

**JKCL/SE/2026-27/62**

**October 28, 2026**

BSE Ltd.,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort, Mumbai-400001  
Through: BSE Listing Centre

National Stock Exchange of India Ltd.,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai-400051  
Through: NEAPS

**Scrip Code: 532644**

**Scrip Code: JKCEMENT**

Dear Sir/ Madam(s),

**Sub: Transcript of the Earnings Call on Unaudited Financial Results of J. K. Cement Limited ("the Company") for the Second Quarter and Half Year ended on September 30, 2026**

In continuation to our earlier letter JKCL/SE/2026-27/61 dated October 27, 2026 and pursuant to the Regulation 30 and Regulation 46(2)(oa) read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, please find attached the transcript of the Earnings Call held on Tuesday, October 27, 2026 on the Unaudited Financial Results (Standalone and Consolidated) of the Company for the Second Quarter and Half Year ended on September, 2026.

The above information is also available on the website of the Company:  
<https://www.jkcement.com/transcript-report/>

We request you to kindly take the above information on record.

Thanking you,

Yours faithfully  
For **J. K. Cement Limited**

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BHUMIKA SOOD  
Date: 2026.10.28  
12:14:37 +05'30'

**Bhumika Sood**  
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Manufacturing Units at:

Nimbahera, Mangrol, Gotan (Rajasthan) | Muddapur (Karnataka)  
Jharli (Haryana) | Katni, Panna, Ujjain (M.P.) | Prayagraj, Aligarh, Hamirpur (U.P.)  
Balasinor (Gujarat) | Buxar (Bihar) | Fujairah (UAE) | Ampavali, Choudwar (Odisha)





“JK Cement Limited

Quarter and Half Year ended 30th September 2026  
Earnings Conference Call”

October 27, 2026



**MANAGEMENT: MR. AJAY KUMAR SARAOGI – DEPUTY MANAGING  
DIRECTOR AND CHIEF FINANCIAL OFFICER – JK  
CEMENT LIMITED**

**MR. PRASHANT SETH – PRESIDENT - BUSINESS  
INFORMATION AND INVESTOR RELATIONS – JK  
CEMENT LIMITED**

**MODERATOR: MR. VAIBHAV AGARWAL – PHILLIPCAPITAL (INDIA)  
PRIVATE LIMITED**

**Moderator:** Ladies and gentlemen, good day, and welcome to the Earnings Call of JK Cement Limited for Quarter and Half Year ended 30th September 2026 hosted by PhillipCapital (India) Private Limited.

As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Vaibhav Agarwal from PhillipCapital. Thank you, and over to you, sir.

**Vaibhav Agarwal:** Yes. Thank you, Neerav. Good afternoon, everyone. On behalf of PhillipCapital (India) Private Limited, we welcome you to the Q2 and H1 FY27 call of JK Cement Limited.

On the call, we have with us Mr. Ajay Kumar Saraogi, Deputy Managing Director and Chief Financial Officer; and Mr. Prashant Seth, President, Business Information and Investor Relations at JK Cement.

I would like to mention on behalf of JK Cement and its management that certain statements that may be made or discussed on today's conference call may be forward-looking statements related to future developments and statements which are based on current management expectations. These statements are subject to a number of risks, uncertainties, and other important factors which may cause actual developments and results to differ materially from the statements made.

JK Cement Limited and the management of the company assume no obligation to publicly update or alter these forward-looking statements based on this as a result of new information or future developments or otherwise.

I will now hand over the floor to the management of JK Cement for their opening remarks, which will be followed by an interactive Q&A. Thank you, and over to you, sir.

**Ajay Kumar Saraogi:** Thank you, Vaibhav. Good afternoon, and welcome to Q2 and the six months ended 30th September call. The Board of Directors met on 24th of October to review the company's performance for the quarter ended 30th September as well as the half year ended 30th September.

The major highlights. The net sale during this quarter increased by 21% year-on-year to INR3,561 crores as compared to INR2,932 crores. However, as compared to previous quarter, it was down by 9%. Half year, it was higher by 21% at INR7,457 crores as compared to INR6,167 crores.

This net -- the increase in net sale is primarily because of increase in the grey cement volumes. For the half year, the grey cement volumes have increased by 19% -- 19.38% at 11.3 million

tons as compared to 9.49 million tons. Also, the white cement the volume has increased by 19% at 10.32 lakh tons in the six-month period as compared to 8.62 lakh tons in the previous year.

The EBITDA standalone -- sorry, I read the consolidated numbers last time. The -- I would repeat again. The standalone financial results quarter-on-quarter had actually increased by 28% at INR3,516 crores as compared to INR2,754 crores. And for the half-year period, it is higher by 25% at INR7,301 crores as compared to INR5,823 crores.

The EBITDA during this quarter was INR500 crores as compared to INR440 crores in the previous year and INR639 crores in the previous quarter. For the six-month period, it is higher by 2% at INR1,138 crores as compared to INR1,113 crores.

The Board while reviewing this also noted that during this period, we have commissioned the wall putty plant at Nathdwara of 0.6 million tons. So that increases our total white cement and putty capacity to 3.65 million tons. And they reviewed the working of the projects, basically at Jaisalmer. So at the integrated site, the work is in advance stage and it is on schedule. And we are confident to commission the plant in first half of FY28.

Similarly, at the grinding stations, at Bikaner, the work is also is progressing and we are confident of commissioning in the first half of FY28. The Bathinda, we have received the approvals, and the work should shortly start. And there also, I think within September -- we are targeting within September 2027, we should commission the plant.

