

ACC Limited

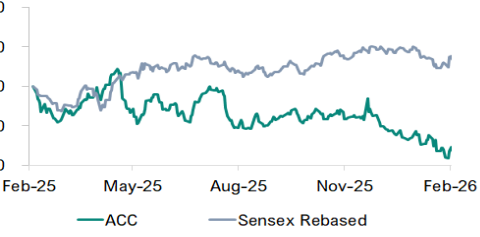
Sector: Construction Materials

11th February, 2026

BUY

Key Changes		Target		Rating		Earnings		Target	Rs. 1,961
Stock Type	Bloomberg Code	Sensex	NSE Code	BSE Code	Time Frame			CMP	Rs. 1,700
Mid Cap	ACC:IN	84,234	ACC	500410	12 Months			Return	+15%

Data as of: 11-Feb-2026, 16:30 hrs

Company Data			
Market Cap (Rs.cr)	32,041		
52 Week High — Low (Rs.)	2,123 - 1,595		
Enterprise Value (Rs. cr)	31,208		
Outstanding Shares (cr)	18.8		
Free Float (%)	32.4		
Dividend Yield (%)	0.4		
6m average volume (cr)	0.03		
Beta	0.9		
Face value (Rs.)	10.0		
Shareholding (%)	Q1FY26	Q2FY26	Q3FY26
Promoters	56.7	56.7	56.7
FII's	4.7	5.1	6.0
MFs/Institutions	24.1	22.6	21.4
Public	11.9	12.8	13.1
Others	2.7	2.9	2.8
Total	100.0	100.0	100.0
Promoter Pledge	Nil	Nil	Nil
Price Performance	3 Month	6 Month	1 Year
Absolute Return	-7.4%	-4.6%	-14.6%
Absolute Sensex	1.0%	5.3%	8.0%
Relative Return	-8.4%	-9.9%	-22.6%
*over or under performance to benchmark index			
			
Y.E March (cr)	FY26E	FY27E	FY28E
Sales	25,114	27,995	29,604
Growth (%)	14.6	11.5	5.7
EBITDA	3,128	3,716	4,130
EBITDA Margin (%)	12.5	13.3	14.0
PAT Adjusted	1,877	2,044	2,292
Growth (%)	-18.5	8.9	12.1
Adjusted EPS	100.0	108.9	122.0
Growth (%)	-18.5	8.9	12.1
P/E	17.1	15.7	14.0
P/B	1.5	1.4	1.3
EV/EBITDA	10.0	8.4	7.4
ROE (%)	11.9	9.0	9.2
D/E	0.0	0.0	0.0

Merger Unlocks Operational Excellence

ACC Ltd, an Adani Group company, is a leading Indian cement and ready-mix concrete (RMC) producer, with a pan India presence through 20 manufacturing sites and 99 concrete plant.

- In Q3FY26, the company's revenue rose 8.6% YoY to Rs. 6,483cr, on the back of higher cement volume, firm pricing discipline and improved trade mix.
- Cement sales rose 15.3% YoY to 11.3 million tonne, driven by higher trade and premium volume.
- RMC revenue increased 42.9% YoY to Rs. 492cr owing to 36% YoY growth in volume to 2.7 million cubic metres.
- Also, the concrete business' scale increased to 117 plants across 45 cities following the YoY addition of 14 plants.
- EBITDA declined 37.3% YoY to Rs. 700cr due to higher cost of sales and lower realisation. Thus, EBITDA margin contracted 790bps YoY to 10.8%.
- Reported profit after tax fell 63.0% YoY to Rs. 404cr, mainly due to higher cost of sales.

