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30th May 2025

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Department of Corporate Services
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Dalal Street
Mumbai – 400 001
Security Code No. 500380
Through: BSE Listing Centre | 2 National Stock Exchange of India Ltd.
“Exchange Plaza”
Bandra-Kurla Complex
Bandra (East)
Mumbai – 400 051
Symbol: JKLAKSHMI, Series : EQ
Through: NEAPS |
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Dear Sir/ Madam,

Re: Conference Call organized by PhillipCapital on 28th May 2025 at 4:00 P.M. IST

In continuation of our letters dated 23rd May 2025 and 28th May 2025 on the above subject, attached herewith the transcript/minutes of the aforesaid conference call. This is for your information and record.

Thanking you and assuring you our best co-operation at all times.

Yours faithfully,
For JK Lakshmi Cement Limited

(Amit Chaurasia)
Company Secretary

Encl: a.a.



“JK Lakshmi Cement Q4 & FY ‘2025 Earnings Conference Call”

May 28, 2025



MANAGEMENT: **MR. ARUN KUMAR SHUKLA – PRESIDENT AND
DIRECTOR, JK LAKSHMI CEMENT LIMITED
MR. SUDHIR BIDKAR – CHIEF FINANCIAL OFFICER, JK
LAKSHMI CEMENT LIMITED**

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

Moderator: Ladies and gentlemen, good day and welcome to JK Lakshmi Cement's Quarter & Year Ended 31st March 2025, Earnings Conference Call, hosted by PhillipCapital (India) Private Limited.

As a reminder, all participants' 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 the conference call, please signal an operator by pressing "*" then "0" on your touch tone 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, Mr. Agarwal.

Vaibhav Agarwal: Yes. Thank you, Michelle. Good evening, everyone. On behalf of PhillipCapital (India) Private Limited, we welcome you to the Q4 & FY '25 call of JK Lakshmi Cement Limited.

I need to highlight that JK Lakshmi cement is also the holding company of a listed entity Udaipur Cement Works Limited and therefore this call is also open for discussion about the performance of Udaipur Cement Works Limited.

On the call we have with us Mr. Arun Kumar Shukla – President and Director; and Mr. Sudhir Bidkar, CFO at JK Lakshmi.

I would like to mention, on behalf of JK Lakshmi Cement Limited and its Management that certain statements that we have made or discussed on this conference call maybe forward-looking statements related to future developments, and 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 Lakshmi Cement Limited and the management assumes no obligation to publicly alter or update the forward-looking statements, whether as a result of new information or future events or otherwise.

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

Moderator: Yes, thanks, Vaibhav. And good afternoon to all of you. You must have seen our Q4 result and the result for the whole year, so before we take questions and answer, just to give you a very brief about how things have really progressed during this entire year.

As you know, industry-wise Q1 and Q2 was not good, because of the regions all of us know, post-election and then followed by cyclicity which we have in the cement industry. Things started improving in terms of demand and also in pricing the latter part Q3 onwards. And as we speak today, I think demand wise, yes, things are better than Q2, better than Q1 even. And going forward also we see that this year the growth is going to be about 6.5% to 7%, though our plan is to grow higher than the industry growth this year.

So this is on a kind of macro situation of the industry. If you look at other drivers of demand, I think post general election, yes, now traction is increasing in terms of the CAPEX which government has announced during this year. And in fact, we also see traction in other segments like housing, be it rural or urban, and even in industrial and commercial.

Demand drivers also look to be better. Initial estimation was that demand will grow by at least 7.5% to 8% rate. But what we estimate is going to be about 6% to 7% or 6.5% to 7%. That is what we see. As an organization, as I said before, I think we have been working on improving efficiencies internally. Of course, on top-line part of it and also the cost base for the cost line which we have.

On top-line, as I had mentioned during last quarter call also that brand rejuvenation exercise now we have completed, and the initial indication or the feedback which we have from the market is quite encouraging. The Green Plus product which we have launched has been received quite well in all markets where we operate. So this is good news for the organization.

And this brand rejuvenation exercise was all about kind of coming up with a brand with new value proposition, new look and feel, which is really kind of amenable to customers' requirement. And our premium product also is doing quite well. So Pro Plus remains to be our flag bearer in terms of our product or the brand proposition to our customers. So Pro Plus has been doing quite well and our focus also was to improve the proportion of premium cement in our overall portfolio.

