpa by the end of FY26E. Preoperative work for 21mtpa cement is under progress. The company also announced debottlenecking initiatives at various plants, which would incrementally lead to capacity addition of 5.6mtpa/9.4mtpa by FY27E/FY28E, totalling to 155mtpa by FY28; debottlenecking to be completed at a lower capex of $48/tn (on an integrated basis). Clinker capacity of 4mtpa/4mtpa/3mtpa at Bhatapara Line 3 (trial run started)/Jodhpur/Maratha Line 2 to be commissioned by Q3FY26/Q4FY26/Q1FY27. Clinker capacity to increase from 65mtpa currently to 73mtpa/81mtpa/96mtpa by FY26E/FY27E/FY28E; along with earlier announced clinker capacity expansion of 19mtpa. The company further announced debottlenecking of 12mtpa (3 klin at 4mtpa each), and is evaluating additional capacity in Bhatapara/Sanghi. ACEM will focus on adding capacities in the North and West regions. ▪ **Update on Penna Cement and Sanghi Industries**: Consolidation process in progress; ACEM has filed the joint company applications before NCLT, Ahmedabad Bench; Penna and Sanghi merger is expected to be completed by end of FY26E.

	Capex and Expansions
Birla Corporation	▪ **Capex** Stood at Rs2.2 bn in H1FY26; expects Rs8 bn (vs. earlier Rs10-11 bn) capex (expansion + maintenance capex) for FY26E. ▪ **Capacity expansion of 7.6mtpa cement/3.7mtpa clinker –**BCORP maintains its capex and expansion plans. Kundangunj Line-3 with a capacity of 1.4mtpa expected to commission by end of Q3FY26/start of Q4FY26 (vs. earlier Q2FY26). The company has earlier announced setting up of 3.4mtpa (1.4mtpa/2.0mtpa in Prayagraj/Aligarh) cement/3.7mtpa clinker in UP/Maihar, MP at a capex of Rs34.75 bn; of which, 1.4mtpa/2.0mtpa to be commissioned by Q3FY28E/Q4FY29E and 3.7mtpa clinker by Q3FY28E. Further, it had also announced additional capacity of 2.8mtpa cement in Gaya, Bihar, at a capex of Rs8.6 bn, which will be funded through a combination of debt and internal accruals. Out of 2.8mtpa cement capacity, 1.4mtpa/1.4mtpa are expected to get commissioned by Q4FY27E/Q4FY29E. Post commissioning of all the GUs, the company's cement capacity is expected to increase to 21.4mtpa/22.8mtpa/ 24.2mtpa/27.6mtpa by FY26E/FY27E/FY28E/FY29E vs. 20mtpa in FY25 and clinker capacity will increase by 3.7mtpa to 17.4mtpa by FY28E vs. 13.7mtpa in FY25 with a total capex of Rs47.6 bn. ▪ **Mukutban Operations:** Mukutban volume stood at 0.6mt in Q2FY26 vs. 0.5mt/0.66mt in Q2FY25/Q1FY26; the company lost volume QoQ in Q2FY26 due to prolonged monsoon in the region.
Dalmia Bharat	▪ **Capex-** DALBHARA incurred capex of Rs11.9 bn in H1FY26, expects Rs30 bn (vs. earlier Rs40 bn) for FY26E; lower capex vs. earlier announced estimate is due to better negotiation with equipment suppliers as well as postponements of non-budget capex to next year. For FY27E, maintained capex of Rs40 bn. ▪ **Ongoing Expansion to reach 61.5mtpa by Q2FY28:** The company is on track for setting up of 3.6mtpa/6mtpa clinker/GU at existing Kadapa plant, AP (3mtpa Bulk terminal in Chennai, TN) with capex of Rs32.87 bn to be commissioned by Q2FY28E. This expansion will help the company expand into the underserved markets of Northern TN and strengthen its presence in AP and Southern Karnataka markets. The company has also earlier announced 3mtpa cement/3.6mtpa clinker capacity addition at its existing plant in Belgaum, Karnataka, with a new 3mtpa split GU in Pune, Maharashtra, at a capex of Rs35.2 bn to be commissioned by FY27E. The company has commenced trial run production of 3.6mtpa clinker line at Umrangso, Assam; commercial production expected by Q3FY26. Considering this, clinker capacity is expected to increase by 10.8mtpa (3.6mtpa/3.6mtpa/3.6mtpa at Lanka, Assam/Belgaum, Karnataka/ Kadapa, AP by Q3FY26E/FY27E/Q2FY28E) to 34.3mtpa by FY27E. It targets to reach cement/clinker capacity of 61.5mtpa/33.3mtpa by Q2FY28E from the current 49.5mtpa/23.5mtpa. ▪ **Roadmap of 61.5mtpa to 75mtpa capacity by FY28E:** Post announcing 10.8mtpa/12mtpa clinker/cement capacity expansion by Q2FY28E, DALBHARA is evaluating setting up of 2-2.5mtpa GU in Northeast, which will handle excess clinker from 3.6mtpa Assam unit. Further, the company is also evaluating a greenfield expansion at Jaisalmer (5-6mtpa at $90-100 per tn) for which land acquisition is under process. The company will take a final call on Jaisalmer and North East expansion by Mar'26; announcements to be dependent on JP assets acquisition. The company maintains its target to become a PAN India player and reach a capacity of 75mtpa by FY28E.

