22nd Jan 2026 | Close* – ₹5,638.50/- | View – **Hold**

Q3FY26 Performance

- JK Cement Limited (JKC) delivered a strong Q3FY26 performance, with robust sequential recovery in volumes and profitability, supported by commissioning of new capacities and improved demand environment.
- Consolidated net sales stood at ₹3,463crs, up 18% YoY from ₹2,930crs in Q3FY25 and 15% QoQ from ₹3,019crs in Q2FY26.
- Cement volumes reached 6mn tonnes, registering 22% YoY growth and 20% QoQ increase, aided by higher utilization and incremental dispatches from Panna & Hamirpur units.
- Capacity utilization improved to 83% for cement and 97% for clinker, with blended cement share at 64% (down 3% QoQ due to lower trade mix).
- Total expenses for Q3FY26 were ₹2,905crs, up 19% YoY and 13% QoQ, reflecting higher volumes and maintenance costs, partly offset by fuel cost optimization.
- EBITDA margin came in at 16.1%, contracting 70bps YoY but expanding 131bps QoQ on operating leverage and cost efficiencies.
- Net profit stood at ₹174crs, down 9% YoY from ₹191crs but up 8% QoQ from ₹161crs, impacted by higher depreciation and finance costs linked to new capacities.
- EBITDA/ton was ₹929, down 5% YoY from ₹980/ton but up 4% QoQ from ₹891/ton, supported by volume recovery and cost control.
- Finance costs were ₹113crs, flat YoY and up 7% QoQ due to incremental borrowings for expansion projects.

Important Statistics

Nifty	25,232
Sensex	82,180
Close* (₹)	5,638.50
MCAP (₹ Crs)	~42,682
52 Week H/L (₹)	7,566 / 4,219
NSE Code	JKCEMENT
BSE Code	532644
Bloomberg Code	JKCE:IN

Close as on 21st Jan 2026*

Shareholding	Dec'24	Mar'25	Jun'25	Sep'25	Dec'25
Promoters	45.7	45.7	45.7	45.7	45.7
FII	16.9	16.1	17.6	18.6	17.9
DII	23.7	24.5	23	21.7	22.5
Public	13.7	13.7	13.7	14	14

Management Concall Highlights

- **Volume Performance –** JK Cement posted a strong volume recovery in Q3FY26, achieving 5.32 million tonnes of grey cement, up 23% YoY and 6% QoQ, driven by robust demand and incremental capacity from Panna and Hamirpur. Grey cement utilization improved to 83%, while blended cement share stood at 64%. White cement and wall putty volumes also grew 13% YoY, supported by steady demand in premium segments. Trade mix moderated to 60% amid higher non-trade sales, aiding overall growth. This performance underscores JKC's expanding footprint in Central and East markets. Management has reaffirmed FY26 volume guidance at ~20 million tonnes, reflecting confidence in sustained demand momentum.
- **Capacity Expansion –** The company has laid out a robust expansion strategy to achieve 50 MnTPA capacity by FY30, reinforcing its leadership in the cement sector. In Q3FY26, the company commissioned 1 MnTPA grinding units each at Panna and Hamirpur, completing a major part of its 6 MnTPA expansion plan, which also includes a 3.3 MnTPA clinker line and a 3 MnTPA greenfield grinding unit at Buxar, expected to be commissioned shortly. Post these additions, total grey cement capacity stands at 28.26 MnTPA, supported by WHRS and green power initiatives. Looking ahead, JKC is executing the Jaisalmer integrated project (7 MnTPA) with commissioning targeted by H1FY28 at a cost of ₹3,630 crore. Plans also include split grinding units in Punjab and Rajasthan and a wall putty plant at Nathdwara by FY27, alongside evaluating a 5 MnTPA expansion in Karnataka. These projects will optimize logistics, strengthen regional presence, and drive sustainable growth.

Key Metrics

(₹ crs)

Particulars	FY25	FY26E	FY27E	FY28E
Revenue	11,879	13,592	15,337	17,085
PAT	861	1,040	1,314	1,604
EBITDA margin %	17%	18%	20%	20%
EPS (₹)	98	136	173	209
ROE (%)	15	16	17.4	17.8
ROA (%)	5.5	7	7.9	8.01
P/BV	7.4	6.5	5.6	4.7
EV/EBITDA (x)	21.2	20.5	16.9	14.5

Source: *Company, Way2Wealth*

Relative Performance

Return (%)	1Yr	3Yr	5Yr
JKC	**31**	**107**	**175**
Nifty 50	9	13	13
Sensex	7	36	65

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W2W Lighthouse - A Quick Perspective

- **Trade Mix –** Trade mix in Q2FY26 was 67%, marginally lower than 68% in Q2FY25 and 68% in Q1FY26. The company continues to maintain a 70:30 trade to non-trade ratio, with flexibility based on regional demand.

