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BSE Limited

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Dalal Street, Fort,
Mumbai 400 001,
Maharashtra, India
Scrip Code: **544480**

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051
Maharashtra, India
Symbol: **JSWCEMENT**

Sub.: Results Conference Call – Transcript

Ref.: Regulation 30 and 46 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

This is further to the intimations done by the Company on 14th May, 2026, 18th May 2026 and 21st May 2026 with respect to the Result Conference Call hosted by the Management of our Company on Thursday, 21st May, 2026 at 05:15 p.m. (Indian Standard Time) to discuss the Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended 31st March, 2026.

Please find enclosed herewith the transcript of the aforesaid results conference call and the same has been uploaded on our website at <https://www.jswcement.in/financial-results-data.php>.

Kindly take the same on record.

Thanking you,

Yours sincerely,

For JSW Cement Limited

Sneha Bindra

Company Secretary and Compliance Officer

Membership No. 29721



JSW Cement Limited
Q4 and FY '26 Earnings Conference Call
May 21, 2026



MANAGEMENT: **MR. NILESH NARWEKAR – CHIEF EXECUTIVE OFFICER**
MR. NARINDER SINGH KAHLON – DIRECTOR, FINANCE AND COMMERCIAL AND CHIEF FINANCIAL OFFICER
MR. HITENDRA JARIWALA – CHIEF MARKETING OFFICER
MR. KUNAL MUKHERJEE – HEAD, INVESTOR RELATIONS

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

Moderator: Ladies and gentlemen, good day, and welcome to JSW Cement Limited Q4 and FY '26 Earnings Conference Call for the Quarter and Year ended 31st March 2026, hosted by PhillipCapital India Private Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

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

Vaibhav Agarwal: Thank you, Danish, and good evening, everyone. On behalf of PhillipCapital India Private Limited, we welcome you to the Q4 and FY '26 call of JSW Cement Limited. On the call from JSW Cement, we have with us Mr. Nilesh Narwekar, Chief Executive Officer; Mr. Narinder Singh Kahlon, Director of Finance and Commercial and Chief Financial Officer; Mr. Hitendra Jariwala, Chief Marketing Officer; and Mr. Kunal Mukherjee, Head, Investor Relations.

I would like to mention on behalf of JSW Cement Limited and its management that certain statements that may be made or discussed on this conference call may be forward-looking statements based on current management expectations and also something that relates to future expected business developments by JSW Cement management.

Such statements are subject to a number of risks, uncertainties and other important factors, which may cause the actual developments and results to differ materially from any management projection made on this call.

JSW Cement Limited and the management of the company assumes no obligation to publicly update or alter these forward-looking statements, whether as a result of any new business development, information or future event or otherwise. Also, participants can download a copy of JSW Cement's Q4 and FY '26 results presentation from the company website or stock exchanges.

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

Kunal Mukherjee: Thank you, Vaibhav. Good evening to all, and welcome to the Q4 and FY '26 Earnings Call of JSW Cement. I trust all of you have had the chance to review the results, the press release and the investor presentation, which we uploaded a while back.

With this, I will hand over the call to Mr. Nilesh Narwekar to take this forward.

Nilesh Narwekar: Thank you, Kunal, and good evening to all. I would like to start by looking back at FY '26, which has been a landmark year for JSW Cement. Needless to say, the company listed in August 2025, which in itself is a major milestone for what is one of the youngest cement

companies in India. We are even more proud that we have delivered on the key promise regarding our entry into the northern part of India.

Very pleased to highlight that our integrated plant at Nagaur in Rajasthan comprising of 3.3 million ton of clinker and 2.5 million tons of grinding capacity started commercial operations in March 2026. This plant is intended to serve as the company's launch pad into the northern part of India, which is Rajasthan and Haryana primarily. We are very encouraged by the response we have received from the dealers and the customers so far.

JSW Cement has a proven track record of delivering very strong CAGR of capacity, volumes and earnings in the past decade, and our aim is to continue to deliver on this growth trajectory in the coming years as well.

