



“JK Cement Limited Q3 & 9 Months Earnings Conference Call”

January 19, 2026



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

Moderator: Ladies and gentlemen, good evening, and welcome to JK Cement Earnings Conference Call for the Quarter and Nine Months Ended 31st December 2025, 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 “*”, then “0” 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, Rutuja. Good evening, everyone. On behalf of PhillipCapital (India) Private Limited, we welcome you to the Q3 and Nine-Month FY 2026 Call of JK Cement Limited.

On the call, we have with us Mr. Ajay Kumar Saraogi – Deputy Managing Director and CFO; and Mr. Prashant Seth – President (Business Information and Investor Relations) at JK Cement.

I would like to mention on behalf of JK Cement Limited and its management that certain statements that may be made or discussed on today's conference call may be forward-looking statements related to future developments and statements which are based on current management expectations.

These statements are subject to a number of risks, uncertainties, and other important factors which may cause actual developments and results to differ materially from the statements made. JK Cement Limited and the management of the Company assumes no obligation to publicly alter or update its forward-looking statements, whether as a result of new information or future events or otherwise.

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

Management: Thank you, Vaibhav. Good evening and welcome to Q3 call. The Board of Directors met on 17th January to review the working for the quarter ended 31st December, 2025 and nine-month period ended 31st December, 2025.

The major highlights are for standalone:

The net sales are higher by 14% over the previous quarter at INR 3,132 crores as against INR 2,754 crores and year-on-year it is higher by 19% as the comparative numbers are INR 3,132 crores and INR 2,630 crores. For the nine-month period, the net sales are higher by 19% at INR 8,555 crores as compared to INR 7,542 crores.

EBITDA during this quarter was INR 536 crores as compared to INR 440 crores in the previous quarter, an increase of 22% and it is higher at 10% year-on-year, INR 536 as against INR 486 in the previous year. For the nine-month period, EBITDA is INR 1,648 crores as compared to INR 1,232 crores, an increase of 34%.

The comparative margins are for this quarter 17.1%, previous quarter 15.9%, previous year 18.4%. For the nine-month period, the EBITDA is 18.4% versus 16.3% in the previous year. After deducting depreciation, finance cost and exceptional item, exceptional item is towards the new Labour Code liability.

The profit before tax is higher at INR 276 crores as compared to INR 261 crores and it is lower by 5% at INR 290 crores it was in the previous year. For the nine-month period, the profit before tax is INR 1,034 crores as against INR 637 crores, an increase of 62%.

The EPS for this quarter is INR 23.30 as compared to INR 22.70. It was INR 25.80 in the previous year and for the nine-month period, it is INR 89.10 as compared to INR 56.70. The EBITDA per tonne is INR 9.28 in this quarter as compared to INR 9.02, in the previous year it was INR 1,022. And for the nine-month period, it is INR 1,022 versus an increase of 14% as compared to INR 8.96 in the previous year.

As far as the consolidated results are concerned:

The net sales in this quarter is higher by 15% at INR 3,383 crores as compared to INR 2,940 crores and even as compared to previous year, it is up by 20% and for the nine-month period, the net sales is higher by 19% at INR 9,565 crores as compared to INR 8,028 crores.

The EBITDA for consolidated EBITDA is INR 558 crores versus INR 447 in the previous quarter and year-on-year it was INR 492. For the nine-month period, it is INR 1,692 crores and previous year it was INR 1,262 crores and increase of 34%.

If we look at the profit before tax, consolidated is INR 268 for the quarter as compared to INR 243 and INR 279 in the previous quarter; INR 1,000 crores for the nine-month period as compared to INR 707 crores in the previous nine-month period.

This profit after tax for the quarter considers a new Labour Code liability of INR 47.8 crores. If you look at the volume numbers, the grey numbers here, quarter-on-quarter it is higher by 20% and year-on-year 23% and the white business on quarter-on-quarter it is higher by 15% and year-on-year 13%.

As regards the project, the Brownfield 6 million tonne expansion in Central India, out of this the clinkerization unit of 3.3 million tonnes and 3 million tonnes of grinding, 1 million tonne each at Panna, Hamirpur and Prayagraj have already been commissioned. The Buxar Greenfield grinding is the advanced stage of completion, and we feel that within the next 30 days this should get commissioned.

With this, we are confident that all the remaining work of the project at Panna like OLBC, etc. would also get commissioned within February. And by end of February, the entire work would be completed.

We have undertaken a Greenfield expansion at Jaisalmer, so here the work has already started in full swing at the integrated site. The orders for main plant and equipment have already been placed and the civil work has already started and we are hopeful that by September 2027, this should get commissioned. We are soon going to start work at both the grinding locations in Punjab and Rajasthan, so that also we are confident that by September 2027 we should be able to commission the same.

