Date: 13th August, 2026

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

Symbol: STARCEMENT

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

Scrip Code: 540575

Dear Sir(s)/Madam(s),

Sub: **Transcript of the Conference Call for Unaudited Financial Results for the Quarter ended 30th June, 2026**

In terms of Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we forward herewith the Transcript of the conference call with Investors and Analysts held on Monday, 10th August, 2026 for Unaudited Standalone & Consolidated Financial Results for the quarter ended 30th June, 2026.

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

This is for your information and record.

Thanking you,

For Star Cement Limited

DEBABRATA THAKURTA
Digitally signed by DEBABRATA THAKURTA
Date: 2026.08.13 12:08:55 +05'30'

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

Encl. as stated.

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ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 CERTIFIED COMPANY.
CIN : L26942ML2001PLC006663

"Star Cement Limited

Q1 FY27 Earnings Conference Call"

August 10, 2026

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

MODERATOR: **MR. NAVIN SAHADEO – ICICI SECURITIES**

Moderator: Ladies and gentlemen, good day, and welcome to Star Cement Limited Q1 FY27 Earnings Conference Call hosted by ICICI Securities 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.

Please note that this conference is being recorded. I now hand the conference over to Mr. Navin Sahadeo. Thank you, and over to you, sir.

Navin Sahadeo: Thank you, Anushka. So good evening, everyone. On behalf of ICICI Securities, I welcome you all to the Q1 FY27 Earnings Call of Star Cement Limited. From the management, we have with us MD and CEO, Mr. Tushar Bhajanka; and the company's CFO, Mr.

Manoj Agarwal. So without any further ado, I hand over the floor to the management for their opening comments. Over to you, sir.

Tushar Bhajanka: Hi. Good afternoon, everyone. My name is Tushar Bhajanka, and I'm the MD of Star Cement. I welcome you all to the conference call of FY27 quarter 1. I would like our CFO, Mr. Manoj Agarwal, to give his remarks regarding the numbers and then we can start with the Q&A. Thank you.

Manoj Agarwal: Thank you, Tusharji. Hi, friends, very good afternoon. I, on behalf of Star Cement, welcome you all to our con-call for discussing our numbers of Q1 FY27. I would like to clarify that we are discussing on the historical numbers, and there is no invitation to invest. Having said that now, I will just take you through the Q1 number.

Starting from clinker production. During the quarter ended June 26, we have produced 9.10 lakh tons of clinker as against 8.90 lakh tons same quarter last year. So far as cement production is concerned, we have produced 13.08 lakh tons this quarter as against 12.31 lakh tons same quarter last year.

Now I will take you through the sales volume. During the quarter, we have sold 13.02 lakh tons of cement and 0.52 lakh ton of clinker as against 12.22 lakh tons of cement and 0.74 lakh ton of clinker same quarter last year. This is as far as cement and clinker sale is concerned.

As far as geographical distribution of cement is concerned, in Northeast, we have sold around 8.71 lakh tons as against 8.67 lakh tons during same quarter last year. And as far as outside Northeast is concerned, we have sold 4.31 lakh tons of cement this quarter as against 3.55 lakh tons same quarter last year.

In terms of blend mix, it is almost 15% of OPC and the rest is PPC. These are the quantitative numbers of this quarter. Now I'll take you through the financials.

The total revenue figure this quarter is around INR902 crores as against INR847 crores same period last year. As far as EBITDA figure is concerned, this quarter, we have done an EBITDA of around INR203 crores as against INR230 crores last year. This is mainly on account of reduced subsidy, increase in packing material costs and also shutdown expenses, which we have taken in our one of our kilns. Profit after tax is INR74 crores in this quarter as against INR98 crores last year. On per ton EBITDA front, it is INR1,497 during this quarter as against INR1,774 per ton same quarter last year.

This is what our quarterly numbers are. Now I request all of you, if you have any query, you can ask the same, and I will request Navinji to moderate the query wherever it requires. Thank you.

