BP Wealth | STOXBOX

# CEMENT MONTHLY UPDATE

## November 2025

# Cement Monthly Update (November 2025)

12th December 2025

## Muted demand and competitive intensity to weigh on near-term pricing

We interacted with cement dealers across regions to assess pricing trends and the demand scenario across the country. In November 2025, the cement industry witnessed a downward trend, with both trade and non-trade prices edging lower. Average cement prices declined pan-India, with trade prices falling by Rs. 9/bag to Rs. 325/bag. Overall demand remained weak due to reduced construction activity, impacted by limited government funding and the constrained availability of key construction materials. Most dealers expect demand to remain slow in the coming month, with prices likely to stay muted.

## Key regional takeaways:

**North:** North India witnessed weak demand across most regions in November 2025 due to the Bihar elections. Demand in Delhi was also subdued following the implementation of GRAP Stage 3, which led to a ban on non-essential construction activities. Other regions experienced a moderation in demand as well due to labor constraints. As a result, prices fell across regions. Dealers expect demand to revive in January once halted construction projects resume. Average prices in the North declined by 2.0% MoM to Rs. 340/bag in November 2025.

**East:** Cement demand in East India remained weak throughout November. No recovery was seen post-monsoon or after the end of the festive season. This subdued demand led to a fall in prices. Dealers expect demand to recover toward the end of December as construction activity picks up. Average prices in the East decreased significantly by 6.7% MoM to Rs. 280/bag in November 2025.

**South:** The Southern region experienced lower demand in November than in October, resulting in lower prices. This was mainly due to a slowdown in construction activities. The ongoing shortage of sand and laterite stone, coupled with delayed financing of government projects due to limited funds, affected the pace of construction, resulting in weak cement demand. Dealers do not expect demand to recover next month unless these issues are resolved. Average prices in the South decreased by 2.4% MoM to Rs. 327/bag in November 2025.

**West:** Cement demand remained muted in most parts of the Western region due to a slowdown in construction activity and the real estate market caused by labor shortages. This led to a slight decline in prices during November. Dealers expect demand to pick up around January if these conditions normalize. Average prices in the West declined by 1.4% MoM to Rs. 345/bag in November 2025.

**Central:** Cement demand in Central India remained muted due to a slowdown in government project financing, which impacted prices to some extent. Additionally, intense competition among players created further pressure on pricing. Demand is expected to pick up in December as construction activity gets back on track; however, some pricing pressure is likely to persist. Average prices in Central India decreased marginally by 1.8% MoM to Rs. 334/bag in November 2025.

## Outlook:

The Indian cement sector faced subdued demand in November 2025, with average prices declining amid weak construction activity and delays in project funding across regions. The slowdown was broad-based, reflecting muted construction activity, labor shortages, slower government disbursements, and region-specific disruptions such as GRAP Stage 3 restrictions in Delhi and election-related pauses in Bihar. Despite being a period that typically sees post-monsoon improvement, demand recovery this time remained weaker than expected. Given the current environment, cement prices are unlikely to recover meaningfully before the seasonally strong January-March quarter (Q4FY26). Dealers across regions indicated that December is expected to remain soft, with limited scope for price hikes. Elevated production levels and continued delays in project execution are likely to keep prices capped at least until mid-January. Even when demand improves, pricing gains may remain restricted due to elevated competitive intensity. While the sector usually witnesses sequential profitability improvement in Q3, the recovery this year appears muted. Softer prices, rising input costs, and slower-than-expected demand revival could restrict margin expansion for most players. Labor availability has also been impacted by the agricultural season, delayed return of migrant workers post-festivals, and the onset of the wedding season, further weakening construction activity. Q4FY26 should see a stronger pickup as infrastructure and housing projects resume at full pace during the peak construction season, and labor availability normalizes. Demand is likely to recover meaningfully; however, pricing power may still lag due to oversupply in select markets and aggressive discounting by some players. Overall, while demand momentum is expected to improve in the medium term, any price recovery is likely to be gradual in Q4FY26. Near-term sentiment will remain cautious, with companies focusing on volume growth rather than pricing gains until market conditions become more favorable. **Overall, we remain positive on the sector over the long term, with players such as Ultratech, Ambuja Cements, and Dalmia Bharat well-positioned to benefit from sustainable volume growth and infrastructure spending.**