As regards, we have also taken up a Greenfield wall putty plant in Rajasthan and the work on the same has already been started and we expect that by September 2026 we should be able to commission these 4 lakhs tonnes additional wall putty plant.

These are the major highlights for the quarter. If you have any questions we will be happy to address the same. Thank you.

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

Amit Murarka: Hi. Good evening. Thanks for the opportunity. Just on incentives booked, could you give that number for Q3?

Management: Q3 number of incentives is lower on account of the GST rate cut and the impact is around INR 25 crores. So, last quarter number was INR 86 crores and this quarter it is INR 60 crores.

Amit Murarka: It was INR 86 crores in Q2 you mean?

Management: Yes.

Amit Murarka: Okay. And it is INR 60 crores now. So, INR 60 crores should be the run rate, or it will go up now with the Buxar unit starting in this quarter?

Management: I think Buxar first we would be taking the project GST credit. So, in this fiscal we do not see. So, this run rate of INR 60 crores should be there in this quarter.

Amit Murarka: Okay. Also on costs, so in this quarter your other expenses have declined quite sharply while you had explained in Q2 that it was a bit elevated in Q2. But Q3 seems actually a little bit lower than what was generally expected to come through. So, is it like some marketing spends kind of being lower in the quarter or anything like that which led to this lower number or this is a normal run rate to think of?

- Management:** So, there is some marketing spend is lower because it was taken up in September it was higher, especially in the white business. Also, we see that there is a dip in the branding cost. But in this quarter, I think it will be higher than Q3.
- Amit Murarka:** Okay. And just a last question for Panna Line 2 commissioning. So, your capacity mentioned in the press release is 3.3 million tonnes, but you have been saying that it has potential to do 4 million tonnes. So, by when can we expect that 4 million tonnes potential to kind of get unlocked? Will it be through debottlenecking or how will it happen?
- Management:** See, it will take some time. One year I think. We do not need that extra flexibility immediately. I think we would be seeing once we run the capacity at optimal rate for about 6 months or so. So, maybe in the next fiscal it is end of next fiscal that we will see the possibility, how we accelerate it to higher capacity to about 4 million tonnes. But at this point of time, we will take it as 3.3 million.
- Amit Murarka:** Sure. But some additional equipment will be required to be added to get to 4?
- Management:** No. Nothing. Not really.
- Amit Murarka:** Okay. No major capacity. Thanks a lot. I will come back in the queue.
- Moderator:** Thank you. The next question is from the line of Kunal Shah from DAM Capital. Please go ahead.
- Kunal Shah:** Yes. Hi, sir. Couple of questions. So, beginning with the mid-teens sort of a base of volume growth, which we have achieved during F26 or will be achieving. What sort of growth now are we targeting over Fragrance 26 to 28 from a volume perspective?
- Management:** Pardon, I did not get you.
- Kunal Shah:** Sit, with the mid-teen base of volume growth that we will achieve during Fragrance 2026 on the grey cement, what sort of growth are we targeting for 2027 and 2028?
- Management:** So, see, again, we expect the growth to be in double-digits. Mid-teens may not be possible, but definitely like in 2026, we end up at 20 million. And we are seeing maybe early teens maybe closer to 23 million tonnes, 22.5 million tonnes to 23 million tonnes, and 25.5 -- as we go up and it should be anything ranging between 12% to 15% growth.
- Kunal Shah:** Yes. And secondly, on the CAPEX that, we had mentioned that roughly INR 2,000 crores of net debt would be the addition during F 2027 due to the Jaisalmer CAPEX broadly. Now, would that be the peak number or there are chances of that going up as well during F 2028, given, we would need or want to sort of fast track our south expansion?
- So, all I am just trying to understand is how the management is thinking between balance sheet over 2027 - 2028 versus growth.?