The Board also noted and approved the JK Maxx proposal, which was to put up a white cement -- a paint plant of 75,000 KL and with the overall cost of INR130 crores, which is within the overall limit sanctioned for the paint business of INR600 crores. So with this investment, we would be just submitting the overall investment in the paint business.

And as the working with the paint business is already on course of break-even in this fiscal, we do not see that going forward there would be any further requirement of any investment in the paint business. So with this and the future investment can be made by the paint business on their own.

As regards the balance sheet, the gross debt position as on 30th September is INR6,255 crores as compared to INR5,136 crores. The cash available as on 30th September is INR1,684 crores as compared to INR1,755 crores.

The net debt is INR4,571 crores as compared to INR3,370 crores. The net debt to equity is 0.63 and net debt to EBITDA is 1.95. These are the major highlights. If you have any question, I'll now take up the questions and answers. Thank you.

**Moderator:**

Thank you very much. We will now begin the question-and-answer session. First question is from the line of Navin Sahadeo from ICICI Securities. Please go ahead.

**Navin Sahadeo:**

Yes. Good afternoon, sir. Am I audible?

**Ajay Kumar Saraogi:** Yes.

**Navin Sahadeo:** Yes, okay. Great. Thank you for the opportunity and also congratulations on a good set of numbers. Sir, my first question was on the volume front. So with first half volumes growing 19%, but how should one look at volume growth in the second half, given that Karnataka and Maharashtra are probably facing some water shortage-related issues.

So how much is the exposure there? Are you seeing any impact of that? And also in UP, it's that state going in for elections. So how should one look at the volume growth in the second half, please?

**Ajay Kumar Saraogi:** So, Navin, if we look at first on Maharashtra and Karnataka, though, we are already mostly sold out in the region. Yes, we do not foresee that any significant impact would be there. And whatever is our -- we are hopeful that we will achieve our annual target numbers in those regions.

As far as your question on UP is concerned, yes, it is going on for elections, but I don't think so elections will be held before March. If it is so, there could be some disruption. Otherwise, but still we are confident that the guidance which we gave at the beginning of the year of closing at 23 million tons, we are on track, well on track on that number.

**Navin Sahadeo:** No, that's not the case. I'm actually expecting 24 million tons. That's what it looks like, at least from the first half performance.

**Ajay Kumar Saraogi:** Yes, see, again. See, I'm saying we would -- that's a guidance given at 23 million tons. It would be 23 million tons plus. So if we get 24, it will be better. But as of now -- because you know, next month is a festival month, Diwali, so there will be a lot of -- some volumes will get affected in terms of Diwali.

There's already some construction act imposition at New Delhi because of pollution and other things. So you have to factor all those uncertainties. As you mentioned about drought and other things, so barring that, if nothing happens, we will definitely be closer to 24 or something, but as we gave a guidance 23 million, we are confident we'll be there.

**Navin Sahadeo:** Thank you. Sir, my second question then was on the cost. So your cost per Kcal was about 1.71 in Q2. So, if you could just help us understand that at the current spot rates wherein petcoke has surged past 185 or between USD185-USD190.

And also the domestic coal premiums have surged for almost doubled. At the current spot rates, what will be the cost per Kcal? And will it be felt in Q3 or only in Q4 or beyond? How should one look at cost? Thank you.

**Ajay Kumar Saraogi:** So there will be impact both in Q3 as well as Q4. So partial, see, we will get some benefit of the inventory in Q3, but the entire impact would be felt in Q4. So I think the total impact from 1.71 as a cost which was there on exit of how the things look and if they continue like that, the cost may go up to closer INR2. So, with that INR2 we may say, about half-half should come in which

is an impact of INR80-INR90 coming in this quarter and maybe similar amount in the subsequent, in the next quarter.

**Moderator:** Thank you. Navin, do you have any follow-up question?

**Navin Sahadeo:** No, no. Thank you. Thank you.

**Moderator:** Thank you very much. Next question is from the line of Sanjeev Singh from Motilal Oswal. Please go ahead.

**Sanjeev Singh:** Yes. Thank you for the opportunity, sir. My first question is on the demand, when you said about drought and rail deficiency. So, in your experience over the last 10-15 years, whenever this kind of a situation has happened, what has been the impact of on demand in your view?

**Ajay Kumar Saraogi:** See, it would be very difficult -- it was a point raised by Navin. We really are not factoring the drought impact. And in any case, the drought impact regions, our total share is quite nominal. If you look at out of the total share of our volume, there, it combines about 15% of our volumes coming in from the South plant of the total volumes. So it is not very substantial and it will -- so I would say that, if we see the impact, impact will not be anything significant. It will be a marginal impact.

**Sanjeev Singh:** Okay. And secondly, in the presentation you have given the guideline for achieving 50 million ton capacity by FY30. So, considering the growth plans, how do you expect the balance sheet in terms of net debt and net debt-to-EBITDA to be at the peak level? So, where could you be comfortable? And you think that in the current given kind of a profitability, you should hold on your plans for this kind of a growth?

**Ajay Kumar Saraogi:** So, see, as we said ki the gross if we can talk about gross debt or net debt-to-EBITDA may reach, you know, say about 2.3, 2.35 or between 2.25 to 2.35. That is the peak, which will be at the mostly at end of fiscal '27. And thereafter, you know, we would see because this is a greenfield project having a big investment.

The other expansion for the 50 million journey is all brownfield expansions where the cost will be lower, and then we would as the capacity overall capacity is increasing, we are expecting better profitability. So, that would, you know, and it is maybe from FY29 onwards, we again come back to, you know, our specific target is that, you know, once we complete this, we should be well within 1.5. But it will take two or three years when we start reaping the profits of the expansion.