Outlook & Valuation

ACC posted modest single-digit revenue growth during the quarter. Also, higher cost of sales compressed margins and reduced net profit. That said, the company's amalgamation with Ambuja Cements is expected to considerably improve manufacturing and logistics efficiency and streamline operations, enabling more effective capital allocation and faster decision-making. Also, the Union Budget 2026-27 raised the government's infrastructure outlay, which is projected to support the company's growth going forward as well. In addition, strong demand, supportive policies, robust consumer spending and increasing strategic investment are expected to accelerate ACC long-term growth. Hence, **we have retained our BUY rating on the stock, with a rolled forward target price of Rs. 1,961, valuing the company at 7.5x FY28E EV/EBITDA.**

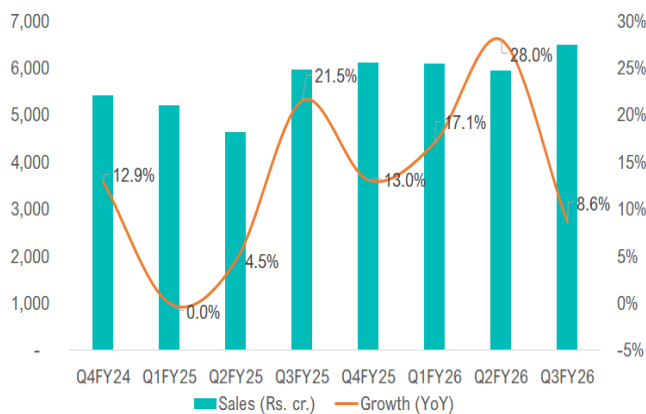
Quarterly Finance Consolidated

Rs.cr	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	9MFY26	9MFY25	YoY (%)
Sales	6,483	5,972	8.6	6,005	8.0	18,575	15,805	17.5
EBITDA	700	1,116	-37.3	846	-17.2	2,324	2,231	4.1
Margin (%)	10.8	18.7	-790bps	14.3	-350bps	12.6	14.1	-150bps
EBIT	394	856	-54.0	567	-30.5	1,485	1,495	-0.7
PBT	460	1,477	-68.8	763	-39.7	1,786	2,245	-20.4
Rep. PAT	404	1,092	-63.0	1,119	-63.9	1,899	1,651	15.0
Adj PAT	292	1,112	-73.7	448	-34.8	1,115	1,706	-34.6
Adj. EPS (Rs)	15.5	59.2	-73.7	23.8	-34.8	59.4	90.9	-34.6

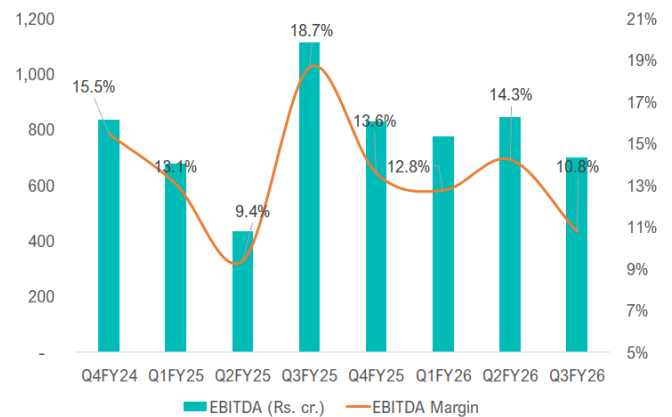
Key concall highlights

- Cement grinding units at Salai Banwa (2.4 MTPA) and Kalamboli (1.0 MTPA) are on track to be commissioned in Q4FY26.
- ACC is expected to sustain double-digit volume growth, supporting revenue growth and cost leadership, enabling it to achieve EBITDA of Rs. 1,500 per thousand metric tonne by end-March 2028.
- The company highlighted that integration within the Adani Cement platform will simplify the corporate structure, improve capital allocation efficiency, and unlock operational and procurement synergies across cement manufacturing and logistics.
- The management reiterated that the ACC-Ambuja Cements integration will enable shared sourcing, logistics optimisation and fuel procurement advantages, strengthening cost competitiveness and improving supply chain resilience across regions.
- ACC also continues to strengthen its cement portfolio through ACC Gold, ACC F2R, ACC Suraksha and ACC Concrete Plus brands.

