



# CEMENT MONTHLY UPDATE

**February 2026**

## Prices edge up amid muted demand; Recovery expected in coming months

We interacted with cement dealers across various regions to assess pricing trends and the overall demand environment across the country. In February 2026, the cement industry saw price increases, with moderate gains in both the trade and non-trade segments. On a pan-India basis, average trade prices increased by Rs. 14/bag to Rs. 334/bag. Despite high expectations, overall demand remained subdued, even though cement demand typically rises in Q4 due to increased construction activity. However, shortages of other raw materials and financial constraints for projects limited the improvement in demand. Dealers expect prices to strengthen further as construction activity gains momentum and demand gradually picks up.

### Key regional takeaways:

**North:** North India witnessed slightly improved demand in February 2026, with construction activities gaining traction across most markets. However, higher prices of other construction raw materials limited the scope for a stronger recovery in construction activity. As a result, cement prices saw only marginal improvement in the region. Dealers expect demand to recover by the end of March as construction activity gradually picks up pace and raw materials become more readily available. Average prices in the North increased by 0.9% MoM to Rs. 340/bag in February 2026.

**East:** Cement demand in East India remained moderate throughout February. Dealers expect a stronger recovery in the coming months as construction activity continues to gain momentum. Prices in the region improved during the month due to limited supply and higher transportation costs. Average prices in the East increased by 3.4% MoM to Rs. 300/bag in February 2026.

**South:** South India witnessed a decline in demand in February. The fall was primarily due to shortages of other construction raw materials, such as laterite stone and sand, which delayed construction activities and reduced cement demand. Consequently, prices in the region declined. Demand is expected to remain slightly weak in some areas in March due to Ramzan. Dealers anticipate demand to improve from April as construction activity gathers pace. Average prices in the South decreased by 1.5% MoM to Rs. 320/bag in February 2026.

**West:** Cement demand in the Western region improved significantly as both private and government construction activities gained momentum. Prices also increased during the month, supported by stronger demand in the region. However, dealers expect prices to remain stable in March with no meaningful improvement due to year-end volume push by manufacturers. Average prices in the West improved by 2.8% MoM to Rs. 370/bag in February 2026.

**Central:** Cement demand in Central India remained moderate. However, prices did not increase due to intense competition and excess supply in the region. Although demand showed some improvement, it did not translate into price increases. Dealers do not expect prices to rise further due to the ongoing volume push and rising competition. Average prices in Central India decreased by 0.6% MoM to Rs. 338/bag in February 2026.

### Outlook:

The Indian cement sector faced moderate demand conditions in February 2026, with activity improving slightly across some regions but remaining below typical expectations for the seasonally strong fourth quarter. While construction activity gradually picked up in certain markets, demand recovery was uneven due to shortages of key construction inputs and financial constraints affecting project execution. As a result, the anticipated seasonal surge in cement consumption was relatively muted. From a pricing perspective, trends remained mixed on a MoM basis. Cement companies attempted price hikes during the early part of the month; however, several of these increases were either only partially accepted or rolled back in some markets due to intense competition and a strong focus on dispatch volumes ahead of the financial year-end. As companies prioritized volumes over margins, pricing discipline remained somewhat constrained. Despite these challenges, average pan-India trade prices still witnessed a modest increase during the month, indicating selective acceptance of price revisions in certain regions. Regionally, the Western market stood out with stronger demand momentum, while the Southern region faced some weakness due to raw material shortages that affected construction progress. Looking ahead, demand may see short-term moderation during the early part of March due to festive related disruptions, but activity is expected to recover thereafter as construction work resumes. With the sector in its seasonally strong quarter and supported by continued government spending on infrastructure, overall demand conditions are expected to remain healthy in the near term. We expect the cement industry to report a strong performance in Q4FY26, supported by steady volumes and gradual price recovery. While companies have demonstrated an intent to improve pricing, the sustainability of price increases will remain a key factor to monitor in the coming months. **Overall, the medium-term outlook for the sector remains constructive, with players such as Ultratech, Ambuja Cements and JK Cement well-positioned to benefit from both volume growth and a gradual improvement in realizations.**

## Cement Monthly Price Update

Region (Rs./bag)	Feb-26	Jan-26	MoM	Feb-25	YoY
North	340	337	0.9%	376	-9.6%
East	300	290	3.4%	360	-16.7%
South	320	325	-1.5%	350	-8.6%
West	370	360	2.8%	390	-5.1%
Central	338	340	-0.6%	365	-7.4%
Pan-India	334	330	1.0%	368	-9.4%

Source : BP Equities Pvt. Ltd.