Moderator: Thank you, we will now begin the question and answer session. We take the first question from the line of Shravan Shah from Dolat Capital.

Shravan Shah: Just a couple of data points before question. Trade share, premium share, CC ratio, lead distance and Kcal for this quarter.

Tushar Bhajanka: So I think the premium sales is about 15.9% of the overall sales. The lead distance was about 210. The clinker factor was about 66.5%. And what was the fourth parameter that you had asked?

Shravan Shah: Trade share.

Tushar Bhajanka: Trade share was about 80%.

Shravan Shah: Okay. And for this quarter?

Tushar Bhajanka: Was about 1.55.

Shravan Shah: 1.55. Significant jumping there. So now 2 things first on the volume. So this quarter, slightly on the lower side. So we were looking at 10%, 12% cement volume growth and similar number of the clinker for entire full year versus '26. So any change in there? So can we now see that from Q2 onwards the volume growth would be slightly better?

Tushar Bhajanka: So in Q2, as we all know, the Assam is completely flooded at the moment. So I don't see much of a stride in terms of volume in Q2. But I think from Q3, Q4 onwards, I think we can see hopefully a double-digit growth. And on the overall year, I think we expect to probably revise the numbers. A bit from 11% to 12% to about 8% to 9%.

Shravan Shah: But the clinker sale for the full year would be the similar of what we have done in the FY26?

Tushar Bhajanka: I think the clinker sale in FY27 would probably be stagnant or may degrow by about 5% to 10% compared to FY26 because I think the clinker is also coming from outside now in Northeast. So it may be a case that there may be a degrowth in the sale of clinker.

Shravan Shah: So now on the costing front, so given the fuel cost has sharply jumped up to 1.55 from 1.24 in Q4 -- so overall, this and even we heard that some packing that cost has also recently has gone up. So overall, and how do we see the cost moving up in Q2? And at the same time, the prices are still the prices holding on versus the June average?

Tushar Bhajanka: So in the fuel cost in FY26, quarter 4 was about INR1.33, which has gone up to INR1.55. We expect in Q2 onwards, the cost should come down to about INR1.45 -- and hopefully, in Q3 and Q4, we can hopefully reduce the cost further on fuel. The PP bag prices are completely related to the international turmoil and war situation, which is going on and thereafter prices are up. So that, I think, really is hard to predict of how will it play out. And on the prices, the prices, I think if I compare -- I think the prices are broadly stable in Northeast as well as in outside Northeast markets of Bihar and West Bengal, even in the quarter 2.

Shravan Shah: Okay. So broadly kind of INR1,500 plus kind of EBITDA per ton that we were previously looking at for at least 2, 3 years once our Rajasthan plant comes in. So that we are still seeing that, that is kind of still manageable given whatever the new capacity will come up in the Northeast. So still it will have a time. So we should be having a similar kind of INR1,500 rupees kind of EBITDA per ton can be doable?

Tushar Bhajanka: Yes. I mean, over the entire year, yes, it can be doable. I think INR1,500, INR1,600 is still a good estimate. Only for quarter 2 because the shutdown cost also gets added in the cost in quarter 2 and also because in Northeast, the rain is more so of course, the fixed costs are getting absorbed by a lower volume. So it may be about INR1,400 for quarter 2, but I think we'll catch up in quarter 3 and 4.

Moderator: We take the next question from the line of Jyoti Gupta from Ashika Institutional Equities. Good set of numbers.

Jyoti Gupta: I just wanted to understand how does the pricing and demand scenario looks like in the second quarter? And what should we expect? I mean given the kind of situation on the EPC and especially roads and highways, do you see demand slowing down in the third or fourth quarter or it's likely to remain stable in the second half as well?