Revenue



EBITDA



Per Tonne Analysis

	Q3FY26	Q3FY25	YoY Growth %	Q2FY26	QoQ Growth %
Sales Volume CLC (MT)	11.3	9.8	15.3	10.0	13.0
Cost of materials consumed	2,406	2,239	7.5	2,402	0.1
Employee Expenses	160	202	-20.6	179	-10.7
Power & Fuel	826	870	-5.1	902	-8.5
Freight & forwarding	1,095	1,048	4.4	1,067	2.7
Other expenses	631	596	5.9	536	17.8
Total expenses	5,118	4,955	3.3	5,086	0.6
Realisation (inc. RMC)	5,737	6,094	-5.9	5,932	-3.3
EBITDA	619	1,138	-45.6	846	-26.7

Change in Estimates

	Old estimates		New estimates			Change (%)	
Year / Rs cr	FY26E	FY27E	FY26E	FY27E	FY28E	FY26E	FY27E
Revenue	23,875	25,825	25,114	27,995	29,604	5.2	8.4
EBITDA	3,158	3,663	3,128	3,716	4,130	-1.0	1.5
Margins (%)	13.2	14.2	12.5	13.3	14.0	-70bps	-90bps
Adj. PAT	1,878	2,194	1,877	2,044	2,292	0.1	-6.8
EPS	100.0	116.8	100.0	108.9	122.0	0.1	-6.8



Consolidated Financials

Profit & Loss

Y.E March (Rs. Cr)	FY24A	FY25A	FY26E	FY27E	FY28E
Sales	19,959	21,920	25,114	27,995	29,604
% change	-10.1	9.8	14.6	11.5	5.7
EBITDA	3,062	3,061	3,128	3,716	4,130
% change	59.1	0.0	2.2	18.8	11.1
Depreciation	885	1,001	1,072	1,197	1,294
EBIT	2,177	2,060	2,056	2,519	2,836
Interest	155	108	114	124	130
Other Income	735	1,175	570	295	310
PBT	2,757	3,127	2,512	2,690	3,015
% change	129.3	13.4	-19.6	7.1	12.1
Tax	422	725	25	646	724
Tax Rate (%)	15.3	23.2	1.0	24.0	24.0
Reported PAT	2,335	2,402	2,487	2,044	2,292
PAT att. to common shareholders	2,335	2,402	2,487	2,044	2,292
Adj.*	-230	-100	-610	-	-
Adj. PAT	2,105	2,302	1,877	2,044	2,292
% change	101.1	9.4	-18.5	8.9	12.1
No. of shares (cr)	18.8	18.8	18.8	18.8	18.8
Adj EPS (Rs.)	112.1	122.6	100.0	108.9	122.0
% change	101.1	9.4	-18.5	8.9	12.1
DPS (Rs.)	7.5	7.5	10.6	8.2	9.2

Cashflow

Y.E March (Rs. Cr)	FY24A	FY25A	FY26E	FY27E	FY28E
Net inc. + Depn.	3,220	3,403	3,559	3,242	3,586
Non-cash adj.	-358	-396	-659	-47	-54
Other adjustments	-	-	-	-	-
Changes in W.C	133	-1,296	-694	187	256
C.F. Operation	2,995	1,711	2,206	3,382	3,787
Capital exp.	-2,100	-2,660	-2,511	-2,827	-2,990
Change in inv.	317	953	-	-	-
Other invest.CF	539	430	-	-	-
C.F - Investment	-1,245	-1,277	-2,511	-2,827	-2,990
Issue of equity	-	-	-	-	-
Issue/repay debt	-	-15	-	-	-
Dividends paid	-175	-143	-199	-153	-172
Other finance.CF	-268	-844	-308	-273	-304
C.F - Finance	-443	-1,002	-507	-426	-475
Chg. in cash	1,307	-568	-812	128	322
Closing Cash	1,863	1,649	837	965	1,287