Similarly, I think our effort also has been to improve on trade part of it. But because of this infra growth and other drivers also growing a little fast, so non-trade is going to be quite substantial and we do not want to lose that opportunity also. But nevertheless, I think our endeavor was also to improve upon the trade percentage, and last quarter has been good for us in terms of our trade volume, which stands at about 60%.

So, this is on the top-line part of it, a couple of things which we have done. And on other efficiency part, we have been working on renewable energy, improving our thermal substitution rate, working on supply chain efficiency, and particularly on upstream and downstream logistics. So all those things we have been working. And perhaps I think the way we are progressing, I think, I am quite happy that our direction is all right. Now, definitely those things are going to really impact us in terms of the value at the bottom line.

So this is what I think I just wanted to give you a brief. Now we are open for question-and-answer. We have already seen our results, so we can take questions whatever you have. Thank you.

Moderator:

Thank you very much, sir. We will now begin with the question-and-answer session. The first question is from the line of Amit Murarka from Axis Capital. Please go ahead.

- Amit Murarka:** Yes, hi. Good evening and thanks for the opportunity. So, I just wanted to understand the status on the expansion. Like, the first thing is, have equipment orders being placed for the kiln and the grinding units?
- Management:** So the first part expansion, I think as we told last time, that Surat we are doubling our capacity by another 1.35 million tons. The first phase we are now taking trials, right, and soon we are going to commission. And other projects which we mentioned that we are expanding our Durg capacity, putting up a clinkering unit up to 2.3 mtpa and four grinding facility at Durg. And along with that grinding stations at Prayagraj and Madhubani India. So everywhere I think progress has been there. So in the case of Prayagraj, Madhubani, we have already acquired land, and we have started the process like applying for tour and then public hearing planning, so all those things are happening. In the case of Durg, we have already had this public hearing in case of plant and mines. So that has already been done. Now, we are waiting for environment clearance from MoEF, which will be accepted by any moment now. In terms of ordering of equipment and other things, we have already finalized the (Inaudible) 8:40.5, we have already floated the tender. But as far as the ordering of equipment goes, that has not yet been done.
- Amit Murarka:** So soon enough will the orders be placed?
- Management:** Yes, we will update you. I think as soon as that happens. So I think we are on track in terms of our activity plan which we have, right, sequentially we are moving. So as I told you, the major hurdle in case of going outside our existing premises that is land, so that we have been successfully kind of acquired land in these two places where we are going to put up our grinding station.
- Amit Murarka:** Sure. And what is the latest timeline for this expansion?
- Management:** So in case of Durg, our timeline is FY '27. This is what the plan is.
- Amit Murarka:** Okay. And the some of the Greenfield grinding units will come a bit later is what I understand?
- Management:** Yes. So I think we gave you that already. So Greenfield is going to come even before, right. So this is what the plan is. Because Madhubani we already had this public hearing, right. In Prayagraj we already applied for a tour. Now we will have the next step is public hearing. So those activities will happen.
- Amit Murarka:** Sure. So, assuming that Durg comes at FY '27 end, so in that case won't you have clinker capacity constraint, I believe, you will be at 88% or so utilization on clinker right now.
- Management:** So we have some excess capacity with respect to our grinding capability in the East, but not much, right. So whatever we have, I think we can definitely kind of commission one grinding station to start with.
- Amit Murarka:** Sure. I will come back in the queue. Thank you so much.

Moderator: Thank you. The next question is from the line of Rajesh Ravi from HDFC Securities. Please go ahead.

Rajesh Ravi: Hi, sir. Good evening. First the housekeeping questions, what is the RMC and the non-cement revenues for the quarter? And also how much was the margin for the non-cement revenue?

Management: The Rs. 151 crores non-cement revenue, right?

Rajesh Ravi: Okay. And RMC?

Management: RMC is Rs. 75 crores.

Rajesh Ravi: Okay. And sir, what was the margin for the non-cement Rs. 151 crores, EBITDA margin on the same?

Management: 3%.

Rajesh Ravi: Okay. Also, what was the fuel cost per kilo cal and the green power consumption trade and non-trade sales, you mentioned 60%.

