



15th November, 2023

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

The Listing Department,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400 001
Stock code: 540575

Dear Sir(s)/Madam(s),

Sub: Transcript of the Conference call for Unaudited Financial Results for the Quarter ended 30th September, 2023

In terms of Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we forward herewith the Transcript of the conference call with Investors and Analysts held on Thursday, 09th September, 2023 for Unaudited Financial Results for the quarter ended 30th September, 2023.

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

This is for your information and record.

Thanking you,
For Star Cement Limited

DEBABRATA THAKURTA Digitally signed by
DEBABRATA THAKURTA
Date: 2023.11.15
12:02:40 +05'30'

Debabrata Thakurta
(Company Secretary)



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

CIN : L26942ML2001PLC006663



“Star Cement Limited Q2 FY-24 Earnings Conference Call”

November 09, 2023



MANAGEMENT: MR. TUSHAR BHAJANKA – DEPUTY MANAGING DIRECTOR.
MR. VINIT KUMAR TIWARI – CHIEF EXECUTIVE OFFICER.
MR. MANOJ AGARWAL – CHIEF FINANCIAL OFFICER.

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



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Moderator: Ladies and gentlemen, good day and welcome to the Star Cement Limited Q2 and H1 FY24 Conference Call hosted by PhillipCapital (India) Private Limited.

As a reminder, all participant lines will be in listen only mode. And there will be an opportunity for you to ask questions at the end of today's presentation. Should you need assistance during the conference, 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 Aman. Good evening everyone. On behalf of PhillipCapital (India) Private Limited, we welcome you to the Q2 and H1 FY24 Earnings Call of Star Cement Limited.

On the call we have with us Mr. Tushar Bhajanka – Deputy Managing Director; Mr. Vinit Kumar Tiwari – Chief Executive Officer and Mr. Manoj Agarwal – Chief Financial Officer of the company.

I will now hand over the floor to the management of the company for their opening remarks will be followed with interactive Q&A. Thank you and over to you sir.

Management: So good afternoon, all, my name is Tushar Bhajanka, and I am the Deputy MD of Star Cement, I would like to welcome you all to the earnings call of quarter two. I have the CEO and CFO of the company with me as well. The CFO will give out the numbers of quarter two, and then we can have a Q&A session. Thank you.

Management: Hi, friends. Very Good evening. On behalf of Star Cement Limited welcome you to the concall for discussing our number of Q2 FY24 and half year ended September 23. I would like to clarify that we will be discussing on the historical numbers and there is no invitation to invest. Having said that now, I will just take you through the Q2 number followed by half year number.

Starting from clinker production during the quarter ended September 23, we have produced 6.48 lakh tonnes of clinker as against 5.12 lakh tonne same quarter last year. So far as cement production is concerned we have produced 8.94 lakh tonne this quarter as 8.91 lakh tonne same quarter last year. This quarter we have taken shutdown in growth of our kiln at Lumshnong Meghalaya.

Now, I will take you through sales volume, during the quarter we have sold 8.96 lakh tonne of cement as against 8.91 lakh tonne of cement for same quarter last year. This is so far as far as our cement trade is concern. As far as geographical distribution of cement is concerned, in Northeast we have sold around 6.72 lakh tonne as against 6.54 lakh tonne same quarter last year. And as far as outside Northeast sale is concerned we have sold 2.24 lakh tonne of cement this



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quarter as against 2.38 lakh cement same quarter last year. In terms of blend mix it is almost 9% of OPC and almost approx. 1% of PCC and rest is PPC, these are the quantitative numbers of this quarters.

Now, I will take you through the financials. The total revenue figure this quarter is around Rs.585 crore as against 594 crore same period last year. As far as EBITA figure is concerned this quarter we have done an EBITDA of around Rs.104 crore as against 83 crores last year. PAT is Rs.44 crore against Rs.31 crore in same period last year. On per tonne EBITDA front it is 1164 during this quarter as against 934 tonnes same quarter last year. This is our quarterly number of second quarter. The total revenue figure of half year ended September 23 is around Rs.1346 crore as against 1260 crore same period last year. As far as EBITDA figure is concerned during half year ended September 23 we had done an EBITDA of around Rs.242 crore as against 221 crore last year. PAT is Rs.134 crore as against 99 crore in same period last year. On per tonne EBITDA front it is 1136 during the half year ended September 23 as against 1183 per tonne same period last year. These are the quarterly and half yearly numbers. Now, I request all of you if you have any query you can ask the same and I will request Vaibhav to moderate the query were its required Thank you.