JK Cement	▪ **Capex:** JKCE incurred capex of ~Rs10.1 bn in H1FY26, expects capex Rs28-30 bn (vs. Rs20 bn earlier) for FY26 and Rs33-37 bn for FY27. Capex for Jaiselmer project (4mtpa/7mtpa clinker/cement capacity) stands at Rs48 bn, of which Rs78 bn/Rs25-28 bn to be spent over FY26/FY27; balance to be spent in FY28. ▪ **Ongoing expansion of 6mtpa cement/3.3mtpa clinker** – JKCE has increased its grey cement capacity at the Prayagraj plant by 1.0mtpa, taking the total grey cement capacity to 26.26mtpa (vs. 25.26mtpa earlier). Further expansion plans of i) 4mtpa clinker/1mtpa cement expansion at Panna – Construction work is ~95% complete, and the project is on track for Dec'25 commissioning, ii) 1mtpa cement at Hamirpur - civil work of the silo is in progress, expected to be completed by Dec'25, and iii) 3mtpa split GU at Bihar construction work is progressing well; on track for commissioning by Jan-Feb'26 (vs. earlier Dec'25). Total capex for these projects till date stood at Rs18.9 bn, of which Rs15.8 bn/Rs3.1 bn has been incurred for Panna, Hamirpur and Prayagraj expansions/split GU in Bihar. Post these expansions, the company's total grey cement capacity will increase from 26.26mtpa currently to 31.26mtpa by FY26. ▪ **Next Phase of Expansion- I**n Aug'25, JKCEM announced greenfield expansion of 7mtpa cement capacity, of which 3mtpa/2mtpa/2mtpa at Jaisalmer, Rajasthan/split GU in Rajasthan/split GU in Punjab with greenfield clinker unit of 4mtpa in Jaisalmer, Rajasthan, at a capex of Rs48.1 bn (~$78/tn). Construction work for the 4mtpa/3mtpa clinker/cement expansion at Jaisalmer has already commenced, with completion expected by Q2FY28 at a total capex of Rs36.3 bn (of which spent Rs2.4 bn till date). For split GUs in Rajasthan/Punjab, land acquisition is in progress, work on both projects is expected to commence by Q4FY26E; expects commissioning by Q2FY28, which will take total cement capacity to 38.26mtpa. To support this expansion, the company has 2 limestone mines near Jaisalmer at 15%/40% premium each. As per the Q1FY26 call, the company's targets to increase cement capacity to 50mtpa by FY30. ▪ **Toshali acquisition –** Toshali acquisition: JKCE may not be granted a mining lease; it is also pursuing the government to establish long-term agreements of 20-25 years. NCLT has approved the merger of Toshali into JKCEM. On the EBITDA level, Toshali is not yet reporting any operating profit, expects to break even by end of FY26. ▪ **Saifco acquisition**: JKCE completed the acquisition of Saifco cement in Jun'25, which has cement/clinker capacity of 0.42/0.26mtpa. The company launched its brand in Aug'25 and expects to clock 20ktn/month post the upcoming winter months; expects this plant to start being profitable from FY27. Further expansion is not yet announced; however, there is scope for improving efficiency in the current plant. There are large projects upcoming in J&K and market opportunity stands at 4mtpa (trade and non-trade), going ahead, JKCEM targets to reach 10% market share.