Management: Yes, so 60% I already mentioned. So last quarter, fuel cost you are asking?

Rajesh Ravi: Fuel cost in Q4, yes.

Management: 1.53, 1.52 is for JK Lakshmi, consolidated 1.53.

Rajesh Ravi: And blended cement share was how much, sir?

Management: 65.

Rajesh Ravi: And green power consol consumption?

Management: Green power is 50%.

Rajesh Ravi: Okay. And two more questions, sir, if I look at your realization sequentially, it is up by 7%. So is there any change in the product mix or the regional sales mix? Because I see there is a significant jump even in your freight cost versus 11.30 odd, this is almost up by Rs. 80, Rs. 90 Q-on-Q. So was there any new mix which is why your realization and freight costs both are higher?

Management: So, as I said that because of demand improvement I think the price is also better in some geographies, so it is a little far from our plant because that was making sense to grow because the margin was better, right. That is one. But no, there is no significant change in our geo mix as such.

- Rajesh Ravi:** Why was the freight cost so high when diesel prices and all have been, you mentioned that there was some increase in lead distance, basically how much was the lead distance there?
- Management:** Yes. So the lead was 393-kilometer last quarter. And as you know that we had an outsource grinding station in UP East Amethi, right. So we discontinued that, and we started supplying those markets from our existing plants. So that is why the lead has gone up because we are serving those markets. Anyway we are going to come in that market. Prayagraj is going to come maybe a year down the line, right, a year, year, and a half down the line. So we are still continuing with that market and that supplies are going from our existing plants and that is why lead has also gone up to an extent.
- Rajesh Ravi:** Okay. So sequentially from three 383 kilometers, 393 kilometers, so around 10, 12 kilometers there was a lead increase.
- Management:** Yes, 12 kilometers.
- Rajesh Ravi:** Yes, 12 kilometer sequentially?
- Management:** Yes, 12.
- Rajesh Ravi:** So this sequential improvement, I am just coming back to this realization. If you could give some more color, was it like earlier last quarter the discount structure was higher for you and this quarter, because what we understand north prices in general have increased by 3% to 4%, east has increased by 5% to 7%, but east your volume share is much lower on a total sales mix basis. And even Gujarat market where you are heavy, that would also have seen 3% to 4% increase. So, how come your reported realization sequentially is up by 7%?
- Management:** This is what is in front of you. So there is no change in discount, right? So discount we cannot change in between, because you commit to your dealers for the discount for the whole year. So last quarter you could not change the discount. This is only about the price increases happening because of the demand improvement in various geographies, right. Maybe I think we have optimized better, like you talked about east, east our presence is very limited. We are there in Chhattisgarh and neighboring states only, right. And maybe other players are there everywhere. So we have done a better geo mix, and with the support of price increase that has given us realization improvement. But we don't just change the discount.
- Rajesh Ravi:** Great. So now assuming what we understand that prices are either flattish or marginally better in Q1 versus Q4. So, your reported realization in that sense should be flattened or improve in line with the market if this is a normal realization in Q4.
- Management:** Sorry. Come again, you are talking about Q4 of this year, right?