A few thoughts on the Indian economy, which we have outlined in our presentation as well. Stepping back a bit, we continue to remain optimistic on the Indian economy. The country's medium-term growth story remains intact, with RBI and other international agencies forecasting a strong growth in FY '27 and beyond. As the economy grows, the country will continue to need substantial investments in infrastructure, urban and rural housing, roads, railways, airports, etcetera, which will underpin the demand for cement.

Having said that, as all of you know, the West Asia crisis brings with it certain issues for the cement industry, namely packing bags, imported fuel and more recently, the petrol and diesel costs have gone up. This creates a near-term uncertainty for overall economic growth and for the demand outlook for cement industry as a whole. We are carefully monitoring the situation and tightening our belts wherever necessary and possible. And of course, we're prepared to react quickly and be nimble in what is a fast-changing environment.

The demand environment in April '26 has been relatively soft due to the inflationary pressures arising from the Middle East war situation. To add to that, shortage of labour and impact of elections in some of our key states of Tamil Nadu, Kerala, West Bengal have played out. But we continue to be optimistic from here on with the activity coming back to normal.

Let me now list a few operational highlights for quarter 4 FY '26.

On volumes, our total sales volume in quarter 4 FY '26 increased by 7% Y-o-Y to 3.99 million tons. On a product level, cement volume sold was 2.35 million tons, increased by 12% Y-o-Y. We continue to deliver higher than industry growth rates.

GGBS volume sold was 1.57 million tons, increased by 5.4% Y-o-Y. Slightly lower growth in this quarter than you would have seen in previous quarters, though I would like to point out that the GGBS volume growth in FY '26 overall was still at a robust 12% Y-o-Y. During quarter 4, however, there were some temporary slag availability issues at the Dolvi unit, as a result of which we had to reroute supplies to certain of the markets that Dolvi would serve, from our Vijayanagar plant. And this, of course, had an impact. Additionally, some of the

RMC sites were closed in the Western region early in the quarter due to pollution concerns. To summarize, we believe these disruptions are behind us and volumes are rising from mid-May post-election and getting back on track.

On product ASP, cement realizations for quarter 4 FY '26 was at INR4,673 per ton, increase of 4.8% quarter-on-quarter with increases across all regions that we operate in. GGBS realization for quarter 4 FY '26 was at INR3,682 per ton, slight improvement on quarter-on-quarter basis. Within cement, the trade mix improved to 51% versus 47% in Q3. Our clinker to cement factor remained one of the lowest in the industry at 51% in quarter 4 FY '26. Lead distance has increased in quarter 4 FY '26, primarily due to the GGBS dispatch realignment, which we had to undertake from the Dolvi plant to the Vijayanagar plant, which I just highlighted earlier.

Another point to highlight is the industry best ESG profile, with JSW cement having the lowest carbon dioxide emission intensity in the industry: the number was 268 kgs of carbon dioxide per ton of cementitious products for FY '26.

I would also like to briefly update on our capacity expansion program.

At Nagaur, work has substantially advanced on the additional 1 million ton grinding and waste heat recovery system and the commissioning is expected in the next few months. So we will have 3.5 MTPA grinding capacity at Nagaur very soon. As you will have seen in our investor presentation, the Board has approved an additional 2.5 MTPA cement grinding capacity at Nagaur, taking the total grinding capacity at Nagaur to 6 MTPA. Let me explain the thinking behind it. As we were reviewing, we were seeing delays with regard to getting the EC at Mansa, in Punjab. And so with the view to enhance the Nagaur clinker utilization, we've chosen to add another grinding capacity at Nagaur at this point in time. The estimated investment for this project is INR430 crores, and this unit is expected to commission by quarter 4 of FY28.

The remaining capacity expansion plan remains on track and will take the company to a grinding capacity of 46 MTPA with a clinker of 13.04 MTPA.

With this, let me hand over to Narinder Singh to take you through the key financial highlights.

Narinder Singh:

Thanks, Nilesh. Good evening. I'll summarize the performance for Q4 as well as FY26.

Firstly, in terms of our Q4 '26 performance, the revenue was INR1,895 crores. That's an increase of 11% year-on-year. Our operating EBITDA during the quarter improved by 46% year-on-year and was INR365 crores, that's about INR916 per ton for Q4, an improvement of 36% over last year. This operating EBITDA improvement was driven by a combination of better volumes, improvement in cement realization as well as better control over both variable and fixed costs.

