



Shri Keshav Cements and Infra Limited

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Date: 18/02/2026

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai - 400001.

Dear Sir,

Sub: Audio Transcript of the Analyst/Investor call conducted on 16/02/2026.

Ref: Scrip Code: 530977

Scrip Name: SHRI KESHAV CEMENTS AND INFRA LIMITED

Pursuant to Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find attached the Earnings call transcript of the Analyst/Investor Call, as conducted on 16th February, 2026, at 11:30 A.M., to discuss about the Company's performance for the Quarter/Nine Month ended 31st December, 2025.

The analyst/investor conference call was conducted after the meeting of Board of Directors Dt. 13th February, 2026, wherein the Quarter/Nine Month ended 2025-26 results were approved.

Kindly take the above intimation on record.

Thanking You,
Yours truly,
For **SHRI KESHAV CEMENTS AND INFRA LIMITED**

Nikita Karnani
Company Secretary



“Shri Keshav Cements & Infra Limited
Q3 FY ‘26 Earnings Conference Call”

February 16, 2026



MANAGEMENT: **MR. VENKATESH KATWA – CHAIRMAN – SHRI
KESHAV CEMENTS & INFRA LIMITED
MR. VILAS KATWA – MANAGING DIRECTOR – SHRI
KESHAV CEMENTS & INFRA LIMITED**

MODERATOR: **MR. HARSHIL GHANSHYANI – KIRIN ADVISORS
PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Shri Keshav Cements and Infra Limited Q3 and 9 Months FY '26 Earnings Call hosted by Kirin Advisors 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 touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Harshil Ghanshyani. Thank you, and over to you, sir.

Harshil Ghanshyani: Thank you. Good morning, everyone. On behalf of Kirin Advisors, I welcome you all to the conference call of Shri Keshav Cements and Infra Limited for Q3 and 9 months FY '26. From the management team, we have Mr. Venkatesh Katwa, Chairman; Mr. Vilas Katwa, Managing Director.

I hand over the call now to Mr. Venkatesh sir for the opening remarks. Over to you, sir.

Venkatesh Katwa: Yes. Good morning, everyone, and welcome to Shri Keshav Cements and Infra Limited's Quarter 3 and 9 Months FY '26 Earnings Call. I sincerely appreciate your time and interest in joining us today.

Shri Keshav Cements and Infra Limited is engaged in the manufacturing of cement and the generating and distribution of solar power in Karnataka. Our cement plants operate from Bagalkot district supported by 40-megawatt solar power facility at Koppal. Out of this, approximately 25 megawatt is utilized for captive consumption to meet the entire power requirement of our cement plants, while the balance 15 megawatts is sold in the market. We serve North Karnataka, Coastal Karnataka, Goa and parts of Maharashtra through our established distributor and retail network.

Before I move to present the company's financial performance, let me briefly share our operational progress. With the new kiln now stabilized and operating consistently, our focus has been on improving the capacity utilization, strengthening supply chain efficiencies and deepening our market penetration across key regions. We continue to work towards expanding volumes, enhancing dealer engagement and ensuring better availability of our products.

Our integrated solar operations provide a structural cost advantage, enabling us to remain competitive while maintaining healthy operating margins. These initiatives position us well to capitalize on steady demand from infrastructure, housing and commercial construction across our core markets.

So let me walk you through our financial performance for Q3 and 9 months FY '26. For the 9 months ended FY '26, the total income increased by 35.81% year-on-year to about INR116.31 crores. EBITDA stood at INR29.28 crores, reflecting a growth of 66.85% with EBITDA margin expanding to 25.68%, an improvement of 454 basis points. PAT for the 9-month period was INR3.23 crores compared to loss in the previous year, reflecting a clear turnaround in overall profitability.

Earnings per share improved to INR1.85, supported by strong utilization levels, disciplined cost management and enhanced operational stability. In Q3 FY '26, the company reported total income of INR38.69 crores, registering a growth of 33.22% year-on-year, supported by improved realization and sustained cement dispatches. EBITDA for the quarter stood at INR10.5 crores, reflecting a growth of 63.1%, while EBITDA margin improved to 27.68% compared to 22.9% in Q3 FY '25, marking an expansion of 477 basis points.