- Management:** No, see, as far as we are confident. Yes, definitely. Post-commissioning of Panna, we would like to take up the further Brownfield expansion. And maybe it looks like more, as you mentioned, in Karnataka, where we are mostly or almost sold out. So, that looks. But as far as if you see the average debt profile and net debt-to-EBITDA, as of 31st December, we are at 1.41. And I think by March, it could be around 1.6 or something.
- And next year, also, FY 2027, it should be closer to 2 or reach 2, I think. And we would get incremental volumes. Yes, because of Greenfield CAPEX is higher. We are not concerned, but we will not delay, we will definitely keep a watch on the balance sheet. But I think our journey for 50 million, still, I do not think so many headwinds coming against that. We should be able, we should be on track for that.
- Kunal Shah:** Understood. This is helpful. And lastly, just one bookkeeping. So, like during the third quarter, you lost about 1.5% or 2% on realization. I mean, just adjusting with the incentives also. But how much of that have we been able to recover during the first 15 odd days - 20 odd days of Jan, I mean, through these various price hikes, if you could just help on that?
- Management:** So, the price hikes have been there, but we do not gain on incentives.
- Kunal Shah:** No, which is fine. I am just talking of adjusting for the incentives.
- Management:** Pardon?
- Management:** Adjusting for the incentives.
- Kunal Shah:** Adjusting for the X incentives, I am saying. On the grey cement X incentives, like the realization that we have lost. How much have we been able to recover, if any, during the first fortnight of Jan?
- Management:** Yes, we have been able to recover that. I think we have the numbers, but I think there is a good, because the major recovery has been in the non-trade sales price. So, that should definitely be there.
- Kunal Shah:** Understood. Sure, sir. Thanks. This is very helpful.
- Moderator:** Thank you. The next question is from the line of Akshay Shetty from Mirae Asset. Please go ahead.
- Akshay Shetty:** Good evening, sir. Thank you for taking my question. I have only one question, mainly on the industry trends. So, from an industry perspective, how are you seeing demand trends over next two quarters to three quarters across key regions? And also, with multiple players announcing capacity additions, how do you see the supply situation evolving? Do you expect pricing discipline to sustain, or there could be some pricing pressure increase in certain markets?

Management: So, presently, as you said, regarding demand position in the next two quarters to three quarters, we are seeing definitely a good demand in this quarter. So, the March quarter, I think it could be one of the best quarters what we have ever seen. So, it looks like March. And then definitely, as the cycle goes with the March hangover, though it is a good construction period, but marginally in April, the volume does, because there is a lot of inventory of March, which is there in the market.

But we do expect that year-on-year, because the volumes have been lower in the April, June and July, September quarter. This year, the volume should be better year-on-year. And definitely 7% - 8% that is for the industry. So, this quarter, the growth, because the base is also high. So, year-on-year growth, maybe not 8% could be 6% - 7%.

Akshay Shetty: Yes, thank you, sir. That is all from my side.

Moderator: Thank you. The next question is from the line of Harshal Mehta from Asian Market Securities. Please go ahead.

Harshal Mehta: Hi, sir. Thank you for the opportunity. Three questions from my end. First, in terms of a couple of quarters, a lot of expansions being around in North, especially from FY29 perspective. How do you see industry pricing discipline and pricing trend? That was one.

Second, in terms of booking, what is our current CC ratio? And do we see any risk in terms of clinker shortage for H2 FY 2027? That was second.

And lastly, in terms of non-trade, we have seen like very sharp jump this quarter. Should we expect our non-trade share to remain at these levels or we expect it to inch down back to earlier levels? That was the third question.

Management: So, on your first question, a lot of capacities which are coming up. Yes, a lot of capacities have been. And if we really see, if we look at the demand growth and say 7% or 8%, not being one of the best markets. So, even North requires an incremental 10 tonnes - 12 tonnes incremental volume every year. So, yes, depending on the capacity, which is coming up, it takes time. I think there should not be much pressure unless one or two capacities bunching up, come up one time.

At a time, it may have some pressure for a quarter or two, not beyond that. But still, we do not see any major concerns as of now.

Harshal Mehta: So, on the CC ratio, if you can help with that. And do we see any risk of clinker shortage in H2 FY 2027?

Management: CC ratio is like 67%. And we do not have the clinker shortage. We have a complete clinker backup for our cement capacity.

Harshal Mehta: And on the non-trade part, if you can help with that.

