SAGAR CEMENTS LIMITED

SCL: SEC: NSE: BSE: 2026-27

06th November, 2026

The National Stock Exchange of India Ltd.,
"Exchange Plaza", 5th Floor
Bandra – Kurla Complex
Bandra (East)
Mumbai – 400 051

The Secretary
BSE Limited
P J Towers
Dalal Street
Mumbai -400 001

Scrip Code: 502090

Symbol **SAGCEM**
Series **EQ**
ISIN **INE 229C01021**

Dear Sir,

Sub: Submission of Earnings Call transcript under Regulation 30 read with Schedule III of SEBI (LODR) Regulations, 2015 on Q2FY27 financial results

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Pursuant to the above said Regulation, we are forwarding herewith the transcript of the Earnings Call held on 02nd November, 2026 in connection with the recently announced un-audited Stand-alone and Consolidated financial results of the company for the second quarter and half year ended 30th September 2026.

Thanking you

Yours faithfully
For Sagar Cements Limited

JINGILIPALEM RAJA REDDY
Digitally signed by JINGILIPALEM RAJA REDDY
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Company Secretary
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MANAGEMENT: Gavin Desa - CDR India
Sreekanth Reddy - Joint Managing Director

ANALYSTS: Niteen S. Dharmawat
Shravan Shah
Rajesh Ravi
Parth Bhavsar
Vibha

Presentation

Moderator: Good morning, ladies and gentlemen. Welcome you all to the Q2 & H1, FY '27 Results Conference Call of Sagar Cements Limited. From the management, we have with us today Mr. Sreekanth Reddy, Joint Managing Director; Mr. K. Prasad, Chief Financial Officer; Mr. Rajesh Singh, Chief Marketing Officer; and Mr. Raja Reddy, the Company Secretary.

I would now like to hand over the call to Gavin Desa from CDR India for his opening comments, post which we will hand over the call to the management. Over to you, Gavin.

Gavin Desa: Thank you, Manish. Thank you for the introduction. Just like to add that some statements made on today's discussion may be forward-looking in nature, and a note to this effect was stated in the con-call invite sent to you along with the financial presentation and the statements.

I'd now like to request Sreekanth to start with the opening remarks. Over to you.

Sreekanth Reddy: Thank you, Gavin. Good morning, everyone, and welcome to Sagar Cements earnings call for the quarter and half year ended September 30, 2026. Let me begin the discussion with a brief overview of the market, post which I'll move on to Sagar specific developments. The second quarter witnessed a relatively resilient demand environment for the cement industry, despite the seasonal slowdown associated with the monsoons.

Construction activity across key markets remained reasonably healthy, supported by steady progress in infrastructure projects undertaken by both central and state governments, alongside continued demand from the housing and construction sectors. The relatively uneven

distribution of rainfall across the regions also helped moderate the seasonal impact on overall cement consumption.

On the pricing front, cement prices remained soft during July and August before recovering to some extent during September. Despite near term seasonal challenges, the industry's medium to long-term demand outlook remains encouraging, supported by sustained infrastructure investments, urbanisation, and a healthy pipeline of housing and industrial projects.

Moving on to Sagar specific developments, we delivered a healthy volume growth of 26% during the quarter, reflecting resilient demand across our key markets and steady execution, despite, the monsoon-related slowdown. Consequently, revenue increased by 17% year-on-year, supported primarily by higher volumes. We remain confident of achieving our FY '27 volume guidance of approximately 7 million tonnes supported by our expanded capacity and improving demand outlook.

From an operational standpoint, EBITDA per ton for the quarter stood at ₹265. Profitability continued to reflect elevated input costs, particularly across fuel, packaging, and other operating expense owing to geopolitical developments in West Asia. Our ongoing cost optimisation initiatives, including increased utilisation of waste heat recovery systems, improvements in operating efficiencies, and benefits from our recent capacity additions helped mitigate a significant part of these pressures.