Cash profit stood at INR4.03 crores, which is an 89% jump year-on-year. The term debt reduced from INR188 crores to INR159 crores, reducing by around 15%, which will continue to do so. In fact, the repayment obligation next financial year will reduce by around 16.4%, owing to closure of 3 term loans in FY '26. Cement continued to remain the strongest contributor to our performance, both in terms of revenue and operating profitability. Higher dispatches, better realization and stable kiln operations have strengthened segment momentum through the quarter.

With construction activity remaining steady across Karnataka, Goa and Maharashtra, our focus remains on leveraging this demand through deeper market engagement, stronger channel relationships and enhanced brand positioning. Cement will continue to anchor our growth trajectory in the coming quarters.

Looking ahead to the remainder of FY '26, we will continue to prioritize disciplined execution, optimal utilization of assets and further strengthening of our dealer and retail network. Our objective is to sustain operating momentum, improve margins through better leverage and enhance our market presence across existing and adjoining geographies. With steady cement demand and cost stability offered by our captive solar power model, we believe we are well positioned to deliver consistent and sustainable performance.

So before moving to the Q&A session, I would like to extend my sincere thanks to all our stakeholders, partners, customers and employees for their continued support and confidence in the company. Their contribution remains central to our progress.

With this, I am pleased to open the floor for questions. Thank you once again for being with us today. Thank you.

Moderator: Thank you very much. The first question is from the line of Anurag Jain from Oaklane Capital. Please go ahead.

Anurag Jain: So sir, I wanted to ask what is the clinker to cement ratio currently? And how will it improve post modernization?

Venkatesh Katwa: So currently, clinker to -- for 1 ton of clinker, we are able to produce around 1.6 tons of cement, 1.6 to 1.8 tons. So we are expecting to reach around 1.9 to 2, not in this quarter, maybe a quarter down the line from this point onwards.

Anurag Jain: And sir, how much power cost savings annually come from 100% solar usage model?

Venkatesh Katwa: So directly, solar presents almost INR35 crore EBITDA if completely taken as an independent vertical. So my production cost is around, let's say, around -- for 100% utilization of solar power

is the question we have. So for around 6 crore units, saving of around roughly about INR4.5 would translate to around INR25 crores to INR26 crores actual savings coming from solar usage in the cost itself, in the operating cost.

Anurag Jain:

Okay. And sir, will there be any risk to this solar generation efficiency due to any regulatory changes?

Venkatesh Katwa:

As such, like we have regulatory benefits given to the solar plants, which was commissioned in 2018. And those regulatory benefits will continue for 3 years for one plant and around 7 years for another plant. As of now, there are no regulatory challenges happening, and I don't foresee any kind of regulatory changes coming in future, which could hamper our cost structure.

After a few years, there are some charges which will be applicable, but which is common for everyone all over India. So it would be a common cost shared by everyone and not specific to persons using only captive solar plant.

Moderator:

The next question is from the line of Sakshi Shinde from Shah Consultancy.

Sakshi Shinde:

My question is, is the company exposed to the price volatility from large players discounting strategy?

Venkatesh Katwa:

Yes. To a large extent, every cement player in the industry will be exposed to the challenges faced currently by a lot of consolidation. So I would try to address this question more by going into the southern market. See, the South and East India regions experienced sharpest price corrections with the average cement price declining by 2% to 3% quarter-on-quarter in Q3 FY '26. Cement demand was pretty much weak in the first half of Q3 due to extended monsoons and festive disruptions, but improved meaningfully towards the latter part of the quarter.

In summary, Q3 FY '26, South-based manufacturing experienced compressed margins with specialized some top-level players getting -- generating around INR250 to INR600 EBITDA per ton, heavily impacted by overcapacity and weak pricing in the southern market. So yes, so because the larger players are competing and there is aggressive pricing strategy used by some top players, it has, to some extent, impacted all the other players, including us.

Sakshi Shinde:

Okay. And my last question is what competitive mode exists beyond the green energy usage?

Venkatesh Katwa:

So the biggest strategic benefits our company has is -- which is, in fact, helping us to grow. In fact, we grew at around year-on-year in quantity by around 32%, whereas South struggled with minus 3% or minus 4% growth year-on-year. Now the biggest advantages what we have is we are in close proximity to the consumption market, which reduces the logistic cost, which has been a biggest competitive advantage to us.

And also being located at the Karnataka Maharashtra border, so we are deviating purely being addressing only the southern market. And now in the Q3, we have entered the Western market through Coastal and Southern Maharashtra, and we have got a new access to these kind of markets, which previously we were not addressing to.