	Capex and Expansions
JK Lakshmi Cement	▪ JKLC Capex: JKLC incurred capex of Rs2.5 bn in H1FY26 vs Rs1 bn in Q1FY26; FY26 expected Rs10-12bn (vs. earlier Rs15 bn) and Rs13-15 bn per annum in FY2728 (vs. earlier Rs18 bn/15 bn for FY27/FY28) largely towards the ongoing Durg expansion and marginal capex in Northeast. Out of the total Rs30 bn Durg brownfield expansion, the company has incurred only ~Rs500mn till Sep'25, majority of capex is expected in FY27E-28E. Once future greenfield expansions are announced in FY28, capex is expected to shoot up in FY28 to FY30 as the company is considering capex at $100/tn for an 8-8.5mtpa greenfield expansion to reach 30mtpa by FY30. ▪ **Ongoing expansions**: JKLC has commissioned the additional 1.35 mtpa grinding unit at Surat. Along with this, the company also completed the debottlenecking of its cement mills at Jaykaypuram, Sirohi, taking its total cement capacity from 16.5 mtpa to 18 mtpa. The company is expanding clinker capacity by 2.3mtpa at its integrated cement plant at Durg (Chhattisgarh) and setting up four cement grinding units aggregating 4.6 mtpa at Durg (Chhattisgarh), Prayagraj (Uttar Pradesh), Madhubani (Bihar), and Patratu (Jharkhand) at a total capex of Rs30 bn (funded through Rs21 bn term loans and balance from internal accruals) where order for equipment has been placed. The project will be commissioned in phases, with Phase-1 (2.3mtpa clinker + 1.2mtpa GU at Durg, Chhattisgarh and 1.2mtpa GU at Madhubani, Bihar) by Mar'27, and the balance 2.2mtpa capacity (1.2mtpa at Prayagraj, UP and 1mtpa at Patratu, Jharkhand GUs) by Mar'28. JKLC is putting up a railway siding at its Durg cement plant at a capex of Rs3.25 bn, funded through Rs2.25 bn debt and the balance through internal accruals. Phase 1 of the project has already been completed. On the conveyor belt front, the main stage of approval from the sale board has been received, with final approval pending from the Ministry of Industries and Steel. The company continues to actively pursue this approval and expects progress over the coming months. Given the prolonged delay, management is also evaluating alternate options (Plan B/C) to mitigate further timeline risks. ▪ **Greenfield Expansion:** JK Lakshmi Cement plans to set up three greenfield projects at Nagor (Rajasthan), Kutch (Gujarat), and Assam, targeted for commissioning in FY29–30. The proposed capacities include 2mtpa/3mtpa clinker/cement in Nagaur, 3mtpa/2-2.5mtpa cement capacity in Kutch/Assam at a capex of $100/tn. With this, the company targets to reach total cement capacity of ~30mtpa by FY30. Management indicated that project planning and regulatory approvals are currently underway, and the detailed capex phasing and funding structure will be finalized closer to execution.