Tushar Bhajanka: So I think that because of the lack of demand in the first 2 quarters, like quarter 1, quarter 2 and because of the floods, which have completely on the Northeast at the moment, I think that when the floods subside, which is basically quarter 3 and 4, I think there should be some pent-up demand which gets released in those 2 quarters in the second half of the year. So I would expect a bit higher than usual growth in those 2 quarters. And of course, the demand in the first 2 quarters have been quite muted.

Jyoti Gupta: Yes, sir. Sorry, I missed you.

Tushar Bhajanka: Yes. I was just saying that in quarter -- second half of the quarter -- sorry, of the year, we would probably see a pickup because of the pent-up demand. Right now, there's heavy rain and flooding going on in the entire Northeast. So of course, the demand for cement is quite muted. But as soon as the situation gets better, I'm sure there will be a pickup in the demand as well.

Jyoti Gupta: When should we expect the Rajasthan plant to come on stream? And by when do you think it will be step-up phases, maybe start the 30% utilization level, shall we expect in FY28 end?

Tushar Bhajanka: So basically, we have now gotten the plant plan for the clinker and the integrated grinding unit plant. So we have applied for the public hearing for the EC. By, I think, about September end or

October, we should be getting our EC for the plant. And between mid-October to November is when we plan to start our work on ground on the Rajasthan project.

Jyoti Gupta: Effectively 26 months for the plant to come up or 22?

Tushar Bhajanka: It would be about 18 to 20 months from November onwards, I guess. So it means about quarter 1 of FY29 or quarter 4 of FY28.

Moderator: We take the next question from the line of Rajesh Ravi from HDFC Securities.

Rajesh Ravi: My first question pertains to demand in the Northeast. I understand we have seen a decline in the Northeast sales. So what do we attribute that to? It's all because of elections, which impacted sales in month of April or also because of the rising competition from Dalmia's capacity ramp-up in the same market?

Tushar Bhajanka: No, I think it's not because of the competition. I think because -- I mean, in Q1, the best month is of course April from May and June. in Northeast, the monsoon starts playing a role. And in April, we had the election in Assam, which is like almost 60%, 70% of the Northeast market. So I think that is why I think there is a bit of a dip.

I don't think it's because of the competition. And I don't think we've lost any market share in Northeast compared to last quarter or same quarter last year.

Rajesh Ravi: On a full year basis, what your estimation in terms of growth in the Northeast sales on a year-on-year basis?

Tushar Bhajanka: The growth rate in Northeast on year-on-year basis...

Manoj Agarwal: You are talking about Rajesh market growth or industry growth.

Rajesh Ravi: Yes, growth and both for industry as well as for market FY27

Manoj Agarwal: Growth is more or less flat or maybe even by the growth.

Rajesh Ravi: So for FY27, you're saying industry will grow at 4%.

Tushar Bhajanka: For us, I think the growth was about 0.4% in Northeast. And I think the industry may have grown by about 1% or 1.5%. It was flattish.

Rajesh Ravi: For full year, what is the expectations you're looking at?

Tushar Bhajanka: I think we still are hopeful that we can catch up in the quarter 4 and quarter 3 and quarter 4. So I think for the industry, I would say that the growth rate should be about 7%. For us, I hope that we can do about 8% to 9% in Northeast.

Rajesh Ravi: Okay. And fuel cost, you mentioned 1.55% was for Q1 or in Q2?

Tushar Bhajanka: So 1.55% is the estimate for Q1. I think in Q2, we should bring it down to probably about 1.45 yes.

Rajesh Ravi: Lastly, on the North project, our equipment ordering is already in place after the EC is received?

Tushar Bhajanka: So we are -- we have just completed the purchase of our plant land. Our public hearing is end of the month in August. EC should come in first week of October. We have already started calling vendors for quotations. And I think we should be able to lock those by, I think, end of August or start of September. So -- and then we'll start with the engineering work.

Moderator: We take the next question from the line of Navin Sahadeo from ICICI Securities Limited.

