Date: 13th November, 2026

To,
The Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G
Bandra Kurla complex, Bandra-East
Mumbai-400 051

Symbol : STARCEMENT

To,
The Listing Department,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400 001

Scrip code: 540575

Dear Sir(s)/Madam(s),

Sub: **Transcript of the Conference call for Unaudited Financial Results for the Quarter and Half Year ended 30th September, 2026**

In terms of Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we forward herewith the Transcript of the conference call with Investors and Analysts held on Thursday, 12th November, 2026 for Unaudited Standalone & Consolidated Financial Results for the quarter and Half Year ended 30th September, 2026.

The same shall also be available in website of the Company at https://www.starcement.co.in/earnings-call#main

This is for your information and record.

Thanking you,
For Star Cement Limited
DEBABRATA THAKURTA
Digitally signed by DEBABRATA THAKURTA
Date: 2026.11.13 11:25:51 +05'30'

Debabrata Thakurta
Company Secretary
(M. No.: F6554)

Encl. as stated.

“Star Cement Limited

Quarter & Half Year Ended 30th September '26 Earnings Conference Call”

November 12, 2026

MANAGEMENT: **MR. TUSHAR BHAJANKA – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER– STAR CEMENT LIMITED**
MR. MANOJ AGARWAL – CHIEF FINANCIAL OFFICER – STAR CEMENT LIMITED

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

Moderator: Ladies and gentlemen, good day and welcome to the Earnings Conference Call for the quarter and half year ended 30th September '26 of Star Cement 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, 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 (India) Private Limited. Thank you and over to you, sir.

Vaibhav Agarwal: Thank you, Dorwin. Good evening, everyone. On behalf of PhillipCapital (India) Private Limited, we welcome you to the Q2 and H1 FY27 call of Star Cement Limited. On the call, we have with us Mr. Tushar Bhajanka, Managing Director and CEO, and Mr. Manoj Agarwal, Chief Financial Officer at Star Cement Limited.

I would like to mention on behalf of Star Cement Limited 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 business developments and anticipated company outcomes by its management.

Such statements on today's call would be based on Star Cement's management's current expectations, and 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.

Star Cement Limited and the management of the company assume no obligation to publicly update or alter these forward-looking statements, whether as a result of new information or future events or otherwise.

I will now hand over the floor to the management of Star Cement for their opening remarks, which will be followed by interaction with you all. Thank you, and over to you. Tushar, you can take over. Thank you.

Tushar Bhajanka: Hi. Good afternoon, everyone. My name is Tushar Bhajanka, and I am the MD of Star Cement. I welcome you all to the conference call of FY27 quarter two. I would like our CFO, Mr. Manoj Agarwal, to give his remarks regarding the numbers, and then we can start with the Q&A session. Thank you so much.

Manoj Agarwal: Yes. Hi, friends. Very good afternoon. I, on behalf of Star Cement Limited, welcome you to our phone call for discussing our number of Q2 FY27, and half year ended September '26. Starting from clinker production, during the quarter ended September '26, we have produced 9.08 lakh tons of clinker as against 9.18 lakh tons same quarter last year. So far as cement production is concerned, we have produced 11.56 lakh tons this quarter as against 10.83 lakh tons same quarter last year.

Now I will take you through sales volume. During the quarter, we have sold 11.23 lakh tons of cement and 0.74 lakh tons of clinker as against 10.72 lakh tons of cement and 1.01 lakh tons of clinker in same period last year. This is as far as cement and clinker sale is concerned.

As far as geographical distribution of cement is concerned, in Northeast, we have sold around 7.96 lakh tons as against 7.84 lakh tons of cement during the same quarter last year. As far as outside Northeast is concerned, we have sold 3.27 lakh tons of cement this quarter as against 2.88 lakh tons same quarter last year. In terms of blend mix, it is almost 18% of OPC, and rest is PPC. These are the quantitative numbers of this quarter.

Now, I will take you through the financials. The total revenue figure for this quarter is around INR831 crores as against INR811 crores same period last year. As far as EBITDA figure is concerned, this quarter, we have done an EBITDA of around INR164 crores as against INR194 crores last year.

Profit after tax is INR39.58 crores as against INR71 crores in same period last year. On the per-ton EBITDA front, it is INR1,372 during this quarter as against INR1,651 per ton same quarter last year. This is what our quarterly numbers of second quarter. The total revenue figure for the half year ended September '26 is around INR1,774 crores as against INR1,723 crores same period last year.

As far as EBITDA figure is concerned, during this half year ended September '26, we have done an EBITDA of around INR367 crores as against INR424 crores last year. Profit after tax is INR113 crores as against INR169 crores in same period last year. On per-ton EBITDA front, it is INR1,438 during the half year ended September '26 as against INR1,716 per ton same period last year. These are the quarterly and half-yearly numbers.

Now, I request all of you, if you have any query, you can ask the same, and I will request Vaibhav to moderate the query wherever it is required. Thank you. Now, over to Vaibhav.

Moderator: Thank you very much. We will now begin the question-and-answer session. Our first question comes on the line of Harsh Mittal with Emkay Global Financial Services. Please go ahead.