- Rajesh Ravi:** No, no, no, sir. Q4 versus Q1, given that prices have sequentially improved over or flattish, should we expect that your realization should also move in line that way, assuming that there are no one-offs or any different reporting in Q4 numbers?
- Management:** I do not know why you are mentioning one-off. I am not too sure about it. But what I know is, I think the way industry will improve we will go along with that, it's upward or downward, whatever.
- Rajesh Ravi:** Maybe if you could give some color on sequential, which market, how much was price increase for you on a like-to-like basis? Broadly like north, Gujarat and east, three key markets, what was the price increase Q-on-Q for you broadly, that would be helpful.
- Management:** I think I will give you maybe after this call. I do not have a breakup right now. I will give you breakup also, geography wise, if you want.
- Rajesh Ravi:** Great. That will be quite helpful. And lastly on the CAPEX front, you mentioned that the Durg plant is expected. Did I hear correctly that Durg plant would get commissioned by end of FY '27, clinker unit?
- Management:** I would say Q3 around.
- Rajesh Ravi:** Given that AC is still awaited, equipment ordering is still awaited, by the time it is going for trial runs and all, would it not be by end of FY '27?
- Management:** Any quarter. See, means a month here and there that happens, okay. But the way I see today, I think it looks at Q3 we will be able to commission it.
- Rajesh Ravi:** And sir this railway siding and conveyor belt projects, what are the status on that and what is the total CAPEX for FY '26 and '27 one should look at?
- Management:** Railway siding, we have already done the part. Now some deposits have to be made there for the railways and the BSP. So, on that basis in this year, last year actual CAPEX was about Rs. 300 crores as far as JK Lakshmi is concerned, and then about Rs. 250 crores for the UCLL remaining was spent. So 300 + 250, Rs. 550 crores was the total CAPEX included. And in the Northeast we did about Rs. 50 crores. As far as next year is concerned, we are expecting a CAPEX of about Rs. 1,100 crores in JK Lakshmi, including for the Durg expansion and Rs. 150 crores for the Northeast project and maybe some small Rs. 40 crores, Rs. 50 crores of payment left for the Udaipur. So maybe to all taken together, including the subsidy, about Rs. 1,300 crores.
- Rajesh Ravi:** Okay, this would include maintenance and all?
- Management:** Yes, yes. This includes that.

- Rajesh Ravi:** Okay. And for '27, how much would be pending, sir, how much would you expect?
- Management:** We expect Rs. 1,000 for JK Lakshmi, and Rs. 800 crores for the Northeast. That's all, Rs. 1,800 crores would be there.
- Rajesh Ravi:** Okay, Rs. 1,300 crores for FY '26.
- Management:** Yes.
- Rajesh Ravi:** And convertible, sir, what is your status? It was expected in Q4.
- Management:** Conveyer belt is in last leg, we have been saying that for last two quarters, some final approval from the ministry is required. The Board has already recommended. So it should come any moment that we have been saying I know for last one or two quarters, but hopefully it should come, and thereafter almost eight, nine months to get it commissioned. It will require a CAPEX of about Rs. 70 crores, Rs. 80 crores additional from whatever has already been incurred, which is included in the figure which I have mentioned to you.
- Rajesh Ravi:** And this year you are expecting this to be finally operational?
- Management:** By March of '26 it should be in place, hopefully, if everything falls in place the way we have been working on that.
- Rajesh Ravi:** Understood. Great, sir. I will come back. Thank you.
- Management:** Thank you.
- Management:** Thank you, Rajesh.
- Moderator:** Thank you, sir. The next question is from the line of Pratik Kumar from Jefferies. Please go ahead.
- Pratik Kumar:** Good evening, sir. Congrats for good results. My first question is on your Northeast project. So, can you also update us on status there and what are the timelines for the rollout of capacity in that market?
- Management:** Northeast project is not going as per the plan, that is slightly delayed one, so it is taking because that's a different style of working there. So we did not envisage that in the beginning. So, there are hiccups, I would say. But it should be slightly delayed, I must say. As we speak, I would say that's slightly delayed maybe by about seven, eight months. Because when we acquired this opportunity, we expected the land to be in place within three months. So it almost took us almost a year to get the lead. Having got the land, then we have moved for the environmental clearance and all that, whatever needs to be done. And there are some local issues, some political issues, so it is getting delayed to put it in simple words. We are off by about seven, eight months.