The quarter also witnessed planned maintenance shutdowns at certain facilities, which had an impact on operating performance. Looking ahead, we expect profitability to improve during H2 FY '27, supported by post-monsoon recovery in demand, increasing renewable energy usage, ongoing logistics, optimisation, and efficiency gains from our recent plant upgrades. These initiatives are expected to progressively strengthen our cost structure and support margin improvement over the coming quarters.

On the CapEx front, we completed 0.75 million ton grinding capacity in Andhra during the quarter, further strengthening our manufacturing footprint and taking our overall capacity to 11.75 million. Alongside we recently commissioned 4.35-megawatt waste heat recovery capacity at Gudipadu and a 0.5-million-ton expansion at Jeerabad, these investments are expected to enhance operating efficiencies,

support higher capacity utilisation, and position us well to capture future demand.

Coming to the key operating metrics, power and fuel cost stood at ₹1,473 per ton during the quarter compared to ₹1,428 per ton in Q2 FY '26. Freight cost stood at ₹900 per ton, compared with ₹855 per ton in the corresponding quarter last year. In terms of plant-wise operations, our Mattampally facility operated at 73% utilisation, while Gudipadu, Bayyavaram, Jeerabad, Jajpur, and Dachepalli operated at 85%, 52%, 72%, 38%, and 57%, respectively during the quarter. Loss after tax stood at ₹52 crore.

Turning to the balance sheet, gross debt as of September 30th, 2026, stood at ₹1,735 crore, out of which ₹1,482 crore comprising long-term borrowing, while the balance represents working capital borrowing. Consolidated net worth stood at ₹1,781 crore, while the debt-to-equity ratio was at 0.83:1. Cash and bank balances stood at ₹106 crore as of 30th September, 2026.

That concludes my opening remarks. We would be glad to take any questions that you may have. Thank you.

Question-and-Answer Session

Moderator: Thank you. We will take the first question from Niteen S. Dharmawat. Please go ahead, Niteen.

Niteen S. Dharmawat: Thank you, Mr. Reddy. Good morning. So, the first question is like, this is stripping out the ₹7.5 crore cess write-back. Standalone EBITDA was at around ₹47 per ton this quarter. So why are our plants earning less than Andhra Cements, and when do they recover?

Sreekanth Reddy: Yeah, you should be aware during this quarter, the plants at Mattampally and Jeerabad were under maintenance shutdown. At Mattampally, it has been a long and expensive kind of a shutdown. So that is the reason why we are happy to state that Andhra is doing well, but other plants had the shutdown. So, I am sure in the coming quarters, even the operations at all the other units would be equivalent or much better than Andhra.

Niteen S. Dharmawat: Perfect, okay. And so now, 3 million tons per annum and did ₹402 per ton this quarter. So what utilisation in EBITDA do you need there for Andhra to cover its own ₹127 crore of annual interest, and by when?

Sreekanth Reddy: See, I think the operations at Andhra, we should see the breakeven in the second half, at least at an operational level. Because as we have seen consistently, the volumes have been moving up. We are still falling short of around 20,000 tons to 30,000 tons per month, which we should make up during the current half. So, we don't see challenge for Andhra to break even. If not in the current year, I think Q1 next year, we should start seeing the breakeven point of Andhra and start making money.

Niteen S. Dharmawat: So far, we used to give plant-wise utilisation number. So, can we restore this plant-wise utilisation also and also give quarterly pledge number missing in the presentation?

Sreekanth Reddy: I think even in the current speech that I have told, we did share the plant-wise number, but we will be more than happy sharing it.

Niteen S. Dharmawat: Yeah. Because that will be available beforehand, before the call starts. And the net debt is rising against our own projections. So net debt is…

Sreekanth Reddy: Yeah, net debt has risen, and I think it more or less stabilizes because as you know, the CapEx is almost for conclusion. So, we have more or less drawn the entire thing. I think it should remain more or less at same level for the current quarter. From the next quarter onwards, it should start sliding down.