- Management:** So, non-trade, yes. See, again, non-trade was muted for some time. Now, also at the year-end, at every level, the annual budget has to be exhausted. So, this is also one of the reasons for a spot in the non-trade demand. And last year, it was also muted because of the elections, the budgets have to be re-approved. Now, most of the states' election cycle is also over. So, I think the non-trade demand going forward should be good. It should go in tandem with the cement consumption growth.
- Harshal Mehta:** Thanks, sir, and all the best.
- Moderator:** Thank you. The next question is from the line of Pathanjali Srinivasan from Sundaram Mutual Fund. Please go ahead.
- Pathanjali Srinivasan:** Thank you for the opportunity, sir. Sir, I just wanted to know how the lead distance would change for us and how logistics costs will change post commissioning of Buxar plant, because I believe we have been seeding this market for some time from Panna. So, can you give me some color on this?
- Management:** So, after commissioning of Buxar, yes, the lead distance for central plant should definitely reduce because we have been feeding from Prayagraj and others. So, we send clinker directly to Buxar. So, that will give us definitely a benefit. Even as we are seeing, there has been a reduction in lead distance, but the freight per tonne of per kilometer is different in different states. So, actually in this part, the per tonne per kilometer freight being higher.
- So, all this may have, it depends on the mix. But definitely with the Buxar commissioning, we should see that both reduction in lead distance as well as some reduction in the freight costs.
- Pathanjali Srinivasan:** Got it. Sir, and was there any volumes from Panna line to this quarter? Or was it only from the existing plants?
- Management:** So, there has been some in this quarter itself. There was some clinker production of over 1.5 lakh tonnes from Panna line too. And as we had already commissioned Hamirpur, so there were some dispatches, incremental dispatches from Hamirpur also in this quarter.
- Pathanjali Srinivasan:** What is the timeline you can expect for this ramp-up for the plant? Because I believe there is some small works are still pending.
- Management:** Pending where?
- Pathanjali Srinivasan:** At Panna Line 2.
- Management:** So, Panna Line 2, I said, the waste heat and the OLCB pending, which will all the other remaining work at the plant site will get commissioned within February.
- Pathanjali Srinivasan:** Got it. Sir, and incentives for next year, what will be our expectation?

- Management:** See, incentive will definitely go down on a per tonne basis with the increased volume and everything and reduction. But we expect that once we have the eligibility and all the new units start getting with Buxar eligibility there, our annual amount, which had on the present had reduced from INR 300 plus crores to about INR 240 crores, should again go up to INR 300 crores.
- Pathanjali Srinivasan:** Got it, sir.
- Management:** But it may not be fully in FY 2027. It may be a bit later, a quarter or two difference could be there. But our exit run rate of FY 2027 that could be INR 75 crores quarterly.
- Pathanjali Srinivasan:** Got it, sir. Sir, and just one last question. Like our volume growth has been very good. It has been like significantly higher. Any particular region where we have been able to like do better or where we have seen that growth is stronger versus other regions? Could you give some comparatives here?
- Management:** No, see, major growth is coming from Central India. And as we are doing an expansion, definitely we need to build up our customer base and our sales across all segments for even non-trade. So, for planning for a long-term relationship with long-term players also. We have built up those relationships, which has resulted in a higher volume growth. But wherever, I mean, yes, in this journey somewhere there are non-trade prices being under pressure. The overall relations have been marginally lower.
- Pathanjali Srinivasan:** Got it, sir. And just one last question, sir. Guidance for 2026, we are not changing? We are sticking to 20 million. And any reason why? Because we seem to be like doing very high in terms of nine-months.
- Management:** So, we are not changing any guidance on the volume numbers for FY 2026.
- Pathanjali Srinivasan:** Okay. Got it, sir. Thank you.
- Moderator:** Thank you. The next question is from the line of Navin Sahadeo from ICICI Securities. Please go ahead.
- Navin Sahadeo:** Hello. Good evening, sir and thank you for the opportunity. Sir, there are a couple of questions. So, first was that I think for nine months, our volume growth is already 18% - 19%. Should we look at it only from sales, incremental sales from new markets or new regions that we got? Or we got benefit or we could increase our market share in the existing markets as well? That was my question, first.
- Management:** So, if you look at, yes, the major gains in the market has been from Central India. So, where we are reaching out, we are going to new markets. And as we had entered when looking to Bihar and expansion, so we had already started making a footprint stronger in Eastern UP and Bihar.

And again, we will continue to grow over there because we feel that we are still not a major player in the market. So, we would like to consolidate our position. And as soon as possible get into, if not double-digits market share, at least mid-high market share in all of the, in the entire market. So, that has been the major areas where we have grown.

And when we have grown in the South, there was the tomatoes growth. So, we have, our numbers are higher in the South. So, we have also grown in the North, but in tandem with the market.

Navin Sahadeo: Okay. So, in North, you are saying our market share remained intact while we would have gained in Central, South and East, of course, was altogether a new market. Is that correct?

Management: East was a new market, and it was, yes, it was not there. It is a very small number. So, that is definitely there, small number of Toshali. But it does help in increasing the percentage. But again, it is not material.

Navin Sahadeo: Right. Sir, for the North market, our analyst experts are basically suggesting that December was probably a record month. In the sense that, like, we could see volumes which were similar to even March for some of the players, March 2025.

Management: Yes. So, practically, we are nearly, it has been good. All our plants, mills and sales have been operating.

Navin Sahadeo: Of course.

Management: I think it is a good market. The demand is good. And it would be not only for us, I think for most of the North players, it should be, this quarter could be a sort of a sold-out situation as was in the last year.