	Capex and Expansions
Nuvoco Vistas Corporation	▪ NUVOCO incurred capex of Rs19.2 bn in H1FY26 of which Rs18 bn upfront payment for Vadraj acquisition/Rs780 mn maintenance/Rs430 mn refurbishment of Vadraj plants. For FY26E/FY27E/FY28E expects capex of Rs26 bn (Rs18 bn upfront payment for Vadraj acquisition/Rs6 bn refurbishment of Vadraj plants/Rs1.5 bn maintenance/Rs500 mn for east expansion)/Rs9 bn (Rs6 bn refurbishment of Vadraj plants/Rs1.5 bn maintenance/Rs1.5 bn for east expansion)/Rs10 bn (Rs6bn refurbishment of Vadraj plants/Rs1.5bn maintenance/ Rs2.5 bn for new expansion to be announced). ▪ **Acquisition of Vadraj Cement Limited (VCL)** – In Jan'25, NUVOCO received an LOI of Vadraj Cement Limited, having clinker/cement capacity of 3.5mtpa (~10,000 TPD) in Kutch, Gujarat/6mtpa in Surat, Gujarat, at a consideration of ~$60/tn and the acquisition was completed in Jun'25 for an upfront payment of Rs18 bn. The company is planning to set up a 2.5mtpa GU in Kutch, along with commencing production of 2mtpa in Surat, the remaining 4mtpa GU to be operational over 3-5 years, depending on market conditions. The company will further invest Rs18 bn capex (incl. captive power plant capex of Rs2 bn and excl. railway siding) for refurbishment of the plant over the next 15-18 months; targets trial runs in H1FY27 with production of 2 mtpa (Surat) and 2.5 mtpa (Kutch) expected by Q3FY27-Q1FY28. ▪ **Capacity expansion plans:** In Sep'25, Nuvoco announced a 4 mtpa brownfield/ debottlenecking expansion in East region at a capex of ~Rs2 bn (approx. $5.7/tn) through adding a new mill in Arasmeta, Chhattisgarh, along with debottlenecking projects at Jojobera, Jharkhand/Panagarh, WB/ Jajpur, Odisha Cement Plants. Company plans to commission 1mtpa each at Jojobera/Panagarh/Jajpur/ Arasmeta by Q3FY26E/Q4FY26E/Q1FY27E/FY27E. With this expansion and considering Vadraj Cement's 4.5mpta capacity (to be commissioned by H2FY27E), total capacity will increase to 33.5mtpa by FY27E. Post expansions, the regional mix will improve from 76:24 in North:East to 66:17:17 in North:East:West. In the medium term, the company plans brownfield expansion at Chittorgarh in North and greenfield expansion at Gulbarga with a focus on the West and Central regions. The company mentioned it may prioritize Chittorgarh expansion over Vadraj/Gulbarga expansions; it will plan expansions according to the lucrative opportunity present at that time.
Sagar Cements	▪ SGC incurred a capex of Rs1.8 bn (of which Rs1.5 bn in Andhra Cements) in H1FY26 & expects Rs4.5 bn (vs. earlier Rs3.6 bn) in FY26E. For FY27E, it expects capex of Rs2.5-7.75 bn (vs. earlier Rs1.5 bn) incl. maintenance capex. The planned 0.5 mtpa GU expansion at Jeerabad entails a capex of Rs1.2 bn, which is expected to be met through debt of Rs740 mn and balance through internal accruals. ▪ **Ongoing expansions:** Capacity expansion of 0.5mtpa at Jeerabad plant is expected to be completed by Q4FY26E; volume to start contributing from Q1FY27E. For capacity expansion at its Dachepalli plant, construction of 6-stage preheater was successfully completed, and after trial runs, it got commissioned on 23 Oct'25. Clinker capacity has increased to 2.31mt; 1.2mtpa cement expansion is expected to be commissioned by Q1FY27E. Out of the proposed capex of Rs4.7 bn for the Dachepalli plant, already incurred Rs2.3 bn till date, expect to spend Rs1.45 bn/Rs1 bn in H2FY26/FY27. ▪ **Green Power expansion:** Solar capacity expansion of 6MW in Dachepalli, commissioned during Sep'25 (Implemented under lease finance), and 4MW/4MW (earlier 6MW) in Mattampally/Jeerabad is expected to get commissioned by FY27E/FY27E with a capex of Rs180 mn/Rs180 mn (vs. earlier Rs205 mn). The WHRS capacity expansion of 4.5MW (vs. earlier 4.35MW)/2MW/ 9MW in Gudipadu/Mattampally/Dachepalli is expected to get commissioned by Q4FY6E/FY28E/FY29E with a capex of Rs840 mn/Rs320 mn/Rs1.44 bn.

	Capex and Expansions
Star Cement	▪ Capex: STRCEM incurred a capex of Rs2.1bn in H1FY26 and guided Rs5 bn for H2FY26 totalling Rs7.1 bn (vs. earlier Rs8.23 bn) in FY26E. ▪ **Ongoing expansion:** STRCEM 's total cement/clinker capacity stands at 7.67mtpa/6.1mtpa. The company expects 2mtpa GU in Silchar (greenfield) to get commissioned by Q4FY26 (Jan'26). The company is planning to defer its plan to set up a 2mtpa cement capacity in Jorhat, Assam (vs. earlier commissioning expected by Q4FY27). ▪ **Future expansion:** STRCEM plans to reach 18mtpa (vs. earlier 20mtpa) cement capacity by FY30 and will look at expanding outside North-East markets. Currently, the company is planning to set up a 2mtpa cement capacity in Begusarai, Bihar (~Rs5 bn capex) for which clinker to be supplied from Meghalaya; expect to commission within 2 years of starting the construction. Bihar has launched a lucrative 300% SGST benefit (Rs400-500/ tn benefit) policy and is the fastest growing market in the East region, hence STRCEM is planning to set up a capacity in this region, particularly the East/Central Bihar region. The company is also looking at greenfield opportunities in Nimbol, Rajasthan, with split GU in Rajasthan and Haryana (4mtpa/3mtpa cement/clinker capacity at a capex of Rs23-25 bn), wherein it has already acquired a limestone mine with 65mt reserves and is currently in the process of acquiring plant land in the region. In Rajasthan, the company has also acquired a mine in the Jaisalmer region. The company is also planning to expand in the Northeast at Umrangso, where company has already acquired mine and plant land; currently, approvals and EC process is ongoing. Priority of these expansions, 1) Begusarai, Bihar (2mtpa GU), 2) Nimbol, Rajasthan (3/4mtpa clinker/cement) and 3) 3mtpa clinker at Umrangso, Assam, along with 2mtpa GU at Johrat, Assam; expect all these plants to be commissioned by end FY28 to FY29. The company will clarify further on their expansion plans in the Q3FY26 earnings call. ▪ **AAC block project –** The company is ramping up its AAC block capacity; current capacity utilization stood at 60% with revenue at Rs130-140 mn. The company expects to ramp up the revenue to Rs500-600 mn with margins of 12-15%. It also launched a construction chemicals business and is also trying to get in the RMC segment, thus forward integrating its cement business. STRCEM expects revenue of Rs800-900 mn from AAC blocks, construction chemicals and RMC business in FY26E.