Navin Sahadeo: My first question was Assam comprises what percentage of our sales volume? And also, if you could throw some color on volumes, if at all, we would have done in Q2 or at least in the month of July. I mean to just ask, is there a risk of a negative Y-o-Y growth because of the flood situation?

Tushar Bhajanka: So in quarter -- sorry, in quarter 2 and July, of course, the volume degrowth was about 12% -- the reason was because July was completely flooded in Assam and Assam was completely shut down in many areas. I think we are seeing a marginal growth in August. Last year, in September, there was GST revision from 28% to 18%. So last year, September numbers for us were very bad. This year, September, we expect to be without much of flood and without any regulatory changes.

So I think whatever volume degrowth we have done in July, we hope to catch up in September month.

Navin Sahadeo: Understood, sir. Sir, my second question then was about grinding units. So is there a plan that we see some grinding units proposed or planned in West Bengal with the change in government or some industrial policy around it?

Tushar Bhajanka: So we are actually waiting. I think about 15th of August is when the West Bengal is supposed to come up with their industrial policy. So looking at the industrial policy and looking at the potential benefits that one can accrue, I think we will take a call. Of course, the capex in case the benefits are favorable, I think capex in West Bengal especially in the Siliguri plant may make sense because I mean it will be a brownfield expansion and will cost much lesser in terms of capex and will also give us benefit of SGST in our existing sales.

Navin Sahadeo: So is there a possibility, sir, that we would contemplate or compare it between Bihar grinding unit and West Bengal for us to take a call if the industrial policy is out or as and when whenever we get clarity, we will be able to decide based on that?

Tushar Bhajanka: Yes. I think what we are in the short term, at least comparing is West Bengal and Bihar as alternatives that we can probably invest in. So if there is a favorable policy in West Bengal, then we may have to reconsider our capex in Bihar and probably may redirect it to West Bengal, but that I think we can probably have a longer discussion after the policy out in the next investor call, I think we'll have more clarity.

Navin Sahadeo: Understood, sir. And regarding the North region, I wanted to understand if there is clarity on the incentives that we will likely or potentially get? Or what is the status on that front, sir?

Tushar Bhajanka: So yes, I think we have already gotten the standard approved package in Rajasthan for the Nimbol clinker plant that we plan to set up. I think I will share a slide of those benefits in the next presentation. It involves a degree of capital subsidy along with SGST benefit. The exact quantum is not in front of me at the moment, but I will just add it to the slide so that everyone is.

Moderator: We take the next question from the line of Shravan Shah from Dolat Capital.

Shravan Shah: Sir, just continuing that, so if the West Bengal policy phase is favorable and if we find fit, -- so we will then entirely 2 million ton grinding that we were looking at Begusarai, Bihar. -- this entire 2 million tons, we will be shifting to West Bengal or it could be a 1 million ton in West Bengal and 1 million ton in Bihar?

Tushar Bhajanka: I mean we will get back with the details. I do not know if -- what the policy will be. I hope it is favorable. And I think it will it may make sense for us to put a plant in West Bengal. I don't think it makes sense to put 1 million in West Bengal and 1 million in Bihar because the overall capex of a grinding unit along with the railway siding in a greenfield project sometimes may not -- may need economies, which may not come with the 1 million ton grinding unit.

So that, I think we'll have to redo the working depending on the demand scenario. Right now, the demand in West Bengal has been quite good. So I think if demand continues like that, then we will have to, in the next 2, 3 years plan to commission either one of them, for which we'll get back to you in the next call after we have analyzed the industry policy of West Bengal as well. In the existing grinding unit in Siliguri, we already have plant land enough for another grinding unit. We also have -- we also have railway siding in Siliguri, and we are planning to put a wagon tippler for the movement of clinker as well as for the movement of fly ash.

So I think the economics of Siliguri grinding unit will be changing and the capex decision, we'll let you know in the next call.