Navin Sahadeo: Sir, my question was around pricing like if that was the kind of record numbers we saw. But I think pricing failed to impress in the month of December. And January, I believe there is some price hike. So, my question was, what convinces us that, like, we will be able to see a better pricing in January and February if it failed to impress in December?

Management: Yes, definitely, that is a big possibility. And I hope it does happen. Because, one, in the last few months, the non-trade pricing, there had been a lot of pressure on the non-trade pricing. So, the difference between trade and non-trade had increased a lot, which was putting pressure on the trade pricing, sir. Still, the trade prices did not fall, despite the huge difference. But now, since the non-trade, with the improved demand, the non-trade prices have improved. This should definitely be the platform for a possible increase in the trade prices. And looking to the demand, there is all possibility that the trade pricing should increase.

Navin Sahadeo: Understood. And just one more question, if I may. From your presentation, I was looking at the data on pet coke and fuel costs. My observation was that while your monthly pet coke cost in dollar terms that you are reporting is increasing, and of course, on an average basis, it is certainly

going up in Q3, and there has been a rupee depreciation as well. And despite that, our cost per Kcal or the fuel cost that we give has fallen down sequentially. So, what difference are we doing to get a lower cost?

Management: No, Navin, actually it is because of the mix, because Indian fuel consumption has increased.

Management: Central plant is actually basically more on, closer to the mines, it is more on Indian coal, which is cheaper. The pet coke is mainly used in the northern plants and in south plants, but in the central plants, it is a reverse situation where we are using the pet coke only as a blending fuel, about 20% and the AFR is also higher. So, these are the two factors.

Navin Sahadeo: So, as we ramp-up the new kiln, which is again in Central India, we should get further benefit of domestic coal or we should be insulated that much more.

Management: Yes, we have a linkage, domestic fuel, and even as of now, even the open market domestic fuel is cheaper. See, this is the advantage to be closer to the coal sources. So, we are closer to the coal field, so we have an access to cheaper fuel.

Navin Sahadeo: Understood. And just again, one broader question, if I may. So, in this quarter, as you rightly pointed, non-trade prices went down, and I can see, of course, your mix also changed in favor of non-trade. So, my question was, post GST rate cut, I thought the expectation was of seeing benefits towards premiumization, so to say, but that seems to have been on the other side, in the sense, negative, as the non-trade is falling much more and share of trade is also falling. So, how should one look at it from that point of view?

Management: I mean, the non-trade, see, incremental volume has gone into non-trade. But our premium brand volumes, in absolute numbers, the trade numbers have increased, they have not gone down and the premium product percentage has also increased. Quarter-on-quarter, if we see from July - September quarter, it was 14.9%, against which we have done 17.3% of premium products in this quarter. And so, there is an increase, even if you say July - September is a lean period, if we take it year-on-year, it was 15.8%, against 15.8%, we have 17.3% of premium products.

Navin Sahadeo: Understood, my only, if I may say, fear was that as we ramp-up our Panna Line 2, at least in the first year, our exposure to non-trade then would be much higher than what we saw in Q3 or you think it can come down?

Management: No, not as a percentage it will not be, this has been, so, I do not think as a percentage it will increase further.

Navin Sahadeo: Understood. That is helpful, sir. Thank you so much.

Moderator: Thank you. The next question is from the line of Sanjeev Singh from Motilal Oswal. Please go ahead.

Sanjeev Singh: Thank you for the opportunity sir. Just one clarification, so you were saying 20 million tonne of volume, that implies only 1% - 2% kind of a growth year-on-year basis. So, does it mean that given the clinker utilization rate of 97% in 3Q, probably volume growth from existing plants could be flat. And the incremental volume could be from the Panna plant, because at the same time you mentioned that industry growth could be at 6% - 7%. And given JK Cement's historical growth rate, we would assume that the volume growth should be higher than what the industry is doing. So, just needed one clarification on this.

And secondly, if you can put out some number on what has been the pricing improvement in January so far, both in trade as well as trade segment.

Management: So, on the clinker, yes, definitely see the clinker, the major volumes is going to come from Central India, and North it will be at the rate with the market, we are not going to lose any market share. Because again, there are twin markets, and all that can be serviced accordingly. So, we are not going to lose any market share, either in the North. And again, and we will definitely be growing overall more than the market in this quarter also.

Sanjeev Singh: And any number to the pricing improvement which we have seen in January?

Management: So, the pricing, see, what we are seeing from latter part of last week of trend, which we have seen now is on the non-trade pricing, definitely about, in terms of INR 15 to INR 20 improvement in the non-trade pricing. And in trade, definitely that has helped, one, it has released the pressure on trade, we have really not seen any increase in trade. But definitely, since the pressure is off, it will help in restructuring our discounts, and further and increase some of trade prices wherever possible.