Our operating EBITDA margin was 19.3% in Q4 '26, which is a jump of 460 bps versus the same quarter last year. Total EBITDA, including other income, was INR386 crores, an increase of 42% year-on-year.

I would also like to highlight a few points in our Q4 '26 costs. First, as you all must be knowing, the rupee depreciated a lot against the dollar in Q4. And the sharp devaluation amounted to a net of INR13.4 crores. And adjusting for this, we have delivered operating EBITDA of INR378 crores or about INR950 a ton.

Second, as you would appreciate, we have been spending heavily in the North on manpower and marketing, including TV, print, hoarding, etcetera. Such costs amounting to approximately INR23 crores for Q4 are a part of the Employee and Other Expense heads, and we have not capitalized those. And keep in mind, the commercial operations for our Nagaur plant started only on 30th March, 2026.

PBT was INR219 crores in the quarter, including positive contribution of INR6 crores from our Fujairah JV. PAT for the quarter was INR362 crores. Here, I would highlight that the tax expense for Q4 '26 includes a onetime benefit of reduction in deferred tax liability. The number is INR211 crores, consequent to the company's decision to adopt the new tax regime from FY27 onwards.

In terms of the major cost elements in the quarter, raw material and power and fuel showed slight increase quarter-on-quarter basis, primarily due to increase in the interplant transfer of raw material, mainly slag and higher share of cement in the quarter. Blended fuel cost in terms of rupee per Kcal for the quarter was stable at INR1.49 and this is similar to what it was in the previous quarter. On logistics, the lead distance increased by 16 kilometers Q-o-Q, and this resulted in increase of logistic cost by about 6% quarter-on-quarter. This increase in lead was primarily due to the GGBS dispatch realignment between plants, which was highlighted earlier.

Now moving to the FY26 financial performance. The sales volume increased by 11% year-on-year to 13.96 million tons with cement and GGBS volume increasing 9% and 12%, respectively. Revenue was INR6,512 crores, an increase of 12% year-on-year. Operating EBITDA, including the effect of rupee depreciation was INR1,240 crores, a 44% year-on-year jump, equating to INR888 a ton for the year. Total EBITDA including other income was INR1,393 crores for the year.

Adjusted PAT which we define as PAT, excluding the noncash expense incurred on conversion of CCPS prior to the IPO, which we had briefed all of you during our past calls. So the adjusted PAT was INR668 crores for the year. Based on this adjusted profit after tax for the year, the Board has recommended a dividend of INR0.50 per equity share of face value of INR10 each, and this is subject to the approval by the shareholders at the AGM.

In terms of balance sheet, the net debt was INR3,635 crores as on 31st of March. This includes capex, including maintenance capex of INR506 crores and INR1,962 crores, respectively, which was in line with the guidance we had given at the start of the year.

Finally, I would like to thank all of you for your support in our first year as a listed company, and we will now be happy to address your questions. Thank you.

Moderator: First question comes from the line of Siddharth Mehrotra from Kotak Securities.

Siddharth Mehrotra: Congratulations on a good set of results. Sir, just wanted to know your thoughts on the industry demand as well as how we see our growth within that, especially in the context that a few of our peers have highlighted slowing demand conditions and we have a new plant in a new region. So how do we sort of build in industry growth and within that, our growth in particular?

Nilesh Narwekar: Yes. specifically with respect to Q4, as I have mentioned, the industry growth in our markets was 8% Y-o-Y. And the cement volumes grew 12% in the same space, resulting, of course, in increasing market share in the geography that we operate. Now specifically in April, the demand was a bit soft. Of course, inflationary pressure being one factor and the shortage of labour, with the labour migrating from the respective states back to their home states for the elections across 3 of our primary states of Tamil Nadu, Kerala and Bengal, which has impacted the volumes in April. We're seeing the situation improving in May and normalizing, and we expect that to come back to normal.

Siddharth Mehrotra: So on a Y-o-Y basis, you would sort of expect in line with GDP growth, perhaps higher?

