IBEF
INDIA BRAND EQUITY FOUNDATION

May 2026

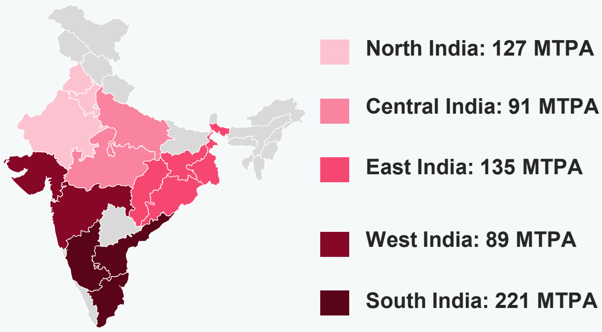
CEMENT

Ranking and Region-wise Capacity

India's Global Rank

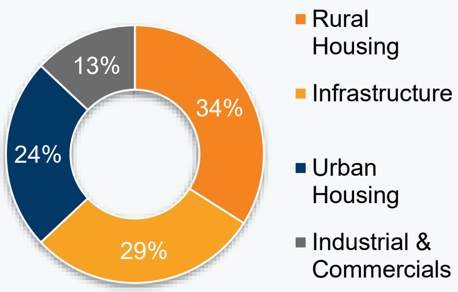
2
Cement Production

2
Cement Consumption

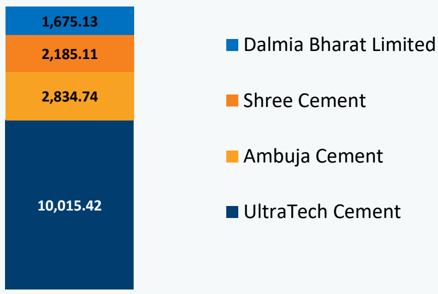


SECTOR COMPOSITION

Cement Demand In FY24

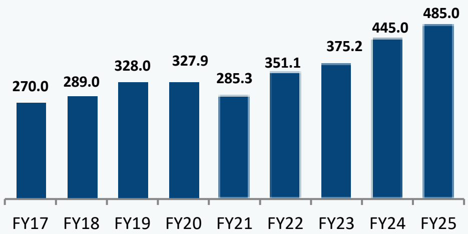


Top Cement Producers in India (Net Sales in FY26) (in US$ million)

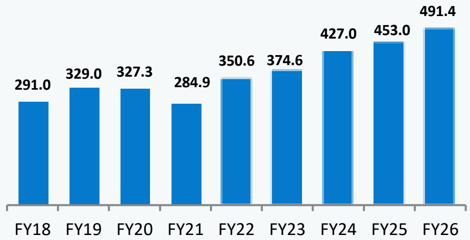


KEY TRENDS

Cement Consumption (Million Tonnes)



Cement Production (Million Tonnes)



GOVERNMENT INITIATIVES

Make in India

Pradhan Mantri Gati Shakti - National Master Plan (NMP)

Pradhan Mantri Awaas Yojana

ADVANTAGE INDIA

- **Robust demand:** India's cement sector is expected to maintain healthy growth momentum, with cement volumes projected to rise 7–8% in FY27 after growing 8–9% to around 491.4 million MT in FY26, according to ICRA. The sustained demand is being driven by continued traction in the housing and infrastructure sectors. However, while cement prices are expected to increase moderately by 2–4% in FY27, profitability is likely to soften due to rising fuel and freight costs, with operating profit projected to decline to Rs. 820–870 (US$ 9.28–9.84) per metric tonne (MT) in FY27.
- **Increasing Investments**: FDI inflows in the industry related to the manufacturing of cement and gypsum products reached Rs. 52,400.86 crore (US$ 8,062.12 million) between April 2000 and March 2026. India's cement sector continues to witness strong investment momentum, supported by ongoing capacity expansion and consolidation initiatives by leading players to cater to rising domestic demand and infrastructure-led growth.
- **Long-term Potential**: Indian cement companies are among the world's greenest cement manufacturers. Indian cement makers plan to invest around Rs. 1.25 lakh crore between FY25 and FY27 to add 130 million tones of grinding capacity about 20% more than current levels. The government's infrastructure push is a significant catalyst, with projects like the Mumbai-Ahmedabad Bullet Train Corridor significantly boosting cement demand. This project alone uses around 20,000 cubic meters of cement daily, generating large-scale employment.
- **Attractive opportunities**: The Mumbai-Ahmedabad Bullet Train Corridor is significantly boosting the cement and construction industry, utilizing around 20,000 cubic meters of cement daily, equivalent to eight 10-story buildings. This project, spanning 508 km with multiple stations and tunnels, has generated substantial employment, with about 20,000 workers engaged daily. Karnataka approved investment proposals worth Rs. 17,183 crore (US$ 2.01 billion) in cement manufacturing, which are expected to generate around 12,500 jobs.