Shravan Shah: Okay. Got it. Understood. And in terms of now, I understand this is pending. But broadly in Q1, how much capex we have done and for full year for '27, '28, how much capex are we looking at?

And out of that, particularly the Nimbol, how much we want to spend this year and next year?

Manoj Agarwal: This quarter, we have spent around INR93-odd crores. And our planning what we have given INR500 crores for this quarter this year, that will continue. That will still holding on the same.

Shravan Shah: Okay. And next year, FY28?

Manoj Agarwal: We have already that same thing. There is no change as such right now.

Shravan Shah: So INR1,500-odd crores kind of a number we should be looking at in FY28.

Manoj Agarwal: Yes.

Shravan Shah: Okay. And this will be largely for the [inaudible 0:24:26] so the overall capex, what we previously talked about INR2,400 crores, INR2,500 crores. So that remains the same?

Tushar Bhajanka: Yes. So I think in that, the capex that we have planned for Rajasthan is about 3 million tons of grinding and 3.3 million tons of clinker about, but that we are still finalizing the exact specs of the machine and 2 million tons in Jhajjar. The overall capex of this thing is about INR2,600 crores to INR2,700 crores is that what we are expecting. And I think we are focusing in the next 2 years to primarily get this capex going in North. So that will be the primary focus of the capex, all the capex that we do.

Shravan Shah: Yes. Because the last latest presentation, what we have where we were saying that INR2,250 crores for integrated Nimbol and INR650-odd crores for Haryana. So that is close to INR2,900-odd crores that we are looking at.

Tushar Bhajanka: So that is -- so I'm also talking about the combined amount. I think it may be about INR2,700 crores. We are still doing the math. It may be INR100 crores, INR200 crores up or down, that I think we will -- once we start finalizing the machinery, we will be able to give clarity in our presentation as well. And I think we'll be able to take a definite budget for the expansion.

I think it will be about INR2,700-odd -- but with the GST, it may be about INR2,900 crores. So I think the difference in numbers because of the GST, which I may not be including in my number, but the presentation includes.

Shravan Shah: Okay. Okay. Got it. So for the QIP previously, which we are looking at INR1,500-odd crores. So there anything that we are now looking at. So once we have 1.5x net debt to EBITDA, then we will go for it or how -- anything changing there?

Tushar Bhajanka: So I mean, right now, because we have -- we're only focusing on Rajasthan for the next Rajasthan and North for the next capex for the next 2 years. And I think if our approvals are healthy, then we should be able to manage it with about 1.5x, 1.6x, debt EBITDA. So we are not at the moment actively thinking of QIP. We will do it at the opportune time in case there's opportunities available for which we need to further raise money that may be organic or inorganic.

Shravan Shah: Okay. Okay. Got it. And this year for full year in terms of incentive would be INR130 crores, INR140-odd crores?

Tushar Bhajanka: So IP, it should happen, but there is a restriction that the Assam government has come up where they are dividing the overall subsidy benefit by across the number of years that the subsidy is valid for. So what I expect for this year is not about INR145 crores, but about INR115 crores. Okay.

Shravan Shah: Okay. Got it. And in this quarter, what was the green share and why this year-end where we can be reaching?

Tushar Bhajanka: Green shares for this quarter was about 3%. This, of course, includes the WHRS as well.

Shravan Shah: Yes.

Tushar Bhajanka: And this we are planning to introduce solar some group captive opportunities that we're evaluating. I think in quarter 3 or quarter 4, we will also share the details of those contracts.

Shravan Shah: Okay. And lastly, the fuel mix for Q1 would be in terms of the FSA, AFR and biomass would be how much?

Tushar Bhajanka: So fuel mix for FSA would be about -- would be about 45% and from FSA and the other source spot contracts. What has happened in quarter 1 is that all the coal has been directed to the power plant by because I think there was a surge of power requirement. So all the Coal India coal was diverted.