Harsh Mittal: Yes. Thank you for the opportunity. Good evening, team. My first question is on the volume front. We understand that the first half was quite subdued compared to the last year. We quoted approximately 6% Y-o-Y growth in the first half, probably due to the elections and the heavy rainfall. My question is, how do you see the second half panning out, and particularly, how has the month of October been in terms of demand? Thank you. Hello?

Tushar Bhajanka: Yes. I was just saying that the first half, the demand was subdued for, I think, two main reasons. One was the election, and the second reason was, of course, the floods which happened in Assam. Assam is our major market, right? That is why the demand in Q2 was very subdued. But in Q3, Q4, we are seeing good traction in terms of volume. We do expect the pent-up demand to show up in the second half of the year. We do expect double-digit growth in the second half, in terms of volume.

Harsh Mittal: Sir, any volume guidance if you can ascribe to, including clinker, cement plus clinker for this volume?

Tushar Bhajanka: I think there should be about 12%-13% growth in terms of volume in quarter three and quarter four. I will have to take out the exact absolute number in terms of tonnage. But then I think there should be a sequential growth compared to Y-o-Y of about 12%-13%.

Harsh Mittal: Understood. Got it. Sir, second question is on the realization. We have seen the price hike across India in trade and non-trade. How has been the realization, particularly in Northeast region in September and October?

Tushar Bhajanka: In September, the prices were broadly flattish, but in October, we have seen that the prices have increased a bit. I think there has been about INR10 increase in Northeast. I think there has been about INR10-INR15 increase in outside Northeast, which is basically West Bengal as well. There is a trend of increasing prices, but at the same time, the price increase is a bit weak. Still we will have to see outside Northeast how the prices stabilize. But in Northeast, I think the price trend, the INR10 that we have taken is going to sustain.

Harsh Mittal: Understood. Thank you, sir. I will call back in a bit. Thank you.

Moderator: Thank you. Our next question comes from the line of Shravan Shah with Dolat Capital. Please go ahead.

Shravan Shah: Hi, sir. Thank you. Sir, a couple of questions. First, sir, on the capex date and the expansion front. In terms of the last presentation that we have uploaded for Q1, it seems that in terms of the capex number has been increased. Till now in 1H, we have done INR203 crores kind of a capex.

Just wanted to get a clarity that in presentation we have mentioned INR560 crores for this year, next year INR1,910, and FY29 INR610. Particularly the Nimbol, we are saying now INR3,080 crores kind of a total capex versus previously that number was slightly on the lower side. That is one aspect.

Second is now whether we will only be looking the Nimbol, the 5 million ton expansion, or the 2 million ton which we were looking at either Bihar or West Bengal, will that be also be considered till FY29?

Tushar Bhajanka: Yes, I think there must have been some increase in the overall capex because now we have actually decided to put 6 million tons rather than 5 million tons in North. Regarding our expansion in the eastern part, the West Bengal has just come up with their policy, industrial policy. We have already applied for EC in Siliguri, next to our current plant.

The policy seems lucrative, so we are in touch with the government, and we will probably, by the next call, be able to give better clarity that the 2 million tons that we plan to put in Bihar, will it come in Bihar or will it be shifted to West Bengal? In the next two years, there will be a grinding unit will be coming in East Bihar or West Bengal.

Shravan Shah: Okay. Just to get a more clarity. In Nimbol, clinker is 3.3, and the cement will be at 3 million ton, and Jhajjar will be at 3 million ton grinding versus a 2 million ton.

Tushar Bhajanka: Yes. This is what we have gone. The 3.3 million tons of clinker is the rated capacity. I think it can produce, in full capacity, it can produce about 3.6 million tons of clinker. We have gone for a slightly larger size in the grinding unit because the additional capex was lesser, and we thought that it can come to our use in the next phase of expansion as well.

Shravan Shah: Just to get more clarity. Now for the entire 6 million ton, including the clinker, what will be the total capex, and how it will be spread in 2027, 2028, 2029? Will this entire 6 million ton come by Q4 FY28, 1Q FY29, when it will start?

Tushar Bhajanka: This will come by about July, August 2028. Okay, so that I think is about Q1, that is about Q2 of FY29. Right?

Shravan Shah: Okay.

Tushar Bhajanka: The capex, I think we will, in our presentation, give an accurate breakup of the capex that we expect. These are, of course, sensitive numbers. We are, of course, trying to do as little capex as possible and to optimize it. The numbers that we will share in the presentation will be of the actual scenario that we see as the project goes on. But I think it should be within the INR3,000 crores, which has already been showcased in the last presentation.

Shravan Shah: Okay. Roughly for the West Bengal or Bihar, if we go for it, what would be the capex and whenever we will go, will it also come by Q2 FY29 or when it will come?

Tushar Bhajanka: The Bihar capex would, of course, be more than West Bengal, and that is why we are contemplating between Bihar and West Bengal, because Bihar will be our greenfield plant, which will require its own railway siding, wagon tippler, land, et cetera. Whereas Siliguri, we already have the land, we already have applied for the EC, railway is already there. A lot of things are just already there, right? So the capex would differ a lot.

I think Siliguri would be about INR350 crores of capex, whereas Bihar would be about INR550 crores of capex. So I think in the next call, we will give full clarity about whether it is going to be Siliguri or Bihar. We have already applied for permissions wherever we could, so that in case we decide Siliguri, then we are not wasting time and we start with the ground-breaking as soon as we can.