### Cement Monthly Price Update

| Region (Rs./bag) | Nov-25 | Oct-25 | MoM | Nov-24 | YoY |
|---|---|---|---|---|---|
| **North** | 340 | 347 | -2.0% | 355 | -4.2% |
| **East** | 280 | 300 | -6.7% | 330 | -15.2% |
| **South** | 327 | 335 | -2.4% | 350 | -6.6% |
| **West** | 345 | 350 | -1.4% | 375 | -8.0% |
| **Central** | 334 | 340 | -1.8% | 345 | -3.2% |
| **Pan-India** | **325** | **334** | **-2.8%** | **351** | **-7.4%** |

*Source : BP Equities Pvt. Ltd.*

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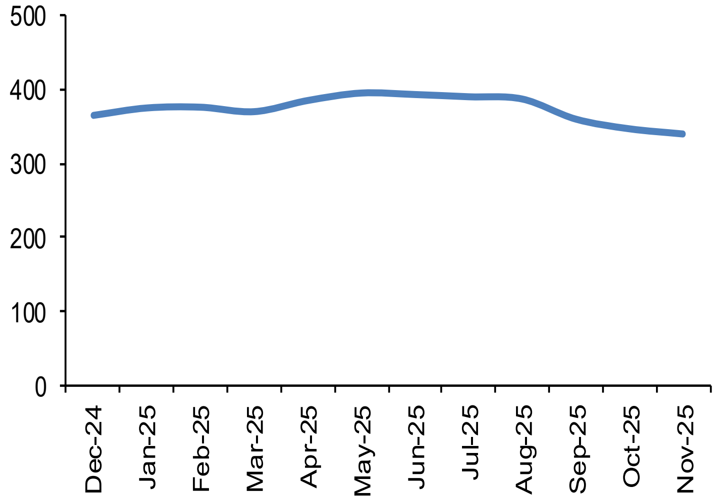
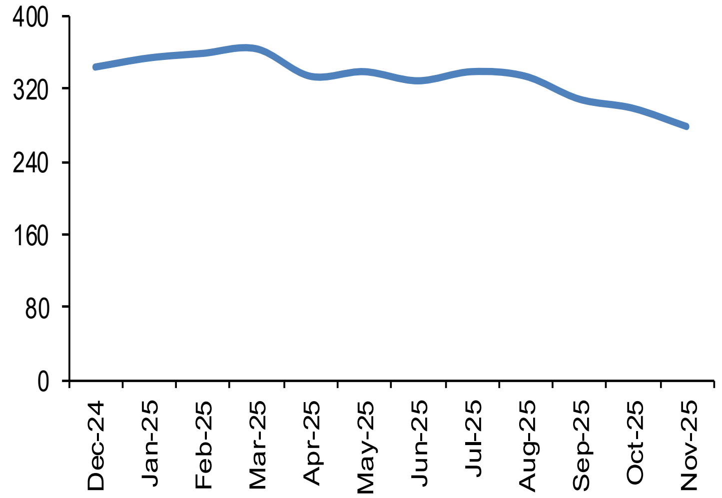
# Cement Monthly Update (November 2025)

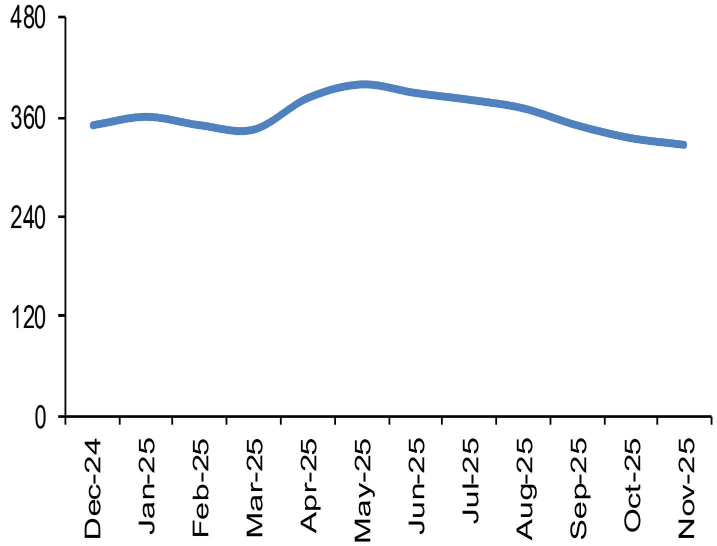
**North prices declined MoM (Price Rs./bag)**