So what we -- we did not have that many rakes come in of FSA, and we had to focus on buying spot contracts of coal, which are, of course, at a higher price, and that is why the fuel cost has gone up. Now I think that we are -- we will be able to get a few rakes from FSA more frequently. And that is why we expect the fuel cost to go down to 1.45.

Shravan Shah: Okay. I got it, but still you said the FSA was 45% in terms of the fuel mix in Q1. What was the balance?

Tushar Bhajanka: The balance about 30% was spot contracts of coal, which is basically we're buying off the market, right? And then there was a component of biomass and some from -- yes, and then there is a component of biomass. So I think this was the broad fuel mix.

Moderator: We take the next question from the line of Prateek Kumar from Jefferies.

Prateek Kumar: I have more industry question. Can you discuss the cement demand for FY26 or like maybe estimated FY27 clinker capacity and grinding capacity for '27? And how do you look at it number like 2, 3 years?

Tushar Bhajanka: So in FY27, I do not see any clinker capacity come in. The demand seems to be a bit muted in the first 2 quarters, primarily because there was election now there is like tremendous amount of flood. So -- but in the last 2 quarters, the latter quarters, I expect the demand to improve. In terms of capacity additions, I think in the next 3 years, I would expect capacity addition of about 1 million each of 2 players. And besides that, I am not aware on ground of any other capacity additions happen.

Prateek Kumar: Okay. These are like clinker capacities you're mentioning, 1 million each of clinker and similar grinding, right?

Tushar Bhajanka: Yes, like proportionately, I think that is right.

Prateek Kumar: Okay. And what will be the like maybe FY26 end clinker and grinding capacity of the region?

Tushar Bhajanka: That number has to get back to you on. I don't have it off hand like that. But I think it should be about 15.5 million to 16 million. That should be my estimate of the clinker capacity in the Northeast currently.

Prateek Kumar: Do you have estimate for grinding capacity as well?

Tushar Bhajanka: Grinding capacity would be about 23 million -- 23 million to 24 million.

Prateek Kumar: And besides yourself and Dalmia Bharat, like other smaller peers, have they been able to expand or like most of expansion is from the top 2 players in the region past 3 years?

Tushar Bhajanka: So I mean, besides us and Dalmia, we are the 2 people who are majorly expanded. I think other companies are doing brownfield expansion and they are trying to debottlenecks of about 0.5 million, 0.6 million. So I don't think there's anything significant that they're expanding at the moment.

Moderator: We take the next question from the line of Harsh Mittal from Emkay Global Financial Services.

Harsh Mittal: I have only one question. How has been the prices behave in the past 1.5 months basically the post 1Q exit given the flood situation in now? -- if you can give color on it.

Tushar Bhajanka: Yes. So I think the prices have broadly been flat. So from Q1 to now, I think there's almost like INR2, INR3 increase in the price, but it has broadly been flat because -- I mean -- yes, so I think because the demand has gone, I don't think there's any reduction in the price, but there's a cost pressure, so we have to maintain the price, and that's why the price is a bit flat. But I think because of the demand -- because of the cost pressures, I think once the demand opens up, I think there will be a requirement to increase the prices a bit to absorb the cost.

Harsh Mittal: And this flat prices is case in both of the markets, this Northeast as well as in outside Northeast. Is this assumption correct?

Tushar Bhajanka: Yes. I think in Bihar, the prices is a bit higher by about INR10 -- but in West Bengal and Northeast, the prices are up by about only INR3.

Harsh Mittal: Okay. And sir, any number if you can give about what could be the cost per ton reduction in quarter 2 or you saying it may be flat, if any indication you can give on the operational cost per ton?

Tushar Bhajanka: So operational cost besides the fuel cost, it may go down to about INR1.45. I don't see a lot of costs going down because the bag prices are also high at the moment. So I don't see that also going down. I mean, it depends on the war and the crude oil prices and prices and -- so that is beyond our control. I think we are introducing -- I mean, from a longer horizon, we are introducing a few things, which should help us in reducing our cost.