**Sanjeev Singh:** And my last question would be on capex. What should be the capex we should assume over the next three years between FY28 to FY30? I think FY27, you earlier had said 35 billion.

**Prashant Seth:** Yes. So as we continue with the expansions, so capex would be in the range of INR2,500 crores yearly in the coming years.

- Ajay Kumar Saraogi:** What he is saying, see, we are doing INR3,500 crores in this fiscal, and then subsequently as a brownfield expansions, you know, every year it will be in the vicinity of INR2,500 crores to meet out the targets.
- Sanjeev Singh:** Okay, sir. Thanks a lot.
- Moderator:** Thank you. Next question is from the line of Gaurav Nagori from Avendus Spark. Please go ahead.
- Gaurav Nagori:** Yes, thanks for the opportunity. Sir, I want to understand more on your profitability. If I look at your first half EBITDA.
- Moderator:** Gaurav, sorry to interrupt. Can you speak through the handset, please?
- Gaurav Nagori:** Is it better?
- Moderator:** Slightly, go ahead.
- Gaurav Nagori:** Yes. So, wanted to understand more on the profitability front. First half EBITDA per ton is about INR900 per ton, last year is INR1,000. But what I'm trying to understand is that if I exclude the incentive per ton for you, which is typically around INR120 to INR150 per ton, given that Fujairah EBITDA margins have also gone up for the peer, so I'm assuming that would have gone up for you also.
- And if I exclude the white cement wall putty margins in the domestic market, is it fair to say that excluding incentives, excluding this domestic and the global white and wall putty volumes, your EBITDA per ton in grey cement would be around INR500 per ton? Is that understanding correct, in first half?
- Ajay Kumar Saraogi:** I don't know from where you got these numbers. The INR500 I mean one, on the subsidy, our cost is not INR120, INR150. Our subsidy is only because -- about INR80 a ton.
- Gaurav Nagori:** Okay.
- Ajay Kumar Saraogi:** And then what we are talking about we are dividing it by volume numbers. And I don't know on what basis I think whatever numbers per ton we are seeing, it's a consolidated, if you see the EBITDA margins are same for the grey and the white business, more or less same as the company.
- Gaurav Nagori:** Okay.
- Ajay Kumar Saraogi:** So I don't know I mean, the INR500 we never worked we have never had INR500 a ton grey cement EBITDA. We never had that.
- Gaurav Nagori:** Okay. No, I understand that, sir. What I'm trying to understand is that because first half when you have the blended number of INR900, so you are saying that the margins in white cement, wall putty and grey cement are same?

- Ajay Kumar Saraogi:** Yes, sorry, I will not be able to share each business-wise profit numbers. But if you have been seeing if you see INR500 a ton, if you are imagining, then if you say that 50% of the profit is on the white business, it is your judgment. I will not like to comment on that.
- Gaurav Nagori:** Understood. Understood. How much margin increase that you would have seen, let's say, in the Fujairah volumes in this year compared to last year if you would be.
- Ajay Kumar Saraogi:** See, the margin increase that is reflected in the EBITDA, the EBITDA there is a -- you know, because margin because the costs have increased more than the realization.
- Gaurav Nagori:** Okay.
- Ajay Kumar Saraogi:** That is a direct impact on the EBITDA and the margin. So that is why the EBITDA is lower because the margins are lower. EBITDA is not lower only say on account of any fixed cost or anything. It is it is because the margins are lower because the costs have increased and we have not been able to pass on the costs to that extent.
- Gaurav Nagori:** Understood. Understood. Got it, sir. That's it from my side. Thank you.
- Moderator:** Thank you. Next question is from the line of Philip Matthias from Geojit Investments. Please go ahead.
- Philip Matthias:** Thank you, sir, for taking my question. First of all, congratulations on a great set of numbers. I just want to know with regard to the paint business, what was the revenue this quarter? And earlier you had made a -- you had given a guidance that FY27, the revenue from paint business would be somewhere around INR500 crores to INR550 crores and '28 will be plus 150 on the '27 base. Has that guidance changed or just want to know regarding that. That's my first question.
- Prashant Seth:** Yes, Yes. Revenue paint revenue in this quarter is INR116 crores. And we maintain our guidance for the year as a whole, because we have already reached a level of around INR250 crores in first half.
- Philip Matthias:** Sir, my second question is with regard to the expansion post '28, where you have given 11 MTPA brownfield in Muddapur and Panna. Like what is the break-up like how what like how much capacity are you going to add in Panna, and how much are you going to add in Muddapur?
- Prashant Seth:** It is around like 5 to 6 million ton at each location.
- Philip Matthias:** Thank you, sir. That's it from my side.
- Prashant Seth:** Okay.
- Moderator:** Thank you. Next question is from the line of Pathanjali Srinivasan from Sundaram Mutual Fund. Please go ahead.
- Pathanjali Srinivasan:** Hello.

**Prashant Seth:** Yes. Hello, Patanjali.

**Pathanjali Srinivasan:** Yes, sir. Sir, congrats on good set of numbers. I had couple of questions. So first is your execution this half has been very good. Like a lot of peers are actually reporting like much smaller volume growth numbers. So is it fair to assume that we would have gained decent amount of market share this quarter?

**Ajay Kumar Saraogi:** No, so see basically what you see the volume numbers is basically we have completed a expansion in Central India. The results of the expansion are quite evident. In in March last fiscal, we completed a 6 million ton expansion. So the expansion volumes are there, and in yes, we have in the other markets also, but it is not to that extent. The major volumes are from Central India.