Also, we have added GGBS, granulated ground-based slag as a product, which is used by large national highway projects, which is helping us to cross market into cement. So one biggest benefit, as I would say, right now, which I do not see anyone having -- any other industry having in our region is the addition of GGBS as a product.

So once the customer uses a product, it is a natural inclination to buy our other products, which is cement. So these are the strategic advantages we have right now, which is helping us to compete and growing at a faster pace compared to the southern market averages.

Moderator: The next question is from the line of Pooja Mishra from JK Capital.

Pooja Mishra: Sir, a few questions with me. Our Y-on-Y total income growth is around 35%, even EBITDA is growing. So what is the reason behind the this in PAT?

Venkatesh Katwa: So I did not understand the last -- yes, there is a growth of around 33% in top line year-on-year. EBITDA also, there is a growth of around 53% in absolute terms. So the growth is mainly driven by the factors like our new kiln is being stabilized. And being solar means that we have a high dose of fixed cost compared to variable cost.

So every increase in the dispatches is giving us a higher contribution margin, which is what I mentioned in addressing the previous question, even though the southern markets are barely having minus 2% or minus 3% growth year-on-year, we delivered 32% growth only because of our aggressive marketing and addition of a few products, which is helping us to boost our cement sales, too.

Pooja Mishra: Yes. Correct. And in quarter, we reported a loss even though the...

Venkatesh Katwa: Are you talking about PAT?

Pooja Mishra: Yes, yes. I'm asking about PAT?

Venkatesh Katwa: So Pooja, the reason why we -- it shows negative is because there is something called a deferred tax liability, which appears because of a huge difference in the depreciation on the books and as per income tax, which is basically an Ind AS adjustment, but not a cash expense as what it portrays.

In fact, it is an advantage to the company because of that, there is a huge cash tax liability reduced because of -- that is the kind of a promotion given by the government, you would say. Otherwise, actually, it is not a negative PAT. It is only because of certain noncash adjustment figures what we put due to Ind AS requirements, it appears to be negative.

Pooja Mishra: Fair enough, sir. A few more questions. Like what was cement volume growth in 9 month FY '26 versus industry growth specifically in Karnataka?

Venkatesh Katwa: So the data that I have is only for the pure Southern region like Karnataka and Telangana. So the data that I have right now with me is on volumes. There is -- even though there is a negative growth in EBITDA, the volume there is about 4% growth for Southern markets, but Keshav Cements has performed at 32% growth in volumes.

- Pooja Mishra:** Okay. And can you share blended realization per ton trends over the last 3 or 4 quarters?
- Venkatesh Katwa:** So blended realization has remained almost stable. Like if I compare from Q3 FY '25 to Q3 FY '26, it has hovered between INR3,300 to INR3,460 that peaked out in Q2. And again, it has come back to around INR3,350, INR3,400 right now. So absolute CAGR growth in naked cement rates is hardly 1%. That is again mainly because of Southern market showing overcapacity and compression in the margins.
- In fact, this quarter 3, with the increased sales, we would have expected a higher profit margins, but then pet coke prices increased by almost 20% year-on-year, which was not very much expected.
- Pooja Mishra:** Okay. And what is the trade versus nontrade sales mix? And how does margin differ between the two?
- Venkatesh Katwa:** So trade versus non-trade, trade in our case is -- for non-trade when we talk about direct to the consumers, the prices, may be a 2% or 3% difference. Otherwise, there's not significant change because if the non-trade, if they can find the better prices, they would go for outside market itself. Being a small plant with a small capacity, we have not kept a very substantial difference. And non-trade typically will be 1% or 2% lesser.
- Pooja Mishra:** That is my last question. Also, I'm joining your conference for the first time, but I keep hearing that you regularly host con calls even if there's no positive PAT, which is good. This shows your sincerity to us, investors. Good luck.
- Venkatesh Katwa:** Thank you, Pooja. Appreciate it.
- Moderator:** The next question is from the line of Raj Shah from Shah Ventures.
- Raj Shah:** So basically, what happens to margins if cement prices decline by 5% to 7%?
- Venkatesh Katwa:** I couldn't get the question. Market, what shift?
- Raj Shah:** Yes. So I repeat my question. What happens to margins if cement prices decline by 5% to 7%?
- Venkatesh Katwa:** So it's -- typically what we would see in this industry is with 5% to 7% decline, it would be a hard hit for any cement industry. But generally, in my case, because of high usage of green power, almost 100% of green power, with the current structure, even if you look at it in the past performance with less than 30% capacity utilization or 31%, 32% capacity utilization, we are delivering a healthy EBITDA per ton.
- Of course, it would impact 7% reduction in prices will mean it will chop off the EBITDA to that extent. But in my case, the impact is a little lesser only because we have a renewable backup, which is generally not the case in all the other competing cement plants in our region or outside.
- Raj Shah:** Okay. And sir, can you also tell us about that how vulnerable is the company to coal/pet coke prices spikes before alternative fuels stabilize?