I think we are -- by October, November, we will get a railway siding in Silchar. And we start operationalizing our Silcher capacities fully. I think there will be a lot of operational logistics savings that we may be able to accrue because of that because that will help us in serving the cheap -- in serving the South Assam market more effectively along with other states in Northeast. We are also planning in the next 5, 6 months, also planning to introduce EVs in some typical routes.

I think that would also lead to significant savings. We are planning to introduce wagon tippler in Siliguri, which will reduce this clinker transportation cost and fly ash cost to Siliguri significantly. We expect about INR150 savings from the sales that we make from Siliguri after we do introduce wagon tippler there.

So I think there are a few cost initiatives that we're taking, which will materialize in the next 3 to 6 months, basically.

Manoj Agarwal: And in addition to that, because there are some one-off in of donation and some incentive that will also reduce in the next quarter. So that is INR60 to INR70 saving will be there as compared to this quarter.

Harsh Mittal: Got it. Sir, last question from my side. Are we seeing at our guidance of INR150 crores of noncement revenues this year? Or there is some downside risk on that...

Tushar Bhajanka: Sorry, can you repeat that again?

Harsh Mittal: Sure. My question is, so in the last call, we gave a guidance of INR150 crores revenue guidance for the non-cement part business. So are we staying intact? Is this guidance intact? Or is there some downside risk to this number?

Tushar Bhajanka: No. So that INR150 crores was not -- that INR150 crores was not actually the EBITDA increase. That was the revenue increase that we had suggested that we will do about INR150 years by our Building Solutions division by AAC and RMC and that is actually a revenue estimate. That's not an EBITDA estimate.

Harsh Mittal: This revenue estimate only. I said about revenue.

Tushar Bhajanka: So that revenue estimate, I think, again, because the demand have been a bit sluggish. So we are not right now at the ARR where we touched 150, but we are increasing our RMC plants. We are focusing on ASC. And I think we should be able to reach that ballpark figure. At least on an ARR basis, we should be able to reach that 150 number by the quarter 4.

Moderator: We take the next question from the line of Navin Sahadeo from ICICI Securities.

Navin Sahadeo: Sir, a couple of questions. So my first question was that if North as a project is certain, is there -- from a strategy point of view, are we contemplating entering the region with some RMC units because you already have some experience for RMC in your home turf. And given the way North is typically an OPC market, incrementally, I think other companies are also talking about RMC increase.

So as a strategy, would you be contemplating putting more RMC units in the region to begin with so as to make like a brand visible or create or indirectly seed the market? And then probably once your product is launched or once your factory is launched, that could help us gain a better traction. Is that something on the card?

Tushar Bhajanka: So I personally -- that's a good suggestion. We have not got down to thinking about that yet. But I think it's a good suggestion. I think I would ask my team to kind of evaluate it. And then probably we can have a discussion about it in the next earnings call.

Right now, I think we will just -- we read the market. I agree with you that a lot of cities have the RMC culture and I think we'll have to eventually get to it. But we haven't really modeled it out, and we haven't really explored it in detail. So we'll do that and we'll get back.

Navin Sahadeo: Sure. We'll look forward. My second question then was about the incentives. So you mentioned Assam government did some change wherein from the earlier payout, they would now do much more equated kind of payout. So 2 things here.

I wanted to understand what is the amount outstanding? And are there any receivables there from the Assam government, which will take longer than expected?

Tushar Bhajanka: So Manojji, do you have the number?

Manoj Agarwal: Currently, we have around -- because we have received this quarter also, we have received INR50-odd crores, INR140 crores we have received till June, we have an accrual of INR165 crores. And we have received INR40 crores out of it and INR25 crores by June -- up to June '25, everything will be cleared. Then after that, just let me give the number INR85 crores accrual till March '26. That is supposed -- it will be INR85 crores plus INR25 crores. This is INR110 crores is outstanding till March '26.