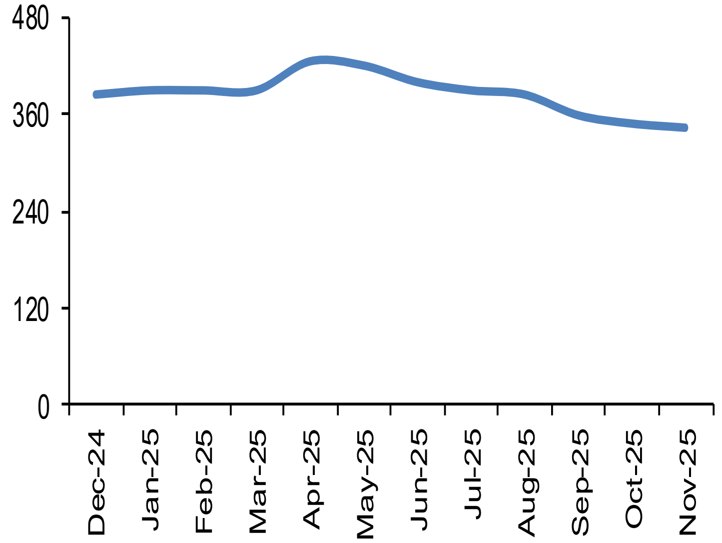

**East prices decreased significantly MoM (Price Rs./bag)**



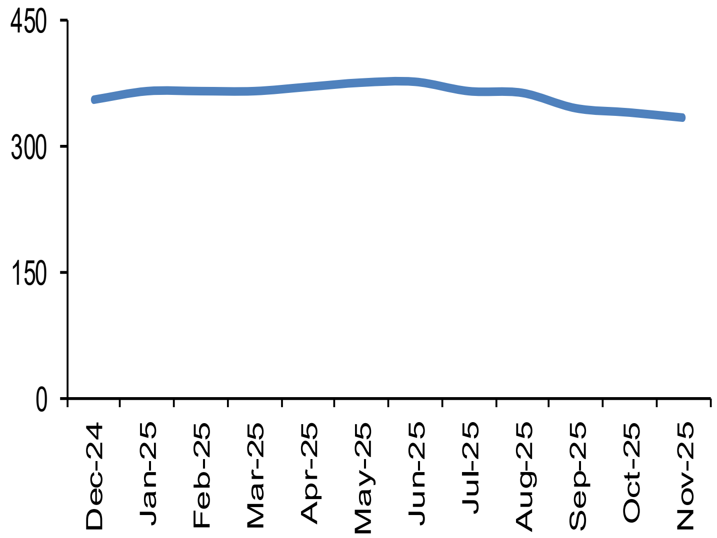

**South prices decreased MoM (Price Rs./bag)**



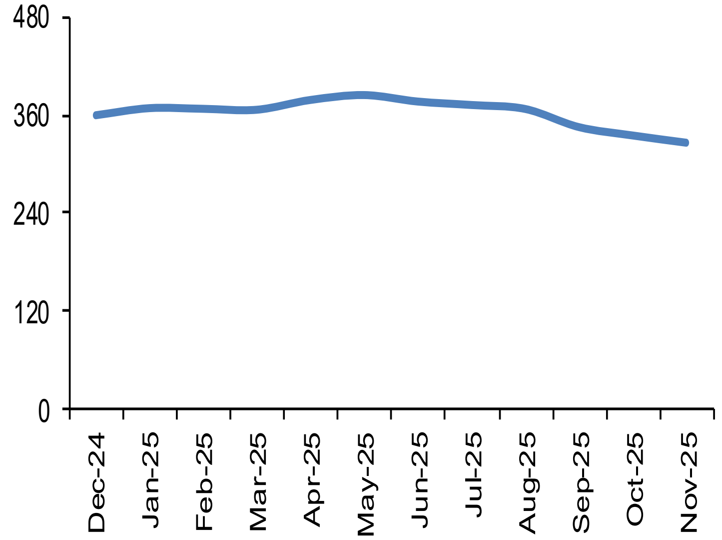

**West prices declined marginally MoM (Price Rs./bag)**




**Central prices declined MoM (Price Rs./bag)**




**Pan-India prices decreased MoM (Price Rs./bag)**



# Cement Monthly Update (November 2025)

## Key Financials

| Company | Revenue (Rs. Cr.) | | EV/EBITDA | | EBITDA Margin (%) | | PAT Margin (%) | | ROE | | P/E | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | FY26E | FY27E | FY26E | FY27E | FY26E | FY27E | FY26E | FY27E | FY26E | FY27E | FY26E | FY27E |
| Ultratech Cement Ltd. | 87,798 | 98,613 | 31.6 | 17.6 | 19.5% | 21.4% | 9.9% | 11.6% | 11.4% | 13.6% | 39.5 | 30.0 |
| Ambuja Cements Ltd. | 42,540 | 48,392 | 18.3 | 14.3 | 19.2% | 21.6% | 9.7% | 10.2% | 6.7% | 8.0% | 34.1 | 27.4 |
| Shree Cement Ltd. | 21,492 | 23,609 | 18.0 | 15.6 | 23.1% | 24.4% | 9.2% | 10.1% | 8.9% | 9.9% | 48.2 | 39.6 |
| JK Cement Ltd. | 13,409 | 15,170 | 19.8 | 16.2 | 18.6% | 20.1% | 8.0% | 9.0% | 16.3% | 17.7% | 41,1 | 32.2 |
| Dalmia Bharat Ltd. | 15,321 | 16,865 | 12.4 | 10.9 | 21.3% | 22.1% | 8.1% | 8.5% | 7.0% | 7.4% | 30.7 | 27.0 |
| ACC Ltd. | 24,753 | 26,659 | 9.9 | 8.8 | 13.7% | 14.3% | 8.3% | 8.5% | 10.0% | 10.3% | 16.4 | 14.7 |
| The Ramco Cements Ltd. | 9,364 | 10,471 | 17.3 | 14.2 | 18.2% | 19.9% | 4.5% | 6.6% | 5.6% | 8.6% | 56.7 | 34.4 |