- Pratik Kumar:** So is it commissioning by FY '29 or something, internal expectation?
- Management:** The actual maybe next con call we should be able to give the actual. So once that environmental clearance and local issues are settled and that takes care, then we should have a clear visibility. I do not want to commit a timeline, we were expecting something. I must tell you that it is slightly delayed there.
- Pratik Kumar:** Okay. And regarding your quarterly performance, like much more volatile versus some of the industry peers, is this related to some cost attribution between the quarters or the top-line attribution related to incentives, etc., which explains the quarterly volatility in performance versus peers?
- Management:** No, there is no such as such quarterly this thing. It's based on the actual sales which happen and the booking of the expenses which take place. We do not mean to shift any expense or for that matter any incentive. We do not get, frankly speaking, as of now we do not have any incentive in any of the markets or the plants where we operate or states where we operate. Udaipur will start getting the incentive maybe next year, so that will get factored in. So there's no that quarter-wise shift is not there for us as far as we are concerned.
- Pratik Kumar:** And last question on industry pricing, how has the pricing behaved in your markets since March exit?
- Management:** Come again?
- Pratik Kumar:** How is the pricing trend in your markets in smart exit? And I mean maybe in your markets monsoons have not arrived, but in some other markets they have. So any impact of that on, I do not know, in case your market.
- Management:** Prices are almost flattish. Demand is yes, better, but prices have not gone up. It's almost flat in all the geographies where we operate, like East, part of West and North, right. And what I see, I think prices are going to be range amount till about definitely June or July because monsoon sets in in this part of India North little later right, maybe till about June, July things are going to be better in terms of demand, and prices also will follow the same line is what I see.
- Pratik Kumar:** Thank you, sir. These were my questions.
- Management:** Thank you.
- Moderator:** Thank you. The next question is from the line of Shravan Shah from Dolat Capital. Please go ahead.
- Shravan Shah:** Yes. Thank you and congratulations on good set of number. Sir, a couple of questions. First, a clarification, 1.35 million tons Surat expansion, so how much will it be, so it was supposed to come in two parts, so the entire 1.35 million tons will come by June?

- Management:** No, I think it's going to be in two parts. So June and September, this is what we said before, right. So June we will be commissioning half of it and around September remaining part of it.
- Shravan Shah:** Okay. And second, the Durg one, so just to clarify again, last time we said 2.3 million tons clinker and 1.2 million tons grinding at Durg and 1.2 million tons grinding at Prayagraj. So 2.4 million tons grinding and our 2.3 million tons clinker will be by September, but now this will be coming by the 3rd Quarter of FY '27 and the second phase to commission in FY '28, is it right?
- Management:** Yes.
- Shravan Shah:** Okay, okay. Got it. And second on the couple of data points. So first, if you can help us in terms of the consol clinker sale in the 3rd Quarter of '25, 4th Quarter of FY '25 and full year of FY '24?
- Management:** You can send the mail. We will respond on the mail for these questions, for these data questions.
- Shravan Shah:** Okay. And premium, sir, for this quarter at consol level was how much?
- Management:** 25%.
- Shravan Shah:** And the CC ratio for this quarter is similar, 1.45?
- Management:** 1.44.
- Shravan Shah:** Okay. And so, sir, just again clarifying, given what we are saying that the prices currently are stable, the actual increase what has happened in the last quarter if I remove the non-cement revenue, it is 8% Q-on-Q increase in the realization, so that's likely to continue. And is there any further cost reduction from the peer groups? So just trying to understand the given the current profitability EBITDA per ton, will it continue in the Q1 onwards?
- Management:** So if you take Q4 exit price, exit I am talking, then from there I think prices are flattened, prices have not gone up. And this is true for all geographies where we operate. So this is one, right. And next part what you want?
- Shravan Shah:** On the cost front, is there anything that are we looking at in Q1? Obviously the operating leverage, obviously the volume would be slightly lower versus the Q4 in the Q1, so that we understand has some negative operating leverage. Apart from that, there is as such no one-off in the costing front also. So broadly, the EBITDA per ton, that Rs. 976 odd likely to be there at least in Q1, then obviously we will see the pricing how it moves.
- Management:** Yes. So I think the prices are flattish. Cost, yes, I think is not going to be, we see a substantial increase in cost anyway. Okay. Yes, the operating leverage will little bit go down because of the lower volume in quarter?