**Prashant Seth:** Actually, overall growth of the North market has been good in this quarter. So normally, the players of the North have reported the higher growth numbers. And East was slightly depressed market. So this is because of the regional imbalance also.

**Pathanjali Srinivasan:** But is it fair to assume that we have gained market share or that's it's not.

**Prashant Seth:** So North we are at par with the market.

**Ajay Kumar Saraogi:** So one, see, we have since we do not have extra volume in the North, and so we have maintained our market share in the North and we have definitely gained market share in the Central India, the markets of Central India.

**Pathanjali Srinivasan:** Got it, sir. So then second thing, one of the data points that you gave is your trade share and share of premium. So I see very healthy growth in trade share and share of premium has also picking up over the last I would say, seven or eight quarters.

So how does this improve our profitability? And also if you can explain where are we making more inroads? Is it more new micro markets where we are able to do this better, or is it newer markets that we are entering? Where are we benefiting from?

**Ajay Kumar Saraogi:** So this is actually across. The like premium products, we are trying to increase the premium share across all markets. You know, again, while working on premium products, yes, it is again related to trade basically. So premium so when you push more premium, you maintain our you try to get more inside into the trade market.

So yes, definitely trade markets helps us to have a better profitability. So we continue to work towards that, and you see we are making a lot of as you see as a part of our expenses, we are doing a lot of investment into the marketing, looking to our future expansion, and that is one of the reasons that we are able to share capture the market, sell our expansion volumes at a much faster pace.

So, what we are -- as a part of expansion, we continue to work in the market, so that whenever we come with expansion, as now we are coming up with a big expansion in the North, so in the next fiscal we have to see that we get a good market share in the North also.

**Pathanjali Srinivasan:** Got it, sir. Sir, just one last question related to this, sir. So, when you mentioned that the profitability is higher in a premium product, I just want a general range. What would be the additional percentage of margin that you make on a premium product?

**Ajay Kumar Saraogi:** Yes, so premium products normally you get between about INR150 average extra profit. But there is a segment taking premium products. If you don't produce and sell, so the segment of the premium segment is also...

**Moderator:** Participants Sir, sorry to interrupt you. Sir, we lost your audio in between. Can you repeat the last few sentences once again, please?

**Ajay Kumar Saraogi:** So, what I said that the premium market demand is also increasing. And so, you have to keep the pace, otherwise you will this will result in losing the market share for trade.

**Pathanjali Srinivasan:** Got it, sir. Thank you, sir. Very detailed and a great set of numbers. Thanks. Thank you very much.

**Moderator:** Next question is from the line of Prateek Kumar from Jefferies India. Please go ahead.

**Prateek Kumar:** Yes. Good afternoon, sir. I have one question on your unit EBITDA performance. Has been trailing some of the larger peers' performance for past few quarters, used to be in line or higher at times in the past. Also, with commissioning of Jaisalmer now next 12 months, how do you see profitability compared to your peers? Like you have -- you kind of settled with like a lower EBITDA per ton versus peers or how should we think about your EBITDA per ton performance, particularly versus peers?

**Ajay Kumar Saraogi:** No, see, vis-a-vis peers, I think if you compare, we will continue to be amongst the top 3-4 in terms of EBITDA per ton. And which if you see, even as of now whatever results have come in, we are there. Despite the fact that we had some higher costs in the first half.

If you look at the six months' working, so more or less we are we are there, and we will we are not we are confident that we will be able to maintain our profitability. Even I think Jaisalmer is going to help maintaining this profitability and should not result in any dilution of profitability.

**Prateek Kumar:** Okay. So, Jaisalmer is expected to help like it will be at similar because location-wise, it's like off?

**Ajay Kumar Saraogi:** Yes, because today because of there's no capacity, we are not able to service certain segments and certain markets, because we have a limitation of supply.

**Prateek Kumar:** Okay. Other question, can you further explain your justification for entry into paint segment, which is already oversupplied? So, does this significantly help you cross-sell putty and as a

result, you are wanting that expansion instead of just wanting to set up that as an independent unit?

**Ajay Kumar Saraogi:**

No. See, one is that we are already going to touch INR500 crores in this, which will the existing plant will get fully utilized when we achieve this number or maybe going forward in the subsequent year. Right? So, we have to plan out to have a new capacity by the time this plant gets fully utilized.

This plant itself will take certain time. By the time we commission this new plant, the existing plant would have been fully used. So, we need to have a source of supply, otherwise whatever efforts have been done to build up this segment and along with putty and we are meeting out the customers' demand, so that will -- we will take a back foot.

It was necessary that to ensure that we are able to continuously supply the increased demand, because next year also FY28, we don't have exact, but I think we would definitely be growing another INR150 crores minimum, if not more. So, we are working out on those details. So, with that, how will we meet out that demand?

**Prateek Kumar:**

Sure. But how should we understand from business IRR return perspective? I know cement operates independently, but does this business operate on as I was asking earlier, on an independent basis from IRR perspective?

**Ajay Kumar Saraogi:**

So independent, as we have said that from the paint business this year, we should at least some time, but we should have a positive EBITDA this fiscal. And going forward also gradually, as we increase our market share and we increase our reach in the market, definitely we would see EBITDA from the business. So, this year, it should be an EBITDA positive, next year...

**Moderator:**

Sorry to interrupt. We again lost your audio in between.

