JK LAKSHMI CEMENT Ltd.

JKLC:SECTL:SE:22
4th February 2022

1 **BSE Limited**
Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001
Security Code No. 500380

Through: BSE Listing Center

2 **National Stock Exchange of India Ltd.**
"Exchange Plaza"
Bandra-Kurla Complex
Bandra (East)
Mumbai – 400 051
Symbol: JKLAKSHMI, Series : EQ

Through: NEAPS

Dear Sir/ Madam,

Re: **Conference Call organized by PhillipCapital (India) Pvt. Ltd. on 3rd February 2022 at 4:00 P.M.**

In continuation of our letters on the above subject, attached herewith the transcript/minutes of the aforesaid conference call, this is for your information and record.

Thanking you and assuring you our best co-operation at all times.

Yours faithfully,
For JK Lakshmi Cement Ltd.

BRIJESH KUMAR DAGA

Digitally signed by BRIJESH KUMAR DAGA
DN: c=IN, o=Personal, pseudonym=a95393bcffe84fe25eb10545b473a9b2758b83fc77a979fc27e4f69302e64d35, postalCode=110076, st=DELHI, serialNumber=b72bde3ab61abfa2ccc3c100cfca6671e803ffafd86839e6d2dc9e1b510f6c00, cn=BRIJESH KUMAR DAGA
Date: 2022.02.04 18:51:06 +05'30'

(B.K. Daga)
Sr. Vice President &
Company Secretary

Encl : a.a.

Admin Office: Nehru house, 4, Bahadur Shah Zafar Marg, New Delhi-110 002: Phone: 66001142 / 66001112; Fax: 91-011-23722251/ 23722021;
E-mail; jklc.customercare@jkmail.com; Website: www.jklaksmi.com, CIN: L4999RJ1938PLC019511
Regd. & Works Office: Jaykaypuram, Dist. Sirohi, Rajasthan; Phone: 02971-244409/ 244410; Fax: 02971-244417; E-mail: lakshmi_cement@lc.jkmail.com
Secretarial Deptt: Gulab Bhawan (Rear Wing) 3rd Floor, 6A Bahadur Shah Zafar Marg, New Delhi-110002;
Phone: 68201860, 66001142, 66001112; Fax; 91-11- 23739475, E-mail: bkdaga@jkmail.com

JK LAKSHMI CEMENT | JK LAKSHMIPLAST PLASTER OF PARIS | JK LAKSHMI READY MIX CONCRETE

"JK Lakshmi Cement Q3 FY-22 Earnings Conference Call"

January 03, 2022

MANAGEMENT: **MR. SHAILENDRA CHOUKSEY – WHOLE-TIME DIRECTOR, JK LAKSHMI CEMENT LIMITED**
MR. SUDHIR BIDKAR – CFO, JK LAKSHMI CEMENT LIMITED.

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

Moderator: Ladies and gentlemen good day and welcome to the Q3 FY22 Conference Call of JK Lakshmi Cement Limited 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 would now like to hand the conference over to Mr. Vaibhav Agarwal from PhillipCapital (India) Private Limited. Thank you and over to you Mr. Agarwal.

Vaibhav Agarwal: Thank you, Janice. Good evening, everyone. On behalf of PhillipCapital (India) Private Limited we welcome you to the Q3 FY22 call of JK Lakshmi Cement. I need to highlight that JK Lakshmi Cement is also the holding company of Udaipur Cement Works Limited and therefore the call is also open for discussion about the performance of Udaipur Cement Works Limited. On the call we have with us Dr. Shailendra Chouksey – Whole-Time Director and Mr. Sudhir Bidkar – CFO of JK Lakshmi Cement.