Niteen S. Dharmawat: Okay. Freight is at five quarter high at around ₹900 per ton.

Sreekanth Reddy: Diesel prices have gone up as you are aware. I think it should stabilize, hoping that diesel price, there may not be any significant reason in that. The freight more or less should remain flat from here on.

Niteen S. Dharmawat: Perfect. In May, you guided, and in current call also you guided for 7-million-ton projection, and it was at ₹600 per ton and ₹580 EBITDA. So H1 came at around ₹355. What is the revised full-year EBITDA number?

Sreekanth Reddy: I think we should comfortably do. Unfortunately, the input prices have scaled up, but we should be up of ₹350 crore to ₹375 crore for the full-year, which should roughly translate to ₹525 to ₹550 tons per EBITDA per ton. Instead of ₹410 odd crore that we have projected, I think we should end up anywhere between ₹350 to ₹375. This with increased realisation and increased savings, but unfortunately, the input prices also have gone up. From our internal estimates, I think we

should end up anywhere between ₹350 to ₹375 crore, which should roughly translate to ₹525 per ton at EBITDA.

Niteen S. Dharmawat: And like peers, like including UltraTech, which is pretty large in size, saying South is doing very well in their con calls. And they repeatedly said in the last call. So, why are we not able to see this in our results?

Sreekanth Reddy: I think their statement we fully concur. I think you will start seeing it from here on.

Niteen S. Dharmawat: Okay. And our ROCE is also extremely low. When will we see the improvement in it?

Sreekanth Reddy: I think as you would appreciate, there has been a very aggressive kind of CapEx that has happened over last two years. Unfortunately, during this time, even market also was not supportive. We see good times from here on, especially on the demand side. As I've indicated, demand has been fairly strong. We believe the same momentum should continue at least for next two years.

Given this scenario, we strongly believe, and that's the reason why we also followed the -- I would not say aggressive CapEx plan, but we did go for the CapEx, I've been waiting for this demand to shape up, and fortunately it has come now. So, we believe from here on, we should strongly start getting increased kind of a margin and much better return ratios.

Niteen S. Dharmawat: Perfect. Should we conclude that the bottom has been made for the South cement cycle with your experience? Because last time when we spoke, you said that you've not seen such a difficult time in your experience of more than 25 years. So should we conclude that the bottom has been already made and now…

Sreekanth Reddy: Yeah, there are two things. One is on the pricing and the other on demand. Demand, I think, we are going to hit highs every quarter from here on. When it comes to pricing, so far, the pricing for last few months has been, I would say, better than what we have achieved in the past. But these prices, at the best, would cover the increased kind of a cost. In our own case, the advantage for us at Sagar has been our volume slowly started, our capacity utilisation slowly started increasing, and at the same time, some of the CapEx also was for savings. All of them started acting. So, I would say that we have already hit our bottom when it comes to our own margins.

From an industry perspective, we believe that bottom, we don't want to go back to the bottom, but I would reserve my comments because it's more a market-related issue. As far as Sagar is concerned, I think we have hit our bottom, and from here on, we should only look up for Sagar. Even a small correction in the price should fairly give decent return is what we strongly think.

Niteen S. Dharmawat: Should we say that will be crossing 65%, 70% overall utilisation for Sagar?

Sreekanth Reddy: Yes. I think we are looking at if same demand trends continue, I think next year we are targeting close to around 65% to 70% capacity utilisation at overall numbers, at full capacity, Mr. Niteen…

Niteen S. Dharmawat: And for H2?

Sreekanth Reddy: Yeah, I think H2, we should be up of close to 65% to 70%. I think same numbers is what we are projecting for the coming years.

Niteen S. Dharmawat: Got it. Thank you so much and wishing you the best.

Sreekanth Reddy: Thank you, Niteen.