Nilesh Narwekar: So in FY27, what we forecasted is our performance would be in the mid-teens. That was the guidance that we had given, mid-teens to high-teens. And we maintain our stance on that. This number is excluding the North, and we are actually working towards hitting that.

Siddharth Mehrotra: Okay. Mid- to high-teens volume growth, excluding the North. And any sort of ramp-up guidance for the North plant in particular?

Nilesh Narwekar: So it's been basically our first full month of operation. And there's been good acceptance of the product. We are positioned in the A category brand. And the way it is stacking up and the way it is ramping up, we are pretty excited about our performance. The guidance that we had given was 50% to 60% utilization for the full year. This is the first month of operation, I think we'll be in a better position and a little more confident of our performance at the end of Q1. That's when we discuss the numbers in a little more detail. But we maintain our guidance of 50% to 60% utilization for the full year of 2.5 million ton grinding capacity.

Siddharth Mehrotra: Understood. Sir, the second question, what is our capex guidance for, say, the next few years? And in particular, if you could also highlight what capex has been spent on the Rajasthan plant till date?

- Narinder Singh:** As far as the guidance for FY27 and FY28 are concerned, we intend to spend about INR2,300 crores in FY27 and about INR2,200 crores in FY28. So this is the guidance we are giving as far as the capex is concerned. Answering your question on the amount that we have spent in Nagaur, we have already done about INR2,400 crores.
- Siddharth Mehrotra:** Understood. And this is out of the total capex cost of the revised number?
- Narinder Singh:** Yes. So the total is INR3,500-odd crores, including the 1 million additional grinding.
- Siddharth Mehrotra:** Okay. And the INR430 crores comes on top of it, right?
- Narinder Singh:** Yes, that's on top of it.
- Moderator:** Our next question comes from the line of Harsh Mittal from Emkay Global Financial Services.
- Harsh Mittal:** My first question is on the GGBS. We saw around 5% Y-o-Y growth in this quarter. Just wanted to understand given that in quarter 4, there was a good buoyancy in the institutional business. It seems to have underperformed compared to the cement business. Any reason for the same, sir?
- Nilesh Narwekar:** Yes. So, during my introductory narrative that I put forward, I specifically mentioned about that there was a slag availability related challenge at Dolvi, which serves the western region for us. And around 1.2 lakh tons of volumes is what got impacted. We tried to cover up through resourcing it from Vijayanagar plant, but we did lose some demand.
- Now, on top of it, what compounded the thing was, if you remember, there was a lot of pollution-related impact which happened with the closure of RMC plants during that window. And that's our direct customer in terms of GGBS. Now whatever slowdown that we saw in Jan and Feb, we saw a recovery in March, and we expect this number to go positive going forward in this starting May.
- Harsh Mittal:** Sure sir. And my second question is a bookkeeping question. What was the total clinker production in FY26 and the clinker sold in the UAE geography?
- Narinder Singh:** Total clinker production within factories, Nandyal and Shiva, is 3.74 million.
- Harsh Mittal:** 3.72 million which is for FY26?
- Narinder Singh:** 3.74 million in FY26.
- Harsh Mittal:** Okay.
- Narinder Singh:** And in Fujairah, we produced 0.69 million [in the quarter].
- Harsh Mittal:** 0.62 million tons. And sir, how much have we sold there because we have -- we do sell there in that geography as well and then we kind of buy it in Dolvi from them. So what is that...?