Venkatesh Katwa: Very good question. So, right now we are 100% dependent on fossil fuels like petroleum coke and petcoke. Although the management is considering to look at AFR once a plant stabilizes to a certain capacity, which might take another 2 or 3 quarters. So yes, pretty much most of the cement plants in the country are subject to the variances of this -- the fuel prices, and it is going to impact everyone in a similar manner, except for those who have put up EFR.

But also EFR does not replace the fossil fuel completely. I mean the most successful plant would have reached around 20% of their fuel requirement through EFR. But yes, pretty much at this point in time, if coal price is very high that way, it will impact us more severely than the one who has got an EFR at this point in time.

Raj Shah: Okay. And I want to know about the ROCE as well as the ratios part. If the capacity utilization remains stuck at 65%, then what will be the impact on ROCE?

Venkatesh Katwa: No. Right now, we are hovering around 31% capacity utilization because we just started our plant this year itself. So at 65%, our return on capital should be significantly higher. I mean, assuming that the prices remain the way we are looking at it right now, nothing changes. If we increase this thing, our ROCE is expected to at least increase by 25% to 30%. And I think we should be in the range of 20% plus mainly because, again, we have a good solar plant.

In fact, my term debt is reducing, as I mentioned in my opening remarks, our term debt has reduced from INR188 crores to INR159 crores, a reduction of 15%. And very importantly, 3 term loans are getting closed this year. And next year, my repayment obligation is reducing by around 17%. So as we keep moving, as this debt, which is significantly higher on solar assets, keeps coming down, my average cost of power generation will keep coming down, and we will see a very high percentage of ROCE going forward.

Raj Shah: Okay. That's great. Sir, can you also explain about that what contingency plans does management have in place? If like plant capacity expansion or ramp-up takes longer than expected, then what would be the approach of management?

Venkatesh Katwa: So as such, even at 31%, 32%, if we are able to deliver this kind of an EBITDA, in all probability, even if nothing happens, we will maintain the status quo. Thereon, our cash generation will be sufficient to cover all the debt repayment obligations and everything. Having said that, contingency would mean like sale of power is not going to stop irrespective of whether cement goes up and down because power is a continuous requirement across all the industries and our production cost last month in January was INR1.30 or so and it will keep going down.

By end of FY '27, we expect our price of power to go down less than INR1, whereas we are selling at INR6. So we have something, a solar plant, which is generating cash, which will take care of any kind of contingency or academic reason even if it is -- I think we are pretty held up on having that asset, which is going to take us through the rough patches, which it has already shown during last couple of years. If you look at last couple of years, even though cement by itself performed very badly, company continued to deliver a certain EBITDA as well as cash profits and covered all the repayment obligations on time.

Moderator: The next question is from the line of Vidhi Jain from Apex Capital.

