

Cement Sector

3QFY25 Result Preview

January 13, 2025

Is the worst over for the industry?

Key Points

- **Indications of emerging green shoots in demand:** In Q3FY25, there was a notable rise in demand within the industry, starting in the final week of November and persisting through to the end of December. We project an average volume increase of 6.6% YoY and 8% QoQ for the companies within our coverage. Regionally, projections indicate that the North will experience low double-digit growth of approximately 10% YoY, while the West is expected to follow with around 8% YoY growth. The Centre is expected to grow about 6% YoY, the East around 5%, and the South is forecasted to decline by 1%. Ambuja Cement and Nuvoco Cement are expected to achieve double-digit growth, whereas the remaining companies will likely experience mid to high single-digit volume growth YoY. In contrast, Lakshmi and Heidelberg are expected to report declines in volume on a YoY basis. Our channel checks indicate that demand conditions have strengthened and are likely to remain robust, as Q4 is typically a strong period for cement consumption. Our demand projections have been revised to 6-7% from the previous estimate of 7.5-8% YoY for FY25, reflecting a weak growth rate of approximately 4% observed over the last three quarters.
- **Price improvement:** The industry experienced a price increase starting in the last week of November, maintained throughout December. According to channel checks, there was an improvement in non-trade and trade prices by Rs.300/T and Rs.100/T, respectively, across the North, East, West, and Centre, while the South remained unchanged during the 3QFY25. In January, prices increased by Rs. 7-8 per bag in the South. We calculated an enhancement in realizations/T for our universe of 2.4% QoQ and a decline of 7.2% YoY, considering the trade versus non-trade mix and the share of premiumization in total sales.
- **Cost continues to remain benign:** International petroleum coke and coal prices have experienced a Y-oY decline, with petroleum coke prices decreasing by approximately 18% and coal prices by around 12%. The trading price for imported petroleum coke is approximately \$107/T, whereas South African coal prices are around \$112/T. The reduction of bulk diesel prices by Rs 2 per liter has occurred in the past, and the anticipated overall impact is projected to be neutral. Power and fuel costs are expected to show minimal variation on a Q-o-Q basis for the coverage universe.
- The anticipated average EBITDA/T for our universe is projected to increase ~21% QoQ (Rs 100 - 150), reaching around Rs. 800/T. We maintain a positive outlook regarding the cement sector, which is driven by a recovery in government capital expenditure and ongoing strength in the real estate and housing markets. Ambuja Cement remains our preferred choice among large-cap stocks, with Ramco Cements, JK Lakshmi, and Birla Corp closely behind.
- **Triggers:**
 - Increasing competitive intensity and capacity addition may have a negative impact
 - A slowdown in government capex on Infrastructure leading to pressure on prices
 - Energy cost spikes due to global uncertainties could dampen profitability

Company	Rating	Earlier TP	New TP
ACC IN EQUITY	Buy	2,464	2,310
ACEM IN EQUITY	Buy	683	740
BCORP IN EQUITY	Buy	1,504	1,564
DALBHARA IN EQUITY	Hold	1,759	1,756
HEIM IN EQUITY	Sell	172	168
JKCE IN EQUITY	Hold	5,099	5,094
JKLC IN EQUITY	Hold	887	883
NUVOCO IN EQUITY	Buy	425	416
SGC IN EQUITY	Hold	232	230
SRCM IN EQUITY	Buy	29,467	29,636
STRCEM IN EQUITY	Hold	232	233
TRCL IN EQUITY	Buy	1,006	1,069
UTCEM IN EQUITY	Buy	12,792	12,790

Please refer to the disclaimer towards the end of the document.

Recent Developments: **Adani-owned Ambuja Cements to acquire Orient Cement**

- ✚ Ambuja Cement has signed a share purchase agreement to acquire 46.8% of Orient Cement's shares for Rs. 37.9bn. The transaction will be fully funded through internal accruals.
- ✚ The promoters of Orient Cement (Birla Family) have sold their entire stake of 37.9% for Rs 395.4/sh. Ambuja will further acquire 8.9% of existing shares at the same price. The remaining 26% stake will be acquired through an open offer. The deal is fairly valued at an EV/T of \$115
- ✚ It includes 8.5 MTPA of existing cement capacity expandable up to 22.6 MTPA. This will take Ambuja Cement's operational capacity to 97MTPA. By FY25-end, the company's consolidated cement capacity will be 104 MTPA.

