BP Wealth | STOXBOX

Result Update

Q4 FY26

Dalmia Bharat Ltd.

Institutional Research

Dalmia Bharat Ltd.

BP WEALTH

Cement & Cement Products | Q4FY26 Result Update | **30th April 2026**

Strong operational performance with stable margins despite cost pressures

Dalmia Bharat Ltd. reported an operating revenue of Rs. 4,245 crores (up 21.1% QoQ / up 3.8% YoY). This growth was driven by a combination of modest volume growth and improved realizations. The company's cement volumes increased, with total sales reaching 8.8 MT (up 20.5% QoQ / up 2.3% YoY). Raw material costs increased during Q4FY26 and stood at Rs. 782 crores (up 33.9% QoQ / up 2.1% YoY), primarily due to higher petcoke prices, a supply crunch of bags and rising PP granule costs. Freight costs during the quarter stood at Rs. 938 crores (up 21.3% QoQ / down 3.5% YoY). Power and fuel costs during the quarter stood at Rs. 794 crores (up 6.7% QoQ / up 2.7% YoY). The company's share of renewable energy increased to 47% in Q4FY26 from 39% in Q4FY25. Other expenses increased to Rs. 612 crores (up 5.7% QoQ / up 7.0% YoY), mainly due to higher packing costs toward the end of the quarter. The company reported an EBITDA of Rs. 902 crores (up 49.8% QoQ / up 13.7% YoY), driven by higher volumes, improved realizations, and strong cost optimization. Its EBITDA margin stood at 21.2%, compared to 19.4% in the same quarter of the previous year and 17.2% in the last quarter. EBITDA per ton increased to Rs. 1,023 in Q4FY26 from Rs. 823 in Q3FY26 and Rs. 926 in Q4FY25. The company's profit improved significantly on a sequential basis but declined on an annual basis during the quarter, reaching Rs. 395 crores (up 208.6% QoQ / down 10.0% YoY). The sequential increase was driven by stronger operating performance and cost control, while the annual decline was due to higher input costs. Financially, the company's net debt-to-EBITDA ratio increased from 0.30x in Q3FY26 to 0.46x in Q4FY26. The company's board declared a dividend of Rs .5 per equity share on the face value of Rs. 2 for FY26.

Valuation and Outlook

Dalmia Bharat delivered a strong quarter, driven by improved execution, steady volumes, and better pricing, and continued to benefit from its focus on premiumization and sales quality. The company's ability to protect and expand margins despite a challenging cost environment reflects strong operational discipline and cost control. Management also highlighted that cost per ton remains among the lowest in the industry, reinforcing its positioning as a cost-efficient player. However, input cost pressures, especially fuel, logistics, and packaging, remain elevated due to global factors. While the company has been able to pass on some of these costs through price increases, margin sustainability will depend on how energy and cement prices move going forward. Management remains firmly optimistic, anchored in the belief that sustained national infrastructure development will provide a long-term tailwind for cement demand. The company is clearly focused on "Viksit Bharat" by prioritizing capacity expansion and improving utilizations. Furthermore, its disciplined capital allocation, strong balance sheet, and growing focus on renewable energy position it well to navigate future market uncertainties. Overall, Dalmia Bharat appears well-positioned with strong execution and growth visibility, although near-term profitability may remain volatile due to input cost pressures.

Key Highlights

Particulars (Rs. Crs.)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Net Sales	4,245	4,091	3.8%	3,506	21.1%
Gross Profit	3,463	3,325	4.2%	2,922	18.5%
Gross Margin (%)	81.6%	81.3%	30bps	83.3%	-176bps
EBITDA	902	793	13.7%	602	49.8%
OPM (%)	21.2%	19.4%	186bps	17.2%	408bps
Net Profit	395	439	10.0%	128	208.6%
PAT Margin (%)	9.3%	10.7%	-143bps	3.7%	565bps

Source: Company, BP Equities Research

Sector Outlook	Positive

Stock

CMP (Rs.)	1,906
BSE code	542216
NSE Symbol	DALBHARAT
Bloomberg	DALBHARA IN
Reuters	DALB.BO

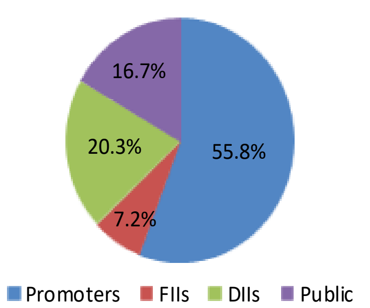
Key Data

Nifty	23,998
52 Week H/L (Rs.)	2,496 / 1,717
O/s Shares (Crs.)	19
Market Cap (Rs. Crs.)	36,553
Face Value (Rs.)	2