- Vidhi Jain:** So can you break down your receivables between institutional customers and dealer channel?
- Venkatesh Katwa:** So right now, as we speak, we are increasing the institutional buyers a little higher compared to Q3. So I think we must have reached about 8% to 10% on institutional buying, particularly institutional buying means National Highway Authority projects or RMC projects or anything which is directly B2B as opposed to retail. Maybe about 8% to 9% is what we would have reached by Q3, and it seems to be continually increasing, too.
- Vidhi Jain:** Okay. And how do credit days differ between these segments? And has there been any recent change in collection cycles?
- Venkatesh Katwa:** Not significant because of aggressive marketing, our receivable cycle has gone from 13 days to, say, about 17 to 18 days. That is mainly because of aggressive penetrating into the existing market, kind of offering more little discounts as well as payment terms and stuff like that. But overall, it has not impacted significantly even with this strategy.
- Vidhi Jain:** So are you seeing any stress in dealer financing or the need to extend credit terms in the current environment? Or have collection days increased in the last 2 quarters and particularly in specific region?
- Venkatesh Katwa:** No. Southern region itself is showing a little higher collection days. But we are cutting down that in the -- particularly the new areas of market like Coastal Maharashtra and Southern Maharashtra where a lot of development work is happening, the collection days are far lesser. So it is averaging out with the average days moving from 13 to or 17 to 18 days, that's all.
- Vidhi Jain:** So what is the minimum cash buffer or liquidity level management is comfortable maintaining on balance sheet? And do you have any internal policy in terms of month of operating expenses or debt servicing coverage?
- Venkatesh Katwa:** So cash flow as such is comfortable, which is why you could see all the repayments are being done on time. For the debt servicing, when there is -- once we start reaching 50-plus utilization levels, we're expecting a lot of additional cash flows or residual cash flows, which will go towards impairing the debt ahead of the schedule. That is the plan the management has.
- We're expecting to improve our utilization level next year. So maybe end of next year or beginning of next year, we will start impairing the debt off ahead of the schedule. But management is consistently of thought that to reduce the debt, whenever there is an opportunity to take care of it.
- Moderator:** The next question is from the line of Mahesh Sheth from VY Capital.
- Mahesh Sheth:** Sir, I wanted to know like our EBITDA margin expanded by around 450 bps in 9 months FY '26. So I wanted to know like how much of this improvement is structural versus cyclical?
- Venkatesh Katwa:** I would say the significant portion has come by structure only and not cyclical. If you look at year-on-year Q3 FY '25, my EBITDA per ton was minus INR47 per ton as opposed to around, for Q3, INR397 per ton. This is excluding the benefits of solar altogether. But if I add solar

benefit to the extent of what it has been realized, my EBITDA per ton has increased from INR246 in Q3 of FY '25 to INR835 in Q3 of FY '26, registering a 240% growth in spite of the prices remaining almost flat and also increasing the fuel prices.

In spite of the increase in the fuel prices, in spite of my sales price remaining flat, EBITDA per ton increased significantly, which pretty much indicates that structurally, there has been a lot of improvement after we put up a new kiln.

- Mahesh Sheth:** Okay. Okay. Got it. And like what will be annual O&M cost for 40-megawatt plant?
- Venkatesh Katwa:** So typically, we are taking in the range of around INR6 lakh per megawatt. So 40x6 would be around INR2.4 crores per year is reasonable. And we are seeing the same thing in vicinity of that year-on-year.
- Mahesh Sheth:** Okay. So INR2.4 crores. Okay. Got it.
- Venkatesh Katwa:** INR2.4 crores is what we assume.
- Mahesh Sheth:** And how much of solar revenue is locked under a long-term agreement?
- Venkatesh Katwa:** So as such, the company has not signed a specific PPA with anyone because the solar plants have been incentivized by the Government of Karnataka, by which we could sell it in the open access without any regulatory charges or losses. So that strategy has worked out for the management, and we are getting the best price possible in the market.
- We are allowed to sell almost to every power consumer in the state, which is why we're getting a net realization price around INR5.98 currently. Of course, it will change after 2 or 3 years, but for next 2 or 3 years, typically, we will be in this range of net realization.
- Mahesh Sheth:** Okay. Okay. And can I also know like what is degradation rate of solar output per year?
- Venkatesh Katwa:** So as per the engineers, that is around 0.7%, but we are seeing around 0.7% to 0.8% degradation happening.
- Moderator:** The next question is from the line of Vinod Shah from VS Ventures.
- Vinod Shah:** Sir, what is the breakeven capacity utilization for the current capacity?
- Venkatesh Katwa:** So with the current capacity, with the kind of solar backup that I have, my breakeven point is probably the lowest in the industry, maybe less than 20% because even at 30%, we are able to make a substantial EBITDA and the cash profits. So maybe 20% to 22% is where our breakeven point lies at these kind of prices of cement as well as the fuel. And I can tell you easily that we will be the lowest in the industry.
- Vinod Shah:** That's great. That's great. And sir, like what is the current capacity utilization?
- Venkatesh Katwa:** 31% in Q3 FY '26.