Balance Sheet

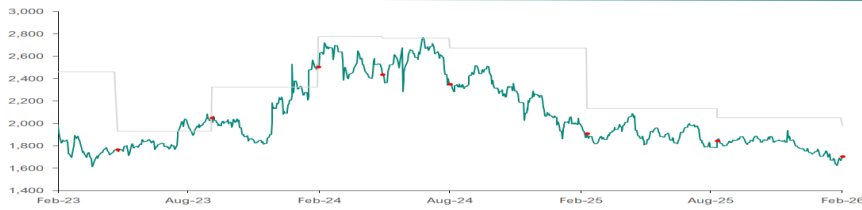
Y.E March (Rs. Cr)	FY24A	FY25A	FY26E	FY27E	FY28E
Cash	1,863	1,649	837	965	1,287
Accts. Receivable	828	1,163	3,014	2,799	2,368
Inventories	1,869	1,925	1,940	2,181	2,325
Other Cur. Assets	5,167	4,407	4,793	5,098	5,426
Investments	52	50	25	20	15
Gross Fixed Assets	14,300	16,960	19,472	22,299	25,289
Net Fixed Assets	8,835	9,013	10,432	12,041	13,716
CWIP	986	2,061	2,082	2,103	2,124
Intangible Assets	727	724	796	876	963
Def. Tax -Net	-	-	-	-	-
Other Assets	3,042	4,419	5,165	5,282	5,406
Total Assets	23,368	25,413	29,084	31,365	33,631
Current Liabilities	6,097	5,668	7,225	7,744	8,041
Provisions	152	296	302	308	314
Debt Funds	-	-	-	-	-
Other Liabilities	787	890	705	567	410
Equity Capital	188	188	188	188	188
Res. & Surplus	16,140	18,367	20,660	22,555	24,673
Shareholder Funds	16,328	18,555	20,848	22,743	24,861
Minority Interest	4	4	4	4	4
Total Liabilities	23,368	25,413	29,084	31,365	33,631
BVPS	870	988	1,110	1,211	1,324

Ratio

Y.E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profitab. & Return					
EBITDA margin (%)	15.3	14.0	12.5	13.3	14.0
EBIT margin (%)	10.9	9.4	8.2	9.0	9.6
Net profit mgn.(%)	10.5	10.5	7.5	7.3	7.7
ROE (%)	14.3	12.9	11.9	9.0	9.2
ROCE (%)	13.3	11.1	9.9	11.1	11.4
W.C & Liquidity					
Receivables (days)	15.1	19.4	43.8	36.5	29.2
Inventory (days)	67.6	59.8	51.1	52.0	52.9
Payables (days)	67.0	50.9	78.6	78.9	79.7
Current ratio (x)	1.6	1.6	1.5	1.4	1.4
Quick ratio (x)	0.4	0.5	0.5	0.5	0.5
Turnover & Leverage					
Gross asset T.O (x)	0.8	0.7	0.7	0.7	0.6
Total asset T.O (x)	0.9	0.9	0.9	0.9	0.9
Int. covge. ratio (x)	14.1	19.0	18.1	20.3	21.8
Adj. debt/equity (x)	-	-	-	-	-
Valuation					
EV/Sales (x)	2.3	1.6	1.2	1.1	1.0
EV/EBITDA (x)	14.7	11.4	10.0	8.4	7.4
P/E (x)	22.2	15.8	17.1	15.7	14.0
P/BV (x)	2.9	2.0	1.5	1.4	1.3



Recommendation Summary (Last 3 years)



Dates	Rating	Target
02-May-23	HOLD	1,931
11-Sep-23	ACCUMULATE	2,325
07-Feb-24	ACCUMULATE	2,774
07-May-24	ACCUMULATE	2,761
09-Aug-24	ACCUMULATE	2,674
17-Feb-25	ACCUMULATE	2,134
18-Aug-25	BUY	2,052
11-Feb-26	BUY	1,961

Investment Rating Criteria

Ratings	Large caps	Midcaps	Small Caps
Buy	Upside is above 10%	Upside is above 15%	Upside is above 20%
Accumulate	-	Upside is between 10%-15%	Upside is between 10%-20%
Hold	Upside is between 0% - 10%	Upside is between 0%-10%	Upside is between 0%-10%
Reduce/sell	Downside is more than 0%	Downside is more than 0%	Downside is more than 0%

Not rated/Neutral

Definition:

Buy: Acquire at Current Market Price (CMP), with the target mentioned in the research note; **Accumulate:** Partial buying or to accumulate as CMP dips in the future; **Hold:** Hold the stock with the expected target mentioned in the note.; **Reduce:** Reduce your exposure to the stock due to limited upside.; **Sell:** Exit from the stock; **Not rated/Neutral:** The analyst has no investment opinion on the stock.

Symbols definition:

▲ Upgrade

● No Change

▼ Downgrade

To satisfy regulatory requirements, we attribute 'Accumulate' as Buy and 'Reduce' as Sell.

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Not rated/Neutral- The analyst has no investment opinion on the stock under review.

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