Orient cement – Rationale for the acquisition:

- ✚ This will enable Ambuja Cements to enhance its footprint in South and West India while further expanding in North India.
- ✚ Pan India Market Share to improve by ~2%.
- ✚ Surplus land & limestone reserves available at Integrated Units to set up additional clinker lines. The aim is to debottleneck and further improve capacity at marginal investment.

➤ **Cost Leadership:**

- ✚ Limestone Reserves at Nil Premium (Pre-Auction era mines)
- ✚ 77 MW CPP, 7 MW WHRS at Ganeshpahad IU, and 25 MW WHRS at Boyareddypalli IU.
- ✚ Opportunity to further improve efficiency, green power, and AFR.
- ✚ Improved Working Capital to facilitate competitive procurement.
- ✚ Logistic Cost optimization of Ambuja Cements with improved geographical footprint.

➤ **Improved Profitability:**

- ✚ Expected to improve capacity utilization, which will ramp up to 85% by FY28.
- ✚ EBITDA improvement will help Ambuja achieve a sustainable EBITDA of more than 1,500/t by FY28.
- ✚ Ambuja & ACC brand to help command a premium.
- ✚ Target ROCE of > 15% on the investment.

➤ **Stronger Balance Sheet:** All debt to be fully paid upon closing will provide substantial savings in interest costs.

ULTRATECH CEMENT LTD. (ULTRACEMCO): UltraTech Cement's management anticipates significant growth in the second half of FY25, driven by infrastructure initiatives, demand from rural areas, and expansion in urban housing. Due to demand recovery, it projects enhanced profitability in upcoming quarters and implemented cost-reduction strategies. The company's capacity expansion initiatives are progressing as planned, with an addition of 8 MTPA in the second half of FY25, resulting in 157 MTPA by the conclusion of FY25. UltraTech aims to achieve a capacity of 183.5 MTPA in India by FY27. The company focuses on acquisitions, enhancing efficiency, and achieving environmental goals. The stock is trading at 17.3x FY26E EV/EBITDA, above the 5-year average of 17.2x. We have maintained "BUY" on UTCEM and value it at 16.5x Dec. 26E EV/EBITDA with a TP of Rs. 12,790 from the earlier TP of Rs. 12,792.

(Rs mn)	New			Old			% Change		
Particulars	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	743,213	885,431	982,861	794,412	901,858	999,370	-6.4	-1.8	-1.7
EBITDA	132,450	182,686	219,654	153,931	186,500	221,634	-14.0	-2.0	-0.9
PAT	75,797	101,772	133,937	93,233	104,823	135,522	-18.7	-2.9	-1.2

AMBUJA CEMENTS LTD. (AMBUJACEM): Projected cost reductions aimed at enhancing EBITDA/T by ~150/T in FY25 will come from (1) Increasing WHRS capacity to 186MW by March 25, (2) 1000MW in renewable energy, expected to be commissioned by the end of FY26. This initiative aims to achieve 60% power usage through green energy, saving Rs90/T. The company plans to fulfill its 80% requirement via captive coal mines within 12 to 15 months. (4) Additionally, the lead distance should be reduced to 100km, for which an order has been placed for 11 GPWIS rakes and 26 BCFC to ensure safe and cost-effective transportation of fly ash from the thermal power plant. The advantageous combination of acquired assets and adherence to quality standards comparable to Ambuja Cement will likely diminish the price disparity in Ambuja Cement's core markets. We anticipate an enhancement of Rs.85/T in realizations in FY26. The stock is trading at 12.1x FY26E EV/EBITDA, above the 5-year average of 8.8x. We have maintained "BUY" on ACEM and valued it at 12x Dec. 26E EV/EBITDA with a revised TP of Rs 740 from the earlier TP of Rs 683.

