

# INDIAN CEMENT SECTOR

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**Cement volumes up by 9.4% YoY in  
April 2026**

**May 2026**



## 1 Trends in cement production



## 2 Region-wise trends in cement prices



## 3 Trends in input costs



## 4 Outlook



## 5 ICRA ratings in the sector





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*Production volumes increased by 9.4% YoY in April 2026. In FY2026, production volumes rose by 8.6% YoY to 491.4 million MT.*



- **Cement production volumes increased by 9.4% year-on-year (YoY) in April 2026** to 42.8 million metric tonnes (MT). In FY2026, the volumes were 8.6% higher than FY2025. ICRA expects cement volumes to grow by 7-8% in FY2027, supported by sustained demand from the housing and the infrastructure sectors. However, the volume growth remains exposed to downside risks, with GDP growth expected to be softer compared to the earlier estimates.

- **Average cement prices increased by ~4% in April 2026** at Rs. 350/bag on a month-on-month (MoM) basis. In FY2026, the prices increased by 2% to Rs. 345/bag YoY.

- **Coal prices** increased by 10% MoM to \$111/MT in May 2026. Following a similar trend, petcoke prices rose by ~4% MoM and ~51% YoY to Rs. 16,400/MT in May 2026. The petcoke prices were higher by ~5% YoY in FY2026. Diesel prices also increased by ~9% MoM to ~Rs. 95/litre in May 2026. Looking ahead, petcoke, coal and diesel prices are expected to remain elevated as they remain exposed to risks from the ongoing West Asia conflict.

- **The operating margins** for ICRA's sample set of companies are likely to decline by 2-4% in FY2027 on account of a likely increase in input costs, with further downside risks due to the ongoing conflict in West Asia, which would impact crude prices. ICRA maintains a Stable outlook on the Indian cement sector.



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