I would like to mention on behalf of the JK Lakshmi Cement and its management that certain statements that we made or discussed on the conference call maybe forward-looking statements related to future developments and current performance. These statements are subject to a number of risks, uncertainties and other important factors which may cause the actual development and results to differ materially from the statements made. JK Lakshmi Cement Limited and the management of the company assumes no obligation to update or alter these forward-looking statements whether as a result of new information or future events or otherwise. I will now handover the floor to the management of JK Lakshmi Cement for their opening remarks which will be followed by interactive Q&A. Thank you and over to you sir.

Sudhir Bidkar: Thank you. Good afternoon, ladies and gentlemen. This is Sudhir Bidkar – CFO, JK Lakshmi along with my colleague Dr. Shailendra Chouksey – Whole-Time Director welcoming you for Q3 FY22 con-call. We had the board meeting yesterday; you would have all seen the results. Nothing much to add. I will throw the floor open for question-answers, so that we have more questions and we are able to clear whatever clarification or doubts you have with regard to the results or our business. The floor is now open for question-answer please.

Moderator: Thank you very much. Ladies and gentlemen, we will now begin the question-answer session. The first question is from the line of Rajesh Ravi from HDFC Securities.

Rajesh Ravi: First of all, could you share the clinker production number for the quarter, both standalone consol?

Management: What you want clinker?

Rajesh Ravi: Clinker production number for this quarter standalone and consol.

Management: You can note down, clinker production in this quarter was for JK Lakshmi was 17.38 lakh tons, Lakshmi Cement and as far as UCWL is concerned it was 3.08 lakh tons.

Rajesh Ravi: With RMC and non-cement revenues?

Management: Approximately 100 crores this quarter.

Rajesh Ravi: This is what RMC or total non-cement revenues?

Management: Total non-cement.

Rajesh Ravi: And RMC will be how much in this?

Management: RMC would be 42 crores.

Rajesh Ravi: Coming to Udaipur Cement, the CAPEX, could you explain what is the progress on the funding of the same?

Management: As far as the UCWL is concerned, this project is you know as we mentioned last time is of 1.5 million clinker and 2.5 million tons of cement. While the clinkerization entire will happen at Udaipur, one grinding of 1 million will also happen at Udaipur. That we will take that as the first phase the second phase will involve a split location grinding unit of 1.5 million tons in Rajasthan. The first phase we have taken up for implementation and out of that 1650 this will cost about close to 1250 crores and the 400 we have kept for the split location grinding unit. So, most these long delivery items have already been ordered and we have already initiated action for seeking the government clearance and clearance from Rajasthan Government also. Public hearings are completed. The approval from Airport Authority, the plan being in proximity to the Udaipur Airport is awaited. **(Inaudible) 5.45** Certificate is already started. That is where we stand probably now.

Rajesh Ravi: And on the fund investment.

Management: As far as funding is concerned, as we mentioned last time out of 1650 crores of projects, this will be funded to a debt to equity of 2:1 means 550 will be promoters' contribution and 1100 crores will be the loan, for that phase the loan amount is 850 crores. So, the financial closure has happened. We have tied up the entire loan and UCWL in their board meeting held on 27th of January has already approved the funding of that 850 crores. We have been able to get a very fine width on a 15-year loan. We have tied up with the bank and it will have a 4 years moratorium and a 11 years repayment and out of the 4 years, 3 years may go in implementation. Though it could be shorter and there will be 1 year moratorium after the COD and 11 years will depend upon the ballooning basis.

Rajesh Ravi: This rights issue, any plans on that?

Management: We will come back to the board in the month of May when we announce the results with the exact timing and the terms of the rights.

Rajesh Ravi: If you could throw some thought on the fuel price, how was per kilo-cal costing in the December quarter or per ton costing and how is that number in current quarter?

Management: As far as the fuel cost is concerned, we saw the impact of the escalation in fuel prices also impacted us because we have been also, though that impact is not that, not because of the old inventory but still impact is there. In this quarter our blended fuel cost was Rs. 9500 per ton and Rs. 6600 in the corresponding quarter and about Rs. 8350 in the preceding quarter. Currently it is over Rs. 10,000 as present fuel cost is concerned.