- Moderator:** Thank you very much. We will now begin the question-and-answer session. First question comes from Shravan Shah from Dolat Capital. Please go ahead.
- Shravan Shah:** Sir first couple of data points. Trade share and premium share and the lead distance for this quarter?
- Management:** Yes, Vinit Tiwari this side. Trade, non trade is 89% and 11% in quarter two, premium growth is 6.9% this quarter vis-à-vis 4.6% same quarter last year. And lead distance.
- Shravan Shah:** So the share of premium in the trade is 4%?
- Management:** 6.9%
- Shravan Shah:** Okay, 6.9%
- Management:** Vis-à-vis 4.6% last year same quarter. So, premium growth is close to 37%.
- Shravan Shah:** Okay, and the lead distance sir?
- Management:** Lead distance in quarter two is 214 kilometers.
- Shravan Shah:** Okay, 214 kilometers and in terms of the fuel mix, spot contract coal, Nagaland coal and biomass AFR?



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- Management:** Okay. So, in terms of fuel mix, in quarter two our FSA is around 6%, Nagaland is around 32%, biomass is around 5%, spot option and trader purchase is around 57%.
- Shravan Shah:** Okay. And Kcal rate is how much, last quarter it was Rs.2.4 rupees, so?
- Management:** So, this quarter it is Rs.1.9.
- Shravan Shah:** So, do we expect any further reduction in the third quarter?
- Management:** We expect similar line in the next quarter.
- Shravan Shah:** Okay. Sir, now coming the CAPEX and the timeline for the plants that we have so, plant wise in terms of the clinker at Meghalaya three MTPA, two MTPA, Silchar and grinding and two MTPA grinding at Guwahati, how much CAPEX we have done and how much more for this year, we are planning last time we told 13 crore that we are planning for this year and 400 to 500 crore in FY25?
- Management:** Okay. So, first of all if you want to know about the project status, our Guwahati grinding unit is the first to come. So, it's looking quite possible, we will be starting in December. So, this is going to happen pretty soon. As far as our clinker initial unit is concerned it is expected as of now around February. And as far as Silchar unit is concerned, as we informed in last quarter also we have slightly delayed it for strategic reasons. Also, our land acquisition is going well in place almost 73% of the land acquisition we have already done. So that's going on, but we are pacing it so that we have enough time to utilize our Guwahati grinding unit capacity. So, as far as Silchar is concerned it will be hitting us in the financial year 25-26. Now, coming to CAPEX, overall CAPEX if you know all the projects everything involved was close to 2400 crores with Lumsh our Clinkerization was around 1300, you want to know how much we have done it now, that's what your question?
- Shravan Shah:** And Guwahati.
- Management:** Guwahati is around 450 crores, Silchar is around 500 crores apart from this there are two other projects on which we are working which is AC block which is around 50 crores and our solar 25 megawatt which is around 10 crores.
- Shravan Shah:** So, we have already spent on clinker, how much we have spent and Guwahati grinding how much we have spent?
- Management:** Okay. The cost incurred on our Clinkerization till now is around 700 crores, on Guwahati cost incurred till now is around 206 crores and as far as Silchar is concerned, the land acquisition is going on at this moment. So, that's where we stand.



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- Management:** I just want to correct, just add one more thing here, that the cost which has been incurred in the books is 700 crores, but the committed cost which is of course the cost of ordering machines and the payment and the contract is about 950 crores and then of course there are certain buildings, certain facilities that we making with the plant which we have not prioritized with the plant but the clinker production will start by February and the other supplementary buildings and plants will be commissioned two, three months after.
- Shravan Shah:** Okay. So this year in FY24 totally combined put together how much we are planning to do a CAPEX and the next year FY25?
- Management:** We were in total, in the last call I suggested about 800 crores of CAPEX in this year and rest of it will be next year. Out of the 800 we have already done 200 in quarter two, and in quarter three and four, we plan to do the next 600 and right now the cash reserve in the company is about 210 and in this year we plan to generate about 320 approx. So, we may need a debt of about 300 crores in this financial year.
- Shravan Shah:** Sir, correct me if I'm wrong, total for FY24 combining so 200 we have spent, 600 more so 800. But in Q1 also including so, total last time we have talked about 1300 odd crore that we are planning to do a CAPEX at console level. So, as you said now we are seeing 800 crore?
- Management:** Yes, so, basically in quarter one, what we have said is, that in the next three quarters we would spend about 800 crores, so out of the 800 crores we have already spend 200 crores. So this 600 crore is yet to be invested right in the CAPEX, which will happen in the quarter three and quarter four.
- Shravan Shah:** And for next year FY25?
- Management:** For next year, FY25, we would do the balance, so I will have to calculate exactly the difference, but about 300 crores more in the clinker plant and the Guwahati grinding unit. And then of course, there will be about 300 crores of more investment in the Silchar plant, because the Silchar plant we have deferred, so it will not really be hitting us that much in the early next year.
- Shravan Shah:** So, more than 600 crore broadly if one calculates for FY25, so in terms of the net cash so currently we have a 210 crore and we are seeing a 320 odd crore we will be generating. So with this CAPEX and we were looking at clinker again by end of FY25 we will become a net cash company so that stand remains intact?
- Management:** Yes, that stand remains completely intact.
- Shravan Shah:** Okay. And lastly on the pricing front, how are in terms of the current prices versus the 2Q average, whatever the reason particularly Northeast and East?



