




The Ramco Cements Ltd.

Accumulate

Sector: Cement

19th February 2026

| Key Changes | | Target  | Rating  | Earnings  | | Target | Rs. 1,319 |
|-------------|----------------|--|--|--|------------|---------------|------------------|
| Stock Type | Bloomberg Code | Sensex | NSE Code | BSE Code | Time Frame | CMP | Rs. 1,140 |
| Small Cap | TRCL:IN | 83,734 | RAMCOCEM | 500260 | 12 Months | Return | +16% |

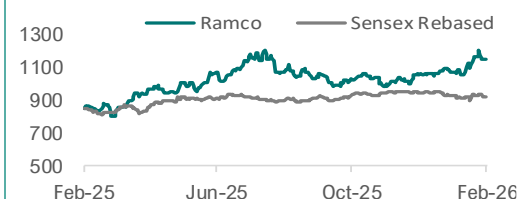
Data as of: 18-02-2026 18:00 hrs

| Company Data | | | |
|--------------------------|-----------|--|--|
| Market Cap (Rs.cr) | 26,942 | | |
| 52 Week High — Low (Rs.) | 1,214-789 | | |
| Enterprise Value (Rs.cr) | 31,372 | | |
| Outstanding Shares (cr) | 23.6 | | |
| Free Float | 53% | | |
| Dividend Yield | 0.2% | | |
| 6m average volume (cr) | 0.06 | | |
| Beta | 0.9 | | |
| Face value Rs. | 1.0 | | |

| Shareholding (%) | Q1FY26 | Q2FY26 | Q3FY26 |
|------------------|--------|--------|--------|
| Promoters | 42.6 | 42.6 | 42.6 |
| FII's | 11.4 | 9.4 | 8.0 |
| MFs/Insti | 27.9 | 28.5 | 28.1 |
| Public | 13.5 | 13.7 | 14.3 |
| Others | 7.6 | 7.1 | 7.0 |
| Total | 100.0 | 100.0 | 100.0 |
| Promotor pledge | 22.05 | 22.1 | 22.1 |

| Price Performance | 3 Month | 6 Month | 1 Year |
|-------------------|---------|---------|--------|
| Absolute Return | 16.4% | 2.7% | 35.6% |
| Absolute Sensex | -2.6% | 0.8% | 8.6% |
| Relative Return* | 19.0% | 2.0% | 26.9% |

*over or under performance to benchmark index



| Standalone (Rs.cr) | FY26E | FY27E | FY28E |
|--------------------|-------|--------|--------|
| Sales | 9,223 | 10,247 | 11,177 |
| Growth (%) | 8.6 | 11.1 | 9.1 |
| EBITDA | 1,553 | 1,947 | 2,297 |
| EBITDA Margin (%) | 16.8 | 19.0 | 20.6 |
| Adj. PAT | 279 | 601 | 909 |
| Growth (%) | 72.0 | 115.4 | 51.3 |
| Adj. EPS | 11.8 | 25.2 | 38.2 |
| Growth (%) | 72.0 | 113.8 | 51.3 |
| P/E | 97.0 | 45.4 | 30.0 |
| P/B | 3.4 | 3.2 | 2.9 |
| EV/EBITDA | 20.2 | 15.7 | 12.9 |
| ROE (%) | 3.6 | 7.2 | 10.1 |
| D/E | 0.6 | 0.5 | 0.3 |

Author: Vincent K A - Sr. Research Analyst

Deleveraging will support valuations

The Ramco Cements Ltd. (TRCL), the Ramco Group's flagship company, is the sixth largest cement company in India, with a total production capacity of ~24MT (South-20MT & East-4MT).

- Revenue grew 6% YoY, and sales volumes increased by 4% YoY in Q3FY26, reflecting gradual demand recovery across key markets, while capacity utilization improved sequentially.
- EBITDA remained flat on a YoY basis, while EBITDA per ton declined ~2.9%, largely due to a 4% increase in raw material costs, including the impact of higher limestone expenses following the mineral-bearing land tax in Tamil Nadu.
- During the quarter the company reported a one-time gain of Rs. 505 cr from the sale of land. Consequently, reported PAT increased by 19% YoY. However, excluding this one-time gain, the adj. PAT declined by 79% YoY.
- The blended cost increased by 8% YoY to Rs. 1.57/Kcal in Q3FY26. However, higher mix on green energy and the waste heat recovery system (WHRS) partially mitigated the impact of elevated power costs.
- FY26 capex is estimated at Rs.1,100cr (Rs.823cr in 9MFY26). Net debt has declined to Rs.4,145 cr from Rs.4,481cr in FY25, with the D/E ratio at 0.6x and net debt/EBITDA reducing to 2.8x (vs. 3.5x in FY25). With major capex nearing completion, we expect deleveraging to meaningfully accelerate from FY27 onward.