- Narinder Singh:** I really don't have the JV numbers readily available with me. But the total clinker that we sold there was about 2.59 million [for FY26].
- Harsh Mittal:** 2.59 million.
- Narinder Singh:** Yes. And that includes what was sold to India operations.
- Harsh Mittal:** Got it. Thank you, sir. These are my questions.
- Moderator:** Thank you. Our next question comes from the line of Pulkit Patni from Goldman Sachs. Please go ahead.
- Pulkit Patni:** Sir thank you for taking my question. I have a couple. After the expansion that you've announced further in Rajasthan, which will take your capacity over 6. Where does the additional clinker for your Punjab plant gets sourced as and when the approvals and permissions come through in the Punjab plant? That's question number one?
- Narinder Singh:** Yes, should I answer or you?
- Pulkit Patni:** Please go ahead. I'll ask the second one.
- Narinder Singh:** So you have a very valid question. See, the current 6 million that we are going to have in Rajasthan, that will consume the entire clinker, 3.3 million that's getting produced today in Rajasthan. So the moment we have the EC in place, we will probably have to start thinking on putting up a second line in Rajasthan. But that decision is not yet taken. But, of course, that's the only solution.
- Pulkit Patni:** Sure. That's clear. Sir, my second question.
- Narinder Singh:** Just keep in mind that we have more than 600 million metric tonnes of limestone reserves with us in 4 limestone blocks. And we have enough land and all the approvals in place to put up probably three lines, 10,000 TPD each. So that much we can do there. But yes, as I said because Punjab is getting a bit delayed.
- It's not going to come up by FY28, which we had intimated earlier, this would definitely get shifted. Please keep in mind that there are elections due in Punjab sometime in Feb next year. So things are a bit slow on the government side. So we expect this EC to be a bit delayed. As and when that happens, we will take a call on the second line probably in Rajasthan.
- Pulkit Patni:** Sure. So that is clear. Sir, my second question is so fair to assume that in this particular quarter that you reported, there is no volume contribution coming from Rajasthan. There is no cost related to Rajasthan, except the INR23 crores of promotion and other expenses, which you said you have not capitalized, but you have taken it in the P&L. Is that the right understanding?

- Narinder Singh:** Yes. Very small revenue because 30th March is when we capitalize, we announced the COD. So whatever revenue is there is the sales that would have happened in the last 2 days of the year, but the number is very small.
- Pulkit Patni:** But just curious to understand why would you then not capitalize this promotion cost and other costs and take it to P&L? I'm just curious to understand?
- Narinder Singh:** The practices vary. Some people prefer capitalizing, but we prefer not doing things which are against the stated accounting norms. Not everything can be capitalized like branding spend, etcetera is something that cannot be capitalized. So that's the prudent accounting policies that we follow. And hence we preferred charging them off.
- Pulkit Patni:** Okay. Very clear. Thank you so much, sir.
- Moderator:** Thank you. Our next question comes from the line of Prateek Kumar from Jefferies. Please go ahead.
- Prateek Kumar:** Yes. Good evening, sir. My first question is on your cost savings. We talked about like 400 Rupees per ton like I think 1 year back or 1.5 year back. So how much of that is now realized and how do we stand there for the remaining savings?
- Nilesh Narwekar:** Yes. So we have achieved about more than 50% of what we had forecasted across the various levers that we had mentioned. We expect in FY27 for that number to jump up to close to 75%; I mean 25% more to be added across power cost, logistics and premiumization primarily. And within power cost, it's primarily going to be our green energy capacity, which is going to take it up from the current numbers which you see probably for FY26 at around 24% all the way up to 63% and beyond.
- Prateek Kumar:** And sir percentage, can you highlight numbers out of -- so basically, you're saying INR100 savings in FY27 and INR100 remaining in FY28. Is that what you mean?
- Nilesh Narwekar:** Yes, around INR100 per ton in FY27 and the balance would be FY28. And if I was to give you numbers for FY27 across power cost, logistics and premiumization, broadly around INR69- INR70 per ton on power, around INR36 per ton on logistics and INR4 per ton on premiumization.
- Prateek Kumar:** Okay. And this is related to your total cost, right, not like further related to cement. Is that correct?
- Nilesh Narwekar:** This is on cement. If you want to take it at a company level, you'll have to weight it on the volume.
- Prateek Kumar:** But some benefit of power will definitely flow to GGBS also?
- Nilesh Narwekar:** Yes.