**Ajay Kumar Saraogi:**

So, what I said that this year in paint business, we should end up with a positive EBITDA. And going forward, as we grow the paint business and along with putty, we would see in the paint seg- segment itself, profitability increasing year-on-year. It will not be very a sharp increase, but yes, definitely 2% to 3% increase in profitability year-on-year.

**Prateek Kumar:**

Sure. These are my questions. Thank you and all the best.

**Moderator:**

Next question is from the line of Amit Murarka from Axis Capital. His line had dropped, has reconnected. Please go ahead with your question.

**Amit Murarka:**

Yes. Hi, thank you. So just firstly on the Kcal itself. So, fuel cost Kcal at I think 1.75 this quarter is kind of 15%-20% lower than what other companies have reported. So, I just wanted to understand what is driving this lower fuel cost? Is it like higher domestic coal? If you could just delve a bit more on that.

**Prashant Seth:**

Yes, see Amit, it is because of the change in the blend also. One is the automatic change with the start of Panna Line 2, where we are actually using Indian coal. So practically, I mean, we

have reduced our petcoke consumption to 30% to 35% only now. And the Indian coal is 55%. And fortunately, we were having some stocks of the old rate, and even now the Indian coal rates are going up. But our consumption in this quarter is at a quite low rate. So that has resulted into the lower overall mean per Kcal cost. So, in the next quarter, with the rising Indian coal prices and the petcoke prices, we will definitely be above INR2.

- Amit Murarka:** In in Q3 or by Q4 as in INR2?
- Ajay Kumar Saraogi:** As we said, both in Q3 and Q4. So partial impact would be there in Q3, if -- and remaining and Q4 will have the full impact.
- Amit Murarka:** Sure. The second question is on the plant utilization. So, the PPT says that the clinker utilization was 95%, whereas cement I think was 67% or 70%, something that is mentioned there. So, will all of this clinker inventory be consumed in the third quarter itself or there will be further carryover to Q4 of this?
- Prashant Seth:** No, actually, clinker inventory has depleted in the previous quarter because we took maintenance of most of our kilns. So one is that we have reached to the -- I mean the normal clinker inventory, plus there is some surplus clinker, because normally because of the seasonal impact, the volumes are down in this quarter.
- Amit Murarka:** Right. So, my question is that there is decent amount of clinker inventory as we can see from the inventory movement line item also. So, will all of this get consumed, the excess inventory?
- Prashant Seth:** No, not all of this, because as I said that last quarter clinker inventory was lower than the normal. So, one is the normal level of the clinker inventory, which will continue from Q3 onwards.
- Amit Murarka:** Okay. Understood. And just a last question on the revenue. So again, if we were break up between grey revenue, white revenue and the paints revenue is mentioned as INR116 crores. But if you add all that up, there is still a gap of like INR60-odd crores which comes in?
- Prashant Seth:** That is actually RMC and the CC revenue.
- Amit Murarka:** RMC and what revenue, sorry? Construction chemical okay.
- Prashant Seth:** Construction chemicals and RMC, mainly the RMC, because we started from the previous quarter only. And then INR60 crores number is the RMC and the construction chemical.
- Amit Murarka:** Okay, but looks like it scaled up mostly in this quarter because earlier the gap was not there so much in Q1.
- Prashant Seth:** In Q1, it was INR50 crores.
- Amit Murarka:** Okay. So Q1 is INR50 crores and this quarter you're saying is INR60 crores for these two businesses. And would there be any EBITDA being made on these two businesses?

- Ajay Kumar Saraogi:** So RMC is at a developing stage, if you look at there's no EBITDA at this stage, because each plant RMC plant. Today, we have now -- as of now, we have 23 plants in operation. And we target to be by March '27, 50 plants. So each plant takes about 6 months to get a breakeven. So initially, you set up a plant and since it is on a tolling model, we have to assure fixed cost to the tolling guy irrespective. So by the time the breakeven volume starts coming, it takes three 3 months' time to get 3 to 4 months' time to get the breakeven volume.
- Moderator:** Thank you. Amit, I'll request to come back for a follow-up question. Next question is from the line of Sarthak Tita from DSP Asset Managers. Please go ahead.
- Sarthak Tita:** Yes. Hi, good afternoon. Thank you for the opportunity. I don't know if this was asked earlier. I just wanted some color from you, sir, on the pricing part in current spot prices versus the average of Q2. If you could get some color in our core regions, that would be very helpful?
- Ajay Kumar Saraogi:** So actually we started seeing some price increase and in all in latter part of September, which we could not I mean very marginal realization has been there in the previous in Q2. But yes, in Q3, beginning in the month of October, if we say from mid-September, there has been an overall increase in price of around INR20 per bag, both trade, non-trade combined. So that is the increase across if you say average for us.
- Sarthak Tita:** Got it, sir. So fair to assume that this would be reflecting on the Q3 part, if at all these are stuck, right?
- Ajay Kumar Saraogi:** Yes, if they sustain, definitely it will be quite visible. It will take care part of the cost increase and everything which has been there.
- Sarthak Tita:** Fair enough. Got it. This was very helpful. Yes, thank you. Thank you very much and all the best, sir.
- Moderator:** Thank you. Next question is from the line of Shravan Shah from Dolat Capital. Please go ahead.
- Shravan Shah:** Hi, sir. Congratulations on good set of numbers. Couple of questions, sir. So just on the paint to get a data point. So in Q2, what was the EBITDA?
- Prashant Seth:** Q2 was a loss of INR2 crores.
- Shravan Shah:** INR2 crores. And for full year, we are looking at kind of a some positive?
- Ajay Kumar Saraogi:** We will have a breakeven for the -- positive EBITDA.
- Shravan Shah:** And for FY28, will it be kind of a 5%, 6% kind of EBITDA margin is doable or given kind of a INR650-INR700 crores revenue we will be doing?
- Ajay Kumar Saraogi:** Sir, 700 is see 5% we are initially we say, yes, we'll be targeting 5%, but I am definitely 3% to 5% should be the EBITDA.