Moderator: Thank you. We will take the next question from Shravan Shah.

Shravan Shah: A couple of questions. Just to get a clarity, for this year, we said that we will be doing a 7-million-ton volume. And next year, last time you said, and the way we are saying 65%, 70% kind of a utilisation. So next year, how we can look at in terms of the volume?

Sreekanth Reddy: I think we are targeting it around 8 million to 8.25 million.

Shravan Shah: Okay. Now, and in terms of the profitability part, you said that for full-year, we are looking at ₹350 crore, ₹375 crore kind of a EBITDA. So and in 1H, we have done ₹118 odd crore. So kind of a ₹230 crore plus kind of a that. If you can help us, because obviously everything links to the price, so that's the most important. Yeah.

Sreekanth Reddy: I'm not pre-empting. What we are indicating is ₹350 crore to ₹375 crore. From what we have closed, it also includes some maintenance costs, so we believe that part is behind. But having said that, we are talking of around additional ₹300 EBITDA per ton incremental, or ₹355 what we have done for the first half. This ₹300, actually what we have seen is a ₹500 to ₹550 at EBITDA level realization increase.

However, we have seen around ₹200 cost increase because of fuel. So overall, we are seeing around ₹650 EBITDA per ton for the next half.

Shravan Shah: Okay. Got it. So, if you can break down in terms of the price hike. From the Q2 average till now, obviously, there is a significant price hike both in trade and non-trade. If you can state-wise or maybe South, Maharashtra, MP.

Sreekanth Reddy: Yeah, let me state the South one first. Quarter could be a challenge because most of the price hikes have happened only in the September month. So, from August to September, what we have seen is a ₹20 per bag price hike in non-trade and a ₹20 price hike in terms of trade. But from September to October, what we have seen is a further ₹20 hike in non-trade, but only ₹5 hike in trade. This is in South. Whereas in the other regions, what we have seen is only a ₹5 to 10 kind of a price hike across Madhya Pradesh, and to certain extent, ₹5 hike in Odisha. More or less flat in the other markets. Maharashtra, we have seen some price hike, but more or less it got evened out.

Shravan Shah: Okay. And in terms of the Vizag land sale, anything there?

Sreekanth Reddy: I think end of this financial year, we should have progressed to the point where we should start receiving the advance, and we should have received some advance before end of this financial year. Good news is that there are a lot of enquiries, so there is some progress. In the current financial year, we should have seen receipt of advance for the particular land.

Shravan Shah: So how much one can look at in terms of this year?

Sreekanth Reddy: I think at this point of time, I would stick to what we have indicated before. So, we are expecting ₹350 crore of total monetisation value for that Vizag land. Around ₹150 odd crore is what we are expecting as advance. Again, I am talking of net value, so this is post some corrections to the tax that we have to pay and certain expenditure that we have.

Shravan Shah: Okay. And lastly, for this quarter Q2, in terms of the South and state level, how was the demand and for full-year, how we are looking at in terms of the demand?

Sreekanth Reddy: I think quarter would be optical. I think year-to-date, AP and Telangana have grown up of 15%. Karnataka has grown more or less at 2% to 3%. I would assume that it is flat. Tamil Nadu has grown at

plus 10%. Kerala has grown at plus 12%. Maharashtra at plus 10%. Odisha almost flat. Madhya Pradesh has grown at around 7.5% to 8%. Gujarat has grown at close to around 5%, Shravan.

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

Sreekanth Reddy: Thank you.

Moderator: Thank you. We'll take the next question from Rajesh Ravi.

Rajesh Ravi: Hi. Good morning. Coming back to this question of margin improvement for second half. First, the volume target 7 million ton is only cement or cement plus clinker?

Sreekanth Reddy: I think we always indicate only cement. We do not indicate the clinker. We have never done. The 7 million is only on cement side.