(Rs mn)	New			Old			% Change		
Particulars	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	344,497	456,678	579,583	349,973	469,286	595,302	-1.6	-2.7	-2.6
EBITDA	59,332	92,482	151,118	60,546	92,853	151,442	-2.0	-0.4	-0.2
PAT	34,611	57,999	103,829	35,417	58,294	104,087	-2.3	-0.5	-0.2

ACC LTD (ACC): The current challenging business environment is anticipated to impact the company's performance in 2HFY25. ACC is currently valued at 7.5x the expected EV/EBITDA for FY26, below the 5-year average of 12.3x. The stock has corrected by 35.5% from its 52-week high. We upgraded to a "Buy" rating on ACC, assessing it at 10.6x September 26E EV/EBITDA, resulting in a target price (TP) of Rs. 2,310, earlier Rs2,464.

(Rs mn)	New			Old			% Change		
Particulars	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	198,433	235,642	267,174	196,434	235,642	267,174	1.0%	0.0%	0.0%
EBITDA	27,385	40,886	31,514	29,675	40,886	31,514	-7.7%	0.0%	0.0%
PAT	15,911	25,702	18,496	17,626	25,702	18,496	-9.7%	0.0%	0.0%

Shree Cements (SRCM): The company has established a target of reaching 80MTPA by FY28, emphasizing a strategy focused on organic growth while ensuring careful capital allocation over inorganic development. The company is trading at 12.9 times FY27E EV/EBITDA, which is lower than the 5-year average of 21x. We retain our "BUY" rating, valuing the company at 16x (1SD below the 5-year average) December FY26E EV/EBITDA and revising the target price (TP) of Rs.29,636 from the earlier Rs.29,467 based on volume growth, improved cost management initiatives, and lower taxes.

(Rs mn)	New			Old			% Change		
Particulars	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	186,853	231,465	257,088	197,634	237,200	263,602	-5.5	-2.4	-2.5
EBITDA	39,319	61,774	67,498	45,657	63,323	69,258	-13.9	-2.4	-2.5
PAT	13,972	25,355	29,844	18,726	26,517	31,163	-25.4	-4.4	-4.2

Dalmia Bharat (DALBHARA):

The company aims to achieve a capacity of 75 MTPA by FY28 while ensuring a Net Debt/EBITDA ratio of no more than 2:1. We maintain a recommendation of "Hold" for Dalmia Bharat. Considering the company's advantageous positioning in critical East and South markets, its exposure to the West region, the government's strong emphasis on infrastructure and affordable housing, the increasing demand for real estate, the ramp-up of new capacity, and the implementation of cost-cutting measures, DBL is anticipated to achieve stable performance. The stock is trading at 11x FY27E, below its 5-year average EV/EBITDA of 12x. We value it at 12x Dec'26 EV/EBITDA with a revised target of Rs. 1,756 from the earlier TP of Rs. 1,759.

(Rs mn)	New			Old			% Change		
Particulars	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	146,425	153,216	161,521	144,883	149,256	157,298	1.1	2.7	2.7
EBITDA	25,059	29,473	29,836	25,520	29,618	29,872	-1.8	-0.5	-0.1
PAT	9,389	11,275	11,638	9,744	11,391	11,645	-3.6	-1.0	-0.1

JK Cement (JKCE):

The expansion plans are underway, and JK Cement is poised to achieve a capacity of 50 MTPA by FY30. We concur with the management's projections for enhanced performance in the 3rd and 4th quarter. Our positive outlook on the company is reinforced by its diverse cost-saving initiatives, which include a 10% increase in both green power share and thermal substitution rate (TSR) and a 15km reduction in lead distance. JKCE projects cost savings of INR150-200/t through these initiatives over the next two years. The stock is trading at 1-year forward FY26 EV/EBITDA of 13.1x, below 5-yr. avg. EV/EBITDA of 14x. We assign "Hold" rating and value the company at 14x Sept.'26 EV/EBITDA with a revised target of Rs. 5,094 from the earlier TP of Rs 5,099.