- Narinder Singh:** That's not considered as part of the above.
- Prateek Kumar:** So at cement level, it probably be INR50 to INR75 -- sorry, total company level, INR50 to INR75 for this year and maybe similar next year?
- Nilesh Narwekar:** That's right.
- Narinder Singh:** Yes.
- Prateek Kumar:** Okay. Other question on tax regime, new tax regime assumption from this year. So next year onwards, we should assume 25% tax rate for our modeling purpose?
- Narinder Singh:** Yes.
- Prateek Kumar:** Lastly, on your dealer strategy in North India. So what do you think you have targeted like the multi-dealers, multi-brand dealers in North or like you have used some of your JSW Steel dealers expanding their scope of work to cement or can you comment something on that?
- Hitendra Jariwala:** So yes, so let me take that question. Our strategy in the North and the dealer expansion and onboarding has as of now being core cement dealers with approximately 25% of them being exclusive dealers for us and 75% being multi-brand dealers. This is across Haryana and Rajasthan.
- And we have, as of now, not yet leveraged on the strength of JSW Steel. Very few number of dealers from JSW Steel have onboarded in this entire lot of 1,000 dealers. We are yet to embark on that journey for taking help from the steel network and the paint network in the North.
- Prateek Kumar:** Thank you. These are my questions.
- Moderator:** Thank you. Our next question comes from the line of Rajesh Ravi from HDFC Securities. Please go ahead.
- Rajesh Ravi:** Sir, could you share some housekeeping numbers what would be the RMC revenues in Q4? And what was the premium product sales share in Q4? And what would be the incentives that you are targeting for FY '27 flowing through revenues?
- Narinder Singh:** So RMC revenue during the quarter was INR184 crores and for the year it's about INR574 crores
- Rajesh Ravi:** Sorry, can u share the number?
- Narinder Singh:** So for the year, RMC revenue is INR574-odd crores. And for the quarter, it was INR184 crores.
- Rajesh Ravi:** Understood. Incentive accrued in this quarter through P&L?

- Narinder Singh:** Incentive accrued is a very small number. It's only INR3.47 crores in the quarter.
- Rajesh Ravi:** And for the Nagaur plant next year, what is the estimation on a full year basis?
- Narinder Singh:** So Rajasthan, we have the incentive as approved by the state. It's going to be INR50 crores towards the capital subsidy and there will be some number on electricity duty waiver as well.
- Rajesh Ravi:** Okay. Will this flow through your revenue?
- Narinder Singh:** Revenue.
- Rajesh Ravi:** Understood. And sir, on the capex, what is the guidance for full year FY '27 you are looking at?
- Narinder Singh:** INR2,300-odd crores.
- Rajesh Ravi:** INR2,300 crores. And the Dubai grinding unit -- UAE grinding unit will be operational by end of FY '27. Is that understanding, correct?
- Narinder Singh:** No, because of this war, it's delayed by a month. So, we are hoping by April'27 end that should be commissioned.
- Rajesh Ravi:** Understood. Right. Sir, last question on the GGBS. Given the steel prices have shot up by more than 20%, how is your GGBS cost and your margin getting impacted, selling price and margins getting impacted in Q1?
- Narinder Singh:** No, for us, the slag prices are governed by a contract. This is a 5-year contract where there's a mechanism for this price discovery to happen every 2.5 years. Please keep in mind that slag prices from most of these other sources outside India are quite low today. The reason being that the freight costs are very high; while I was speaking, there was an inquiry from UAE looking for some slag out of India. Now when I was doing some comparison, the landed cost of slag in UAE out of China is about \$36, \$37 CFR, but the freight is in excess of \$32, \$33, even \$34. So, excluding that, China is today anywhere \$3 to \$5. So, we are not seeing a situation where slag prices are going to go up any time. Of course, JSW Steel is free to do a price discovery every 2.5 years of the contract. Our contract started from October 2024. So, whenever that 2.5-year period is over, they will be doing a price discovery. But there is a mechanism for that. So, we'll get back to you on that once that happens.
- Rajesh Ravi:** Understood. But your selling prices will move in line with the market pricing. And would that mean that you will have a windfall gain for next few months or next few quarters?
- Narinder Singh:** No, So, for us, it's not that just because steel prices have gone up, GGBS prices are going to go up. They probably have no correlation. When we sell to our customers who are primarily RMC buyer or RMC contractors, they will look at a design mix and compare the cost between OPC

GGBS and OPC fly ash. It's not that I'm going to get a windfall, windfall can only come if OPC prices go through the roof, probably that's a situation where we would be doing that.

But that's still some time to go before such a situation happens. We'll wait and watch. Today, I'm answering you directly, there is not going to be any windfall just because steel prices are up. And then coming to the question on the premium segment, our overall volume was about 52% during the quarter.