- **Cement prices -** Cement prices in Q3FY26 remained under pressure due to a higher non-trade mix and competitive intensity, with realizations averaging ₹5,772 per tonne, down 4% QoQ and 3% YoY. Recent price hikes in January indicate early signs of recovery across regions.

- **Premium Sales –** Premium product sales accounted for 17% of trade volumes in Q3FY26, slightly lower than previous quarters due to pricing pressure and higher non-trade mix. Despite this, absolute premium volumes grew, supported by strong demand for value-added products like blended cement and white cement, reinforcing JKC's focus on brand-driven growth.

- **Energy expense –** Power and fuel expenses in Q3FY26 remained stable despite volatility in petcoke prices and rupee depreciation. Average fuel cost stood at ₹1.50 per kcal, lower sequentially due to optimized fuel mix and higher use of domestic coal and AFR at central plants. Petcoke consumption was around 60%, with 70% of coal sourced through linkage contracts, ensuring cost efficiency. The company's proximity to coal mines and strategic procurement helped mitigate cost pressures. Additionally, ongoing investments in Waste Heat Recovery Systems (WHRS) and green power initiatives are expected to further reduce energy costs, supporting margins and sustainability goals in the coming quarters.

- **Green Power** – JK Cement continues to advance its sustainability agenda through significant investments in green power. As of Q3FY26, green power mix stands at 52%, up from 19% in FY20, driven by expanded solar, wind, and WHRS capacities. The company operates 253.74 MW of green power, including 82.3 MW WHRS and 171 MW solar and wind, reducing reliance on thermal sources and lowering carbon emissions. These initiatives have helped cut Scope 1 CO_2 emissions by 9% since FY20, aligning with the FY30 target of 75% green power mix.

- **Freight Cost –** Freight costs in Q3FY26 increased marginally due to changes in dispatch mix and withdrawal of lean-period rail discounts. Average lead distance stood at 421 km, while freight cost rose to ₹1,369 per tonne, up 5% QoQ and 2% YoY. Higher reliance on road transport and regional demand shifts contributed to the uptick. Commissioning of the Buxar grinding unit in Q4FY26 is expected to optimize lead distances and reduce logistics costs going forward, improving overall cost efficiency. Rail:Road mix stood at 09:91.

- **Debt & Interest –** JK Cement's debt profile reflects its ongoing expansion strategy. As of December 31, 2025, consolidated net debt stood at approximately ₹3,358 crore, up from ₹2,551 crore in FY25, driven by capex for Panna, Hamirpur, and upcoming Jaisalmer projects. The net debt-to-EBITDA ratio remains comfortable at 1.41x, expected to rise near 2x in FY27 with greenfield investments. Finance costs for Q3FY26 were ₹113 crore, up 7% QoQ but flat YoY, supported by efficient borrowing and treasury management. Management plans to maintain a balanced leverage profile while funding growth, ensuring strong liquidity and healthy coverage ratios despite aggressive capacity expansion.

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Key Risks

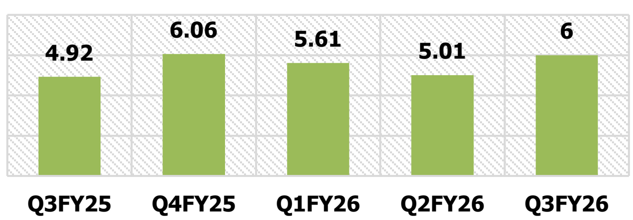
- Inflation in input costs, mostly from Power, Freight and Fuel.
- Significant decline in cement demand and pricing.

View

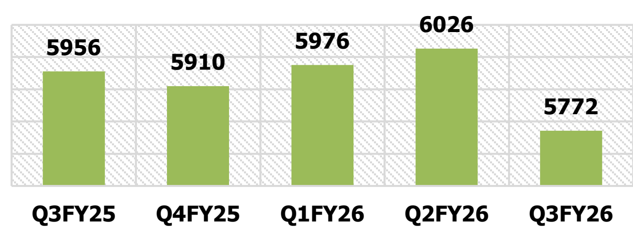
JK Cement is well-positioned for sustained growth, supported by recent capacity additions at Panna and Hamirpur and the imminent commissioning of Buxar. These expansions will improve volumes, optimize logistics, and strengthen its footprint in Central and East India. Margins should remain resilient, aided by green power initiatives, WHRS expansion, and fuel mix optimization, despite near-term volatility in petcoke prices. Strategic projects like Jaisalmer and planned South expansion underpin long-term growth, targeting 50 MnTPA by FY30. While debt will rise with capex, leverage remains manageable given strong operating cash flows. Overall, JKC's fundamentals and sustainability focus provide confidence in medium-term performance. JKC is trading marginally above its 5-year median EV/EBITDA, factoring in near-term optimism around capacity additions and an anticipated demand recovery. **We maintain our Hold rating as the stock trades at 16.5x FY27E EV/EBITDA.**