(Rs mn)	New			Old			% Change		
Particulars	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	117,892	154,554	161,321	119,538	156,124	162,840	-1.4	-1.0	-0.9
EBITDA	18,785	31,349	30,138	19,814	30,472	29,264	-5.2	2.9	3.0
PAT	7,220	14,392	13,544	8,124	13,949	13,222	-11.1	3.2	2.4

Ramco Cement (TRCL):

Our assessment of the company is based on several factors: (1) Consistent performance - In FY25, we project an EBIDTA/T of Rs 854 while keeping net debt levels around Rs.~48bn. Capex execution is progressing as planned, offering insights into volume growth and cement demand in the South and East, driven by government investments in infrastructure development in Bihar and the capital city project in Andhra Pradesh. Maintaining a premiumization share of 25% for the second quarter of FY25. Logistics costs have shown a consistent downward trend: the average lead distance for 2QFY25 is 244 KMs, compared to 259 KMs in 2QFY24 and 273 KMs in 1QFY25. The company is trading at 11.4x FY27E EV/EBITDA, lower than the 5-year average of 16.2x. We maintain our "BUY" recommendation, valuing the business at 13.8x Dec'FY26E EV/EBITDA (1SD below 5 year average) with a revised target price (TP) of Rs, 1,069 from the earlier Rs.1,006 based on strategic positioning in the key South, West and East markets.

(Rs mn)	New			Old			% Change		
Particulars	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	90,072	103,852	114,994	92,941	103,607	113404.79	-3.1	0.2	1.4
EBITDA	15,320	19,269	22,029	16,400	18,954	21734.085	-6.6	1.7	1.4
PAT	4,388	7,287	9,468	5198.7379	7,149	9381.0062	-15.6	1.9	0.9

Sagar Cements (SGC)

The management has adjusted the volume guidance for FY25 and FY26 to 5.75 MnT and 6.5-6.75 MnT, respectively. The reduction in fuel procurement costs, decreasing from \$100-105/T to \$90-95/T, is expected to manifest starting in the 4QFY25. The EBITDA of Rs3.5bn for FY25 appears challenging to attain at the present utilization rates, particularly in light of the disappointing performance in 1HFY25. This analysis considers the price increases in the 3QFY25, with non-trade and blended sales as a % of total sales remaining constant in 2QFY25. The stock is trading at 1-year forward EV/EBITDA of 8.6x which is much lower than the of 5 yr Avg. EV/EBITDA of 13.7x. We maintain "Hold" on Sagar Cements (SGC) with target price (TP) of Rs230 from the earlier Rs.232 , valuing it at 8.8x Sept.'26 EV/EBITDA.

(Rs mn)	New			Old			% Change		
Particulars	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	23,842	26,589	26,086	25,000	27,458	26944	-5%	-3%	-3%
EBITDA	2,734	4,731	4,725	3,451	4,636	4790	-21%	2%	-1%
PAT	41	1440	1676	579	1,423	1655	-93%	1%	1%

Birla Corporation (BCORP):

The company presents a compelling case due to its strategic initiatives: 1) enhanced adoption of green energy sources such as Waste Heat Recovery Systems and solar power, 2) cost optimization efforts at Mukutban via Project Shikhar, utilization of captive coal, and logistical improvements through Project Unnati, and 3) a focus on premium products that confer a competitive edge across various markets, leading to improved realization rates. The stock is trading at 6.3x FY26E EV/EBITDA, below the 5-year average of 9.5x. We have maintained "BUY" on BCORP and value it at 7.8x Dec'26E EV/EBITDA with a revised TP of Rs 1,564 from the earlier 1,504.

