

# INDIAN CEMENT SECTOR

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**Cement volumes up by 12% YoY in  
Q4 FY2025**

**APRIL 2025**



## 1 Trends in cement production



## 2 Region-wise trends in cement prices



## 3 Trends in input cost



## 4 Outlook



## 5 ICRA ratings in the sector





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*In March 2025, cement volumes stood at 46.5 million MT, an increase of 12% YoY.*

*In FY2025, the volumes increased by 6.3% to 453.0 million MT on a YoY basis.*



- **Outlook:** ICRA maintains a Stable outlook on the Indian cement sector.



- **Cement volumes higher by 12% YoY in March 2025:** In March 2025, cement volumes were 46.5 million metric tonnes (MT), up by 12% YoY. In FY2025, the volumes increased by 6.3% YoY to 453.0 million MT. ICRA expects cement volumes to grow by 6-7% YoY to 480-485 million MT in FY2026, backed by sustained demand from the housing and infrastructure sectors.



- **Average cement prices increased by 3% YoY in March 2025:** In March 2025, the average cement prices grew by 3% YoY to Rs. 350/bag. In FY2025, cement prices declined by 7% YoY to Rs. 340/bag. In FY2024, the average prices stood at ~Rs. 365/bag over Rs. 375/bag in FY2023.



- **Increase in petcoke prices; coal and diesel prices stable in April 2025 on YoY basis:** In April 2025, coal prices increased by 1% YoY to \$122/MT and petcoke prices were higher by 12% YoY at Rs. 12,960/MT. The petcoke prices were stable on a MoM basis. Diesel prices were stable at Rs. 88/litre on a YoY basis. In FY2025, the prices of coal, petcoke and diesel were lower by 23%, 13% and 2%, respectively, on a YoY basis, leading to reduced input costs.



- **Improvement in operating margins:** The operating margins for ICRA's sample set of companies are likely to improve by 70-120 bps to 16.3-16.8% in FY2026, on account of marginal hike in cement prices and stable input costs.



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