Rajesh Ravi: Thank you, sir. I will come back in queue.

Moderator Thank you. Our next question comes from the line of Raghav Maheshwari from Equirus Securities. Please go ahead.

Raghav Maheshwari: Congratulations sir, on a good set of results. Just wanted to understand one thing that INR23 crores, which we spent on Nagaur for the North operation, is it a onetime expense? How much percentage of this is onetime? Or is it a regular expense which we incurred, but the revenue has not booked because we have done sales for only few days?

Narinder Singh: So Raghav, you can consider it onetime, but it is not one-time. It's going to be a regular expense because most of it has gone towards hoarding and branding, etcetera. And this is a routine affair that we'll have to follow; wherever we have put up the hoardings outside the shop, they may need to be replaced every 2 or 3 years probably. But yes, these are routine expenses which we have to incur if the branding has to happen.

Raghav Maheshwari: But is it fair to assume against this expenditure, we have not booked any revenue -- major revenue or the profitability in the last quarter. Is it the correct understanding because of the last -- it started the operations started the last?

Narinder Singh: Yes, you are very correct. As I stated earlier, 30th March is when we announced the COD and the sales were a very, very small number. Even if there is a revenue, the revenue maybe a couple of crores that's it.

Raghav Maheshwari: Got it. Basically, we can consider this is a onetime because we have cut down our main EBITDA due to the non-revenue booking for the same operations?

Narinder Singh: Yes.

Raghav Maheshwari: And sir, just last one question from the UAE side. One grinding unit, which we announced into our subsidiary. So, what is the understanding? If the volume coming for the cement will come into the main JSW Cement, our revenue and EBITDA will come into the consol one and the JV will continue selling at their clinker, whatever the clinker spare they will remaining other than this one grinding unit requirement. Is it the understanding correct?

Narinder Singh: Yes. So, JV will continue to sell as it does business today. It will sell clinker to the grinding unit, whatever the grinding unit requirements are. That transaction will happen at arm's length.

And when it is about the subsidiary, this grinding unit, the entire number gets consolidated into the parent.

Raghav Maheshwari:

Got it. And sir, any plans to merge that JV into the consolidation?

Narinder Singh:

Not as of now. Probably going forward in next 2-3 years, we will have a look because there is a financial investor sitting there, we'll have to provide exit to him. That's some time to go, but we'll take that call maybe a couple of years down the line some time.

Moderator:

Our next question comes from the line of Gaurav Jain from ICICI Mutual Fund.

Gaurav Jain:

Yes, hi. Sir, just one question from my side. On this pollution issue in some cities of Western India and subsequent closure of RMC unit, is that issue completely behind? Or do you still see some impact of that?

Hitendra Jariwala:

This issue was mainly on account of the aggregate manufacturers and the RMC plant. So, it started off with Bombay, where it is well behind us now. Majority of the RMC plants, commercial plants as well as the dedicated plants, are all online and everything is behind us.

Pune, which started in the last week of March and extended up to the end of April, even that is behind us now. And all the RMC plants across are up and running now. So, it is well behind us.

Moderator:

Our next question comes from the line of Rajesh Ravi with HDFC Securities.

Rajesh Ravi:

Sir on the UAE grinding unit, just wanted to understand the flow like -- when this plant is operational, it will source the clinker from the JV clinker unit, which you have over there. Now what we understand that unit is selling approximately 1 million ton in open markets, which is not consolidated in our and the remaining around 1 million tons or something like that they ship to India, which is booked -- which is used in India. Is this understanding, correct? And how will this change when this grinding unit is operational?

Narinder Singh:

Your understanding is correct. Probably the numbers are a bit off; so like I stated earlier, we sold about 2.6 million tons in UAE out of that unit last year and probably 2 million odd tons is what would have got sold there itself. The remaining plus/minus has come to India. Now the production, that unit runs almost 100% plus every year since inception. So, it will still continue to produce about 2.6 million tons.

Rajesh Ravi:

Yes, sorry, sir, missed your last point. You mentioned around 2.6, they operate utilization and 0.6 odd was shipped to India or sold to India?