- Shravan Shah:** Okay. And for RMC, this quarter INR60 crores. So we were looking at kind of a INR100 crores revenue from the Q4. So that should be kind of a doable?
- Ajay Kumar Saraogi:** That'll be an -- Yes, higher in RMC in this quarter and then Q4 definitely may touch INR100 crores.
- Shravan Shah:** Okay. Got it. And incentive for this quarter was how much, sir?
- Ajay Kumar Saraogi:** Incentive, just a minute. INR45 crores is for the quarter.
- Shravan Shah:** Okay, INR45 crores. So and then so the similar run rate should be there in third and fourth quarter or it would be kind of a INR50 crores, INR55 crores?
- Ajay Kumar Saraogi:** Yes, it will be about INR50 crores, because see if we are not getting any see we many incentives for Aligarh is not there. In North, we don't have because we are taking the input credit. So it is not available. So it is basically coming from a few grinding units, so it could be around INR50 crores number.
- Shravan Shah:** Okay. And on the white cement front, so on a console level for 1H, we have seen a 4.9% kind of a volume growth. So for full year, last time we said that we are looking at 8%, 10% kind of a growth. So that number is doable for this year?
- Ajay Kumar Saraogi:** See, we have to see what has happened because on console basis when we talk about in the white, Fujairah operations are affected. So yes, there is an increase in the India operations, but we will not be able to compensate the entire loss, because we are not able whatever Fujairah was feeding into the Indian market, that we are able to feed from the India operations.
- But we are not able to feed to meet the shortage for other countries. So Fujairah is not able to export any cement or clinker to any other part of the world, except for the GCC nations. They are not able to send material anywhere else. So it will be difficult to meet out that shortage. But otherwise is it will more or less so there could be some shortfall in that numbers.
- Shravan Shah:** Okay. And, sir, given that the let's say the clinker utilization, sir, as Prashant sir has mentioned, the 95% utilization. So obviously, for second half, we definitely given the 20% grey volume growth is there, we should be able to reach close to kind of a 24 million ton, but in 1H?
- Ajay Kumar Saraogi:** One minute. See our guidance is 23 million plus. I am not committing anything on 24 million.
- Shravan Shah:** Yes. I understand sir, but the investors are investors are making that number, sir. And definitely, you always?
- Ajay Kumar Saraogi:** Try to aspire to that number, but there is I mean there are many other factors. So 20% growth with the base, the first quarter base and we have to see other things. So I'm not too sure that though we will definitely try to see whatever best can be done, but we are not committing anything on a say on a 24 million ton volume number.

- Moderator:** Thank you, Shravan. I'll request to come back for a follow-up question. Next question is from the line of Pinakin Parekh from HSBC. Please go ahead.
- Pinakin Parekh:** Yes. Thank you very much, sir. Sir, my first question is can you give us a sense of where do you see the absolute net debt peaking out? You have mentioned on an EBITDA-per-ton ratio level, but where can we see this net debt number peaking?
- Ajay Kumar Saraogi:** So the net debt today it's about INR4,571 crores. It could peak up to closer to INR6,000 crores.
- Pinakin Parekh:** Sure, sir. And this is based on the 40 million ton plan or the 50 million ton plan?
- Ajay Kumar Saraogi:** No, whether I think INR6,000 crores is up on a 50 million ton That that is where it should peak out net debt.
- Pinakin Parekh:** Okay. Got it. Second question, sir, on cement pricing is that you mentioned that INR20 per bag between mid-September and mid-October. Given what you're seeing on the ground, do you think the industry would try to push for further price hikes after Diwali or the current price hikes are enough to cover all the cost pressures that we have we are seeing on the ground?
- Ajay Kumar Saraogi:** No, actually, there is a still a requirement of INR10 to INR15 in the price to meet out all the cost increases, because it's not only the fuel. The packing cost continues to be very high, the PP granule cost. And packing cost, which started following, has again increased. And we the geopolitical situation continues to be there.
- Fortunately, there's in between, we saw a bit dent on rupee devaluation. The rupee has been quite strong over the last few days, say for the last 15-20 days, so we don't see. But in case there is again, you know, some if the rupee gets weaker, that that will offset some impact. So, I think, I mean, other INR10 to INR15 is minimum is required. That gap would still be there.
- Pinakin Parekh:** Got it. And you see this happening around after Diwali or do you think it's on the ground it's difficult to absorb the price increases?
- Ajay Kumar Saraogi:** See I think it can happen after Diwali, because now Diwali you know, people start moving in next 10, seven, eight days to so there will be the construction activity will get slowed down, because the laborers start moving out. And then they will only join back around the 20th, not before that.
- Pinakin Parekh:** Got it. Thank you very much, sir.
- Moderator:** Thank you. Next question is from the line of Parvez Qazi from Nuvama Wealth Management. Please go ahead.
- Parvez Qazi:** Hi. Good afternoon, sir, and congratulations for a great set of numbers. Sir, just needed two data points. What was our CC ratio this quarter, and what was our fuel mix? Thank you.
- Prashant Seth:** CC ratio was 1.5. And fuel mix was 55% Indian coal, 13% alternate fuels, and balance is petcoke.