Outlook & Valuation

The industry expects healthy volumes supported by Gol's strong focus on infrastructure and housing. Realizations are likely to remain stable, while cost optimization initiatives, including higher renewable energy usage and operating leverage from better capacity utilization should support margin recovery. The company's ongoing expansion, including the Kolimigundla line, will drive volume growth and strengthen its regional presence. Hence, **we value TRCL at 15x FY28E EV/EBITDA, with a target price of ₹1,319, and downgrade our rating to Accumulate due to the recent increase in stock price.**

Quarterly Financials Standalone

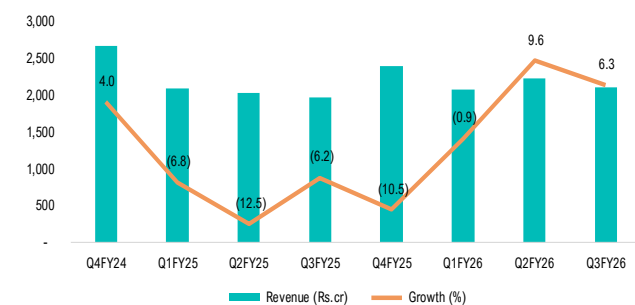
| Rs.cr | Q3FY26 | Q3FY25 | YoY (%) | Q2FY26 | QoQ (%) | 9MFY26 | 9MFY25 | YoY (%) |
|------------|--------|--------|---------|--------|---------|--------|--------|---------|
| Sales | 2,102 | 1,977 | 6 | 2,235 | -6 | 6,406 | 6,103 | 5 |
| EBITDA | 281 | 279 | 1 | 387 | -27.4 | 1,065 | 911 | 17 |
| Margin (%) | 13.4 | 14.1 | -80bps | 17.3 | -390bps | 16.6 | 14.9 | 170bps |
| EBIT | 97 | 106 | -8.2 | 205 | -52.6 | 516 | 402 | 28 |
| PBT | 474 | 333 | 42 | 100 | 373 | 691 | 416 | 66 |
| Rep. PAT | 376 | 325 | 15 | 74 | 405 | 536 | 386 | 39 |
| Adj PAT | 16 | 79 | -79 | 74 | -78 | 177 | 140 | 26 |
| EPS (Rs) | 0.7 | 3.3 | -79.2 | 3.2 | -78.0 | 7.5 | 5.9 | 26 |



Key Highlights...

- The proposed 15 MW WHRS at Kolimigundla is to be commissioned in FY27.
- Debottlenecking initiatives undertaken at the Ariyalur plant in Tamil Nadu across Line 1 and Line 2 increased the combined cement grinding capacity from 3.5 MTPA to 5.5 MTPA, and similar debottlenecking activities are currently in progress at the company's plants in Ramasamy Raja Nagar, Tamil Nadu, and Jayanthipuram, Andhra Pradesh, to enhance production capacity and operational efficiency.
- In Q3FY26, cement prices increased 1% YoY but declined 6% QoQ. Over 9M FY26, cement prices registered a 4% YoY rise. Additionally, prices in the South and East regions have begun to pick up post-January 2026.
- During 9MFY26, TRCL has monetized Rs. 559cr from the sale of non-core assets, disposed of assets worth Rs. 1,017cr so far in the last 2 years, and plans to sell further assets for ~ Rs. 200cr soon.
- Average lead distance reduced to 256 KMs in Q3FY26 from 259 KMs in Q3FY25.