Shravan Shah: Whenever we will start, in terms of the broader timeline, in terms of when it will start, and also in terms of the Nimbol, we were looking for the EC by this October, November, whether that EC has come?

Tushar Bhajanka: Yes, so the EC for Nimbol, so we have gotten There is an EAC meeting that one has to conduct, right? The meeting has been successful. We have gotten the minutes of a successful EC. EC will be granted in a week or two. We are starting our ground-breaking from 1st of December in Nimbol.

Shravan Shah: Bihar or West Bengal…

Moderator: Sorry to interrupt, Shravan. We request you to please rejoin the queue if you have any further questions. Thank you. Our next question comes from the line of Rajesh Ravi with HDFC Securities. Please go ahead.

Rajesh Ravi: A few questions. First, on the Silchar railway siding, what is the status of the operationalization and the cost-saving outlook for that unit? Second, on the fuel cost, we were expecting a decline of INR0.10 in Q2 versus Q1. Why did it remain steady at INR1.55? Why did this entry happen, and what is the outlook for Q3?

Tushar Bhajanka: The Silchar, I think, we were supposed to get two things. We were supposed to get power connection, and we were supposed to get railway siding. Railway siding, power is partially connected, but the railway siding, I think, will come by January, and that is when we will start seeing savings in fly ash cost as well. What was your second question? Sorry.

Rajesh Ravi: On the fuel cost, we saw in Q1 call, you were expecting fuel cost to come off by INR0.10 Q-o-Q from INR1.55 to INR1.45. It remained flattish at INR1.55. Why did it happen so? Again, in Q3, what is the cost outlook related to fuel cost?

Manoj Agarwal: Rajesh, we have told that INR1.45 we will reach by the end of March. We will be reaching INR1.45. It has gradually decreased. This quarter it is INR1.52. It will gradually decrease. There is also, we are trying because there is a rainy season, so availability of the AFR was an issue. Now it will gradually come down to INR1.45. By the end of the year, we will reach…

Tushar Bhajanka: The problem is that there is a coal shortage throughout, right? As you see in other companies' presentation as well, the fuel prices are going up because there is very poor delivery of FSAs by Coal India. The fuel prices across the industry, across many industries have gone up, right? All of them are projecting fuel price of more than INR2.

But because our book stock is good, I do not think we will have to face that kind of a fuel price increase. In quarter three and quarter four, we will broadly be able to maintain at INR1.5, which is probably a very good scenario compared to the industry, which is suffering because of shortage of coal.

Rajesh Ravi: Okay. Given that the industry will see a spike in Q3 and expectedly again in Q4, because to maintain at INR1.5, that itself is marketing and good for the numbers. Silchar, you mentioned that the railway siding would be operational by January, and thereafter the benefit should start coming, right?

Tushar Bhajanka: Yes, exactly. Exactly. We were having some issues with the power as well. That will also get resolved, because there was some problem in the substation, so that will also get resolved. The railway siding will also come. The economics of Silchar plant will also become much better. Then I think you should see some operational saving also in terms of cost from Q4 onward of this year.

Rajesh Ravi: Understood. For H2, you guided that you are looking at 12%-13% cement volume growth in the H2 year-on-year, right?

Tushar Bhajanka: Yes, year-on-year. Yes.

Rajesh Ravi: Yes. How has that been in How has demand shaped up for you or sales shaped up for you in month of October in terms of growth?

Tushar Bhajanka: October was actually more than 12%. That is why it just gives me some confidence that I think it remains…

Rajesh Ravi: Understood. The full-year 7%, 8% cement volume growth target can largely remain intact?

Tushar Bhajanka: Yes, I think so. Yes.

Rajesh Ravi: Okay. On the incentive, I see sequentially we have booked higher incentive in this quarter, around INR36 crores.

Tushar Bhajanka: Yes.

Rajesh Ravi: So any such reason, I believe for the full year you had cut the guidance. Is it INR36 crores, some contents of some one-offs which may not come through in Q3, Q4? How should one read it?

Tushar Bhajanka: Yes, there…

Manoj Agarwal: Rajesh, in Q3 and Q4, because we have already told that there is some change in the incentive policy of the Assam Norway. Accordingly, because this quarter we have got this approval for the remaining 20 years to 12 years. That is why there is an increase in the subsidy. In the next two quarter, we are expecting around same point, INR65 crores half year. Next half year we will be getting around INR65 crores. This two-half year it is around INR60 crores. Next half year, H2 will be around INR65 crores to INR70 crores of subsidy we will accrue. Rajesh?

Moderator: Rajesh, does it answer…

Rajesh Ravi: Yes, Yes. Okay, okay. Understood. Understood that Q2 run rate will continue in Q3, Q4. Okay.

Tushar Bhajanka: Yes.

Rajesh Ravi: Yes. I think that's all. Thank you and all the best. I'll come back in queue.

Tushar Bhajanka: Thank you.

Moderator: Thank you. The next question is from the line of Shravan Shah from Dolat Capital. Please go ahead.