(Rs mn)	New			Old			% Change		
Particulars	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	93,234	101,706	109,646	97,310	106,284	114910	(4.2)	(4.3)	(4.6)
EBITDA	13,793	19,180	21,892	16,192	19,932	22,937	(14.8)	(3.8)	(4.6)
PAT	3,862	7,386	9,630	5,649	7,940	10,400	(31.6)	(7.0)	(7.4)

Heidelberg Cement (HEIM):

Our channel checks suggest that competition in their primary markets is set to intensify, which may constrain the company's growth potential. We seek to gain a deeper understanding of the toll manufacturing arrangement with Himalaya Height Cement Private Limited and its implications for profitability. We will systematically evaluate the company's performance in the upcoming quarters. HEIM is trading at 10.7x FY26E EV/EBITDA, higher than the 5-year average of 12.4x. We retain our "SELL" recommendation on HEIM, valuing it at 7.4x Dec'26E EV/EBITDA with a revised target price (TP) of Rs 168 from the earlier Rs.172. NBIE believes that the company will experience difficulties in sustaining market share due to limited growth opportunities.

(Rs mn)	New			Old			% Change		
Particulars	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	21,436	23,790	23,706	22,623	23,635	23,567	-5.2	0.7	-
EBITDA	3,115	4,425	4,393	3,630	4,395	4,367	-14.2	0.7	-
PAT	1,577	2,397	2,384	1,959	2,375	2,365	-19.5	0.9	-

JK Lakshmi Cement (JKLC):

The company intends to enhance its growth strategy through a systematic approach that includes optimizing its geographic mix, boosting production and sales of blended cement, increasing the share of trade sales along with premium and value-added products, enhancing logistical efficiency, and incorporating higher use of renewable energy sources. The anticipated outcome of these initiatives is a reduction in costs amounting to Rs 75-100/T. The company is trading at 7.9x FY27E EV/EBITDA, lower than the 5-year average of 8.9x. We assign "HOLD" recommendation, valuing the business at 9.1x September FY26E EV/EBITDA with a revised target price (TP) of Rs.883 from the earlier Rs 887 based on strategic positioning in the key North, West, and East markets.

(Rs mn)	New			Old			% Change		
Particulars	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	61,744	77,740	90,581	66,511	79,557	92,698.613	(7.2)	(2.3)	-
EBITDA	8,136	12,481	14,996	10,102	12,868	15,448.605	(19.5)	(3.0)	-
PAT	3,027	5,533	7,336	4,442	5,811	7,661.8389	(31.9)	(4.8)	-

Nuvoco Vistas Corp (NUVOCO):

The strategy emphasizes value creation, premiumization, and cost optimization by implementing Project Bridge 2.0. The objective is to achieve high single-digit volume growth for the second half of FY25, alongside a reduction in net debt to Rs. 35-40 billion by the end of FY25. The capital expenditure will prioritize ongoing projects, allocating Rs. 3-4 billion for FY25, along with plans for brownfield expansion in FY26. The emphasis is placed on sustainability and dealer incentives, prioritizing value rather than volume growth.

Nuvoco intends to enhance its domestic operations, broaden its regional footprint, and boost revenue by elevating product quality, while also concentrating on various cost-reduction strategies. The anticipated rise in government expenditure on infrastructure and a growing demand for housing will likely enhance the company's performance. The company is trading at 6.2x FY26E EV/EBITDA, which is lower than the 4-yr. average of 10.9x (post listing in August 23, 2021). We retain our "BUY" recommendation, valuing the business at 8x Dec FY26E EV/EBITDA with a revised target price (TP) of Rs 416 from the earlier Rs 425.

(Rs mn)	New			Old			% Change		
Particulars	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	108,041	119,404	135,349	112,384	119,315	135,257	(3.9)	0.1	0.1
EBITDA	14,456	22,270	22,328	16,678	22,106	22,328	(13.3)	0.7	0.0
PAT	940	5,256	5,244	2,617	5,129	5,244	(64.1)	2.5	0.0

Star Cement (STRCEM):

The company occupies a favourable position, poised to benefit from SGST refunds under the Assam government incentives, projected to be between Rs 1.5-1.7 billion annually. Furthermore, the rise in premium cement sales, benefits derived from the WHRS plant regarding reduced power expenses, and various efficiency improvements are anticipated to impact EBITDA/T positively. The company is positioned for recovery through an increase in capacity (from 4.2MTPA in FY24 to 12.7MTPA in FY25) and an expected rise in demand in its primary markets, coupled with operating leverage. The company is trading at 12.5x FY27E EV/EBITDA, higher than the 5-year average of 10.6x. Given the current stock price correction, we assign "Hold", valuing the business at 13.5x Dec'FY26E EV/EBITDA (+1SD above 5-year average) with a revised target price (TP) of Rs.233 from the earlier TP of Rs. 232 based on strategic positioning in the North-East and East markets.