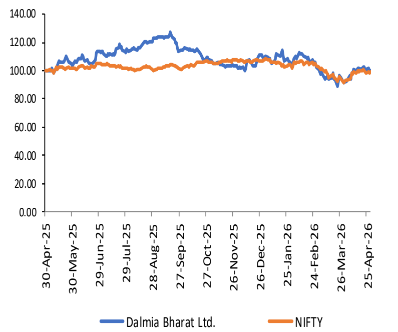
Average Volume

3 months	268,418
6 months	282,000
1 year	340,602

Share Holding (%)



Relative Price Chart



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Key Concall Highlights

Capacity Expansion & Strategy:

- The company is working on new projects to reach the 75-million-ton capacity milestone.
- All announced projects in South and West regions are progressing well.
- Expansion projects at Belgaum, Pune, and Kadapa will take cement capacity to 61.5 million tons per annum in the next 18 to 20 months.
- Civil work at the Belgaum project is complete, and electrical and instrumentation work has started.
- Ordering for all key equipment at the Kadapa project is already complete.
- Management stated that the progress on Pune GU and Chennai bulk terminal are also progressing satisfactorily.
- The company is considering grinding capacity addition in the Northeast region as part of its 72 to 75 million tons plan.

"Management highlighted that the company has introduced a new premium product, WEATHER365, to its lineup."

Volumes, Pricing & Sales Mix:

- Management reiterated its priority to increase capacity utilization as fast as possible across all new investments.
- The company aims to improve the quality of sales in certain markets, which it describes as a work-in-progress.
- It was noted that a unexpected breakdown in East India resulted in some lost volume during the quarter.
- Management mentioned that price improvements were seen across most key markets in April.

Cost Optimization Strategies:

- Multiple initiatives are being taken for better channel engagement and to offer reliable delivery to partners.
- Management emphasizes the use of alternative sourcing, such as washed coal, local petcoke, and other alternates, as petcoke becomes more expensive.
- The company continues to focus on all big and small initiatives to keep power and fuel costs in check.
- The company has achieved its highest ever direct dispatch share, which contributes to logistics cost management.
- Management emphasized ongoing internal measures such as mix optimization and other initiatives to mitigate inflationary pressures.

"Management noted that petcoke prices have risen sharply, with additional impact from rupee depreciation."

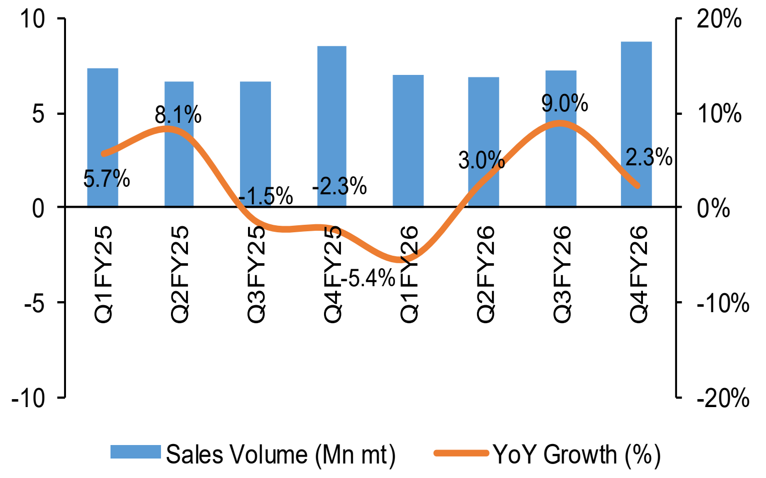
Other Key Concall Highlights:

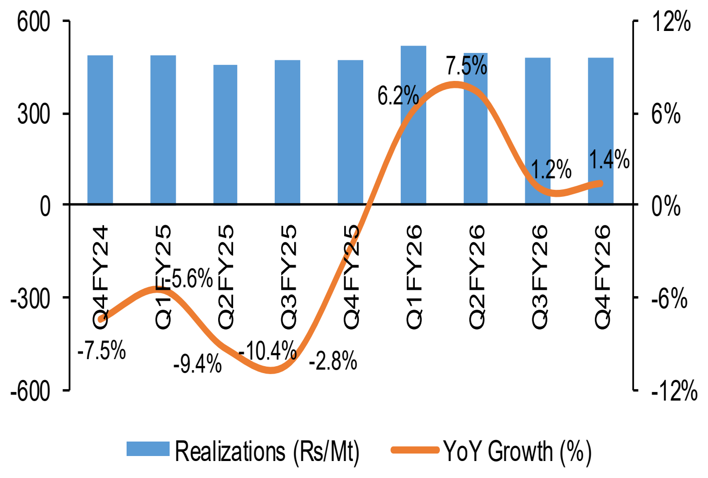
- The company considers its stake in IEX a non-core asset and plans to liquidate it when the right opportunity arises.
- The company stated that maximizing ROCE is one of the top agenda items for the company.
- It highlighted that the balance sheet remains strong and will support future expansion.
- Management noted that limestone reserves are sufficient across all reagions to support long-term expansion plans.

Dalmia Bharat Ltd. Result Update Q4FY26

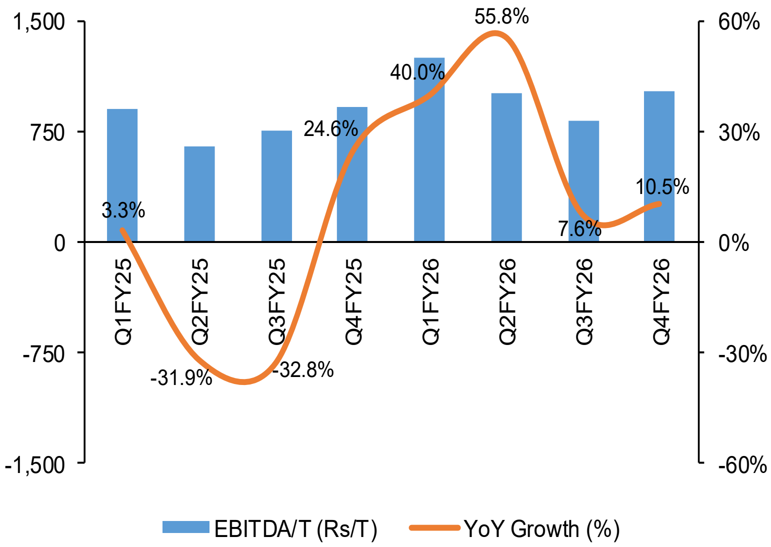
Quarterly Snapshot

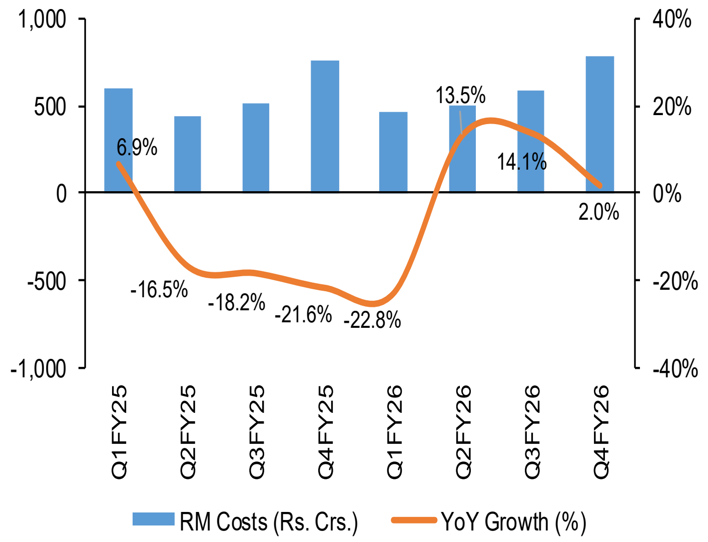
Sales Volume (Mn Mt) | **Realizations (Rs./Mt)**