Shravan Shah: Hi. Also, just continuing on that, in terms of how do we pencil in the capex number for this year, next year, FY28, '29 broadly?

Tushar Bhajanka: I think the capex numbers of this year, next year, and FY29, we will put it in the presentation for you to see. I think we will upload a presentation in a week's time. I think you can see those numbers there, I guess.

Shravan Shah: But broadly, if you can spell, it would be helpful, the directional, because last time we said that INR500 crores-INR600 crores for this year, INR1,500 crores kind of a number for next year, FY28. Which obviously has increased in the presentation to INR1,900 crores. So that's what broadly, can we go by what the Q1 presentation number says?

Tushar Bhajanka: Yes, I think broadly we can go by that number. If in the presentation right now, we will only try to optimize basis whatever capex we have already done and whatever understanding of the capex, revised understanding of the capex we have now, the number should only go down.

But that, I think I will only be able to comment once I see what we had submitted in Q1 and then whatever the current status is. So I think, but Yes, you can broadly go with the guidance of Q1, but if there is any revision, then that will be put in the investor call, in the investor presentation.

Shravan Shah: Okay. In terms of the stand, in terms of the, we are not currently looking at in terms of the QIP because net debt to EBITDA, we will not cross 1.5x. That stand remains for the time being?

Tushar Bhajanka: Yes, I think that stand broadly remains for now because I think the markets have also corrected significantly. I do not think this is the right time anyway for the company to do QIP. Plus, I think the expansion plan also we have revised a bit. I think we will be able to manage the current capexes in the coming projects through debt and internal accruals.

Shravan Shah: Okay, got it. Sir, a couple of data points. What was the premium share for this quarter, for clinker factor, lead distance, and…

Tushar Bhajanka: Yes, so our premium share was about 17.3%. Our lead distance, it was 208, our lead distance. Our clinker factor was about 68.6.

Shravan Shah: Sorry, sir, our premium, sir, I couldn't hear. Can you repeat it?

Tushar Bhajanka: 17.3%.

Shravan Shah: In terms of the green, sir, what was the number for this quarter?

Tushar Bhajanka: For the fuel?

Shravan Shah: Green power, sir.

Tushar Bhajanka: Green power, green power was about 28%.

Shravan Shah: 28%. In terms of the fuel mix, FSA, spot, and AFR, and biomass?

Tushar Bhajanka: FSA was about 45%. Washery coal and coke fine coal was about 40%. Biomass was about 11.5%. Spot auction coal was about 10%.

Shravan Shah: Okay. Got it. In terms of the non-cement revenue for this quarter was how much, sir?

Manoj Agarwal: It is INR22 crores.

Shravan Shah: INR22 crores. Okay. For 1H, it is INR37 crores, INR38 odd crores. For full year, how one can look at this?

Manoj Agarwal: Full year we started target around INR100 crores. It will be around INR100 crores for the whole year.

Shravan Shah: Okay, INR100-odd crores. Okay, got it. Just one clarification in terms of the Nimbol, the incentive what we have given in the presentation. Just directionally, it would be more beneficial particularly for Nimbol to go for the SGST versus a capital subsidy. Because if you go for SGST, that will be a part of revenue. That is what I am asking.

Manoj Agarwal: No, Shravan, in the cash flow term, it is better to have a full capital investment subsidy. Okay? Maybe not, which will not come into the revenue, it is a capital receipt, it will be deferred revenue grant. But in terms of the cash flow, it is better, the present value, in terms of present value, capital subsidy is better than the GST thing. That is why we have chosen that.

Shravan Shah: Okay. Sir, in terms of the profitability, previously we were looking at INR1,500 to INR1,600 odd for this year. Is it because the first half is slightly on the lower side, so can we able to maintain that?

Manoj Agarwal: No, Shravan, whatever we have told regarding the EBITDA guidance, that we will see that by the year end, whatever we have told, that will be achieved.

Shravan Shah: Okay. Got it, sir. Thank you and all the best.

Moderator: Thank you. Our next question comes from the line of Navin Sahadeo with ICICI Securities. Please go ahead.

Navin Sahadeo: Thank you, sir. My first question was on the fuel mix. What we are gathering is the significant increase in the premiums, the e-auction or the auction coal, Coal India is getting currently because globally the prices have shot up.

In a scenario like that, how are we managing to keep the cost, as in, I believe because you said Q3 and Q4 also, especially Q3, the cost is just going to be flattish at around 1.5. I am just trying to understand, in a scenario where the domestic coal or the e-auction coal premiums charged by Coal India have more than doubled, as what I could understand from the October data, how are we able to manage it to keep the cost flattish? If you can just help us understand that.

Tushar Bhajanka: Yes. So, hi, Navin. Basically, we already have about three months of stock of coal, right? That just ensures that we do not go about buying coal in a panic, right? And FSAs have already started delivering. Till September, October, there was no FSA delivery. This month, we have already gotten about five rakes in November, and I think we do expect to get about four, five more rakes in November itself.

The whole coal situation, because all the Coal India production was getting diverted to power, and now I think the stock levels in the power plant are also increasing, so they have started serving non-power sectors as well. I think in the next three months, the panic around coal prices should reduce because the FSAs will start delivering. We have about 60 rakes pending, right?