UltraTech Cement	▪ UTCEM incurred capex of Rs55.7 bn in H1FY26; guided capex of Rs100 bn each for FY26E/FY27E/FY28E. ▪ **Expansion**: The company's current India/total (incl. 5.4mtpa overseas) cement capacity stands at 186.86mtpa/192.26mtpa. Going forward, the company targets to reach a total consolidated capacity of 202.9mtpa/218mtpa by FY26E/FY27E. The company also announced its phase IV expansion to reach cement/clinker capacity of 204.8mtpa/148mtpa by FY29E. ▪ **Phase-IV expansion**: UTCEM has announced expansion of its cement capacity by 22.8mtpa (18mtpa/4.8mtpa in North/West region) to reach 240.76mtpa; to be commissioned by FY29E at a capex of Rs102.6 bn ($52/tn) to be funded through internal accruals. The expansion will be carried out through a mix of brownfield and greenfield projects across several states viz. Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Rajasthan, and West Bengal. This phase also includes clinker capacity expansion of 15.68mtpa, of which 8.04mtpa to be brownfield expansion in North, and the remaining 7.64mtpa through debottlenecking in North/East/Central. The company mentioned that since West MP and West UP markets largely cater to North, these are announced as a part of North expansions. UTCEM expects >20% IRR from this expansion. Post this expansion, the company highlighted a further 20-25mtpa scope of organic expansion. ▪ **Update on India Cements (ICEM):** ICEM has clocked volume of 2.44mt in Q2FY26 vs. 2.18mt in Q1FY26 with EBITDA/tn of Rs386 in Q2FY26. Capacity utilization stood at 65% for Q2FY26 vs. 61% for Q1FY26. Currently, UTCEM has completed 31% of the brand transition; 40% to be done by Q3FY26. UTCEM has announced cement capacity expansion of 2.8mtpa (0.4/1.8mtpa in Dalavoi/Chennai) in FY27E at a capex of Rs4.4 bn; total cement capacity to increase to 17.55mtpa. Key initiatives planned would include the conversion of 4/5 stage preheaters to 6-stage preheaters, cooler upgrades, and process optimization aimed at reducing heat consumption. Additionally, the company has planned to install 21/219MW of WHRS/RE capacity, taking ICEM's green share from 5% to 80% by FY28. Capex of Rs15.9 bn has been planned for debottlenecking, WHRS, RE and other efficiency programs. Targets Rs1,000 EBITDA/tn before expansion gets over.