Rajesh Ravi: Okay. And the margin improvement which you are looking at, you mentioned that there have been ₹20 in the non-trade market as well as in trade. South prices have gone up by ₹20 per bag, both in September as well as in month of October. October, I think you mentioned trade only ₹5 increase has happened, whereas in a non-trade, both the months we have seen ₹20 price hike, right?

Sreekanth Reddy: Yes. It is ₹20 each per each month.

Rajesh Ravi: Each of the month.

Sreekanth Reddy: Yeah.

Rajesh Ravi: So, on a net basis, net of discounts and anything else, how much if these prices, suppose October prices were to sustain and no further changes happen?

Sreekanth Reddy: I think we have got net because we are talking of South, but overall we have Odisha, Maharashtra, and other states. What we have seen at Sagar is ₹25 per bag on an average from exit of August all the way so far. Again, it includes September and all the way up to end of October. We have seen on an average ₹25 per bag, which is roughly translating to ₹500 odd per ton increase at realization level.

Rajesh Ravi: But on average basis, average of Q3 versus Q2, this ₹500 would move to how much?

Sreekanth Reddy: I think average could always be a challenge. I think, yeah, we should take this number because bulk of the increase happened only end of September, so we can assume that this should be the average between Q2 to Q3. That should be so far has been the holding thing.

Rajesh Ravi: Understood. On the costing side, you mentioned there is a ₹200 jump and largely that should be?

Sreekanth Reddy: See, the ₹200 jump is all the way up to end of August, end of January '27, because more or less our fuels are covered that far. We still probably may have to look at last two months of the current financial year. That has not been pencilled in. Up to end of August, in our case, it has gone up by ₹200.

Rajesh Ravi: Okay. In that case, because you mentioned that your Mattampally plant had expensive shutdowns and maintenance…

Sreekanth Reddy: Yeah, that is overall from waste heat recovery running and the maintenance cost reduction, we expect a saving of anywhere between ₹50 to ₹75 per ton saving that we have not pencilled in. That is always contingency.

Rajesh Ravi: Understood. Any uplift gain also you are looking at? Because your volumes have remained firm in past two quarters.

Sreekanth Reddy: That is what we are translating ₹50 to ₹75 is because of the operating leverage gains.

Rajesh Ravi: No, from the maintenance shutdowns and all which were there in Q2, which would not flow through in Q3, Q4, that would not be an additional savings?

Sreekanth Reddy: All that has been pencilled in, because some of the maintenance has been large, so they have been capitalised. So, whatever is relatively lower, that is what we are trying to indicate here. See, we did change kiln shells, we did go for some of the major maintenance, which is more on a capitalised basis. But there are some costs that has been pencilled in. Quantifying them at this point of time is a challenge, but we expect it to be better than what we have indicated.

Rajesh Ravi: Okay. If prices do not go south from here on, is it fair to assume that Q3 we will be looking at north of ₹600 margin?

Sreekanth Reddy: I think we should, yeah, we should look at ₹650 kind of an environment.

Rajesh Ravi: For Q3? Okay.

Sreekanth Reddy: Yes.

Rajesh Ravi: Understood. And on CapEx front, I see most of your CapEx is already done.

Sreekanth Reddy: Except for probably some cash flow related to CapEx might flow into Q1 of next year, but everything is done. Everything is done.

Rajesh Ravi: Okay. So H2 onwards, there should be a strong recovery in operating profits, and the CapEx outgo should taper down, and hence the net debt number should start to look lower?

Sreekanth Reddy: We believe that for Q3, net debt probably should remain where it is. From Q4 onwards, it would aggressively start coming down.

Rajesh Ravi: Okay.

Sreekanth Reddy: So, we just commissioned end of September, so some of the CapEx also is due into the current October we did put some CapEx and into November, but more or less the same number, we would not cross this number, barring a small delta, but from Q4 onwards, it will start aggressively start coming down.

Rajesh Ravi: Understood. Hope to see good numbers here on, and the Vizag land sale meaningful progress would be much needed. Thank you.