- Vinod Shah:** Okay. And going forward, how do you see that evolving?
- Venkatesh Katwa:** So we are expecting to sign off this year by around 40% utilization. Maybe next year, we are targeting around 45% to 55% capacity utilization in case the market still remains compressed or having challenges of overcapacity. If there is a slight pull in the market, like there is -- in every department, if there is an improvement in this thing, we should be able to reach 60% effortlessly. So currently, our challenge is not improving the capacity. Our challenge is because the market is very, very competitive, our footprint is not growing as fast as what we deserve to get.
- In spite of all these challenges, the negative growth by major suppliers who are South-based here, we are still able to achieve 32% growth, which indicates that had there been even a normal market, we should have been able to reach 50%, 60% pretty efficiently.
- Our cement capacity is not very significant, 1 million ton. And our consumption around the area where we supply is more than 30 million tons. So a slight pull in the market, a slight pull in the pricing would immediately increase our capacity utilization substantially.
- Vinod Shah:** Okay. And let's just say that we achieve those higher utilization, like 60%, 70%.
- Venkatesh Katwa:** Absolutely. easy target.
- Vinod Shah:** Yes. So how much like margin improvement we can see? And how will overall our profitability look?
- Venkatesh Katwa:** So with these kind of EBITDA margins, like assuming the same price around INR800 or so, with 60%, 70%, our EBITDA margin should grow almost by 2x or maybe a little higher than that because most of the fixed costs will remain intact, like employee benefits and everything else.
- Let's say, for example, by 9 months, our EBITDA has come to around INR31.5 crores. So maybe this year, we'll sign off with INR40 crores to INR45 crores EBITDA, which is assuming around 30%, 31%, 32% capacity utilization. At 60% capitalization, we should be comfortable reaching around INR90 crores to INR100 crores EBITDA.
- Vinod Shah:** Okay. And sir, like how much volume we sold in Q3?
- Venkatesh Katwa:** So in Q3, around 78,000 tons we have sold compared to 58,960 tons in Q3 of FY '25, registering around 32% growth.
- Vinod Shah:** Okay. That's great. And sir, you mentioned the employee cost, so is it like -- do we see any impact of the new wage code? So will there be like any rise in employee cost?
- Venkatesh Katwa:** Generally, not for cement plants because cement plants are generally considered to be an assets with a very high capital investment. It's not very labor-intensive plant. The impact is not going to be significant.
- Moderator:** The next question is from the line of Manthan Rastogi from Alphawealth Avenues.

Manthan Rastogi: Sir, in the last call, we have also mentioned about RMCs. So are we moving ahead with that? Or we will take a look at it at a later part in FY 28?

Venkatesh Katwa: In all probabilities, I don't think so. We will look -- we thought we could consider it in Q4, but it might take another couple of quarters before we work on that. We were expecting cement dispatches to improve in Q3 and Q4 because looking at the cyclical performance of a cement plant, there should have been an uptick in the demand as well as our utilization. But that didn't happen like expected.

In fact, most of the plants registered negative growth in EBITDA in the South and very minor positive growth, 3% to 4% in volumes. So what the management is of the opinion is we will wait for some more time until we reach, say, at least 50% plus capacity utilization, then look into RMCs. But for the sake of RMC, the company has already purchased the land. We are pretty sure once some positive figures start flowing in from cement vertical, RMC is going to be immediate next step.

Manthan Rastogi: Okay. And you mentioned you have purchased the land, right? So what's the amount that we have spent on that? And if any, what is our selection?

Venkatesh Katwa: Spent on what -- come again with the question? I lost it somewhere.

Manthan Rastogi: You mentioned you have already purchased land in RMC..

Venkatesh Katwa: Yes. We have purchased land to set up an RMC project in a city called Belgaum. It's in South India, north of Karnataka. So pretty much it's population is around 10 lakh and our corporate office being in this town, we thought we would model the first project in Belgaum so that once the project takes off and the nuance of the business is understood, then we could expand across Southern Maharashtra, Goa and other parts of North Karnataka.

Maharashtra has not a huge future. Currently, we are supplying cement to many RMCs. It would add to our existing sales. And in fact, in future, it would be more beneficial for the company to sell through RMC because RMC does not have or has got a very minimal price arbitrage difference between the top players or any RMC player. Unlike in cement, where cement brand is visible on the bag, the price arbitrage is pretty significant.

Manthan Rastogi: Yes. So one more question from my end. We have seen a lot of consolidation in the Southern market for cement plant. So are we not seeing any price improvements in that region? Or you think like that could be the situation once the demand recovers?