	DEBT
ACC & Ambuja Cements	▪ **Net Cash:** Reduced to Rs18.1 bn as on Sep'25 vs. Rs29.7 bn (Q1FY26) vs. Rs101.3 bn (FY25). Net Debt/EBITDA stood at -0.2x (Q2FY26) vs. -0.4x (Q1FY26) vs. -1.7x (FY25).
Birla Corporation	▪ **Net Debt** stood at Rs24.3 bn in Q2FY26 vs Rs23.0 bn in Q1FY26 vs Rs25.4 bn in Q4FY25 vs. Rs31.7 bn in Q2FY25. Net Debt/EBITDA stood at 1.7x in Q2FY26 vs. 1.8x/2.5x in Q1FY26/Q2FY25.
Dalmia Bharat	▪ **Gross Debt**- Gross Debt stood at Rs66.2 bn in Q2FY26 vs. Rs64.6 bn/Rs47.8 bn in Q1FY26/Q2FY25. Cash stood at Rs50.2bn in Q2FY26 vs. Rs55.8 bn/Rs41.4 bn in Q1FY26/Q2FY25. Net Debt stood at Rs16.0 bn in Q2FY26 vs. Rs8.7 bn/Rs6.4 bn in Q1FY26/Q2FY25. Net Debt/EBITDA stood at 0.56x in Q1FY26 vs. 0.33x/0.25x in Q1FY26/Q2FY25. The company expects Net Debt: EBITDA not to cross 2x to reach 75mtpa. Cost of borrowings declined from 8.1% in Q2FY25 to 6.9% in Q2FY26.
JK Cement	▪ **Calculated Net Debt** Stood at Rs42.3 bn (Q2FY26) vs. Rs37.4 bn (Q1FY26) vs. Rs33.4 bn (FY25) vs. Rs39.9 bn (H1FY25). Net Debt/ EBITDA stood at 1.9x (Q2FY26) vs. 2x (FY25) vs. 2.0x (H1FY25). Considering capex for Jaisalmer expansion, gross debt/net debt to increase by Rs30 bn/Rs20 bn.
JK Lakshmi Cement	▪ **Debt –** Gross Debt stood at Rs25.7 bn in H1FY26 vs. Rs25.0 bn in Q1FY26 vs. Rs25.3 bn in FY25. Net Debt stood at Rs14.2 bn in H1FY26 vs. Rs13.3 bn in Q1FY26 vs. Rs17.3 bn in FY25. Net Debt/EBITDA stood at 1.33x in H1FY26 vs. 1.39x in Q1FY26 vs. 2x in FY25. Net Debt/EBITDA may rise due to expansions; however, the company will target to keep Net Debt to EBITDA in the range/below of 3x-3.5x (prev. below 3x).
Nuvoco Vistas Corporation	▪ **Net Debt** stood at Rs52.9 bn in Q2FY26 vs. Rs52.7 bn (Q1FY26) vs. Rs36.4 bn (FY25). Net Debt/EBITDA stood at 3.1x (Q2FY26) vs. 3.4x (Q1FY26) vs. 2.7x (FY25). For the upfront payment of Rs18 bn to Vadraj, Nuvoco has taken long-term debt of Rs6 bn and the balance Rs12 bn is done through short-term bridge financing, which will be replaced over the next 2-3 months with CCDs and CCPS with 3-6 years maturity. Going forward, the company aims at a comfortable net debt of Rs35-40 bn over the next 2-3 years post the expansion/capex cycle (<2x Net debt to EBITDA). If CCD/CCPS is converted into equity, it will result in dilution at the Vadraj company level.
Sagar Cements	▪ **Debt –** Q2FY26 Gross debt stood at Rs16.1 bn out of which Rs12.2 bn/Rs3.9 bn is long term debt/working capital. Net Debt stood at Rs14.4 bn in Q2FY26 vs. Rs13.7 bn in Q1FY26 vs. Rs12.6 bn in FY25. Net Debt/EBITDA stood at 5.8x in Q2FY26 vs. 6.4x in Q1FY26 vs.9.0x in FY25. It plans to maintain a gross debt level of Rs17.0 bn/Rs17.1 bn with debt repayment of Rs3.17 bn/Rs3.3 bn in FY26E/FY27E. Net debt level is expected to be at Rs14.5 bn/Rs14.6 bn in FY26E/FY27E.
Star Cement	▪ **Net Debt** stood at Rs3.2 bn in Q1FY26 vs. Rs3.1 bn/Rs2.4 mn in FY25/Q1FY25. Considering higher expansion-led capex, the company does not expect peak debt to cross Rs15 bn.
UltraTech Cement	▪ **Net Debt –** Net Debt stood at Rs163.4 bn (Q1FY26) vs. Rs176.7 bn (FY25) vs. Rs.87.9 bn (H1FY25). Net Debt/EBITDA stood at 1.17x in Q1FY26 vs. 1.41x/0.71x in FY25/H1FY25.