**Parvez Qazi:** Sure, sir. Thanks, and all the best.

**Moderator:** Thank you. Next question is from the line of Ritesh Shah from Investec Capital. Please go ahead.

**Ritesh Shah:** Yes. Hi, sir. Thanks for the opportunity. Sir, can you please update us on the status of Mahan and West Shahdol coal blocks? What is the status, by when it can actually help us on the cost curve?

**Ajay Kumar Saraogi:** So, see, the work we have already started work on the Mahan coal block at the site. We have got all the approvals and the work has started at the site. We see that, you know, in sometime in first quarter or first half of FY29 that this mine, this is what we are targeting in first half of FY29 to make this Mahan operative.

We are still working out on the second mine. So, we will we are first concentrating on the first, Mahan, which is a larger block, and then concentrate on the maybe we'll be in a position say another six to eight months on a definite schedule for the Shahdol block.

**Ritesh Shah:** Sure. And, sir, would it be possible for you to indicate how much will be the landed cost? Say FY29, a little far, but just to understand from a cost-saving standpoint. I understand it's a 1.2 million ton mine. Please correct me if I'm wrong.

**Ajay Kumar Saraogi:** Yes. So, we expect, you know, the coal cost to be within INR1, INR1.25.

**Ritesh Shah:** Okay. This is encouraging. Thank you so much. Sir, my second question is on fuel mix. You did indicate AFR, petcoke, and local coal on a percentage basis. But is there any further scope to optimize this? Or if I have to put it the other way around, is there any challenge in procuring local coal, wherein we'll be forced to go more for petcoke or the other way around?

**Ajay Kumar Saraogi:** No. So, see, what happens, it's a location thing. Our Central plant will be more based out of the local fuel. So there it is more economical. The imported fuel will not be economical. It is only used as a blender, you know, some high calorific as a blender, which is say limited up to 10%, not more than that.

Now when we come to North and the South plants, it would their Indian coal, one, it is very difficult to get Indian coal to of that volume. We don't have any linkage for these plants. So, from the open market, to get a consistent quality and the volume required for those operations is not feasible. So, there you know, the imported US coal or petcoke will always be there, and we will have to primarily use that fuel in in the North and the South plants.

**Ritesh Shah:** Thank you.

**Moderator:** Next question is from the line of Simran Kumari from Narnolia Financial Services. Please go ahead.

**Simran Kumari:** Hello. Good afternoon, sir, and congratulation on the good set of numbers.

**Moderator:** Simran, you're not audible. Can you speak through the handset, please?

- Simran Kumari:** Yes. Most of my Congratulation on a good set of number. Most of my question has been answered. Just wanted to get some sense on the power and fuel cost going forward, the way I'm seeing this power and fuel cost in this quarter. How it will going to be for Q3 and Q4?
- Ajay Kumar Saraogi:** So, as I said earlier, you know, we should see power and fuel cost increasing by between INR80 to INR100 in each of the quarters.
- Simran Kumari:** Okay. Okay. Thank you so much. That was my question.
- Moderator:** Thank you. Next question is from the line of Harsh Mittal from Emkay Global. Please go ahead.
- Harsh Mittal:** Yes. Good evening, good afternoon, sir. Thank you for the opportunity. Sir, my question is on the white cement realization per ton. So, we have seen some sharp jump sequentially this quarter as well around 7.5%, but you did allude it last quarter that it was due to the restricted clinker restricted material movement from the Fujairah. So, do you see further improvements here in ensuing quarters or how should we look at it, sir?
- Ajay Kumar Saraogi:** So, whatever you increase you see year-on-year is because, yes, as a part of the cost increase in the white business, the white cement prices have also been increased. But we I mean, it was increased in fact, in the first quarter itself, but the possibility of further increase is quite challenging. So, we are not expecting any further increase in the white cement because, again, there is some I mean it's a barrier in the cost measures beyond a particular price, you know, the customers are not ready.
- So, it is quite challenging. Yes, though we are trying to work out if there is any whatever how we are able to pass on the cost increase, further cost increase, but as of now it is a bit challenging.
- Harsh Mittal:** Yes, understood, sir. Sir, any guidance on the white cement volumes given that we have commissioned the new white cement plant this year for this FY27?
- Ajay Kumar Saraogi:** So, the putty plant, you know, is actually which we have commissioned, whatever numbers we as a guided number, but it will continue with that number. This is as a to meet out the peak demand. And we are already, you know, operating at a very at about 90% capacity utilization. And if we had not commissioned that plant, then we will not be able to grow going forward.
- Harsh Mittal:** Thank you.
- Moderator:** Thank you. Next question is from the line of Siddharth Malhotra from Kotak Securities. Please go ahead.
- Siddharth Malhotra:** Thank you for the opportunity. Sir, just wanted to confirm, we've obtained the EC and CTE approvals for the Bathinda project in Punjab, is that understanding, correct?
- Ajay Kumar Saraogi:** Yes, it is under, I mean, the approval, we are expecting the formal letters very shortly. Everything's fine.
- Siddharth Malhotra:** Okay. So, we've not received them, but we expect them shortly, is that the correct understanding?