As soon as those 60 rakes which are pending from the past and the rakes which are going to be pending in the three months coming, will start delivering, I think the coal situation should ease out, not only for us, but for everyone. Because we do have a stock of three months, I think that just eases out our situation a bit more than probably someone else.

Navin Sahadeo: Understood. My second question then was around the significant expansions that cement companies are planning for Northeast. More recently, we saw Ambuja planning a 4-million-ton unit. JK Lakshmi has also firmed up its plan to set up a plant in Northeast again. Shree Cement is already, as you know, pursuing.

I am not sure if there is any other company that is looking at it, and you could help us understand if there are more players. But given the capacity influx that is happening, is it safe to conclude that this region, which earlier had prices largely insulated, could now face more volatility because several larger companies with deeper pockets are eyeing the space?

Tushar Bhajanka: I think, like we discussed last time also, Northeast, they all have announced, and they will be putting up their plants, I am assuming, right? First of all, I think they will take two, three years to put a plant because plants in Northeast or in Assam or Meghalaya is not that easy, right? We expect the market to be also growing in the next three years.

Then we also have about 16%, 17% market share currently also, which is coming from outside. So that market share should reduce, right? Though I am not taking away the fact that, of course, there will be some pricing pressure, but at the same time, I think in three years' time, market will be probably big enough to adjust some of the capacities, right?

For all these players also which are trying to enter Northeast, the main charm is not the volume in Northeast, right? Because the markets are not as big as North or East. The main charm is price, right? Because the margins are better. The ease of doing business is also there, right? The capex that they have announced, will also be looking for a return on those capex.

So I think everyone comes and enters to earn some money, right? The money in Northeast is not in asset turnover; it is in margin. I think everyone understands that. So I do think that the pricing may be a short-term pressure, but I think in the long term, the pricing should stabilize.

Navin Sahadeo: Just in relation to this, is it also fair to assume that the new plants will be eligible for the same incentive structure that we are currently getting or enjoying, or it is slightly different or at a slightly lower level than what we have?

Tushar Bhajanka: So, I think part and parcel, it may be similar to what we are getting. It is just that we had gotten about 200% on our fixed capital investment. The schemes that we will also put our Rancho plant in, and they are also probably planning to put their plants in, allows only 110% of the

fixed capital investment. So the tenure of the longevity or the subsidy may be different, but the quantum per year may be similar for the year that we are getting it.

Navin Sahadeo: Understood. Can I slip in one more question, please?

Tushar Bhajanka: Sure.

Navin Sahadeo: This was about the capex outflow. I understand that as compared to the previous capex plan, there is uncertainty, or we are reviewing the East India's unit. That is why the total capex outlay that you have given in your Q1 presentation, which comes with a little bit of a lag, is changed. But it seems outflow for FY28, which earlier was guided at INR1,400 crores, is shot up to INR1,910, whereas the plant is still largely coming in Q2 of 2029.

So if you could just help us understand the reason for expediting this capex, or it is still flexible? We can still keep the load on FY29 with performance guarantees and stuff like that. Just a bit, some clarification on help us understand cash outflows for capex.

Tushar Bhajanka: Yes. No, thank you. I mean, what the capex guidance that we had given in Q1 in the presentation was, of course, depending on the EC and the land acquisition scenarios at that point, right? Now, of course, for the clinker plant, we are very certain, for the Nimbol plant, that we have gotten the EC, we have gotten the land, so we are going to start putting our plant from December onwards.

So the outflow of that is much more clearer to us. In Jhajjar, we are still aggregating land, right? So we have aggregated about 50 acres of land. There is still some land that we need to aggregate. So, I think we will get clarity on Jhajjar in a month's time, when we have aggregated the full land and when we apply for the EC. So I think because now, the majority of the project is in our control.

I mean, the incubation phase is over now, we are on the execution phase. But there are still few projects which we are getting clarity on. I think the Q2 estimation of the timelines and the capex outflows will be much more accurate than Q1. So I think we will also probably make sure that the presentation comes to you sooner than later, and that we are as accurate as possible in those numbers so that there is more clarity.

Navin Sahadeo: Thank you, sir.

Manoj Agarwal: Navin, one thing is that because that Q2 2029, whatever we have projected INR1,900, it is flexible because entire project cost will be same. Maybe that can be switched between 2029 and 2028, because there can be a buyer's credit. We can avail the buyer's credit option because part of the machinery will come from the imported machinery.

So that INR1,900 is not a static figure. That can be switched in maybe 2028. That amount can be transferred to 2029 or maybe to 2030 if we avail two-year buyer's credit window is there. So that it just was the estimate, but it can be 2028 to 2029, even up to 2030.

Moderator: Thank you. Our next question comes from the line of Rajesh Ravi with HDFC Securities. Please go ahead.

Rajesh Ravi: Just a follow-up on the Northeast expansions by competitors. What is your estimation of the three companies setting up capacities, JK Lakshmi, Ambuja, and Shree Cement? By when do you see practically their clinker units starting?

Tushar Bhajanka: We do not have a clear idea about Shree Cement right now because I do not think they have started or announced the groundbreaking as of yet. I do not know exactly what situation they are in. But I think JK Lakshmi had announced and Ambuja had announced. In Northeast, because of the rain, for four, five months, there is no construction which happens. I do expect them to at least take two and a half years to probably put up their kiln. That is my estimation. But I mean, their ground situation, they would know much better, I guess.