Moderator: The next question is from the line of Nitin Arora from Axis mutual Fund.

Nitin Arora: The first question is, if you can throw some light on the demand because that's something looks like not improving even **(Inaudible)** (8.34). If you can for some light?

Management: You want some lights on the coming quarter, right?

Nitin Arora: Coming quarter, if you can throw some light why the demand is not improving in the last 4-5 months and what's your outlook on the demand, how one should assume going forward? That's my first question? The second question is if I look at your profitability and especially the EBITDA per ton, then talking by mostly you are touching…..

Management: Can you speak a bit louder?

Nitin Arora: What I'm trying to understand from you on the profitability, the EBITDA per ton for us at the peak when the industry was doing 1400, we were doing 900 and when the industry is down 1200-1250 we are down to 600. Going forward if you can help us guide that for FY23 what's the sustainable EBITDA per ton one should assume? Should we go back to 700-750 which we used to do earlier, that should be the sustainable number? That's my second question. Thank you.

Management: As far as first question is concerned, I think the demand was impacted mostly in the month of Noveeber. One month alone was fairly bad and that was because of the unseasonal rains and re-emergence of Corona in the north and Gujarat, so the demand slipped. Second reason why our volume went down was we had a strike of transportation in the east. That affected our overall volumes but as far as demand is concerned, the third quarter I think most of us suffered because of the very poor demand in November and first half of December. But otherwise, October was good and second half of December was good. And consequently, in the month of January we saw a good run on the demand and I'm quite bullish for the demand continuing the same way in the month of February and March. I think the January-March quarter should see a good improvement over the quarter October to December.

Management: Now as far as the second part of the question is concerned with just regarding the EBITDA per ton going forward. So, we expect it to be in excess of over Rs. 850 per ton depending on that will be subject to two major things. One how much fuel prices further pickup or settle down or soften and two our ability to pass on the cost increase onto the consumer which will be a function of the demand in various markets where we serve. So, we are quite hopeful it should be in excess of 850 to 900 crores going forward.

Management: Just to supplement Mr. Bidkar, in the last quarter because of the very low demand 1.5 month ahead of the quarter, our ability to push prices was not there. And then most of the companies refrained from making any attempt because of the continuing the very cold weather in the entire northern and partly in west. Now looking at the current demand one is hopeful that one would be able to pass on some of these increases in the cost of the input which has taken place. If that happens then obviously our EBITDA that correction should take place.

Moderator: The next question is from the line of Amit Murarka from Axis Capital.

Amit Murarka: Just on the cost side, the WHRS I believe was about to be commissioned in December. Could you just confirm when did it get commission and also guide us to the cost savings that you expect to get in FY23 from this year?

Management: This trial runs have already commenced there in. Some last-minute hooking is required but otherwise that has already been completed as far as the waste heat recovery is concerned. There we expect to generate as we mentioned last time also, savings in excess of in the vicinity of about 20 to 25 crores.

Amit Murarka: Could you also just share the debt number?

Management: Debt number, as far as a stand-alone JK Lakshmi is concerned as of 31st December, we have total debt of 1078 crores and net of cash, it is 414 crores only. If one were to talk of the consolidated debt, it is a 1634 and net debt of 922 after taking into account cash and bank balance of 700 crores on a consolidated basis.

Amit Murarka: Also, could you share the trade mix in the quarter?

Management: We had the total trade of about 54% and this current year 54% is trade and 46% non-trade.

Nitin Arora: In Q3, right?

Management: Overall in the current year.

Management: In the nine-month period.

Moderator: The next question is from the line of Uttam Kumar from Axis Securities.

Uttam Kumar: During the month of October the 70 days there was no production, so how much volume we would have lost because of that?

Management: Because of this transporters' strike it was there for 30 days. It started around end of September and continued up to 18th of October. So, the impact was about 18 days for the current quarter as far as October-December is concerned, that too at our Durg plant only. So, the impact was about 1,10,000, about 1 lakh you can say broadly.