(Rs mn)	New			Old			% Change		
Particulars	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	31,089	35,500	37,578	31,089	35,500	37,578	0.0	0.0	0.0
EBITDA	5,145	6,519	7,334	5,431	6,519	7,334	-5.3	0.0	0.0
PAT	2,452	3,141	3,774	2,667	3,141	3,774	-8.1	0.0	0.0

Exhibit 1: 3QFY25 Earnings Estimates

Rs mn	Revenue			EBITDA			EBITDA margin			PAT		
	3QFY25E	YoY %	QoQ %	3QFY25E	YoY %	QoQ %	3QFY24	2QFY25	3QFY25E	3QFY25E	YoY %	QoQ %
ACC	49,348	0.3	7.1	5,845	-24.3	36.2	15.7	9.3	11.8	3,044	-23.1	30.1
Ambuja Cement	86,088	5.9	14.5	14,853	-21.0	33.6	23.1	14.8	17.3	6,476	-47.7	37.0
Birla Corp	21,984	-4.9	12.6	2,623	-30.7	48.0	16.4	9.1	11.9	304	-72.2	-220.6
Dalmia Bharat	34,323	-4.8	11.2	5,501	-29.4	26.7	21.6	14.1	16.0	1,756	-34.0	258.4
Heidelberg	5,031	-17.1	9.0	526	-19.6	40.5	10.8	8.1	10.5	195	-38.0	74.0
JK Cement	30,345	3.4	18.5	4,285	-31.5	50.9	21.3	11.1	14.1	1,669	-41.2	395.0
JK Lakshmi	14,478	-15.0	17.3	1,375	-54.5	54.0	17.7	7.2	9.5	391	-73.9	-303.3
Nuvoco Vistas	24,145	-0.3	6.4	2,430	-40.8	11.1	17.0	9.6	10.1	-770	-348.2	-9.6
Sagar Cement	6,007	-10.3	26.4	440	-49.4	121.0	13.0	4.2	7.3	7	-107.1	-101.3
Shree Cement	43,807	-10.6	17.5	7,981	-35.3	34.7	25.2	15.9	18.2	1,821	-75.2	95.5
Star Cement	7,056	8.3	10.0	1,037	-30.3	8.5	22.8	14.9	14.7	679	-7.6	1,098.6
The Ramco Cement	20,182	-4.2	-1.3	3,442	-13.0	9.6	18.8	15.4	17.1	1,081	15.8	327.0
UltraTech Cement	1,68,314	0.5	7.7	25,637	-21.2	27.0	19.4	12.9	15.2	12,962	-27.0	57.1

Source: Nirmal Bang Institutional Equities Research

Exhibit 2: Company-wise 2QFY25 estimates

ACC	4QCY23	3QCY24	3QFY25E	YoY%	QoQ%
Volumes (mn mt)	8.9	9.3	9.7	8.7	4.0
Realizations (Rs/mt)	5,225	4,955	5,100	(2.4)	2.9
EBITDA/mt (Rs)	867	462	604	(30.3)	30.9
Net Sales	49,183	46,080	49,348	0.3	7.1
EBITDA	7,717	4,292	5,845	(24.3)	36.2
Adj. PAT	3,960	2,339	3,044	(23.1)	30.1
EPS (Rs)	21.1	12.5	16.2	(23.1)	30.1

BIRLA CORP	3QFY24	2QFY25	3QFY25E	YoY%	QoQ%
Volumes (mn mt)	4.2	4.0	4.5	7.9	14.2
Realizations (Rs/mt)	5,316	4,722	4,851	(8.7)	2.7
EBITDA/mt (Rs)	901	446	579	(35.8)	29.7
Net Sales	23,120	19,526	21,984	(4.9)	12.6
EBITDA	3,785	1,772	2,623	(30.7)	48.0
Adj. PAT	1,091	-252	304	(72.2)	NA
EPS (Rs)	14.2	-3.3	3.9	(72.2)	NA