Moderator: Okay, sir. Thanks a lot. Thank you. The next question is from the line of Ritesh Shah from Investec Capital. Please go ahead.

Ritesh Shah: Hi, sir. Thanks for the opportunity, sir. I have a couple of questions. Sir, first is, would it be possible for you to dissect the fuel mix, given you hinted on the linkage, so what is pet coke? How much is linkage? How much is non-linkage? And any indication of how that will play out in the next quarter?

Management: No, see, presently the pet coke consumption was around 60%, and balance is the Indian Coal and AFR.

Ritesh Shah: Okay. And sir, how much will be linkage over here?

Management: So, in case of, I mean, I think about, of the Indian Coal, around 70% is linkage fuel and 30% is open market.

- Ritesh Shah:** This helps, sir. Thank you for this. Sir, my second question is on exceptional items. How should we read this number of INR 46 crores? Is there a retrospective element over here? How should we understand it and why is it under exceptional?
- Management:** See, as an exception item, this is under the new Labour Code, which has been effective from 21st of November. So, on the new Labour Code where they have spelt out the new wage and the definition of how the gratuity and the leave and encashment has to be calculated, where they have said, the gratuity of the total payment, 50%, has to be the basic amount and the leave and encashment.
- So, we have broadly reviewed that and we are still doing the fine working. Bbut we have tried, actually, this could be the liability on account of this revision, though we are still discussing and freezing the numbers, but this is the number. This is how we have arrived at the number.
- Ritesh Shah:** Sure. Sir, last two questions. Sir, CAPEX number, if you could highlight for full year 2026, 2027, 2028, and if you could just dissect Jaisalmer out of the CAPEX number, annual CAPEX numbers.
- Management:** So, CAPEX number in this year should be INR 2,500 crores to INR 2,800 crores and out of that Jaisalmer would be INR 600 crores. Actually, as you see, whatever number we had given without Jaisalmer, which was around INR 2,000 for FY 2026, that remains as it is. The incremental CAPEX in this year will be on Jaisalmer, which is around INR 600 crores and another INR 50 crores - INR 60 crores on the Nathdwara wall putty plant. Otherwise, we are broadly, in line whatever earlier plan which we had given of the CAPEX.
- Management:** And next year CAPEX would be around INR 3,500 crores, which would include around INR 3,000 crores of the CAPEX on the 7 billion tonne expansion.
- Ritesh Shah:** And so 2028?
- Management:** 2028 will be the spillover CAPEX in the range of INR 1,000 crores - INR 1,200 crores.
- Ritesh Shah:** Okay, this is helpful. And sir, any update on Toshali limestone? I think we were engaging with the government. Any update over there?
- Management:** No, it takes time. We are still in dialogue with the government. They are still, they are considering our request. And so, any plans on that, what we need to do as a next step will depend when they really, we have the order, we have everything in hand. See, one is a positive indication, that is definitely there. But when we are working with the government, unless you have the order and everything, the agreements in place for the long-term supply with a fixed rate, we cannot. But still, I mean, there is no negative discussions in the dialogue, all in the positive manner.
- Ritesh Shah:** Sure. Sir, if I can squeeze one question, if you allow.

Management: Yes, please.

Ritesh Shah: Sir, can you give some indication on the trade and non-trade price cap across regions?

Management: So, now, with the improvement, I think the gap would have come down nearly normally INR 20 to INR 30. Maybe in certain pockets, still remaining at, still there at INR 40. But it has come down. It had gone up to INR 60 rupees - INR 70. So, that was the position.

Ritesh Shah: Sure, sir. This was very helpful. Thank you so much. All the very best.

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

Rajesh Ravi: Yes. Hi, sir. Good evening. My first question pertains to your cost saving projects. Could you quantify how much we have achieved so far in FY 2026? And what is the guidance for full year and next year?

Management: So, as we said, we had a plan of about INR 150 to INR 200, anything in ranging. FY 2025, we had already done a particular journey of INR 50 - INR 60. We had a plan, I think, exit of March, we should be, mostly everything done at around INR 125. Maybe we have another INR 25 to INR 40 for next fiscal.

Rajesh Ravi: Okay. So, the INR 150 you have already done, INR 100 odd?

Management: INR 125 should be the exit of March 2026.

Rajesh Ravi: Sorry, I did not get you. FY 2025, you achieved INR 50 to INR 60 and this you are saying another INR 25 FY 2026?

Management: Another INR 50 - INR 60 rupees this year, which means the exit of FY 2026, it is around INR 120 - INR 125. Okay?

Rajesh Ravi: Okay. Understood. And the rest for next financial year looking at.

Management: Yes.