Uttam Kumar: Any price increase that you have taken in the month of January, in our respective markets?

Management: We have taken a minor increase of about Rs. 5 a bag.

Uttam Kumar: This is in all markets where you operate, east-west and north also?

Management: Yes.

Uttam Kumar: How has been about premium cement sale during this quarter out of the collection?

Management: We are doing more than 25% on all markets combined.

Uttam Kumar: So, it has gone down because last quarter it was around 30% I think.

Management: 30% was excluding the east where our premium cement is lesser but now I think the total overall is about 25% and we are expecting a further increase there.

Uttam Kumar: My last question, how has been our fuel mix during this quarter?

Management: Fuel mix basically we were using about 60% pet coke, 30% coal and 10% other bio-mass etc.

Moderator: The next question is from the line of Mangesh Bhadang from Nirmal Bang.

Mangesh Bhadang: So firstly, on the fuel prices, last time around I think you have mentioned that we have fuel till Jan and Feb. So, the impact would be limited. So, was that basically the volume perspective or even the price was locked? That is the first question.

Management: That was the volume, price was obviously we were procuring as and when based on the current market price only. But yes, in the current quarter our price was what we hit in the P&L was Rs. 9500.

Mangesh Bhadang: If you can give that the fuel mix that you gave is it possible if you can give it for north and east it would be really helpful.

Management: Sorry, come again.

Mangesh Bhadang: The fuel mix for north and eastern operations.

Management: We generally don't give plant wise but just for the information of you and everyone, coal consumption is more in east because of their proximity one and two the linkage which they have. But generally, we don't share it region wise. Broadly I've given for the company as a whole 60-30-10.

Mangesh Bhadang: Secondly the cost item which is purchase of traded goods is I think the highest that we have reported. The purchase of traded goods the cost item in the P&L is the highest that we have reported, almost 120 crores. Is it largely because of the clinker purchases that we have to do for the Northern operations?

Management: It is also what we are also at times procuring getting clinker from Udaipur and getting it grounded at our locations in Gujarat to enable them to meet their and Gujarat needs.

Mangesh Bhadang: Inter company is also there?

Management: Yes. It's actually part of our synergistic operations that we resort to the traded goods.

Management: Overall when we report the consolidated numbers those get eliminated obviously.

Mangesh Bhadang: Just wanted to understand what would be the clinker purchases that we will need for this year.

Management: We don't need any clinker purchase per se. It is more to do to take care of our logistic improvement, cost improvement or cost reductions so as to say. Now if you can well understand if Udaipur was to sell in Gujarat instead of they are transporting the entire cement from their plant to Gujarat it makes better sense for them to transport only clinker which is only 10% of the cement and then use our grinding facility where the fly-ash is available and then save on 30% of the logistic cost. So that is how we are doing. Similarly, if we were to sell something in the closer to their plant, we also procure from them. That is how the overall logistic cost rationalization is happening and market rationalization. There's nothing called a requirement of clinker to be bought as such because of our grinding capacity and clinker would be good enough to take care of our demand requirement in our regions.

Mangesh Bhadang: Given the current clinker capacities that we have what is the maximum cement production we can do for both? So probably we would be doing somewhere around 10 to 10.5 million tons this year, where can it maximize?

Management: It can certainly go maybe (+12), close to about.

Mangesh Bhadang: But that assumes clinker from UCWL, much higher amount of clinker from UCWL?

Management: Combined clinker and the combined cement that can meet.

Mangesh Bhadang: Any consultancy charges that we have to be paid this time around and what it will be for this the year?

Management: Come again.

Mangesh Bhadang: Any charges to consultants?

Management: No, that is long over. Nothing has been paid during the year to any external consultant.

Moderator: The question is from the line of Sanjeev Kumar Singh from Motilal Oswal Financial Services.