- Management:** So you are right, I think you picked up the right thing.
- Shravan Shah:** Right. Yes. And structurally in next one year or maybe two year in terms of the cost reduction, how much more one can look at in terms of whatever we are saying, the re power or green share, there also if you can mention from 50% where we can go in FY '26? And what about the logistic cost now all this, how much more one can look at the per-ton cost reduction?
- Management:** As I said during last quarter also that in 12 to 18 months' time the plan is to reduce cost by about Rs. 100 to Rs. 120, okay. And that is basically going to come from one, of course, increase in renewable energy proportion. So we have already reached 50%. And by the end of this year I think we will reach somewhere around 52%, around 53% kind of the renewable energy proportion. So this is one lever which we have.
- Second, continuously we are working on thermal substitution in all our plants. Udaipur is a little bit on the lower side as of today because we have just started our facility at Udaipur. So that is going to give some benefit. All the other two integrated unit we are already beyond 12%, 13%, right, so that we will maintain or even improve by 1%. That is going to be some kind of saving out of that also, AFR.
- Third, of course, I think, logistics, Rajesh was asking this increase in our lead by 12 kilometers. We definitely will try to bring it back to about 380 kilometers level, so maybe 10 kilometers of reduction we see there as well.
- And the fourth thing we talked about that Green Plus brand which we have launched. So we have got a good traction in the market and probably also I think that will give us some improvement in price positioning improvement in different market. So these are the major, I would say, levels. Apart from all those efficient parameters like heat value, specific energy, and other things we keep on working, that is a continuous process that will go on. So these are the major drivers I would say of this Rs. 100 to Rs. 120 in the next 12 to 18 months' time.
- Shravan Shah:** Got it, sir. Lastly because this non-current financial asset which has increased from Rs. 60 crores to Rs. 66 odd crores in 1H and FY '24 to Rs. 409 crores in FY '25, what is this?
- Management:** Sorry, come again. Can you repeat your question please?
- Shravan Shah:** Non-current financial asset as on FY '25 is Rs. 409 crores versus in 1H and FY '24 it was Rs. 60 crores to Rs. 66 odd crores. So why sharp increase in this?
- Management:** On the standalone or you are talking of consol?
- Shravan Shah:** Consol sir, everything is on consol.
- Management:** Yes, please. Now you can pose non-current financial assets, what is the figure you are talking of?

- Shravan Shah:** Rs. 408. 9 crores, which is a part of others, so it is third number.
- Management:** Deposit with banks of about Rs. 300 crores.
- Shravan Shah:** Okay. So as on March the total cash --
- Management:** If it is more than one year deposit then it has to be in the non-current, but it is fixed deposit with banks that has gone up from Rs. 60 crores to Rs. 408 crores primarily consist of these bank fixed deposits for more than a year.
- Shravan Shah:** So total cash and cash equivalents as on March is how much and the net debt is how much?
- Management:** Yes, that I will tell you. Rs. 1,150 crores.
- Shravan Shah:** Rs. 1,150 crores is consol cash?
- Management:** Yes, yes.
- Shravan Shah:** Okay. Got it, sir. Thank you. And all the best, sir.
- Management:** Thank you.
- Moderator:** Thank you. The next question is from the line of Rajesh Ravi from HDFC Securities. Please go ahead.
- Rajesh Ravi:** Hi, sir. Part of my questions you answered in Shravan's queries. Just wanted to check on the cost saving projects again, you mentioned that you will be able to reduce or increase the green shares slightly. But given that on average for full year you are already at 48% in FY '25, and for full year you are looking this to increase to 52%, right?
- Management:** Right.
- Rajesh Ravi:** So there incrementally savings may not be large, and even on your freight lead distance, you averaged at 380 kilometers in FY '25. So, even if you reduce by 10 kilometers, this will save another say Rs. 30 to Rs. 40. So between these two programs maybe Rs. 50 savings should come up.
- Management:** Right.
- Rajesh Ravi:** And TSR how are you looking at, what was it for full year and how much you are looking this to go on an average for FY '26?
- Management:** On an average we look at about 12% to 13%. So, average we are looking at 12% for this year, right? This is what we are looking at. And the current year, means the year which has gone by,

it was at about 9%. So 9% to 12%, that is what, 3% TSR improvement. This is what we see as of today.

Rajesh Ravi: And this fuel cost 11.53 are you looking this to remain stable in Q1 versus Q4? Or because of the recent spike during Q4 we have seen a spike in pet coke prices, so would that inflate your Q-on-Q consumption cost, blended fuel cost?

Management: This quarter I think is going to be around that.

Rajesh Ravi: Sorry I missed that.

Management: This quarter, Q1 is going to be around Q4 only.

Rajesh Ravi: Okay, okay. And thereafter, do you see this number to be stable given the current prices, current level of prices? And what was the pet coke mix in your fuel, sir?

Management: Pet coke prices, that has been quite volatile, right? So what we do, whenever we have the opportunity, we kind of try to buy at a lower cost. This is what we do. So as we see today, I think Q1, Q2 I think is going to be around this only, not much increase in this.