Venkatesh Katwa: The management was expecting that consolidation period is over in Q2 of FY '26, Q1 or Q2 FY '26, consolidation is pretty much over, and we were expecting better pricing discipline. But what we have seen is technically, in Q3, the prices should have improved, which has not. If you look at the past 3 to 4 years, which has not. So there is an intense competition between the top players to capture the cement -- having a cement market, which is why it is causing a price war, particularly in the South region, where -- which houses the largest capacity in India.

So South typically holds around 30% of the India cement market by -- for production and -- which is why -- yes, so which is why we would expect some kind of a demand growth in the southern regions, which will immediately turn into price discipline, which is what is needed in the industry right now.

Manthan Rastogi: Right. And so like you mentioned in the earlier call also that our location is kind of a beneficial for us. So can we sell our cement in Pune region also? Because I think there is a lot of construction that is going in the city and the demand seems to be good.

Venkatesh Katwa: See Pune, what happens, even though we are supplying to some peripheral areas of Pune town, the logistic cost is almost around INR1,600 per metric ton. But Pune is still a good market. We are opening up over there. Pune, Ratnagiri, Sawantwadi regions of Maharashtra are showing a lot of improvement because we would be one of the closest cement plants to these regions and - which is why we are able to easily penetrate.

Our nearest competitors are also reaching out over there with a much higher logistic cost. So as we keep moving, we are seeing higher penetration in Maharashtra regions because of being proximity to the area, and that is helping us drive the growth at this point in time. Otherwise, depending purely on southern-based market would not have allowed us to reach this kind of a growth.

Manthan Rastogi: Right. And as we've increased the capacity, are we seeing any issues in securing limestone as we do not own any mines?

Venkatesh Katwa: Not at all because we are the only purchasers of limestone in that area with around 20 to 30 suppliers. So at this point in time, we are well poised with the limestone requirement and the availability of the basic raw material.

Manthan Rastogi: And even if we move to maybe 70% utilization, you do not see any issues with limestone?

Venkatesh Katwa: Not at this capacity, not at all.

Manthan Rastogi: Okay. And so are we also looking at a mixture cement like PSC where we mix slag or fly ash, et cetera?

Venkatesh Katwa: We are -- in fact, most of our cement goes in PSC sector only. So PSC is the order of the day, almost all the cement plants supply most of the product in PSC format only. PSC format is used only by specific requirement, say, for RMC or cement articles. Otherwise, pretty much for all the projects like National Highway or the grand scale projects can go with PSC, which is what we are supplying with right now.

Manthan Rastogi: Okay. So from where we are buying slag or fly ash?

Venkatesh Katwa: So fly ash, we are purchasing from one thermal power plant near our cement plant, which is known as Raichur Thermal Power Plant, but fly ash requirement is not very significant. Slag, we are buying from Kalyani, GSW, there are 2 or 3, plus we are supplied from Goa also. There

are 4 to 5 people or even from Vedanta from Goa. So we have 4 to 5 sources we are purchasing slag from.

Moderator: The next question is from the line of Tushaar Talwar, an individual investor.

Tushaar Talwar: Can you give me a breakup of the debt repayment schedule and what are the quantities and when it's happening?

Venkatesh Katwa: Sir, the debt repayment schedule is what you're asking for?

Tushaar Talwar: Yes.

Venkatesh Katwa: So FY '26, our obligation is around INR29 crores, out of which almost INR24 crores, INR25 crores is already done, taken care of. This -- or not, INR26 crores, INR27 crores already repaid, another INR2 crores, INR3 crores by next month in March. In FY '27, our debt obligation is about INR23 crores. In FY '29 -- sorry, in the next year, the debt obligation is about INR19 crores. Typically mainly because 3 terminals have closed down this year or will close down this year, another one will close down next year, and it keeps going from that point onwards.

Moderator: Ladies and gentlemen, we take that as the last question of the day. And now I would like to hand the conference over to Mr. Harshil Ghanshyani for the closing comments.

Harshil Ghanshyani: Yes. Thank you, everyone, for joining the conference call of Shri Keshav Cements and Infra Limited. If you have any queries, you can write us at research@kirinadvisors.com. Once again, thank you, everyone, for joining the conference call.

Venkatesh Katwa: Thank you, everyone.

Moderator: On behalf of Kirin Advisors Private Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.