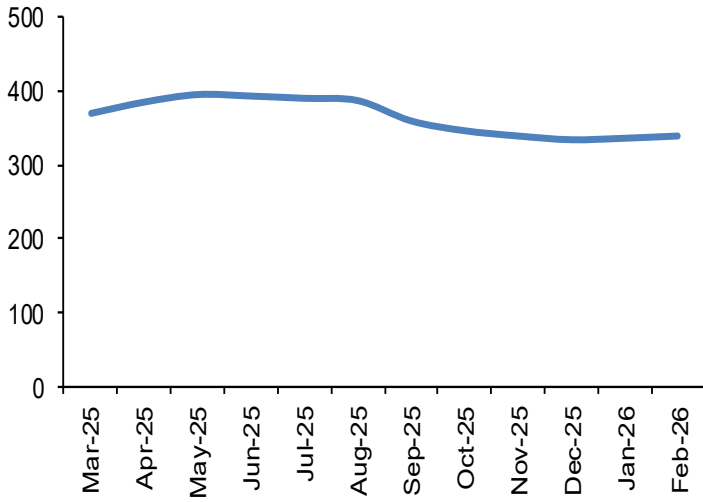
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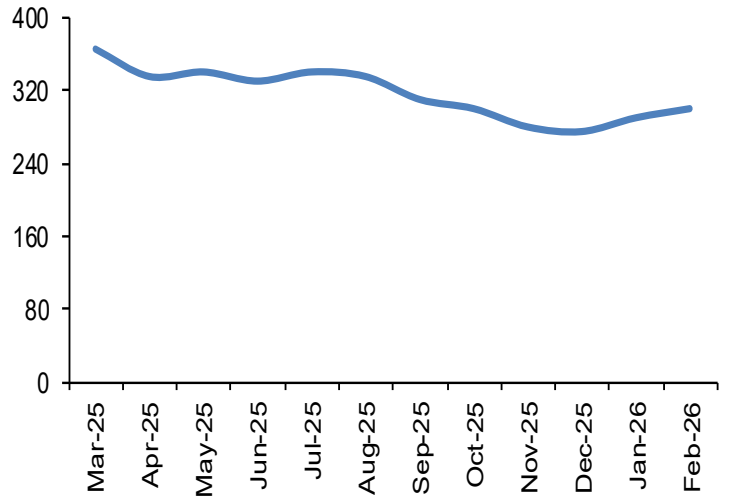
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# Cement Monthly Update (February 2026)

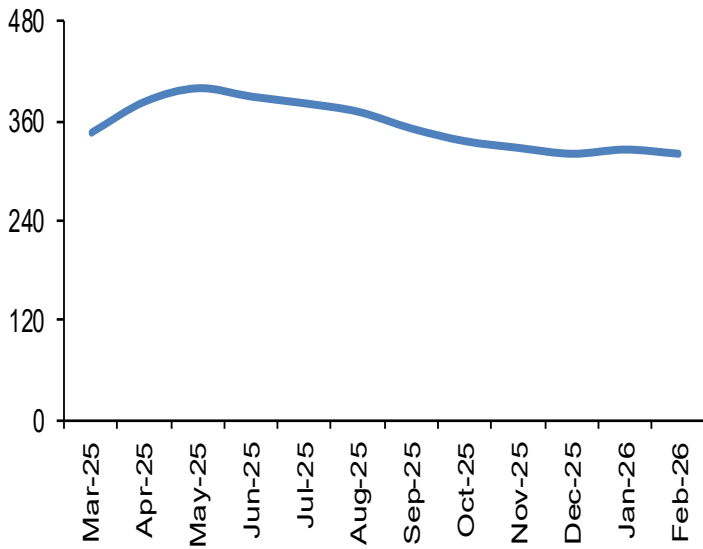
North prices increased marginally MoM (Price Rs./bag)