Rajesh Ravi: Okay. And FD is booked under non-current loans and advances, it is around Rs. 300 crores or Rs. 350 crores you mentioned.

Management: 350 crores.

Rajesh Ravi: Perfect. This is what I was thinking. Okay, I think that's all from my end. Thank you.

Moderator: Thank you. The next question is from the line of Mudit Agarwal from Motilal Oswal Financial Services. Please go ahead.

Mudit Agarwal: Yes. Sir just wanted to understand, how much volume is coming from the outsourced grinding units, is it still we have some arrangements for that, or the overall volume is pure JK Lakshmi and the UCL?

Management: Pure volume. Nothing is coming from outside.

Mudit Agarwal: Nothing is coming from the outsourced grinding unit, okay. Understand. Thank you so much, sir.

Moderator: Thank you. The next question is from the line of Uttam Kumar Simal from Axis Securities Limited. Please go ahead.

Uttam Kumar Simal: Very good afternoon. And my question pertains to, sir you spoke about cost savings of Rs. 100 to Rs. 120 per ton. So how much we have achieved during this quarter and how much we will be achieving in FY '26 and FY '27?

Management: So this Rs. 100 to Rs. 120 I mentioned about combination of FY '26, FY '27, 12 to 18 months' time. And the combination of size, just once again I will tell you that one of course is the new brand which we have launched to improve in price for this thing, Green Plus which we have launched recently, this is one. Second further premiumization, we were at 25% last quarter, we want to take it further. So this is the second.

Third was a reduction in lead, going back to about 380 kilometers average, right. And some of the actions and plant one was on renewable energy going from 48% to about 52% and TSR improvement of about 3 to 4 percentage points. So this is what I think some actions which we have put in place, right.

And if you ask me that last quarter savings, I think all these parameters are gradually improving. So let's say trade sales was 50% last quarter, we ideally want to maintain this at this level, right. So that also gives some kind of operating leverage for us.

So combining all these things, I think really pointing out how much saving out of these actions in Q4 is a little difficult because some of the drivers are overlapping. I can give you that, but you have to give me some time. But what we see is that directionally if at all we are okay, so if at all my TSR is improving, renewable power is going up, my lead is kind of going down, right, the premium is going up. So that way I think we can tell you that how much we have done this last quarter.

Uttam Kumar Simal: Okay. Okay, sir. And sir, any new plan to put a plant in Gujarat? Because you have got some limestone mine over there.

Management: Gujarat, come again, please. I think I didn't hear you properly.

Management: We have got those limestone mines at Kutch, so that option that will come. Presently in the process of acquiring land, so it is three, four years away still.

Uttam Kumar Simal: Okay, okay. That's all from my side, I wish you all the best.

Management: Thank you, Uttam.

Moderator: Thank you. The next question is from the line of Rajesh Ravi from HDFC Securities. Please go ahead.

Rajesh Ravi: Hi sir, just one follow-up question, any volume guidance for FY '26 please? And what is your ramp up you are looking at Udaipur?

- Management:** So volume guidance, as I said that the industry is at let's say about 6%, 6.5%, we are looking at 10% growth at least this year volume growth.
- Rajesh Ravi:** And sir, Udaipur volume would be consol minus standalone for Q4?
- Management:** Udaipur volume, sorry?
- Rajesh Ravi:** For Udaipur cement, the volume can be derived from consol minus standalone volume numbers, which you have given in the press release?
- Management:** Yes.
- Rajesh Ravi:** Okay. Great. That's all from my end, sir. Thank you.
- Management:** Thank you..
- Moderator:** Thank you. Ladies and gentlemen, this will be the last question for today, which is from the line of Shravan Shah from Dolat Capital. Please go ahead.
- Shravan Shah:** Yes, two small clarifications. Sir for Northeast that Agrani Cement, we were supposed to pay Rs. 200 odd crores by March, so have we paid that?
- Management:** No, we have not paid that. We never said it is to be paid by March. We said it will be linked to certain achievement. So that has not been paid. Out of Rs. 325 crores consideration we have paid, initially to start with, Rs. 125 crores. Rs. 5 crores was additionally paid. So as of now we have paid Rs. 130 crores. And nothing beyond that. And in response to some earlier question I had mentioned that there are certain issues in that project because of the style of working which we are not used to working in that zone or area. So there are issues, so it is slightly getting delayed.
- There are local issues, some political issues and we are putting our foot down at the cost of even they are threatening to abandon the project and all that. But it is getting delayed that much as of now we can say. But we are not going to dance to their tunes the way their style of working is there, which to our utter surprise we found is not the style we are used to operate in other states. So it's taking time. They are threatening. We are putting our foot down and all that.
- Shravan Shah:** Okay. But the original plan in terms of the 1 million tons clinker and 1.5 million tons for grinding with the CAPEX of Rs. 1,800 crores, that remains intact or there is a possibility that this will also further go up?
- Management:** No, this will not change. Issues are the initial hiccups which we are facing at the local levels. That's the issue. Once those local level things are sorted out, then obviously we will follow the path which we had initially envisaged ourselves for this project. Initial local and political issues at that level is happening. And we are taking a tough stand not adhering to their demands and