Rajesh Ravi: Mm-hmm. What I understand, I would also broadly add that if Shree Cement's clearances are on track, they may be sitting up there to deliver by FY28 or FY29. The other two companies may be back-ended, and they will be later, how about FY29 is where I see. For next FY27, 2028, 2029, last part of these three years, would Star and Dalmia be the dominant player in the market and when can we expect stable pricing and healthy margins to accrue for next two to three years?

Tushar Bhajanka: Yes, I mean, that is what my expectation is, right? Even after that, I think, for us as Star Cement, most of our sales in Northeast happen through our trade network, right? Out of all the companies in the mainland India also, we have the highest trade shares, one of the highest trade shares, right? I do think that the dominance, even after two, three years, will of course, be with incumbents. Entry will happen; market will be shared. Some smaller players which are inefficient, they may shut down.

All those things may happen. I think the dominance remains even after. So Yes, for three years, the margin pressure will not be there for sure, till the time the capacities come. The capacities that come, we will have to probably rationalize a bit because even the kiln which Shree Cement is putting is a 1 million ton kiln, right? Is what my idea is, because the EC is also 1 million. JK Lakshmi is 1 million EC, right? That means that they cannot produce more than 1 million, right?

Adani is 4 million, but I do not know the timelines of it. A 1 million capacity is something that the market will adjust because it is doing at about 1.5 million every year, right? The market will have to read it a bit, and then there is about 15%-16% cement coming from outside as well, right, to this market, which of course will also reduce. I think there is a bit of all those things which will play out. I think for the next two years, I do not see a problem in the margins, right?

Rajesh Ravi: Understood. That is quite helpful. Manoj, sir, could you share what was the blended power consumption cost per unit in Q2?

Manoj Agarwal: It is Q2 INR1.52. You are talking about power.

Rajesh Ravi: No, no, power.

Manoj Agarwal: Power?

Rajesh Ravi: Just power cost.

Manoj Agarwal: Power cost.

Tushar Bhajanka: That is another takeout. I do not think we have it.

Manoj Agarwal: Okay. We will let you know later.

Rajesh Ravi: Sure. That is all from my end. Thank you and all the best.

Moderator: Thank you. Ladies and gentlemen, we have our next last two questions. The first from the line of Navin Sahadeo from ICICI Securities. Please go ahead.

Navin Sahadeo: Yes. Thank you for the follow-up. Just to confirm, how much material you said, how much cement comes into Northeast from other regions? I am assuming it would be largely West Bengal, right? So, how much material that comes in?

Tushar Bhajanka: It is about 15%, 16%.

Navin Sahadeo: 15% to 16%.

Tushar Bhajanka: 15%, 16% of the market share of Northeast is with outside players.

Navin Sahadeo: That is largely-

Tushar Bhajanka: Through rakes.

Navin Sahadeo: Through rakes. So, it comes, as in, if you could just help me slightly understand better. It comes from West Bengal state only or from other states, and which are the catchment areas for that? Because I believe rail is quite a rake, as in, it is a difficult terrain, right? So, which are the catchment areas for material to come into that market?

Tushar Bhajanka: Chhattisgarh, West Bengal, are probably areas where the cement rakes come from. And catchment areas are, of course, areas which are closer to the station, right? So, it could be Guwahati, it would be Silchar, it would be -- any place which is close to Guwahati.

And they are normally selling in consignment basis, so they are not making their dealer network, they are selling in consignment. So, when the going becomes a bit hard, the rake stops coming as much. When they see a good margin, they start sending rakes.

So, this is normally the phenomenon that happens especially in the off-season, right? Because the rake availability is not that much of a problem, and there is excess capacity in the eastern market to flood the Northeast market. So, that 15%, 16% is something which, of course, is a gap in the market, which probably will be covered when the competition increases.

Navin Sahadeo: Yes. Just one on this. This 16%, 17% transpires into what kind of volume? Is it 2 million, 3 million tons?

Tushar Bhajanka: 16%, 17% transpires to about, Yes, at least like…

Manoj Agarwal: Navin, it is around 15 million market. Suppose 16%, it is around 2.4 million per year.

Navin Sahadeo: Understood. Just last question. Is there any update on the RMC units? We were probably looking to explore in the north region as part of our penetration program into the region before our capacity comes up there.

Tushar Bhajanka: Just a minute. Just hold a minute. Some glitches is there. We have to resolve.

Moderator: Tushar, we proceed to the next?

Tushar Bhajanka: Yes. Now it's, okay?

Moderator: Yes. Our next question comes from the line of Tushar Agarwal with ICICI Bank. Please go ahead.

Tushar Agarwal: Just some data points. What is the blended fuel cost on a kcal basis for this quarter?

Manoj Agarwal: This is consumption, 1.52, it is now, currently.

Tushar Agarwal: Okay. I just want to confirm the volume figures. Can you please repeat the volume figures?

Manoj Agarwal: Volume figure, total is 11.23 is the cement, and 0.74 is the clinker. Total 11.97.

