



THE RAMCO CEMENTS LTD.

Sector

Jan 12, 2026

Buy at CMP: Rs 1085.5 | Target: Rs 1172 (8%) | SL: Rs 1051

Construction Materials

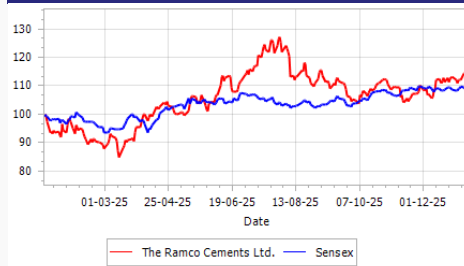
Script Details

BSE Group	A
BSE Code	500260
NSE Code	RAMCOCEM
Bloomberg Code	TRCL IN
Market Cap (INR Cr.)	25,583
Free Float (%)	57.4%
52wk Low/High	1207/789
Beta (1yr Nifty 50)	0.78
Face Value (INR)/ D. Yield (%)	1/0.2
Total paid Up Shares (Mn.)	236.3

Share Holding Pattern (%)

FII's	DII's	Public
45.0%	20.8%	34.2%

Share Price Relative Performance



Invest Now

The Ramco Cements Limited's main product is Portland cement, manufactured in eight state-of-the-art production facilities that include Integrated Cement plants and Grinding units. The company is engaged in the manufacture of Cement, Ready Mix Concrete and Dry Mortar products.

Investment Rationale

- ♦ **Operating Leverage Kicks In Amid Cost Optimisation:** Despite a challenging demand environment, Ramco Cements has delivered a meaningful improvement in profitability, led by a 7% YoY increase in average cement prices and sustained focus on cost optimisation. EBITDA rose 22% YoY in 2QFY26, with EBITDA per tonne improving to ₹866/T, supported by higher green power usage, lower fuel costs, and operational efficiencies. The company has shown sharp operating leverage, with PAT up ~191% YoY in 2QFY26 and cash profit growth of 38% YoY, despite only modest volume growth.
- ♦ **Capacity Expansion on Track with Disciplined Capital Allocation:** The company is on track to reach a total cement capacity of 30 MTPA by March 2026. This growth is supported by the commissioning of the second line at the Kolimigundla plant and the debottlenecking of existing facilities. To fund these capital expenditures and maintain financial health, TRCL is aggressively pursuing the monetisation of non-core assets; it has already realised ₹501 Crores out of a targeted ₹1,000 Crores. This disciplined approach to capital allocation is reflected in a 22% year-on-year increase in EBITDA for Q2FY26.
- ♦ **Rapid Scaling of the Construction Chemicals Segment:** The company has identified its Construction Chemicals business as a primary growth driver, aiming to scale its revenue from ₹165 Crores in H1FY26 to ₹2,000 Crores over the next four to five years. In August 2025, RAMCOCEM unveiled its new brand identity, "Hard Worker," which includes 20 specialised products such as tile adhesives and waterproofing solutions. This segment is already showing significant momentum, with sales volumes increasing by 72% in 2QFY26 compared to the previous year. Management plans to expand this product range pan-India to capture evolving needs in the construction sector.
- ♦ **Valuations:** We model a Revenue/PAT CAGR of 15%/24% and estimate RAMCOCEM to clock PAT of Rs 518 Cr by FY28E. RAMCOCEM is trading at forward P/E(x) of 49.4x and we value at 53.3(x) FY28E and Recommend BUY on RAMCOCEM with TP Price of Rs. 1,172 (8%).

Year	Revenue	EBITDA	PAT	PE Ratio (x)	EV/EBITDA (x)
FY23	8,157	1,186	315	81.3	25.7
FY24	9,376	1,565	360	71.1	19.5
FY25	8,518	1,233	273	93.8	24.7
FY26E	9,796	1,567	392	65.3	19.4
FY27E	11,266	1,802	451	56.8	16.9
FY28E	12,955	2,073	518	49.4	14.7

Source: Company Data, Ace Equity, GEPL Research

TECHNICAL VIEW

Observation

- RAMCOCEM is displaying a constructive technical setup across multiple timeframes. On the monthly chart, the stock has shown a bullish mean reversion from the 12-month EMA for three consecutive months, with the current month sustaining above the prior month's high—signaling improving strength.
- On the weekly scale, the stock is forming a base near the 50% Fibonacci retracement, which coincides with the 50-week EMA, highlighting strong demand at lower levels. The current week has also seen a volume expansion above the 20-week average, indicating increased participation.
- Additionally, the MACD has delivered a bullish crossover, further reinforced the positive outlook and suggesting scope for trend continuation.
- Given this robust alignment across multiple timeframes, the stock looks poised to advance toward an upside target of 1172, while a closing-basis stop loss at 1051 is advised to manage risk effectively.



Source: Tradingview.in, GEPL Research

Inference & Expectations

- Considering these factors, it can be inferred that RAMCOCEM stock is set to continue uptrend.
- Going ahead we expect the prices to move higher till 1172 level.
- The stop loss must be at 1051 level, strictly on the closing basis.



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