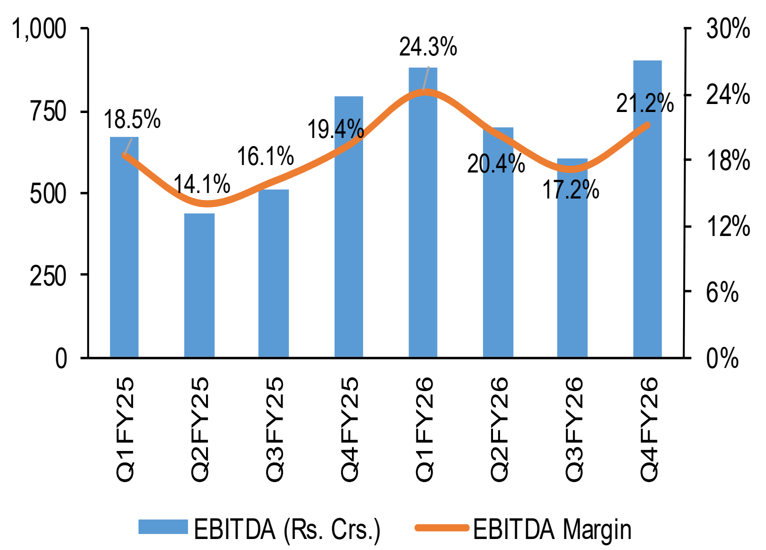


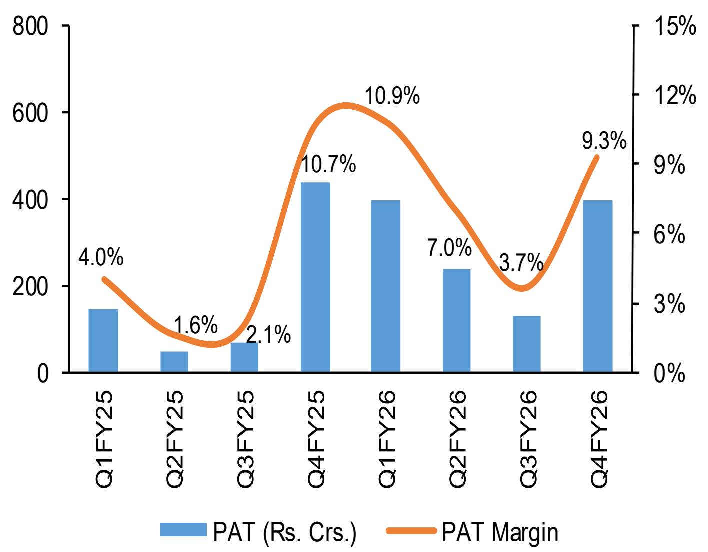
EBITDA/T (Rs./T) | **RM Costs (Rs. Mn)**





EBITDA & EBITDA Margin | **PAT & PAT Margin**





Key Financials						
YE March (Rs. Crs.)	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Revenue	**13,552**	**14,691**	**13,980**	**14,804**	**16,570**	**18,307**
Revenue Growth (Y-o-Y)	*20.1%*	*8.4%*	*(4.8%)*	*5.9%*	*11.9%*	*10.5%*
EBITDA	**2,328**	**2,639**	**2,407**	**3,083**	**3,520**	**3,990**
EBIDTA Growth (Y-o-Y)	*(4.0%)*	*13.4%*	*(8.8%)*	*28.1%*	*14.2%*	*13.3%*
Net Profit	**1,079**	**853**	**699**	**1,158**	**1,245**	**1,499**
Net Profit Growth (Y-o-Y)	*27.7%*	*(20.9%)*	*(18.1%)*	*65.7%*	*7.5%*	*20.4%*
Diluted EPS	**55.2**	**44.0**	**36.4**	**60.7**	**66.2**	**79.8**
Diluted EPS Growth (Y-o-Y)	*(9.7%)*	*(20.2%)*	*(17.3%)*	*66.7%*	*9.1%*	*20.4%*
Key Ratios						
EBITDA margin (%)	**17.2%**	**18.0%**	**17.2%**	**20.8%**	**21.2%**	**21.8%**
NPM (%)	8.0%	5.8%	5.0%	7.8%	7.5%	8.2%
RoE (%)	**6.9%**	**5.2%**	**4.0%**	**6.4%**	**6.6%**	**7.5%**
RoIC (%)	5.2%	5.4%	4.7%	7.0%	7.5%	8.0%
Valuation Ratios						
P/E (x)	**34.5x**	**43.3x**	**52.3x**	**31.4x**	**28.8x**	**23.9x**
EV/EBITDA (x)	16.9x	15.1x	17.0x	13.7x	11.9x	10.4x
Market Cap. / Sales (x)	**2.6x**	**2.4x**	**2.6x**	**2.4x**	**2.2x**	**2.0x**

Source: Company, BP Equities Research

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Disclaimer Appendix

Analyst (s) holding in the Stock : Nil

Analyst (s) Certification:

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