Narinder Singh:

Right. As we speak, see, that plant runs at full capacity. It runs more than its rated capacity, nameplate capacity. Now as we speak, see for the current year, I have clinker tied out of a Japanese source at fixed price. And this price we had fixed before the war.

Now for me, that's the best-case scenario, a very advantageous situation compared to the others because for me, whatever happens to coal prices as far as the Japanese supplier is concerned, the price is locked.

Now when this UAE unit, the JV is producing clinker 2.6, some volume is definitely going to come into India going forward also. 1 million- or maybe slightly more, probably 1.5 million would get sold to the grinding unit from the JV in UAE and the balance would be sold to third parties.

Rajesh Ravi: Understood. That makes it clear that in terms of clinker availability there won't be any issue at the UAE unit.

Narinder Singh: No. So just if I have to make it known to all of you, this war situation, though it continues there and there's a lot of uncertainty around it, for me, as far as getting clinker for Dolvi unit till December of this year, I am sorted. We have enough clinker tied up from other sources at fixed price, and the fixed price is pre-war.

Rajesh Ravi: Okay.

Moderator: Thank you. Ladies and gentlemen, we'll take the last question from Raghav Maheshwari with Equirus Securities. Please go ahead.

Raghav Maheshwari: Sir just last one thing. Can you please tell full year GGBS realization per ton and the grey cement realization per ton number?

Nilesh Narwekar: Yes. The full year GGBS realization is 3,683 per ton FY26.

Raghav Maheshwari: Sir, for grey cement?

Nilesh Narwekar: 4,667 per ton.

Raghav Maheshwari: Okay, thank you.

Nilesh Narwekar: Okay great.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I would like to hand the conference over to Vaibhav Agarwal for closing remarks. Thank you, and over to you, sir.

Vaibhav Agarwal: Sir, just one question. You said that in Punjab, there could be a delay in terms of the grinding expansion of what you are kind of envisaging in that market. So, is your Rajasthan announcement basically to compensate for that delay? Or what is the thought process there? Because how can one read that?

Nilesh Narwekar: Yes, you are right. Because of the uncertainty around the timelines for the Punjab grinding unit, and that would lead to suboptimal operations of the kiln, the clinkerization line impacting performance. Hence collectively as a management unit, we believe this is the most prudent

thing to do. It will be one unit, which is set it up here and ensuring it stacks up for the entire sale, and we have all the benefits of setting it up here at a much lesser capex plus it coming up 1 year in advance versus if you were to start setting it up there. So in all aspects, it does stack up more favourably.

Vaibhav Agarwal: So that's what actually, sir, I also kind of anticipated. But, and second question was on the call also Gaurav asked from ICICI Prudential Mutual Fund that regarding the ban on the, or the restrictions on the RMC units in Maharashtra now that you said that that's behind us. So as far as GGBS is concerned, are we looking at the original guidance? Or we are looking, is there any change, does it impact our annual guidance in any way? Or do we anticipate this issue to crop up again? Or any change there? I just wanted to check that.

Nilesh Narwekar: No, no. We hold on to our original guidance that was mentioned earlier.

Vaibhav Agarwal: So we probably are targeting kind of 7 million ton of volumes of GGBS this year. Is that fair over 6.5 million ton of volume from GGBS?

Nilesh Narwekar: Yes, it is around the same number.

Vaibhav Agarwal: And just last thing, sir, our capacity guidance stays intact. There's no change, obviously, there were minor changes would be there because of the Punjab thing, but the broader guidance touching the 43 million ton mark by FY30 remains intact, right?

Nilesh Narwekar: Yes.

Narinder Singh: Yes. So we are just replacing Punjab, which was 2.75 with 2.5 of Rajasthan that's the only change.

Vaibhav Agarwal: So that's the only change. That's just 0.25, nothing, no major change. So 43.5 guidance for FY30 remains intact. That's what I'm reconfirming?

Narinder Singh: Yes.

Vaibhav Agarwal: Thank you sir. These were all my questions.

We don't have any further questions from participants. On behalf of PhillipCapital, I would like to thank the management of JSW Cement for the call and also many thanks to the participants for joining the call. Thank you very much, sir. Danish you may now conclude the call. Thank you.

Nilesh Narwekar: Thank you so much. I appreciate it.

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