	Others
ACC & Ambuja Cements	▪ **Carbon emissions:** Stood at 538 kg/tn in Q2FY26 vs. 483 kg/tn in Q1FY26 vs 458 kg/tn in Q2FY25; targets 421 kg/tn by FY30E. ▪ **Water positive index:** Stood at 5.6X in Q2FY26 vs. 0.26x in Q1FY26 vs 0.56x in Q2FY25; targets 5x by FY30E. ▪ **RMC:** The company has existing 116 RMX plants spread over 45 cities; plans to expand to 365 by 2030 (target capacity of 35mn m3); capex to be done out of existing treasury and internal accruals. Current cement consumption of RMC stands at 2%; ACEM targets to increase this to 5% by FY28E. EBITDA margin exit of Sept is 8.5% as compared to 5% historically. ▪ **Tax reversal:** ACC has taken tax reversal of liabilities and provisions carried in books based on favorable high court decisions; cash refund of Rs7.5 bn was received in Oct'25
Birla Corporation	▪ **Jute** **Profitability:** The jute division reported cash profit of Rs50 mn in Q2FY26 vs Rs64 mn/-Rs20 mn in Q1FY26/Q2FY25, led by improved operational efficiency and higher sales volumes. **Sales Performance:** Total Sales volume stood at 9,987 metric tons (+55% YoY/+15% QoQ), revenue grew at 71% YoY to Rs1.32 bn. **Operational Efficiency**: Average loom production increased +17% YoY/+4% QoQ, while improved efficiency reduced power consumption by 10% and brought down conversion costs by 20% YoY, partially offsetting a sharp +26% YoY/+16% QoQ rise in raw jute prices. **Solar Project**: The company is also setting up a 2.1 MW rooftop solar power plant at Birla Jute Mills, expected to be commissioned by Dec'25 for captive consumption. ▪ **Incentive Income:** BCORP's incentives stood at Rs180 mn in Q2FY26 vs. Rs230 mn/Rs170 mn in Q1FY26/Q2FY25; does not expect any major change in any plant incentives except Rajasthan due to GST rate cut, the absolute quantum of benefit will continue to remain the same as earlier. ▪ **RMC:** BCORP is progressing steadily in the RMC segment; will target markets where it has a strong brand presence.
Dalmia Bharat	▪ **Incentives**: Incentives accrued in Q2FY26 stood at Rs640 mn vs. Rs840 mn/Rs610mn in Q1FY26/Q2FY25. Collections stood at Rs500 mn in Q2FY26 vs. Rs420 bn/Rs200 mn in Q1FY26/Q2FY25; expect higher collections in Q3FY26. Incentive receivables stood at Rs8 bn in Q2FY26 vs. Rs7.8 bn/Rs7.79 bn in Q1FY26/Q2FY25. The company expects total incentives accruals of Rs2.4 bn (vs. earlier Rs3.0 bn) for FY26E and Rs2 bn for FY27; reduction to 60-65/tn vs. Rs100/tn post GST rate cut. ▪ **Order from Adjudicating Authority under PMLA:** DALBHARA has received an order on 23rd Sep'25 from the Adjudicating Authority under the PMLA, confirming the provisional attachment order for Rs7.93 bn dated 31st Mar'25 issued by the Jt. Director, ED, Hyderabad, attaching land of DCBL, value of which is ~Rs3.77 bn. The provisional attachment by ED emanated from an earlier case registered by the CBI in 2011, wherein they had made certain allegations against DCBL regarding investments in Bharathi Cement Corporation Private Limited. The matter is currently sub-judice before the CBI Court in Hyderabad. ▪ **Co2 emissions** stood at 474 kg/tn in Q2FY26 vs. 452 kg/tn in Q1FY26. ▪ **Dividend Announcement:** Company declared an interim dividend of Rs4/share.