JK CEMENT	3QFY24	2QFY25	3QFY25E	YoY%	QoQ%
Volumes (mn mt)	4.7	4.4	5.03	7.0	15.2
Realizations (Rs/mt)	6,240	5,858	6,028.24	(3.4)	2.9
EBITDA/mt (Rs)	1,329	650	851.15	(36.0)	31.0
Net Sales	29,348	25,601	30,345.18	3.4	18.5
EBITDA	6,251	2,840	4,284.55	(31.5)	50.9
Adj. PAT	2,838	337	1,668.59	(41.2)	395.0
EPS (Rs)	36.7	17.6	21.59	(41.2)	22.6

NUVOCO VISTAS	3QFY24	2QFY25	3QFY25E	YoY%	QoQ%
Volumes (mn mt)	4.0	4.2	4.4	10.2	5.0
Realizations (Rs/mt)	6,022	5,376	5,450	(9.5)	1.4
EBITDA/mt (Rs)	1,021	518	549	(46.3)	5.8
Net Sales	24,210	22,686	24,145	(0.3)	6.4
EBITDA	4,104	2,188	2,430	(40.8)	11.1
Adj. PAT	310	-852	-770	(348.2)	NA
EPS (Rs)	0.9	-2.4	-2.2	(348.2)	NA

SHREE CEMENT	3QFY24	2QFY25	3QFY25E	YoY%	QoQ%
Volumes (mn mt)	8.9	7.6	8.7	(2.5)	14.0
Realizations (Rs/mt)	5,513	4,904	5,054	(8.3)	3.1
EBITDA/mt (Rs)	1,388	780	921	(33.7)	18.1
Net Sales	49,008	37,270	43,807	(10.6)	17.5
EBITDA	12,337	5,925	7,981	(35.3)	34.7
Adj. PAT	7,342	931	1,821	(75.2)	95.5
EPS (Rs)	203.5	25.8	50.5	(75.2)	95.5

RAMCO CEMENT	3QFY24	2QFY25	3QFY25E	YoY%	QoQ%
Volumes (mn mt)	4.0	4.5	4.3	7.5	(4.2)
Realizations (Rs/mt)	5,265	4,553	4,692	(10.9)	3.1
EBITDA/mt (Rs)	988	700	800	(19.1)	14.4
Net Sales	21,061	20,441	20,182	(4.2)	(1.3)
EBITDA	3,954	3,141	3,442	(13.0)	9.6
Adj. PAT	934	253	1,081	15.8	327.0
EPS (Rs)	4.0	1.1	4.6	15.8	327.0

AMBUJA CEMENT	4QCY23	3QCY24	3QFY25E	YoY%	QoQ%
Volumes (mn mt)	14.1	14.2	15.9	13.1	12.0
Realizations (Rs/mt)	5,765	5,278	5,398	(6.4)	2.3
EBITDA/mt (Rs)	1,333	780	931	(30.1)	19.3
Net Sales	81,288	75,161	86,088	5.9	14.5
EBITDA	18,798	11,114	14,853	(21.0)	33.6
Adj. PAT	12,373	4,729	6,476	(47.7)	37.0
EPS (Rs)	6.2	2.2	2.9	(52.3)	37.0

HEIDELBERG	3QFY24	2QFY25	3QFY25E	YoY%	QoQ%
Volumes (mn mt)	1.2	1.0	1.05	(13.2)	6.6
Realizations (Rs/mt)	5,026	4,689	4,798	(4.5)	2.3
EBITDA/mt (Rs)	542	381	502	(7.3)	31.9
Net Sales	6,071	4,614	5,031	(17.1)	9.0
EBITDA	655	375	526	(19.6)	40.5
Adj. PAT	315	112	195	(38.0)	74.0
EPS (Rs)	1.4	0.5	0.9	(38.0)	74.0