Operational Highlights

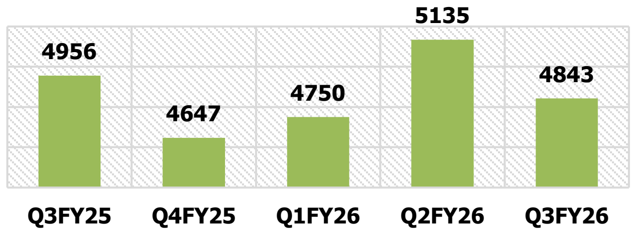
Volume/mnt



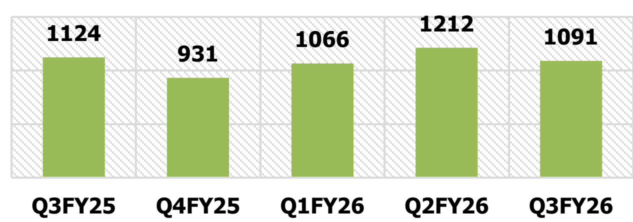
Realisation/tonne



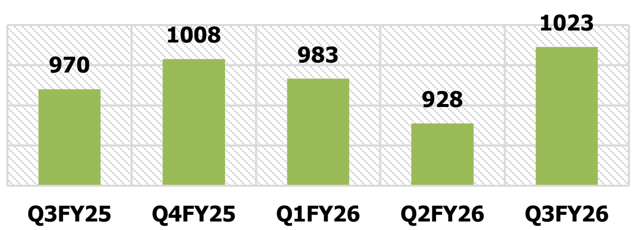
Cost / tonne



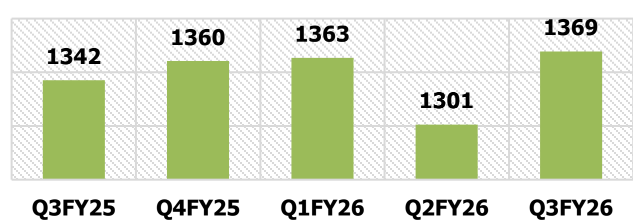
Energy / tonne



Raw Materials / tonne

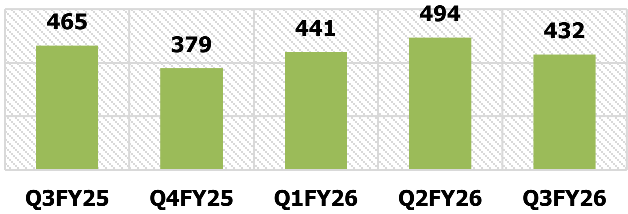


Freight / tonne

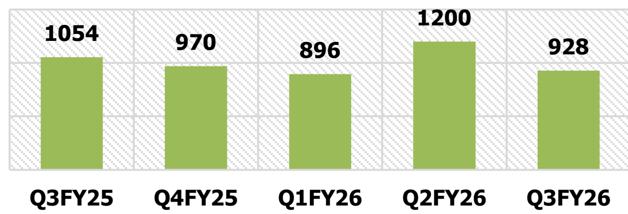


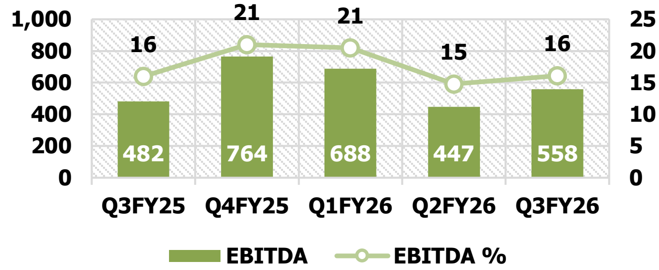
W2W Lighthouse - A Quick Perspective

Staff Cost / tonne

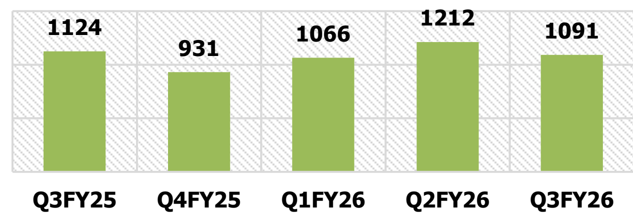


Other Expenses/tonne





Energy Exp / tonne



Source: Company, Way2wealth Research

Key Operational Metrics

(₹ crs)