whatever are their local issues. So that's why I said it is getting late. Land we have acquired, there are some encroachment, all those local issues is taking slightly longer time than what we had envisaged. They are threatening us. We are putting our foot down, not yielding to their demands and all that. So things are not moving the way we wanted the way we envy such so. And that's the reason as to why whatever consideration, it was good that we did not pay the entire consideration upfront, entire Rs. 325 crores. Otherwise, that would have got stuck up. But as of now to start with, we have paid only Rs. 125 crores, Rs. 130 odd crores. And I have linked it to the achievement of those milestones. We are taking a tough stand on that and not yielding to their pressures.

Shravan Shah:

Got it. And sir, just a broader perspective, so let's assume even if we had so currently 16.5 million tons, Surat 1.35 million tons, then this 4.6 million tons in Durg, so everything if we add, it would be close to 22.5 million odd tons, that will be there by FY '28. We are saying that we will be reaching 30 million ton by FY '30. So an additional 7.5 million tons. So even if this Northeast maybe 1.5 million tons by FY '29 if comes, then also still we need 6 million tons. So we have to start spending maybe from next year onwards. So is there a possibility that this 30 million tons target can be moved to maybe FY '31-'32? Or any ballpark or the range in terms of the CAPEX would be similar what right now we are doing Rs. 600 crores, Rs. 700 odd crores per million ton, that's the way one can look at?

Management:

We also have two Greenfield plants, limestone mines or Nagor and Kutch as I mentioned in response to some earlier question on Gujarat. So we are hopeful that that they will be in place by then. It's too early to give up a deadline of 30 million tons by 3030. Then there are other inorganic opportunity which keep coming up. So, obviously, our target remains to reach 30 million tons by '30. Even if Northeast, as I mentioned, is delayed and as you rightly said could be delayed. So, without Northeast also we will be able to reach. Northeast has come as an additional opportunity, but without Northeast also we will be able to reach 30/30 as of now as we speak.

Shravan Shah:

Got it. And then this UCL amalgamation and in terms of the extra shares, so that 6.5 million tons, that will be done by this December, it will be done?

Management:

Yes, could be earlier than that. Additional share, sorry, could not get that?

Shravan Shah:

So for minority stake of UCL JKL will issue 4 shares for every 100 shares, so that roughly translates to around 6.5 million shares that we will be issuing?

Management:

Yes, yes. Yes, that hopefully should happen sooner than December. That is what as of now we are saying. We are in final stages of hearing for the NCLT. Once that is there, it should be maybe we will not have to wait till December, I can tell you, as of now. It should happen sooner than that.

Shravan Shah:

Got it, sir. Thank you. And all the best sir.

Management: Thank you.

Moderator: Thank you. As that was the last question for today, I would now like to hand the conference over to Mr. Vaibhav Agarwal for closing comments. Thank you and over to you, sir.

Vaibhav Agarwal: Yes. Thank you. On behalf of PhillipCapital (India) Private Limited, I would like to thank the management of JK Lakshmi for the call and also thanks the participants for joining the call. Thank you very much, sir.

Management: Thank you, everyone. And thank you, Mr. Vaibhav.

Management: Thanks everyone. Thank you.

Moderator: Thank you, members of the management. Ladies and gentlemen, on behalf of PhillipCapital (India) Private Limited, that concludes this conference. We thank you for joining us. And you may now disconnect your lines. Thank you.