JK LAKSHMI	3QFY24	2QFY25	3QFY25E	YoY%	QoQ%
Volumes (mn mt)	3.0	2.5	2.8	(4.6)	14.0
Realizations (Rs/mt)	5,753	4,983	5,129	(10.8)	2.9
EBITDA/mt (Rs)	1,021	360	487	(52.3)	35.1
Net Sales	17,028	12,343	14,478	(15.0)	17.3
EBITDA	3,021	893	1,375	(54.5)	54.0
Adj. PAT	1,501	-192.4	391	(73.9)	(303.3)
EPS (Rs)	12	-0.9	3	(72.3)	(457.5)

SAGAR CEMENT	3QFY24	2QFY25	3QFY25E	YoY%	QoQ%
Volume (mn mt)	1.4	1.2	1.4	0.6	22.0
Cement Realisation (Rs/mt)	4,757	4,096	4,243	(10.8)	3.6
EBITDA (Rs/mt)	619	172	311	(49.7)	81.1
Net Sales	6,694	4,751	6,007	(10.3)	26.4
EBITDA	871	199	440	(49.4)	121.0
Net Profit	-105	-570	7	NA	NA
EPS (Rs.)	-0.8	-4.4	0.1	NA	NA

STAR CEMENT	3QFY24	2QFY25	3QFY25E	YoY%	QoQ%
Volumes (mn mt)	1.0	1.0	1.0	8.0	9.0
Realizations (Rs/mt)	6,716	6,676	6,736	0.3	0.9
EBITDA/mt (Rs)	1,534	994	990	(35.5)	(0.5)
Net Sales	6,514	6,415	7,056	8.3	10.0
EBITDA	1,488	956	1,037	(30.3)	8.5
Adj. PAT	735	57	679	(7.6)	1098.6
EPS (Rs)	1.8	0.1	1.7	(7.6)	1098.6

ULTRATECH	3QFY24	2QFY25	3QFY25E	YoY%	QoQ%
Volumes (mn mt)	27.3	27.8	29.2	6.8	4.8
Realizations (Rs/mt)	6,127	5,616	5,766	(5.9)	2.7
EBITDA/mt (Rs)	1,191	725	878	(26.3)	21.2
Net Sales	1,67,400	1,56,347	1,68,314	0.5	7.7
EBITDA	32,546	20,183	25,637	(21.2)	27.0
Adj. PAT	17,748	8,252	12,962	(27.0)	57.1
EPS (Rs)	61.3	28.6	44.9	(26.7)	56.8

DALMIA BHARAT	3QFY24	2QFY25	3QFY25E	YoY%	QoQ%
Volumes (mn mt)	6.8	6.7	7.3	6.7	8.0
Realizations (Rs/mt)	5,300	4,594	4,730	(10.8)	3.0
EBITDA/mt (Rs)	1,146	646	758	(33.8)	17.4
Net Sales	36,040	30,870	34,323	(4.8)	11.2
EBITDA	7,790	4,340	5,501	(29.4)	26.7
Adj. PAT	2,660	490	1,756	(34.0)	258.4
EPS (Rs)	14.0	2.6	9.4	(33.2)	258.4

Source: Companies, Nirmal Bang Institutional Equities Research

Exhibit 3: Cement sector aggregate 2QFY25 estimates

NBIE COVERAGE (Rs Mn)	3QFY24	2QFY25	3QFY25E	YoY%	QoQ%
Volume (mn mt)	89.5	88.3	95.4	6.6	8.0
Realization (Rs/mt)	5,778	5,231	5,359	(7.2)	2.4
EBITDA/mt (Rs)	1,155	659	797	(31.0)	20.9
Net sales	5,16,967	4,62,106	5,11,109	(1.1)	10.6
EBITDA	1,03,316	58,217	75,974	(26.5)	30.5
EBITDA margin (%)	20.0%	12.6%	14.9%	-512	227
Adj. PAT	51,702	15,634	29,615	(42.7)	89.4

Source: Company, Nirmal Bang Institutional Equities Research

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