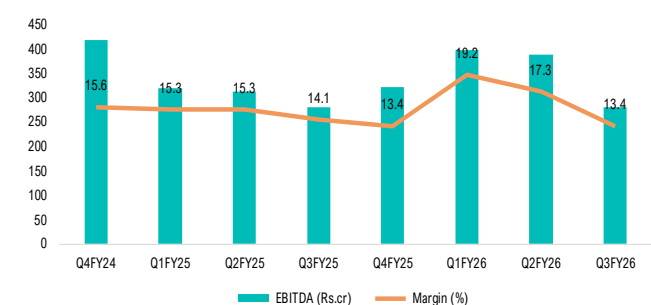
Revenue



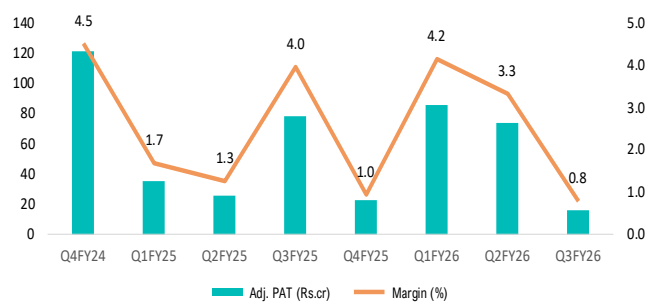
Cement Volume



EBITDA



PAT



Per Tonne Analysis

| | Q3FY26 | Q3FY25 | YoY (%) | Q2FY26 | QoQ (%) |
|----------------------------|--------|--------|---------|--------|---------|
| Cement Volume (MT) | 4.4 | 4.3 | 3.5 | 4.4 | 0.7 |
| Cost of materials consumed | 1,013 | 953 | 6 | 1,130 | -10.4 |
| Employee Expenses | 305 | 307.5 | -0.9 | 329 | -7.4 |
| Power & Fuel | 1,126 | 1,083 | 4.0 | 1,063 | 5.9 |
| Freight & forwarding | 1,087 | 1,089 | -0.2 | 1,080 | 0.7 |
| Other expenses | 579 | 534 | 8.3 | 598 | -3.1 |
| Total expenses | 4,110 | 3,966 | 3.6 | 4,200 | -2.1 |
| Realisation (inc. RMC) | 4,744 | 4,619 | 2.7 | 5,079 | -6.6 |
| EBITDA | 634 | 653 | -2.9 | 879 | -27.9 |

Change in Estimates

| Year / Rs cr | Old estimates | | New estimates | | Change (%) | |
|--------------|---------------|--------|---------------|--------|------------|-------|
| | FY26E | FY27E | FY26E | FY27E | FY26E | FY27E |
| Revenue | 9,651 | 10,401 | 9,223 | 10,247 | -4.4 | -1.5 |
| EBITDA | 1,869 | 2,189 | 1,553 | 1,947 | -16.9 | -11.1 |
| Margins (%) | 19.4 | 21.0 | 16.8 | 19.0 | 130bps | 10bps |
| Adj. PAT | 531 | 782 | 279 | 601 | -47.5 | -23.2 |
| EPS | 22.5 | 32.8 | 27.0 | 25.4 | 28.0 | -27.1 |



Standalone Financials

PROFIT & LOSS

| Y.E March (Rs. cr) | FY24A | FY25A | FY26E | FY27E | FY28E |
|--------------------|-------|-------|-------|--------|--------|
| Revenue | 9,349 | 8,495 | 9,223 | 10,247 | 11,177 |
| % change | 14.9 | -9.1 | 8.6 | 11.1 | 9.1 |
| EBITDA | 1,552 | 1,231 | 1,553 | 1,947 | 2,297 |
| % change | 31.3 | -20.7 | 26.1 | 25.4 | 18.0 |
| Depreciation | 636 | 691 | 747 | 765 | 780 |
| EBIT | 916 | 540 | 805 | 1,182 | 1,517 |
| Interest | 416 | 459 | 439 | 392 | 305 |
| Other Income | 42 | 44 | 28 | 32 | 32 |
| PBT | 543 | 465 | 874 | 823 | 1,245 |
| % change | 14.6 | -14.3 | 87.9 | -5.9 | 51.3 |
| Tax | 148 | 48 | 236 | 222 | 336 |
| Tax Rate | 27.3% | 27.0% | 27.0% | 27.0% | 27.0% |
| Reported PAT | 395 | 417 | 638 | 601 | 909 |
| Adj* | 0 | 255 | 359 | 0 | 0 |
| Adj PAT | 395 | 162 | 279 | 601 | 909 |
| % change | 14.9 | -58.9 | 72.0 | 115.4 | 51.3 |
| No. of shares (cr) | 23.6 | 23.6 | 23.6 | 23.6 | 23.6 |
| Adj EPS (Rs.) | 16.7 | 6.9 | 11.8 | 25.2 | 38.2 |
| % change | 14.9 | -58.9 | 72.0 | 113.8 | 51.3 |
| DPS (Rs.) | 4 | 4 | 4 | 4 | 4 |
| CEPS (Rs.) | 43.6 | 36.1 | 43.4 | 57.8 | 71.5 |