Tushar Agarwal: Okay, thank you so much.

Moderator: Thank you. The next question is from the line of Navin Sahadeo with ICICI Securities. Please go ahead.

Navin Sahadeo: Yes. Sorry if I was not audible. I was only asking if there is any update on the RMC units we were exploring to set up in North before our greenfield unit commission there.

Tushar Bhajanka: So actually, I do not know if you got the answer to the first question, because I had disconnected. But 16% would, of course, mean about 2.4 million-2.5 million tons of cement, which comes from outside. And regarding the RMCs, so we, of course, in Northeast, we are ramping up our RMCs. There will be one RMC in Gujarat. We have opened one in Siliguri, one in Guwahati, one, you know.

In North, last time you had given this idea, and we had bounced it off to the team, and they are actually very positive about it. They may start their activities in the next four to five months, and they will, like, of course, the grinding units where we grinding in the clinker plant will have its own RMCs that will also be used to supply local markets.

But at the same time, they are on a contract model. They are trying to start working on it, right, so that they can start serving the market in some capacity before we launch our production. So

that, I think, activity will start one year before we are going to commission our grinding and clinker plant. So that idea was very helpful, and I think we are going to definitely act on it.

Navin Sahadeo: Great, sir. Great. All the best. Thank you so much.

Moderator: Thank you. We will now take our last question from the line of Shravan Shah from Dolat Capital. Please go ahead.

Shravan Shah: Sir, what was the trade share for this quarter?

Manoj Agarwal: Trade share was 77%.

Shravan Shah: 77%. Okay. Broadly for this quarter, Q2, in terms of the industry level for Northeast, the growth would be similar to what we have seen for ourselves in terms of the 4%, 5%, or it would be on the lower side?

Tushar Bhajanka: It would be in…

Manoj Agarwal: Northeast.

Shravan Shah: In Northeast.

Tushar Bhajanka: In Northeast for quarter three and quarter four?

Manoj Agarwal: Quarter two.

Shravan Shah: No, no.

Tushar Bhajanka: Yes, Northeast was sluggish because of the monsoon, you know. Almost 1.5 months went in that. Assam is like the major market in Northeast, and both Assam and Nagaland were completely flooded this time. I think because of that, the growth has been quite mute. Plus, the Manipur problem is still going on, right?

There is a significant de-growth in those markets, right, of about 25%, because the demand has only collapsed in those markets because of the political unrest. That has also played a role in the overall growth of Northeast.

Shravan Shah: So far in the second half, broadly, if I look, correct me if I am wrong, in Q1 also, I think 1%, 1.5% and flooding. Broadly, one can say a kind of a 1% or maybe 0.5% kind of a growth for Northeast in the 1H. For second half, this we are expecting to bounce back to which number?

Tushar Bhajanka: In second half, we are expecting for it to be, the growth in Northeast to be close to a double digit, right? We are seeing a good growth in West Bengal markets. There, I think the growth would be in the higher teens, right? The overall growth on a company basis becomes about 12%-13%.

Shravan Shah: Yes. For you, I got it. I was trying to understand for the industry. For industry also, in second half in Northeast, we are looking at-

Tushar Bhajanka: I mean, honestly, the growth will be about 7%-8% for the industry in Northeast, I guess.

Shravan Shah: Okay. 7%-8% or 8%-10%?

Tushar Bhajanka: I would just go for 7%-8% only, because I mean, the market seems a bit dry in terms of credit and all. I would go with 7%-8%.

Manoj Agarwal: Shravan, the industry will go to 7%-8%, but we will go in double digit because headroom is with us and other Dalmia.

Tushar Bhajanka: Yes, Yes.

Manoj Agarwal: Because everybody will be having a full capacity till I say that time, and we have the capacity. That is why our growth is more than 10%, and the industry is 7%-8%. That is what Tusharji has told.

Shravan Shah: Yes, I know. I was trying to understand, sir, the clinker sale, what we are doing, so close to 126,000 tons that we have sold in 1H. Just trying to understand, why can't we make it cement and sell? Is it not more profitable? Or is it the demand is not there, and that's why we have to sell the clinker?

Tushar Bhajanka: No. Sorry, can you just repeat your question again?

Shravan Shah: I was saying that in 1H, we have sold 126,000 tons of clinker. Just trying to understand, why do we not make the cement and then sell versus this clinker sale, and how do we look at this clinker sale going forward?

Tushar Bhajanka: Good question. I think the clinker is normally sold to players which are smaller grinding units who do not have a clinker plant. These grinding units are not branded players. They are non-branded players who do not directly compete with you.

And the customers who are buying non-branded cement are not customers who will definitely go and buy Star Cement, because the gap in prices is huge between the non-branded and branded. We are basically selling clinker to those people who are making cement, which is not directly competing with you.

We are not selling it to a Dalmia. We will not be selling it to- And some of this clinker is also not being used in Northeast. It is going to Siliguri, it may be going to Nepal, it may be going to other areas which are not in Northeast.

It is a mix of the two, but I do get your point that we should try to avoid selling clinker and sell cement instead. That we have started from Q3 onwards. What we have done is that we have increased the prices of clinker so that we are only selling clinker selectively. Even if we are selling clinker, we get a good realization for it, so that there is no oversupply of clinker in the market.