Sreekanth Reddy: Thank you.

Moderator: Thank you. We'll take the next question from Parth Bhavsar.

Parth Bhavsar: Hi. Thank you for the opportunity. You mentioned a couple of things. Your cost, you are covered till January, right? That would basically imply a ₹200 per ton sort of cost increase. So, basically your landed cost, fuel cost in Q2 was ₹1.93. Is that right? kcal cost?

Sreekanth Reddy: We did indicate in the presentation.

Parth Bhavsar: Yes. So basically, that calculation is ₹1.93. This would go up to how much, or like this will stay at current levels?

Sreekanth Reddy: See, I think more or less there should be a small delta in that, but very minor one which will not really impact all the way up to end of January. The ship has just landed, so more or less we should stabilise at those numbers. We are covered all the way up to January is what I have indicated. It will be sub ₹2 per 1,000 kcal or per thermie. Yeah, that should be till end of January.

Parth Bhavsar: Okay. And then if we like assume that, we have to start buying it at spot, so what sort of price hike would be required to cover up?

Sreekanth Reddy: I think another ₹200 would be a safe assumption, but we have to see how it is shaping up.

Parth Bhavsar: Okay. What is the gap between trade and non-trade in all the regions?

Sreekanth Reddy: I think in the current situation, South, I think we make more money in non-trade than trade with the increase that we have seen, or more or less. See, in our case, as indicated even earlier, our trade and non-trade prices more or less would be very similar. See, most of the time what happens is at a margin level, both are not very different. Yeah, optically the realization looks higher purely because discounts and everything in trade is offered subsequently. That includes discount and all. So, you invoice higher and then offer discounts and all. So optically the realizations look very high in trade, whereas in non-trade everything is stripped off.

So, from a margin perspective, rest assured, historically, has been the case barring some time, but margins are almost similar for both trade and non-trade in our case.

Parth Bhavsar: Got it. Last question on the fuel mix. The fuel mix that we have mentioned, this would basically continue to be the mix even going ahead, right?

Sreekanth Reddy: I think we are mostly shifted to domestic. We have less petcoke. The petcoke primarily is both at Gudipadu and Jeerabad, and primarily are the domestic sources. There is some percentage which is coming from South Africa or U.S. I mean, this is the mix which should go forward because that's how we have made our inventory.

Parth Bhavsar: Perfect. Those were my questions. Thank you.

Sreekanth Reddy: Thank you.

Moderator: Thank you. I will just take a couple of questions from the chat. One is on the, you are expecting much better H2 FY '27 going by your commentary. On the volume guidance of 8.25 million tons for FY '28, what kind of EBITDA per ton are we looking at? That's first question. And what is the net debt by the end of FY '27 and '28?

Sreekanth Reddy: See, I think our net debt position, our stated goal is to look at cutting it by half over next two years' time from current ₹1,600 crore, ₹1,450 crore kind of net debt position. Yeah, we would like to see some ₹700 crore kind of a thing over next two years' period. What we generally pencil in, like for even for the current year, what we looked at was ₹650 to ₹700 EBITDA per ton for the full volume. Same is the numbers that we look at it. And we end up correcting it closer to the quarter or closer to the timeline. But what we are pencilling in is around ₹650 EBITDA per ton for 8 million ton to 8.25-million-ton kind of a volume. Around ₹500 odd crores is what we are looking at for the next year.

Moderator: Yes. Net debt for FY '27 and '28.

Sreekanth Reddy: I think we should start looking at around ₹250 crore of debt getting reduced from next year onwards, plus the realisation, monetisation from the Vizag land.

Moderator: Got it. One more question is what is the average utilisation today post the two recent hikes?

Sreekanth Reddy: See, as I mentioned, there has been on an average at a gross company level, at a consol level, yeah, we have seen close to ₹500 higher realisation at the company level compared to Q2. So that's a simple add up. So, you should look at plus ₹500.