BALANCE SHEET

| Y.E March (Rs. cr) | FY24A | FY25A | FY26E | FY27E | FY28E |
|--------------------------|---------------|---------------|---------------|---------------|---------------|
| Cash | 135 | 207 | 422 | 170 | 263 |
| Accounts Receivable | 852 | 722 | 783 | 870 | 949 |
| Inventories | 982 | 1,015 | 1,123 | 1,195 | 1,267 |
| Other Cur. Assets | 275 | 286 | 316 | 351 | 383 |
| Investments | 223 | 135 | 135 | 135 | 135 |
| Gross Fixed Assets | 17,093 | 18,086 | 20,239 | 20,539 | 21,039 |
| Net Fixed Assets | 11,650 | 11,951 | 13,357 | 12,892 | 12,613 |
| CWIP | 1,329 | 1,353 | 300 | 500 | 500 |
| Intangible Assets | 443 | 420 | 420 | 420 | 420 |
| Def. Tax (Net) | 0 | 0 | 0 | 0 | 0 |
| Other Assets | 279 | 284 | 280 | 312 | 340 |
| Total Assets | 16,168 | 16,374 | 17,137 | 16,846 | 16,871 |
| Current Liabilities | 2,928 | 2,980 | 3,051 | 3,229 | 3,417 |
| Provisions | 116 | 139 | 126 | 140 | 153 |
| Debt Funds | 4,917 | 4,653 | 4,803 | 3,803 | 2,803 |
| Other Liabilities | 1,064 | 1,109 | 1,110 | 1,112 | 1,113 |
| Equity Capital | 24 | 24 | 24 | 24 | 24 |
| Reserves & Surplus | 7,120 | 7,470 | 8,023 | 8,538 | 9,362 |
| Shareholder's Fund | 7,144 | 7,494 | 8,046 | 8,562 | 9,385 |
| Total Liabilities | 16,168 | 16,374 | 17,137 | 16,846 | 16,871 |
| BVPS (Rs.) | 284 | 299 | 323 | 345 | 379 |

CASH FLOW

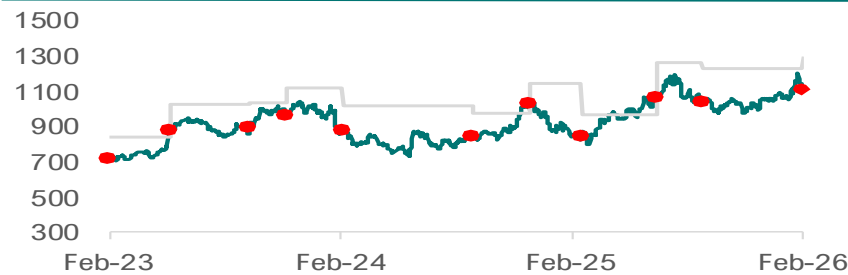
| Y.E March (Rs. cr) | FY24A | FY25A | FY26E | FY27E | FY28E |
|-------------------------|---------------|--------------|--------------|--------------|--------------|
| Net inc. + Depn. | 1,030 | 1,108 | 1,386 | 1,365 | 1,688 |
| Non-cash adj. | 160 | 71 | 236 | 222 | 336 |
| Other adjustments | 338 | 54 | -157 | 170 | -31 |
| Changes in W.C | 366 | 166 | -130 | -10 | 9 |
| C.F. Operation | 1,895 | 1,399 | 1,335 | 1,747 | 2,003 |
| Capital exp. | -1914 | -941 | -1100 | -500 | -500 |
| Change in inv. | -19 | 376 | 363 | -31 | -28 |
| Other invest.CF | 18 | 11 | 0 | 0 | 0 |
| C.F – Investment | -1,900 | -545 | -737 | -531 | -528 |
| Issue of equity | 0 | 0 | 0 | 0 | 0 |
| Issue/repay debt | 426 | -271 | 141 | -990 | -991 |
| Dividends paid | -47 | -59 | -85 | -85 | -85 |
| Other finance.CF | -406 | -452 | -439 | -392 | -305 |
| C.F – Finance | -28 | -782 | -383 | -1468 | -1381 |
| Chg. in cash | -33 | 72 | 215 | -252 | 93 |
| Closing cash | 135 | 207 | 422 | 170 | 263 |