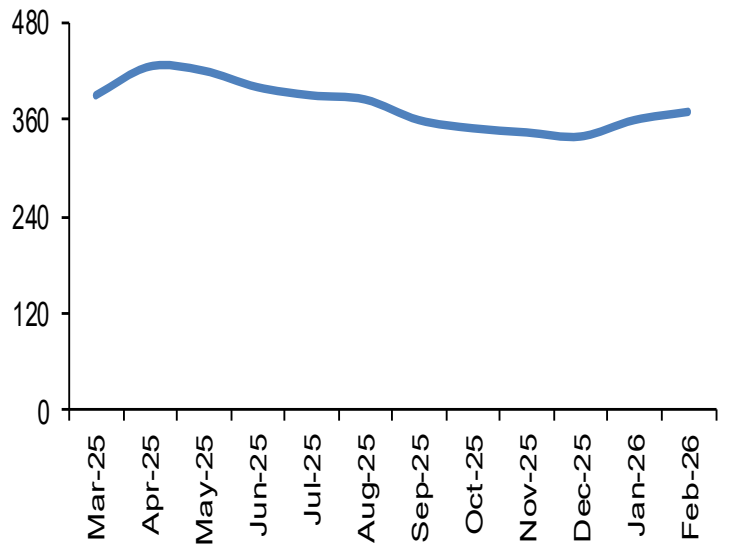
East prices increased significantly MoM (Price Rs./bag)



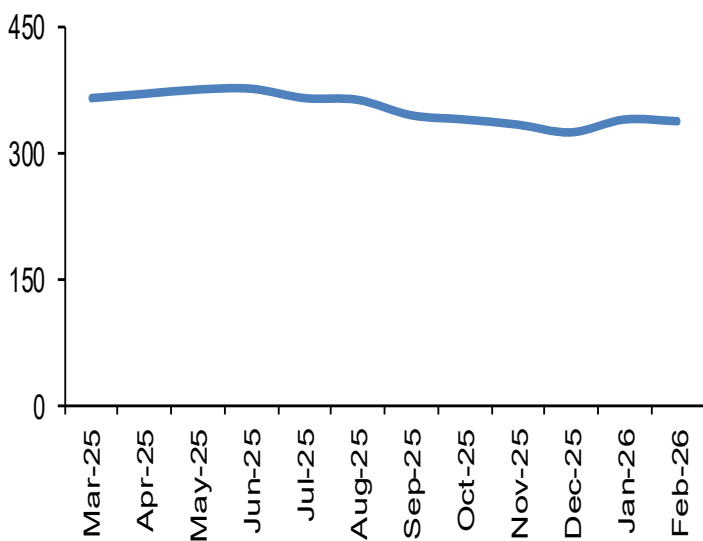
South prices fell marginally MoM (Price Rs./bag)



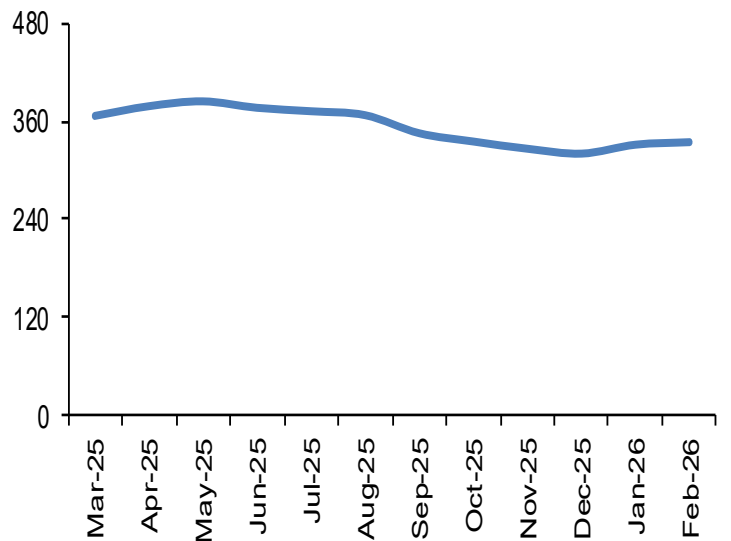
West prices increased MoM (Price Rs./bag)