And further this quarter, we have accrued around INR16 crores, that is outstanding. INR130 crores is the outstanding from Assam.

Navin Sahadeo: INR130 crores is outstanding. And sorry, how much -- how many years now -- what is the total book size or incentive amount that we can get irrespective of the period? I believe they are the period now. So what is the total duration in terms of year and annual...

Manoj Agarwal: Total was INR794 crores, okay? That has to be -- we will get...

Tushar Bhajanka: Yes. So I think INR794 crores that we were supposed to get, earlier, there was no restriction of how fast we will get it dependent on the amount of SGST that you give to the government, right? And I think that used to get deducted -- the net SGST used to get deducted from the amount of the overall subsidy, right?

But now what we've done is that they have divided the number of -- the amount of subsidy by 12 years, right? So out of that, 2, 3 years have already gone through whatever remaining subsidy was there, they divided it by the remaining number of years, right, as per the new circular.

So the impact of that is about INR20 crores, INR30 crores, which is why I said that the estimate of overall subsidy will reduce from INR145 crores to INR115 crores.

Navin Sahadeo: Understood, sir. And sir, my last question, because there was a change in the government in West Bengal and whatever local articles that we were reading through some trends maybe, I could just understand that there was a big crackdown on the illegal sand mining in the West Bengal, so to say.

So do you have any idea if the upcoming industrial policy will have any or any -- like is there a proposal by the state to formalize the sand mining, which will also then, in a way, lay ground for having more organized RMC business in the West Bengal as a state?

Tushar Bhajanka: So I think you're right. I mean, in West Bengal, we did -- I mean, there were problems because of the illegal sand mining and crackdown on it. So that is also the reason why the demand for cement has also been a bit muted, I think, in that area. I do not know if the government is trying to formalize this and what steps they are taking to counter this.

But I think that once the rainy season gets over, I think they will, in some form or the other, open the sand mining because I think it will be critical for them to do that. I mean -- and right now, they can't do it with heavy raining. So it won't be possible for them to do it right now.

Navin Sahadeo: Understood. And let me again congratulate you for still being the highest -- one of the highest EBITDA per ton companies, even excluding incentives. We look forward to similar such leadership or margin gain going ahead as well.

Moderator: As there are no further questions from the participant, I would now like to hand Mr. Manoj Agarwal.

Manoj Agarwal: We have to give the closing remarks by Taushar as no participant there.

Navin Sahadeo: Yes, yes. I think he said the same. He requested for the same. requested the same...

Tushar Bhajanka: I mean there was some noise, I think I'd like to just say that, of course, quarter 1 was not as far as any of our expectations, I think because of unforeseen events globally as well as in the states. I think quarter 2 seems to have a similar trajectory. This is also because the GST has been significantly revised. I think first hit on the subsidy side was because the GST had reduced from 28% to 18%. So I think in quarter 1 alone, INR40 crores was a hit because of that.

If we actually exclude that hit of INR40 crores, then I think we were positive EBITDA in terms of percentage in absolute terms, which shows that there was resilience. I think from September onwards, anyway the subsidy impact last year had also already hit us. So I think from quarter 3 onwards, we will see that there's not much of a loss that we're making because of the reduction in the subsidy. And that part in the books would seem to be taken care of.

And then I think the profitability also in terms of the percentage growth in EBITDA, we will start reflecting in the books. So the first quarter -- 2 quarters because last year till September '25, the GST rate was 28%, and now it is 18%. So right now, we are absorbing the hit of the subsidy. But I think from September onwards, last year also, it came down to 18%. So I think the hit that the books are facing because of the subsidy will stop being felt after September onwards, and you'll start seeing a growth thereafter.

Moderator: On behalf of ICICI Securities, that concludes this conference. Thank you for joining us. You may now disconnect.