RATIOS

| Y.E March | FY24A | FY25A | FY26E | FY27E | FY28E |
|--------------------------------|-------|-------|-------|-------|-------|
| Profitab. & Return | | | | | |
| EBITDA margin (%) | 16.6 | 14.5 | 16.8 | 19.0 | 20.6 |
| EBIT margin (%) | 9.8 | 6.4 | 8.7 | 11.5 | 13.6 |
| Net profit mgn.(%) | 4.2 | 1.9 | 3.0 | 5.9 | 8.1 |
| ROE (%) | 5.7 | 2.2 | 3.6 | 7.2 | 10.1 |
| ROCE (%) | 5.0 | 4.5 | 4.1 | 5.7 | 7.1 |
| W.C & Liquidity | | | | | |
| Receivables (days) | 25.7 | 33.8 | 29.8 | 29.5 | 29.7 |
| Inventory (days) | 36.4 | 42.9 | 42.3 | 41.3 | 40.2 |
| Payables (days) | 173.0 | 204.1 | 179.7 | 178.9 | 182.9 |
| Current ratio (x) | 0.6 | 0.5 | 0.6 | 0.6 | 0.6 |
| Quick ratio (x) | 0.2 | 0.2 | 0.3 | 0.2 | 0.3 |
| Turnover & Leverage | | | | | |
| Gross asset T.O (x) | 0.6 | 0.5 | 0.5 | 0.5 | 0.5 |
| Total asset T.O (x) | 0.6 | 0.5 | 0.6 | 0.6 | 0.7 |
| Int. coverage ratio (x) | 2.2 | 1.2 | 1.8 | 3.0 | 5.0 |
| Adj. debt/equity (x) | 0.7 | 0.6 | 0.6 | 0.5 | 0.3 |
| Valuation | | | | | |
| EV/Sales (x) | 3.4 | 3.7 | 3.4 | 3.0 | 2.7 |
| EV/EBITDA (x) | 20.5 | 25.6 | 20.3 | 15.8 | 12.9 |
| P/E (x) | 68.6 | 166.9 | 97.0 | 45.4 | 30.0 |
| P/BV (x) | 3.8 | 3.6 | 3.4 | 3.2 | 2.9 |



Recommendation Summary (last 3 years)



| Dates | Rating | Target |
|------------|------------|--------|
| 23-Nov-23 | Buy | 1,119 |
| 20-Feb-24 | Accumulate | 1,017 |
| 13-Sept-24 | Accumulate | 977 |
| 13-Dec-24 | Accumulate | 1,143 |
| 04-Mar-25 | Accumulate | 968 |
| 30-Jun-25 | Buy | 1,268 |
| 15-Sep-25 | Buy | 1,270 |
| 19-Feb-26 | Accumulate | 1,319 |

Source: Bloomberg, Geojit Research

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.

The recommendations are based on 12 month horizon, unless otherwise specified. The investment ratings are on absolute positive/negative return basis. It is possible that due to volatile price fluctuation in the near to medium term, there could be a temporary mismatch to rating. For reasons of valuations/ return/lack of clarity/event we may revisit rating at appropriate time. Please note that the stock always carries the risk of being upgraded to BUY or downgraded to a HOLD, REDUCE or SELL.

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

DISCLAIMER & DISCLOSURES

Certification: I, Vincent K.A, author of this Report, hereby certify that all the views expressed in this research report reflect our personal views about any or all of the subject issuer or securities. This report has been prepared by the Research Team of Geojit Investments Limited, hereinafter referred to as GIL.

For general disclosures and disclaimer: Please [Click here](#).

Regulatory Disclosures:

Group companies/ Fellow subsidiaries of Geojit Investments Ltd (GIL) are Geojit Financial Services Limited (GFSL), Geojit Technologies Private Limited (Software Solutions provider), Geojit Credits Private Limited (NBFC), Geojit Fintech Private Ltd, Geojit IFSC Ltd (a company incorporated under IFSC Regulations), Qurum Business Group Geojit Securities LLC (a subsidiary of holding company in Oman engaged in Financial Services), Barjeel Geojit Financial Services LLC (a joint venture of holding company in UAE engaged in Financial Services), and BBK Geojit Consultancy and Information KSC (C) (a joint venture in Kuwait-engaged in Financial services). In the context of the SEBI Regulations on Research Analysts (2014), GIL affirms that we are a SEBI registered Research Entity and in the course of our business as a stock market intermediary, we issue research reports /research analysis etc. that are prepared by our Research Analysts. We also affirm and undertake that no disciplinary action has been taken against us or our Analysts in connection with our business activities.