Sanjeev Kumar Singh: I want to understand about cement prices and your realization. So, in lasts two quarters I believe that realization for the company has gone up by around Rs. 200 per ton. 2Q also there was an impact of lower prices, 3Q also be had lower prices in the east region. What has contributed to this realization growth?

Management: In the last quarter also, there was some price increases in terms of markets. So, it was not that there was no price increase that took place. But we could not take a uniform price increase, number one number. Number two, we could do some improvement in our logistic in terms of direct sale, some higher percentage of trade and so on and there it would garner higher prices. So, it's a mix of efficiency improvement and some price increase which took place.

Sanjeev Kumar Singh: It's also because there has been improvement in trade sales you are saying?

Management: Yes. The improvement in trade sale as well as improvement in the direct dispatches to the party.

Sanjeev Kumar Singh: In this quarter can you give some sense how regional prices moved in the east-west-south and north region where you are operating?

Management: In east in Orissa, we have seen a price increase of about Rs. 10 in the month of January and we are expecting a further increase. In Chhattisgarh also we are expecting a price increase of about Rs. 8 to 10 a bag. Other states our quantities are very minor, so I won't comment there. These two states take about 70% of our produce of east. If I come to north, we had increased of about Rs. 5 in the northern market and I expect a price increase of further about Rs. 5 to 10 between February and March.

Sanjeev Kumar Singh: I was asking about price movement in 3Q, the quarter which has gone by.

Management: I think I told you about increases we have seen, some price increase in the east, some in about Rs. 5 in north and about Rs. 7 to 8 a bag in our Sirohi.

Sanjeev Kumar Singh: Also, can you give consolidated sales volume?

Management: Sorry?

Sanjeev Kumar Singh: Consolidated volume?

Management: For this quarter, we had separately mentioned about 24.59 for JK Lakshmi including clinker and 5.59 for Udaipur. If one were to eliminate the inter-unit done on a consolidated basis, we have clocked 26.14 lakh tons which includes 23.43 of cement and 2.71 of clinker.

Moderator: The next question is from the line of Ashish Kejriwal from Centrum Broking.

Ashish Kejriwal: This question is on the CAPEX. The CAPEX which we are doing of UCWL. To share the timeline for that as well as how the CAPEX is going to shape in FY23 and '24?

Management: FY22 is concerned we may be doing close to about 200 crores in the current and forwards may be 1000 crores will get spent in FY23, balance in the FY24.

Ashish Kejriwal: When our grinding unit as well as clinker unit is going to be commissioned?

Management: Yes, you are right. We expect the first phase to get commissioned sometime by before '23 and immediately thereafter 6 months later depending on when we form up the, in the second Phase-2 of that, that will happen maybe 6 to 9 months thereafter.

Ashish Kejriwal: Second question is about the price increase. Is it possible to share as compared to Q3 where our price tends now after what we have increased in January?

Management: After January, we are in our only second day-third day of the month, we don't have a very clear visibility right now but I expect a price increase will take place sooner or later, February.

Ashish Kejriwal: My question was, till now that is the price increase which we have taken in Jan versus to Q3 we stand now?

Management: I think I answered in response of previous question that we have taken a price increase of about Rs. 5 in North.

Ashish Kejriwal: That is from December exit price, right?

Management: Yes.

Ashish Kejriwal: What was the December exit price as compared to Q3 average?

Management: I will have to just see. I will let you know on this.

Moderator: The next question is from the line of Nishant Bagrecha from InCred Capital.

Nishant Bagrecha: Just a follow-up question from the previous participant. As you have mentioned that you have commercialized the 10 MW WHRS Sirohi plant. Is there any further plan of WHR plant, going ahead?