Rajesh Ravi: Okay. And second on this labour cost provision, whatever you factored in as an exception, what would be the recurring impact on a quarterly basis here on?

Management: We are just working out on that. Not much clarity because A, there would be some, we would be the present other practice in the industry was on a CTC basis. So, the CTC used to be very flexible. So, now we need to restructure the salary and then try to work out what would be the impact.

Having said so, there could be some impact when we have no exact numbers, but not something substantial, maybe monthly INR 3 crores to INR 4 crores at the most. This is what we see.

Rajesh Ravi: Okay. So, this quarter, everything has been in the exceptional. There is nothing which has been built up in the employee cost.

Management: So, none of the labor code liability has been included at part as part of salary and wages.

Rajesh Ravi: Understood. And just two clarification. Incentives, in the last call you had mentioned for Q2 was INR 70 crores, which you said is INR 86 crores and now Q3 is INR 60 crores. So, Q2 was INR 86 crores or INR 70 crores?

Management: No, INR 86 crores was the same quarter last year.

Rajesh Ravi: I was asking for --

Management: It was not Q-o-Q, it was not Q-o-Q.

Rajesh Ravi: So, Q-on-Q was, what is the number in Q2? INR 70 crores and this quarter it is INR 60 crores. Is this understanding right?

Management: Yes.

Rajesh Ravi: Okay. And the INR 60 crores run rate will continue, but exit FY 2027, you are looking at going back to around INR 75 crores run rate.

Management: Yes, at the end, because, you will have more incentives on new place. But on per tonne, it will be lower. The absolute amount we expect that by last quarter, it could be INR 75 crores.

Rajesh Ravi: And on the pricing, you mentioned non-trade INR 15 to INR 20 improvement has happened so far in Jan and trade, what was the number you mentioned?

Management: I said there is no number on trade. It has removed the pressure on pricing.

Rajesh Ravi: Okay.

Management: And it may help us in certain discounts. We have to see how the marketing gets back to us and what is the competition doing.

Rajesh Ravi: Understood. So, basis that only trade prices may go up if non-trade prices remain firm.

Management: Yes, yes.

Rajesh Ravi: Understood, sir. That is great and all the best. Thank you, sir.

Moderator: Thank you. The next question is from the line of Parvez Qazi from Nuvama Group. Please go ahead.

- Parvez Qazi:** Hi, good afternoon, sir. And thanks for taking my question. So, two questions from my side. What was the real share this quarter? And second, any comments on the paint business will be helpful. Thank you.
- Management:** Real share was 9% in this quarter.
- Parvez Qazi:** Sure, sir.
- Management:** And paint turnover was INR 103 crores in this quarter. So, for the nine-months, it is INR 285 crores.
- Parvez Qazi:** And anything about profitability, etc., by when can we achieve a break-even here?
- Management:** So, on the paint, what we see that we should end the year at around closer to INR 385 crores - INR 390 crores, maybe INR 400 crores. I am not too confident in INR 400 crores, but definitely between INR 380 crores to INR 390 crores. And this year, we should have a lower loss as compared to last year because we are seeing the loss to be lower. Now, since we have already worked out, we have an improved cross-margin. We have worked out on the product. And next year, what we see when we cross the INR 500 crore number with a higher gross margin, that FY 2027, we should see a break-even in the paint business.
- Moderator:** Thank you. The next question is from the line of Siddharth M. from Kotak Securities. Please go ahead.
- Siddharth M.:** Hi, sir. Thanks for the opportunity. I just wanted to check, when you say that non-trade prices are up approximately INR 15 per bag to INR 20 per bag, is it similar across regions or is it largely confined to the North region when you give this particular comment?
- Management:** It is across all regions. You must have seen the reports. It is across all regions, even in South, Central, East.
- Siddharth M.:** Okay, sir. Understood. That was all from me. Thank you, sir.
- Moderator:** Thank you. The next question is from the line of Shravan Shah from Dolat Capital. Please go ahead.
- Shravan Shah:** Hi. Thank you, sir. Sir, a couple of questions. First, in terms of the next expansion, post Jaisalmer, we will be going for the Muddapur 5 million tonne expansion.
- Management:** See, this is, in all probabilities. I cannot say firmly this is what we are going through. It depends upon the situation and what the board finally approves. In all likelihood, as a plan, yes, it should be there. We are still working on it. So, that is the position. We are not announcing that this is after Jaisalmer, we are taking up Muddapur. This is the most likelihood, as we have said, and it will depend on the situation.