In compliance with the above-mentioned SEBI Regulations, the following additional disclosures are also provided which may be considered by the reader before making an investment decision:

1. Disclosures regarding Ownership:

GIL confirms that:

(i)It/its associates have no financial interest or any other material conflict in relation to the subject company (ies) covered herein, at the time of publication of the research report.

(ii)It/its associates have no actual beneficial ownership of 1% or more in relation to the subject company (ies) covered herein, at the end of the month immediately preceding the date of publication of the research report.

Further, the Analyst confirms that:

(i) He, his associates and his relatives shall take reasonable care to ensure that they do not have any financial interest in the subject company (ies) covered herein, and they have no other material conflict in the subject company, at the time of publication of the research report.

(ii) He, his associates and his relatives have no actual/beneficial ownership of 1% or more in the subject company covered, at the end of the month immediately preceding the date of publication of the research report.

2. Disclosures regarding Compensation:

During the past 12 months, GIL or its Associates:

(a) Have not received any compensation from the subject company; (b) Have not managed or co-managed public offering of securities for the subject company (c) Have not received any compensation for investment banking or merchant banking or brokerage services from the subject company. (d) Have not received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company. e) Have not received any compensation or other benefits from the subject company or third party in connection with the research report (f) The subject company is / was not a client during twelve months preceding the date of distribution of the research report.

3. Disclosure by GIL regarding the compensation paid to its Research Analyst:

GIL hereby confirms that no part of the compensation paid to the persons employed by it as Research Analysts is based on any specific brokerage services or transactions pertaining to trading in securities of companies contained in the Research Reports.

4. **Disclosure regarding the Research Analyst's connection with the subject company:** It is affirmed that I, Vincent K A, Research Analyst (s) of GIL have not served as an officer, director or employee of the subject company.

5. **Disclosure regarding Market Making activity:** Neither GIL/its Analysts have engaged in market making activities for the subject company.

6. **Disclosure regarding conflict of interests:** GIL shall abide by the applicable regulations/ circulars/ directions specified by SEBI and Research Analyst Administration and Supervisory Body (RAASB) from time to time in relation to disclosure and mitigation of any actual or potential conflict of interest. GIL will endeavour to promptly inform the client of any conflict of interest that may affect the services being rendered to the client.

7. "Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors."

8. Clients are required to keep contact details, including email id and mobile number/s updated with the GIL at all times.

9. In the course of providing research services by GIL, GIL cannot execute/carry out any trade (purchase/sell transaction) on behalf of, the client. Thus, the clients are advised not to permit GIL to execute any trade on their behalf.

10. GIL will never ask for the client's login credentials and OTPs for the client's Trading Account Demat Account and Bank Account. The Clients are advised not to share such information with anyone including GIL.

11. Standard Warning: "Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

12. Disclosures regarding Artificial Intelligence tools.

Neither Geojit Investments Limited nor its Analysts have utilized any AI tools in the preparation of the research reports.

Please ensure that you have read the "Risk Disclosure Documents for Capital Market and Derivatives Segments" as prescribed by the Securities and Exchange Board of India before investing.

Geojit Investments Ltd. Registered Office: 7th Floor 34/659-P, Civil Line Road, Padivattom, Kochi-682024, Kerala, India. Phone: +91 484-2901000, Website : www.geojit.com/GIL . For investor queries: customer-care@geojit.com

GRIEVANCES

Step 1: The client should first contact the RA using the details on its website or following

contact details: Compliance officer: Ms. Indu K. Address: 7th Floor, 34/659-P, Civil Line Road, Padivattom, Ernakulam.; Phone: +91 484-2901367; Email: compliance@geojit.com . For Grievances: grievances@geojit.com . **Step 2:** If the resolution is unsatisfactory, the client can also lodge grievances through SEBI's SCORES platform at www.scores.sebi.gov.in **Step 3:** The client may also consider the Online Dispute Resolution (ODR) through the Smart ODR portal at <https://smartodr.in>

Corporate Identity Number: U66110KL2023PLC080586, Research Entity SEBI Reg No: INH000019567 ; Depository Participant : IN-DP-781-2024.