Management: No, as of now whatever maximum based on the gases which get emitted from the kiln, is concerned, we will not have any additional WHR at Sirohi but certainly when we do additional clinker line at Udaipur, it will have a commensurate 6-7 MW of the waste heat recovery at Udaipur. It is linked to the kiln, if only when we were expanding the kiln or increasing its capacity, then based on the gases emitted we try to capture them and create the capacity for waste heat recovery. In our case, out of the three kilns which we had at Sirohi, we were having waste heat recovery on two of the kilns, third we were using for drying fly ash. Now that we have now converted and put up a separate dryer for drying the fly ash and now get in this waste heat recovery at the third kiln also. This is the maximum we can go as far as waste heat recovery is concerned at both Durg and Sirohi. Udaipur as I mentioned will add another waste heat recovery during their clinkerization line.

Nishant Bagrecha: This would be 5 MW, right?

Management: 6 to 7 MW.

Nishant Bagrecha: Anything on the solar side?

Management: Solar we already had 110 MW at Udaipur. We have in November also commissioned an additional 5 MW solar power and we also have one solar power in Jodhpur which we were earlier willing, we are trying to see if we can use that for our Sirohi plant which is 6 MW then some small solar plants are already there, 7-8 MW each at Sirohi and Durg.

Moderator: The next question is from the line of Shravan Shah from Dolat Capital.

Shravan Shah: The first just wanted to reconfirm the numbers in terms of CAPEX for the UCWL. You said the 200 crores will be spent in FY22 and 1000 crores in FY23?

Management: Yes, balance in the FY24.

Shravan Shah: And till now in nine-months how much CAPEX, overall CAPEX we have done and how much to be done in the fourth quarter?

Management: You are talking about the UCWL or JK Lakshmi?

Shravan Shah: JK Lakshmi, both even for UCWL how much we have done and for JK Lakshmi, how much till now we have done and how much to be done in the fourth quarter?

Management: Out of 200 crores, which we are planning for UCWL, as I have explained first, 100 crores has happened already up to December and 100 crores is happening in the current quarter. That is as far as UCWL is concerned. As regards JK Lakshmi, the only project which is left is the waste heat recovery that has broadly been commissioned. So, we have already done in the current year about 70 crores on that project, plus announced 30 crores normal CAPEX, so 100 CAPEX we have done, normal CAPEX, balance about 20 to 25 crores of CAPEX, normal capital expenditure could happen in the fourth quarter as far as JK Lakshmi is concerned.

Shravan Shah: The other question is in terms of the trade mix you share for the nine-months. If possible if you can share for the third quarter and the related question is for last so many years why our non-trade or maybe a trade to sale is only 54%-55%? When can we see that inching up to (+ 65%) because even if the larger companies, if you look at UltraTech also, despite so much capacity they are able to have a (+65%) kind of a trade mix? That's the structural thing I wanted to understand.

Management: One is, constantly making attempt to improve this trade sale and so I think everybody's aim is to take to 60%-65% is what one is attempt to. And as far as third quarter is concerned, it was in the same line of about 54%.

Shravan Shah: What was the lead distance for this quarter?

Management: I think about (+400) crores.

Moderator: The next question is from the line of Uttam Kumar Srimal from Axis Securities.

Uttam Kumar Srimal: One more follow-up question. What has been our rail-road mix doing this quarter?

Management: Rail-road we see as far as East is concerned, we don't have a railway siding so 100% is as far as added concern is on the road and here in North, we mostly do by road but at times we always have rail.

Management: Road about 20%, 24%-25% rail.

Moderator: The next question is from the line of Rakesh Shah from ICICI Securities.

Rakesh Shah: My question is with regards to your cost of production, how much cost increase do we expect in the fourth quarter as you have already said that you have already utilized the full low-cost fuel inventory till the month of January and Feb? So, just wanted your perspective on the cost?

Management: This quarter we had hit at 9500. It may go up by about Rs. 800 to 1000 per ton on as far as fuel cost is concerned and that will have the impact on the cost of production.

Moderator: The next question is from the line of Shravan Shah from Dolat Capital.

Shravan Shah: Even in this quarter, as you said now the demand is looking improving. So, for full quarter because previously we said that in the second half, we are looking at 8% volume growth versus the last second half. But now do we think that we can do a growth Y-o-Y in the fourth quarter also?