- Ajay Kumar Saraogi:** Yes, within this month, it should be there.
- Siddharth Malhotra:** Understood. So slightly delayed versus our previous expectation if my understanding is correct, right?
- Ajay Kumar Saraogi:** Yes, so we are hopeful that immediately upon receipt, we will start the work at the site.
- Siddharth Malhotra:** Got it, sir. Just, sir, one small follow-up question if I may. Sir, we are seeing in the standalone white cement volumes the growth is 13%-14% odd percent Y-o-Y. So, could you just maybe explain why such a sharp recovery and maybe is it expected to continue?
- Ajay Kumar Saraogi:** Which is serviced from India. Earlier, these volumes were serviced from Fujairah last year. And now this is service with India. So that is a reason the growth is there. Yes, with the growth in market, so both for white cement and putty, there is a growth in the market and we have sold more material.
- Siddharth Malhotra:** Okay, sir. That is very clear. So, sir, India capacity remains as is, which is roughly 2.6-2.7 MTPA, white and putty, right?
- Ajay Kumar Saraogi:** So, India capacity for white and putty is 3.05, 0.6 is the white cement capacity in UAE. So total capacity of white cement and putty is 3.65.
- Siddharth Malhotra:** Thank you.
- Moderator:** Next question is from the line of Jinesh Kothari from Equirus Securities. Please go ahead.
- Jinesh Kothari:** Yes. Hi, sir. Thank you for the opportunity. I just wanted to know about the cost pressures. So, you mentioned about INR80 to INR90 on the fuel part. So, are we expecting any cost inflation on the packaging back front, and also wanted to know if we have any one-off cost regarding maintenance that were undertaken in 2Q?
- Ajay Kumar Saraogi:** No, I don't think the packaging cost has already peaked out. I think we should not see any further increase in the packaging cost. But definitely on all these costs, if there is a impact of if rupee depreciates, then there could be some cost impact, because it has a direct impact on the granules cost.
- Jinesh Kothari:** Okay, sir. And the one-off maintenance wise, if you have any undertaken any maintenance cost during the quarter specifically to it?
- Ajay Kumar Saraogi:** No, it's a routine, it's all planned maintenance. There is nothing specific.
- Jinesh Kothari:** Okay, sir. And just a last question on Sir, what will be the utilization that we would have achieved on our Bihar plant since we have commissioned 8 months now into the period? So what will be the utilization approximately now?
- Ajay Kumar Saraogi:** About 50% is there, closer to 50%.

- Jinesh Kothari:** Sure, sir. Thank you, sir.
- Moderator:** Thank you. Next question is from the line of Girija Ray from Nirmal Bang. Please go ahead.
- Girija Ray:** Hi. Thanks for taking my questions. Coming back to the white cement business...
- Moderator:** Girija, your voice is coming muffled. Can you speak through the handset, please? Is this fine now, clear?
- Moderator:** Slightly better.
- Girija Ray:** Am I audible?
- Ajay Kumar Saraogi:** Yes.
- Girija Ray:** Yes. So, coming back to Harsh Mittal question, he was asking about white cement business. So again, see the thing is that realization I can see sequentially first quarter and second quarter it has improved. And as you mentioned, because of higher cost and after certain level we can take a price hike. Just for assuming, let's say, fourth quarter is always a volume-driven quarter for the grey cement and first quarter is a price-driven quarter, what we believe.
- Similarly, can someone assume any quarter where we see a volume sprout in white cement or realization depends likewise? Definitely.
- Ajay Kumar Saraogi:** No, I will not say. The white cement, the fluctuation is not so much there on quarter-on-quarter. Definitely, this month id a good month for white cement. It's a pre-festival season, the peak. We should see the peak volumes in this month. But again, then we have a lean month, which is November, because of festivities.
- So, the volumes will again suddenly dip and then it is So, based on quarter-on-quarter, we they will not see any big variation. Yes, there will be some growth, but it's not anything which is quite significant.
- Girija Ray:** Thank you, sir. And all the best, sir.
- Moderator:** Thank you. Ladies and gentlemen, due to time constraint, we'll take the last two questions. Next question is from the line of Navin Sahadeo from ICICI Securities. Please go ahead.
- Navin Sahadeo:** Yes. Thank you. Thank you for the follow-up. My only question was how do we apportion the advertisement cost between the putty white cement business and the paints business? Because I think previous quarter, you were saying it is break-even, paint business had break-even. This quarter is a slight loss, but we continue to expect that this year it will be breaking even.
- Also, very encouraging to know that future capex will be from internal accruals of this particular segment only. So, wanted to understand at a very steady state, what is the margins that we are expecting this business to carry, and the advertisement cost, how is that apportioned?

**Ajay Kumar Saraogi:** So, one, see, as far as the margins are concerned, we are trying to work out -- we are working out on the improvement of margins, and the paint margins to be -- we see what are the margins of the competition and say which is around 40% plus, we are presently lower. So, over a period of time, we would we continue to work and reach the numbers for around 35%-38%. So, this is the number which we are presently targeting.

As far as the portion of advertisement, see, it's a common because it's a MaxX brand where the activities are both for paint, putty, and partially for white. So, it's a common brand which we advertise, and the more or less we have worked out more as an allocation, try to be more specific, so that each business gets its due apportionment of the cost. It is not based on any top line or anything, but we are trying to allocate the cost so that it -- for the paint gets a fair whatever is the paint advertisement cost is charged to the paint business.

**Moderator:** Thank you very much. Ladies and gentlemen, due to time constraint, we'll take that as the last question. I'll now hand the conference over to Mr. Vaibhav Agarwal for closing comments.

**Vaibhav Agarwal:** Yes. Thank you. On behalf of PhillipCapital (India) Private Limited, we'd like to thank the management of JK Cement for the call and also many thanks to participants for joining the call. Thank you very much, sir. We'll now conclude the call.

**Ajay Kumar Saraogi:** Thank you everyone for joining the call. Thank you.

**Moderator:** Thank you very much. On behalf of PhillipCapital (India) Private Limited, that concludes this conference. Thank you all for joining us and you may now disconnect your lines. Thank you.