| Nuvoco Vistas Corp Ltd. | 11,497 | 12,574 | 9.3 | 8.3 | 16.7% | 17.1% | 3.7% | 3.9% | 4.6% | 5.1% | 29.4 | 25.0 |
| Birla Corporation Ltd. | 9,866 | 10,577 | 7.5 | 6.5 | 14.5% | 15.8% | 5.0% | 6.0% | 7.0% | 8.4% | 16.7 | 13.0 |
| JK Lakshmi Cement Ltd. | 7,037 | 7,891 | 9.9 | 8.2 | 15.9% | 17.1% | 6.7% | 7.3% | 12.4% | 13.5% | 20.6 | 16.5 |
| Star Cement Ltd. | 3,696 | 4,141 | 11.0 | 9.7 | 23.3% | 23.5% | 9.4% | 10.0% | 11.3% | 12.1% | 25.9 | 21.6 |
| Heidelberg Cement India Ltd. | 2,356 | 2,518 | 11.4 | 9.8 | 13.6% | 14.9% | 7.1% | 8.0% | 12.2% | 14.8% | 23.7 | 18.8 |

*Source : Bloomberg, BP Equities Pvt. Ltd.*

## Key Operational Performance

| Company | Sales volume (Mt) (Q2FY26) | Q2FY26 Capex (Rs. crs) | FY26 Capex Guidance (Rs. crs) |
|---|---|---|---|
| Ultratech Cement Ltd. | 34 | ~2,880 | 10,000 |
| Ambuja Cements Ltd. | 17 | 1400 | 8,000 |
| Shree Cement Ltd. | 8 | NA | 3,000 |
| Jk Cement Ltd. | 4 | NA | ~2,800 |
| Dalmia Bharat Ltd. | 7 | 577 | 3,000 |
| Acc Ltd. | 10 | ~2,880 | 10,000 |
| The Ramco Cements Ltd. | 4 | 280 | 1,200 |
| Nuvoco Vistas Corporation Ltd. | 4 | NA | ~600 |
| Birla Corporation Ltd. | 4 | 100 | 800 |
| Jk Lakshmi Cement Ltd. | 3 | ~150 | 1,000-1,200 |
| Star Cement Ltd. | 1 | 149 | 710 |
| Heidelberg Cement India Ltd. | 1 | NA | 60 |

*Source : Company Reports, BP Equities Pvt. Ltd.*

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