Moderator: Got it.

Sreekanth Reddy: And you have to net it off with the GST correction.

Moderator: Got it. Okay. We'll take the next question from Vibha. Vibha, please go ahead.

Vibha: Yeah, thanks. Yes. Hi. Most of the questions have been answered. One question on incentives. How much incentives we have received for Jeerabad unit and what is the remaining incentives that we are going to receive in the coming quarters or years?

Sreekanth Reddy: See, I think the expected incentive for Jeerabad is at ₹30 crore per year. I think we did receive another ₹50 crore is what we are expecting for the two and a half years.

Vibha: Yeah. Also, secondly, on WHRS capacity. So how much capacity we are going to have in the FY '27 and for FY '28? And what type of savings we are expecting from that?

Sreekanth Reddy: Yeah, we did indicate there is only one waste heat recovery that is pending, that is at Andhra, which our CapEx is for FY '28, not anytime soon. We are also expecting a 7 megawatt, to 8-megawatt solar plant at Jeerabad for the coming year. The expected savings again is something which we have to pencil in. For Andhra, when waste heat recovery will get commissioned, we should expect ₹1.5 crore per month kind of a saving at Andhra. For solar, we are expecting close to around ₹4 crore to ₹4.5 crore at Jeerabad for full-year, as and when it gets commissioned.

Vibha: Okay. Thank you so much.

Sreekanth Reddy: Thank you.

Moderator: We request anybody who has a question may indicate by raise of hands. We can go ahead with Shravan.

Shravan Shah: Hi. Anything on the Superfine Building Materials division? So, anything finalised there?

Sreekanth Reddy: Yeah, we just got approval from the Board for the Capex. We did identify the land in Galsi in West Bengal. We should start the operations by end of this quarter, from a microsilica perspective. There is some amount of CapEx that is required at Bayyavaram for making into ultrafine GGBS. We just got the approval, so we should start looking at some result probably middle of Q4 onwards.

Shravan Shah: So how one can look at in terms of, so let's say, this quarter, once we start and maybe fully…

Sreekanth Reddy: Yeah, I think in the current financial year, we are not expecting major kind of an uptick into the EBITDA. For the next year onwards, the next year being the first full-year of operations for that, we are only assuming certain capacity utilisation. I think it should contribute

anywhere between ₹25 crore to ₹30 crore of EBITDA for the next year, subsequently to scale up aggressively from there on.

Shravan Shah: So, there are ₹20 crore, ₹25 crore EBITDA. So, at what revenue we are looking at?

Sreekanth Reddy: I think in that business; the EBITDA margins are upwards around 35% to 40%.

Shravan Shah: Okay, and the Capex would be how much at that up?

Sreekanth Reddy: Looks very negligible. I think the overall CapEx that is projected is around ₹60 crore spent over next 18 months.

Shravan Shah: Okay, ₹18 crore.

Sreekanth Reddy: Yeah, this is ₹60 crore - ₹80 crore.

Shravan Shah: Okay. ₹60 crore.

Sreekanth Reddy: ₹60 crore and ₹20 crore of working capital has been projected.

Shravan Shah: So, this ₹60 crore we will be spending in next…

Sreekanth Reddy: The capex at Bayyavaram is different from that at Galsi. At Bayyavaram, the expenditure primarily involves modifications to separators and related equipment. Accordingly, a portion of this expenditure is in the nature of maintenance capex.

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

Sreekanth Reddy: Thank you.

Moderator: Thank you. Anyone who has a question may indicate by raise of hands. As we don't have any further questions, I would like to hand over it back to you for your closing comments.

Sreekanth Reddy: Yeah, we would once again like to thank each one of you for joining on the call. I hope you got all the answers you were looking for. Please feel free to contact any of our team at Sagar or CDR should you need any further information or have any further queries. We will be more than happy to discuss with them. Thank you. Have a good day. Happy Deepavali.