	Others
JK Cement	▪ **Paints business:** In Q2FY26, paints business registered revenue of Rs950 mn in Q2FY26 vs. Rs860 mn/Rs530 mn in Q1FY26/Q2FY25; The company expects to increase gross margin YoY. EBITDA loss stood at Rs140mn in Q2FY26 vs Rs100 mn/Rs150 mn in Q1FY26/Q2FY25. The company maintains its revenue guidance of Rs4 bn/Rs6 bn for FY26/FY27 and breakeven by FY27. ▪ **White Cement and Putty Market**: 0.6mtpa white cement-based putty capacity at Nathdwara, Rajasthan, with an investment of Rs1.95 bn (of which Rs230 mn already spent) to start by Q2FY27 (vs. earlier FY27). The putty segment has witnessed some pressure; however, expected to be bottomed out. In UAE market, Asian Paints has entered into UAE and has started making it for its own consumption, which has led to market loss for JKCEM. However, to mitigate this, the company is working on launching new product lines in the UAE eg. Dry mix, construction chemicals, etc. The company has entered the wall putty market in Africa and other regions, witnessing good traction. ▪ **Incentives:** In Q2FY26, incentives stand at Rs700 mn; expect incentive to be marginally lower at Rs2.5 bn vs. earlier guided Rs3 bn for FY26, however going ahead will receive Rs3 bn for FY27/ higher than Rs3 bn for FY28 factoring incentives to be accrued in new plants. ▪ **CO2 emission in Kg/tn** stood at 529 kg/tn in Q2FY26 vs. 516 kg/tn/518 kg/tn in Q1FY26/FY25. The target is to reach 465 kg/tn by FY30. ▪ **Water Positivity** stood at 4.7x in Q2FY26 vs. 4.7x in FY25. The target is to reach 5x by FY30. ▪ **LC3 cement:** As LC3 is a new type of cement, company is undertaking efforts to introduce this product in the market.
JK Lakshmi Cement	▪ **Incentive (UCWL plant): T**he company confirmed that it is eligible for a capital incentive at the UCWL plant and has already applied for the same and is working towards realizing the incentive over the coming months. ▪
Nuvoco Vistas Corporation	▪ **Notice from Joint Commissioner (Prev), CGST & Central Excise, Raipur:** In Sep'25, Nuvoco received notice from Joint Commissioner (Prev), CGST & Central Excise, Raipur alleging invoicing by Carrying and Forwarding Agents (C&FA) appointed by the Company, without supply of cement during the period FY20 to Sep'24 of FY25. The amount of tax demand is Rs376.1 mn and penalty of Rs748.7 mn aggregating Rs1.12 bn. The company stated that it has sufficient evidence to support the genuineness of transactions. In this regard, the requisite information has been sought from tax authorities. The company expects demand and penalties to be set aside by the appropriate authorities and does not expect any financial impact.

	Others
Sagar Cements	▪ **Sale of Vizag land:** Vizag plant has 107 acres of land, which the Government values at ~Rs40 mn per acre, totalling Rs3.5 bn. The company has received almost all approvals; a slight delay is due to typographic errors. SGC is confident to receive all approvals by FY26E; the complete land sale may be delayed by 12 quarters. However, with the influx of new projects being announced in Vizag (incl. data center, IP), the company expects an upward revision in land's value. ▪ **Limestone:** SGC has strong limestone reserves of over 392 mt/164 mt/71 mt/315 mt at Mattampally/Gudipadu/Indore (SCMPL)/Dachepalli (Andhra Cements). ▪ **Incentives:** SGC received Rs110 mn incentives in Q2FY26/Rs450 mn in H1FY26; no further incentives are expected in FY26E. For FY27E, SGC expects incentives of ~Rs250-260 mn (including Rs30-50 mn power incentives). ▪ **Water positive index** stood at 4.32x in Q2FY26. Further, it targets to achieve 5x/10x water positive by FY26/FY30. ▪ The company expects to complete the right issue for Andhra Cements by Mar'26, which is the deadline to reach MPS of 75%; SGC may consider OFS to offload stake.
Star Cement	▪ STRCEM has booked incentives of 560 mn in Q2FY26 vs. Rs620 mn in Q1FY26, further expects Rs1.8-1.9 bn (vs. earlier Rs2.3-2.5 bn) in FY26E. Due to GST rate cut, the company expects Rs130-150/tn impact on incentives; however, the company clarified that this is a time lag; the absolute quantum of benefit will continue to remain the same as earlier. ▪ **Fund raising**: The Company has planned QIP/fund raising of ~Rs15 bn to fund Rajasthan expansion.
UltraTech Cement	▪ **RMC:** RMC: UTCEM witnessed growth in the RMC business with volumes at 3.79mn m3 (+87% YoY) and revenue at Rs18.11 bn (29.6% YoY/-0.8% QoQ); RMC contributes to 4% of total revenue in Q2FY26. The total number of RMC plants stood at 408 in Q2FY26 vs. 397/321 in Q1FY26/Q2FY25. ▪ **Ultratech business solutions (UBS):** Building Products segment clocked revenue of Rs2.83 bn in Q2FY26 (+32.2% YoY/25.8% QoQ). The company has increased its UBS outlets to 5,084 in Q2FY26 (vs 4,802/4236 in Q1FY26/Q2FY25), contributing 21% of domestic grey sales volume. ▪ **Wires and cables segment**: The company expects cables plant to start production by Q3FY26; delivery to start from Jan'26. ▪ **Brand conversion:** To date, UTCEM has achieved brand conversion of 31%/55% for ICEM/Kesoram. Company targets 100% brand conversion by the end of Jun’26.

DOLAT RATING MATRIX

Total Return Expectation (12 Months)

Buy	**> 20%**
Accumulate	**10 to 20%**
Reduce	**0 to 10%**
Sell	**< 0%**

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The research analyst(s), with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

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