Particulars	Q3FY26	Q3FY25	YoY	Q2FY26	QoQ
Volume/mnt	6	4.92	22	5.01	20
Realisation/tonne	5772	5956	(3)	6026	(4)
Cost/tonne	4843	4956	(2)	5135	(6)
Raw materials /tonne	1023	970	5	928	10
Staff cost/tonne	432	465	(7)	494	(13)
Energy cost/tonne	1091	1145	(5)	1212	(10)
Freight/tonne	1369	1342	2	1301	5
Other Expenses/tonne	928	1054	(12)	1200	(23)
EBITDA/tonne	929	980	(5)	891	4

Source: Company, Way2wealth Research

Product Mix

(₹ crs)

Particulars (₹ Cr)	Q3FY26	Q3FY25	YoY	Q2FY26	QoQ	9MFY26	9MFY25	YoY
Grey Net Sales	2531	2068	22	2161	17	7185	5917	21
White Net Sales	852	751	13	779	9	2370	2111	12
Total Net Sales	3383	2819	20	2940	15	9565	8028	19
Combined EBITDA	558	492	13	447	25	1692	1262	34

Source: Company, Way2wealth Research

(₹ crs)

Particulars	FY25	31-Dec-25	Var
Gross Debt	5103	5255	3
Cash	2553	1897	(26)
Net Debt	2551	3358	32
Net Debt/EBITDA	1.3	1.41	(11)
Equity	6044	6614	9
Net Debt/Equity	0.42	0.51	(9)

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Particulars	Q3FY26	Q3FY25	YoY	Q2FY26	QoQ	9MFY26	9MFY25	YoY
Debt-Equity Ratio (in Times)	0.93	0.98	(5)	1.03	(10)	0.93	1.03	(10)
Debt Service Coverage Ratio (in Times)	2.13	2.15	(1)	1.82	17	2.16	1.5	44
Interest Service Coverage Ratio (in Times)	5.42	4.72	15	4.77	14	5.72	4.05	41
Net Worth (₹ In crs)	6720	5,695	18	6,538	3	6721	5695	18
Net Profit after Tax (In crs)	173.6	190	(9)	159	9	657	511	29
EPS	22.6	24.54	(8)	20.78	9	85.36	64.81	32
Current Ratio (in Times)	1.31	1.37	(4)	1.41	(7)	1.31	1.37	(4)
Long Term Debt to Working Capital (in Times)	4.34	3.92	11	3.39	28	4.34	3.92	11
Bad Debts to Account Receivable Ratio (in %)	0.46	0.06	40	0.81	(35)	1.84	0.54	130
Current Liability Ralio (in Times)	0.35	0.33	6	0.34	3	0.35	0.33	6
Total Debts to Total Assets (in Times)	0.35	0.37	(5)	0.36	(3)	0.35	0.37	(5)
Trade Receivables Turnover Ratio (in Times), Annualized	13.85	13.17	5	10.87	27	14.33	14.46	(1)
Inventory Turnover Ratio (in Times Annualized	8.93	8.14	10	8.33	7	9.51	8.36	14
Operating Margin (in %)	16.1	16.79	(69)	14.79	131	17.2	15.21	199
Net Profit Margin (in %)	4.95	6.38	(143)	5.19	(24)	6.58	6.06	52
Asset Cover Ratio for Secured NCDs (in Tires)	96.51	44.38	117	93.3	3	96.51	44.38	117
Debenture Redemption Reserve {₹ In crs)	-	7.5		-	-		7.5	-
Securities Premium ₹ In crs	756.8	756.8	-	756.8	-	756.8	756.8	-

Source: Company, Way2wealth Research

Financials

(₹ crs)

Particulars	Q3FY26	Q3FY25	YoY	Q2FY26	QoQ	9MFY26	9MFY25	YoY
Net Sales	3463	2930	18	3019	15	9835	8298	19
Expenses	2906	2438	19	2573	13	8143	7036	16
EBITDA	558	492	13	447	25	1692	1262	34
EBITDA %	16.1	16.8	(70)	14.8	131	17.2	15.2	199
Other Income	46	45	3	51	(10)	153	127	21
Interest	113	112	0	105	7	326	346	(6)
Depreciation	175	146	20	149	17	471	439	7
PBT	316	279	13	243	30	1048	604	73
Tax	95	89	6	84	13	343	197	75
Adjusted PAT	174	191	(9)	161	8	706	409	73
EPS(₹)	22.5	24.7	(9)	20.8	8	91.4	53.0	73

Source: Company, Way2wealth Research

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Disclosure of Interest Statement J K Cements Ltd. as on Jan 22nd, 2026

Name of the Security	J K Cements Ltd.
Name of the analyst	Dhananjay Kansara
Analysts' ownership of any stock related to the information contained	NIL
Financial Interest	
Analyst :	No
Analyst's Relative : Yes / No	No
Analyst's Associate/Firm : Yes/No	No
Conflict of Interest	No
Receipt of Compensation	No
Way2Wealth ownership of any stock related to the information contained	NIL
Broking relationship with company covered	NIL
Investment Banking relationship with company covered	NIL

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