Shravan Shah: Okay. Got it, sir. Thank you very much.

Tushar Bhajanka: You see that from Q3 onwards, the tonnage may reduce, but the margins may increase in clinker sales.

Shravan Shah: Great. Thank you, sir.

Moderator: Thank you. I would now like to hand the conference over to Mr. Vaibhav Agarwal for closing comments.

Vaibhav Agarwal: Yes. Thank you. Tushar, just one small clarification I needed. In the call earlier, you said that for the Siliguri grinding unit, you will take the call maybe in Q3 or towards Q4, maybe in the second half of current year. Will this grinding unit call will also be complemented with the clinkerization unit call in Umrangso, because we are looking at a capacity expansion of clinker also. Is it fair to say that both the capacities will come together, or will it be only the grinding capacity call which will be taken at this point?

Tushar Bhajanka: Yes. Thank you. I mean, basically, we are taking these two decisions independently, right? Because we are putting up a grinding unit in Siliguri because we do see a good growth in the North Bengal and Bihar market as well, and we want to continue serving those markets. Also, the subsidy makes it lucrative for us to put up a plant because the SGST benefit, because we are already selling a good volume in Siliguri, the SGST benefit will accrue to us from the very first year.

At the clinker plant in Umrangso, we have applied for, we have gotten our standard ToRs for the EC. I think in two, three months, we will get our EC. We have already gotten the plant land, right? The work for it is running parallelly.

I think the decision to put Umrangso, we have already taken in principle that we will put up a plant in Umrangso. I think we are just looking at the demand situation and then trying to take a call. So what we are doing is that we are trying to get all the permissions, every single thing, all the activities, civil activities sorted on ground so that whenever we want, we can just take 18 months and we can put up our plant.

So that clarity depends on how the market behaves, right? So that we are just trying to assess and take our own call. For the next years, I do think that we have clinker in Northeast, with our existing plants, and we are trying to debottleneck our existing plants so that we can produce more from our plant. So that has been the aim, and I think whenever we do decide to put Umrangso, it will take about 18 to 20 months, and we will have it.

Vaibhav Agarwal: Right. No, I was asking you basically from the perspective that you were saying that first December, maybe December, you are ground breaking for the Rajasthan plant, and I presume it will take 18 to 24 months for you to come there, commissioning the Rajasthan plant as well as Jhajjar. So, will the Rajasthan and Jhajjar unit come together, and secondly, will your Umrangso expansion will be holding or will you take both the expansions simultaneously within our targeted deadline?

Tushar Bhajanka: Yes. No, fair enough. We will be taking the Jhajjar and the Nimbol clinker plants will ideally be coming together in probably one or two months apart. Our target is to get it together or get

the grinding units a bit before the clinkerization plant. I think they should broadly be coming in the same quarter. For the Umrangso plant, we right now can do, but we are assessing the scenario because we also don't want to peep on our clinkerization because we already have clinker for the next three and a half years in Northeast and also for whatever growth we are having in outside Northeast.

We will take a call. In case we think that the demand is good, then we may start, there may be some overlap between the clinkerization and Nimbol and Umrangso. It really depends on how the demand opens up, right?

Vaibhav Agarwal: Okay. Just one last thing regarding the Bihar unit, which you have said that you will be evaluating between Bihar and Siliguri. Suppose if you decide for Siliguri, then Bihar is not ruled out, right? In the future, you are still considering Bihar because you are buying land, as I believe, like you said in the previous calls. When you're buying land, Bihar will still be there in the ambit in the future, or it will be called off?

Tushar Bhajanka: Yes. We will defer. Once we put Siliguri, then we will defer Bihar. Yes, I think we are still identifying a plot in Bihar, right? Because the plot that we had gotten earlier, there was some dispute in it. Whenever, I think in the next two, three months, we get a plot, we'll buy the plot, we'll apply for permission and everything, and then we'll just keep that plot ready for the future that whenever we do want to put up a grinding unit, maybe along with the clinkerization in Umrangso, we are able to.

Vaibhav Agarwal: So nutshell, if I can ask, which year you are targeting the 20 million capacity target for Star Cement? 2031, 2032 is a fair estimate, or you can still say 2030 we can achieve that number?

Tushar Bhajanka: No, I think, tactically, if you are going with 6 million tons, like broadly, we are about 9.7, let us just take it as 9.7, 10, right? If we are talking about 6 million tons in North, and we are talking about 2 million tons in Siliguri or Bihar in the next two years, right, is the target for both. Then 18 million we become in about two years' time. Then we are acquiring land in Jorhat for a grinding unit, and Umrangso will also come as a grinding unit. I think overall by 2030, 2031, we should be crossing 20 million, hopefully easily, and that is the target, right?

Vaibhav Agarwal: Okay.

Tushar Bhajanka: The next year we will be 18 million approximately.

Vaibhav Agarwal: Understood. Thanks, Tusharji. On behalf of PhillipCapital (India) Private Limited, I would like to thank the management of Star Cement for the call, and many thanks to everyone for joining the call. Thank you very much, sir. Dorwin you can now conclude the call. Thank you.

Moderator: Perfect. Thank you.

Tushar Bhajanka: Thank you.

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