- Shravan Shah:** Got it. And then, most likely, by the end of this year, we should be announcing that or it would be in FY 2027, we will be starting it?
- Management:** I think that announcement will come post-commissioning of Jaisalmer. It is a big project, and it is a Greenfield, large project. But, having said so, again, if the market is different, it depends on how the market is, what is our balance sheet, if we want to pre-pone something, but two months, three months, six months. It all depends on how you see the market at that point of time, how you see your balance sheet.
- Shravan Shah:** Okay. Because then we have to start announcing two projects simultaneously because we need at least 12 million tonnes.
- Management:** I know that. See, as I said, once we see, you are confident that yes, as we announce Jaisalmer, before commissioning of Panna, it was only for a reason that the balance sheet was in order, the project was well under control. We were confident that we would commission the project well within time, well within cost. And our balance sheet was supportive. So, we announced Panna, a big project, before completion of Panna. We announced Jaisalmer before completion of Panna.
- Yes, there could be an announcement before completion of Jaisalmer, but we have to wait and watch, see that everything is in our control, and then make a call.
- Moderator:** Thank you. The next question is from the line of Milind Raginwar from BOB Capital Markets. Please go ahead.
- Milind Raginwar:** Thank you for this opportunity, sir. May I request you, if you can share the clinker production number for the quarter?
- Management:** Yes. The clinker production for this quarter is 3.6 million tonnes.
- Milind Raginwar:** 3.6 million?
- Management:** Yes.
- Milind Raginwar:** And, sir, if you can just give us some idea on the fact that what would be the cost differential for North vis-à-vis the Central and East? Just in the sense, a ballpark number?
- Management:** See, the cost factors, there could be sometimes a variation of about 100, because where in the Central we get advantage of low fuel, in the North we can use more AFR. So, it is different, but not much of a difference.
- Milind Raginwar:** Okay, sir. Okay. Thank you.
- Moderator:** Thank you. The next question is from the line of Pushkar Jain from Mili Capital. Please go ahead.

Pushkar Jain: My question is already answered. Thanks a lot.

Moderator: Thank you. The next question is from the line of Harsh Mittal from Emkay Global. Please go ahead.

Harsh Mittal: Good evening, sir. Thank you for the opportunity. So, my first question is that what is the fuel consumption cost?

Management: Fuel consumption, the average rate you mean for the fuel?

Harsh Mittal: Yes.

Management: It is around INR 7,900.

Harsh Mittal: In terms of per Kcal?

Management: INR 1.50.

Harsh Mittal: Okay, so this is flat compared to the quarterly average.

Management: Quarterly average means?

Harsh Mittal: So, I am asking for the spot, the current.

Management: Current means for January.

Harsh Mittal: Yes.

Management: No, see, current, see, pet coke prices are still a bit higher than what we are hoarding. But since we have an inventory, it will not have much impact. But yes, all the new shipments will be higher because mainly, A, because there has been an increase in the fuel in pet coke by USD 7- USD 8, and the rupee devaluation.

Harsh Mittal: Sure. Sir, my second question is that what would be the exit utilizing for the Panna Line 2 for the December quarter, exit?

Management: Exit utilization?

Harsh Mittal: Yes.

Management: So, exit utilization, see, clinker, again, it depends. Since we will not be able to fully utilize the plant. So, clinker, we would be definitely in a position to optimize the kiln by the end of the quarter. Two, as far as, all the grinding capacities are concerned, it is a seasonal, it is very difficult when all the output warranties would be completed. But utilization, very difficult to say

what would be the utilization. Exit utilization, it is very difficult to say what would be that number.

Harsh Mittal: Okay. The last question, can we assume the commissioning of the grinding units at Rajasthan and Punjab to commission simultaneously with the Jaisalmer project?

Management: Yes.

Harsh Mittal: Or will there be a lag?

Management: At least one grinding unit should definitely be there at the split location, if not the both. But let us, but still, since there will be a grinding at the integrated plant, even if there is a delay, we will be able to manage.

Harsh Mittal: Sure, sir. This is very helpful. Thank you. These were my questions.

Moderator: Thank you. Ladies and gentlemen, due to time constraints, that would be the last question for today, which is from the line of Parth Bhavsar from Investec. Please go ahead.

Parth Bhavsar: Yes, thank you. All my questions have been answered.

Moderator: Thank you. Ladies and gentlemen, as this was the last question for today, I now hand the conference over to Mr. Vaibhav Agarwal for closing comments.

Vaibhav Agarwal: Thank you. On behalf of PhillipCapital (India) Private Limited we would like to thank the management of JK Cement for the call and also many thanks to the participants for joining the call. Thank you very much, sir. You may now conclude the call. Thank you.

Management: Yes, thank you everyone for joining the call.

Management: Thank you.

Moderator: Thank you. Ladies and gentlemen, on behalf of PhillipCapital (India) Private Limited, thank you for joining us and you may now disconnect your lines.