Central prices decreased marginally MoM (Price Rs./bag)



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



# Cement Monthly Update (February 2026)

## Key Financials

Company	Revenue (Rs. Crs.)		EV/EBITDA		EBITDA Margin (%)		PAT Margin (%)		ROE (%)		P/E	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Ultratech Cement Ltd.	88,395	98,797	20.1	16.4	19.0%	20.9%	9.4%	11.1%	11.0%	13.1%	37.6	28.4
Ambuja Cements Ltd.	41,638	47,915	16.1	12.4	17.8%	20.1%	8.4%	8.9%	5.8%	6.8%	30.1	24.6
Shree Cement Ltd.	20,835	22,805	16.7	14.6	22.3%	23.2%	8.9%	9.9%	8.2%	9.2%	44.7	36.7
JK Cement Ltd.	13,673	15,410	18.0	14.8	17.8%	19.2%	7.5%	10.5%	15.6%	16.8%	37.6	30.0
Dalmia Bharat Ltd.	15,081	16,603	11.9	10.0	20.6%	22.3%	7.7%	8.2%	6.5%	7.2%	30.8	26.1
ACC Ltd.	25,179	27,074	7.8	6.8	13.3%	14.2%	8.5%	8.4%	10.5%	10.3%	12.2	11.4
The Ramco Cements Ltd.	9,247	10,404	17.5	14.0	17.1%	19.1%	4.3%	6.1%	5.1%	7.4%	57.8	37.1
Nuvoco Vistas Corp Ltd.	11,409	12,507	8.6	7.7	16.3%	16.5%	3.6%	3.9%	4.5%	5.1%	25.7	20.8
Birla Corporation Ltd.	9,589	10,200	6.2	5.5	14.4%	15.4%	4.9%	5.8%	6.6%	7.8%	12.9	10.2
JK Lakshmi Cement Ltd.	6,899	7,708	8.4	7.0	15.2%	16.2%	6.3%	6.9%	11.9%	10.3%	16.3	13.3
Star Cement Ltd.	3,730	4,166	9.9	8.9	23.7%	23.6%	9.9%	10.1%	12.0%	12.3%	22.5	19.6
Heidelberg Cement India Ltd.	2,314	2,452	10.4	9.0	12.9%	14.1%	6.1%	7.1%	11.0%	13.5%	22.5	18.3

Source : Bloomberg, BP Equities Pvt. Ltd.

## Key Operational Performance

Company	Sales volume (Mt) (Q3FY26)	Q3FY26 Capex (Rs. crs)	FY26 Capex Guidance (Rs. crs)
Ultratech Cement Ltd.	39	~2,300	10,000
Ambuja Cements Ltd.	19	~2,600	9,000
Shree Cement Ltd.	9	NA	2,000
Jk Cement Ltd.	5	NA	~2,800
Dalmia Bharat Ltd.	7	513	2,700
Acc Ltd.	11	~2,600	9,000
The Ramco Cements Ltd.	4	222	1,100
Nuvoco Vistas Corporation Ltd.	5	NA	620-670
Birla Corporation Ltd.	4	100	800
Jk Lakshmi Cement Ltd.	3	NA	650
Star Cement Ltd.	1	~220	581
Heidelberg Cement India Ltd.	1	NA	60

Source : Company Reports, BP Equities Pvt. Ltd.

**Disclaimer Appendix****Analyst (s) holding in the Stock : Nil****Analyst (s) Certification:**

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