Management: Yes, we will certainly do a Y-o-Y growth in the fourth quarter. I mean until this something like a pandemic resurge or something otherwise in normal circumstances we expect that we reached out a growth in this fourth quarter also.

Shravan Shah: Because last year, the fourth quarter was exceptionally good so that's what I was trying to understand?

Management: We are still hopeful.

Shravan Shah: When we said 850 to 900 EBITDA per ton, so that to start from the first quarter of next year because I just said the cost will be inching up in this quarter also. This quarter also we can see a lower number on EBITDA per ton?

Management: Our endeavor would be to clock that number in the fourth quarter as well. Remains to be same whether we are able to pass on full impact but surely for sure we should be able to be in that range in the FY23.

Management: Surely looks still better than the Q3 because there will be an impact on the volume as well.

Moderator: The next question is from the line of Himanshu Yadav from Edelweiss Wealth.

Himanshu Yadav: Could you just repeat the standalone sales for the production numbers for clinker and cement?

Management: Standalone numbers for this cement and clinker in this quarter for JK Lakshmi was 22.26 was the cement sale and 2.33 clinker sale, total 24.59.

Moderator: The next question is from the line of Keshav Lahoti from HDFC Securities.

Keshav Lahoti: I just have a question, as you mentioned that prices have increased by Rs. 5 in Jan and you expect the prices to further go up by Rs. 5 to 10 in Feb and March; don't you think we need a bigger price hike as there is a fuel cost pressure and also there is a pressure in freight cost because of Chhattisgarh strike the transporters rate has increased. What is your take on this?

Management: Of course there's a need for a higher increase, there is no demand. But one is looking at how things shape up because even now the once the demand really picks up in the first week, after 1st of February then I think we will have better visibility as to what is the likelihood of a higher price increase in that. Rs. 5 to 10 more on the conservative side.

Moderator: The next question is from the line of Prateek Kumar from Antique Stock Broking.

Prateek Kumar: Just one clarification. When you say that EBITDA per ton expectation of 850 to 900, is that standalone you are talking about or consol number?

Management: Come again.

Prateek Kumar: When you say EBITDA per ton expectation of Rs. 850-900, are we talking about standalone numbers or consol numbers?

Management: Standalone.

Prateek Kumar: When you talked about Rs. 1000 inflation in realized cost price, realized cost of fuel. So, on a per ton basis that would be in around Rs. 100-120 optimum?

Management: Rs. 80 to 85.

Management: May be Rs. 100, yes.

Management: Rs. 80.

Prateek Kumar: Any other cost inflation which we can expect in another line item?

Management: Because of this fuel cost increase, the cascading impact on one the power cost, two the diesel price and the freight is always there plus the blended cost of the raw materials. Some impact could be there but major one is what we have told about the fuel cost.

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

Rajesh Ravi: Talking on the price increases in fourth quarter; what was the quantum of price increase so far in the Eastern markets?

Management: As I mentioned earlier, in Orissa we have been able to take a higher price increase while in case of Chhattisgarh we have taken a price increase of Rs. 5 and another increase of about Rs. 10 is on the annual.

Rajesh Ravi: Rs. 10 on an average you are saying?

Management: No, it's just about to take place, we have taken that increase of Rs. 10 in Chhattisgarh only recently, a couple of days back so let's hope that it stabilizes.

Rajesh Ravi: On over and above the first Rs. 5, another Rs. 10 hike in this month?

Management: Yes. That's what we are expecting.

Rajesh Ravi: If you would have the numbers for the non-cement revenue for the September quarter?

Management: Sorry?

Rajesh Ravi: Non-cement revenues and RMC revenues for September quarter, if you would have it handy?

Management: 92 crores as against 100 this quarter.

Rajesh Ravi: RMC was how much in that?

Management: 37.

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

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

Management: Thank you all the participants and thank you Vaibhav.

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