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Management: On the NOD front if you will ask me we have improved by around 5% and in Northeast it's around Rs.10 a bag and outside Northeast it is around Rs.50 a bag improvement we have seen in this quarter.

Shravan Shah: Okay and that is not impacting the demand?

Management: Demand, it is not impacting the demand I will say price is not impacting the demand. Overall demand in quarter two if you remember it, quarter one was superb quarter there was a huge almost 25% industry growth was registered in Northeast in quarter one. And accordingly Star also grew by more than 25% in quarter one in Northeast. Quarter two has been pretty subdued, it is flattish almost on demand front. So that was expected because quarter one the rain got delayed, more rain came into in the second quarter, there was a North Bengal, hillside there was huge landslides, roads were totally blocked and jam. So that has caused demand dampness in quarter two. And so there's a balancing impact you can see, in quarter one was exceptionally well in quarter two has been subdued on that account. So going forward, we still may think that there is no reason why we should not be seeing a double digit growth in the balance two quarter.

Moderator: Thank you. Next question is from Mahek Talati from YellowJersey Investment Advisors. Please go ahead.

Mahek Talati: So, my question pertains to, there has been a sharp decline in the profitability on a quarter-on-quarter basis by close to 40%. So, any specific reason, because our pet coke, power and fuel cost has declined in this on Q-o-Q basis. So what has impacted our profitability?

Management: One big reason which has impacted the profitability is of course the volume right, because Q1 is normally a better quarter in terms of volume. And Q2 because of monsoon normally the volume dip. So, even Q1 we did exceptional growth also because the monsoon had postponed, in Q2 the monsoon hit us. So, of course you will see a big difference in the volumes between Q1 and Q2, which also of course explains the difference in profitability between the two quarters.

Management: And another is obviously the maintenance expense also came into this quarter. So, we had a shutdown plant so, that is also difference between quarter one and quarter two.

Management: Yes, there was a 15 crore expenditure in the shutdown, which is annual shutdown that we took. And of course, because of that there is a difference there.

Mahek Talati: Okay. And the slowness in the demand which we saw in Q2, is it a postponed demand or so, will that demand come in Q3 and Q4 or how do you look at that slow demand which we face in Q2 due to the monsoons?

Management: If we will talk about the demand got postponed we can also say it was preponed also because the rains didn't came in the quarter one the way they did came in last year. So we can see a



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mixed impact. I will not say it's totally a postponed demand. Yes, we can see some demand start after Diwali festivities get over. That's the time when things should start looking up. And then as we are moving towards the general election, next two quarters we see a good build up.

Mahek Talati: So what is our volume growth target in FY24 as compared to FY23, how much are targeting?

Management: Our annual target, if you will ask me whatever we have achieved and whatever we feel we will be able to achieve in the balance two quarters, it should help us in achieving a growth of in double digit surely around 13%, 14% at least we should be able to achieve.

Mahek Talati: 13%, 14% for FY24 or for H2?

Management: No, I'm talking about the full financial year.

Mahek Talati: Okay. And last if I may confirm you say that Silchar project has been delayed, what's the status there?

Management: It's not delayed, we had all opportunity to start it. So, we are just going slightly slow as you understand Guwahati unit is coming up in December. So, we will be thrive with material for some time. So, we felt bringing up Silchar unit early may not be a wise thing to do. So, we are strategically delaying it for some time, we have calculated our volumes and based on that we feel that if Silchar unit comes somewhere in mid-25 that will be the right time in somewhere around first, second quarter on mid-25 that will be the right time when we will sitting exactly in a position to utilize the capacity of Silchar as well.

Moderator: Thank you. The next question is from Amit Murarka from Axis Capital. Please go ahead.

Amit Murarka: Just two questions, first on the market. So, North grew 25% in Q1 which was flat in Q2 so, second half of 24 and 25 like can we expect the double digit growth to broadly be there in the market in terms of projects which are going on and the general demand that you see B2C level also?

Management: Yes. So, as I said, if you look into the month after the second quarter, October, if you look into October yes, it was good vis-à-vis last October. And since after that, there has been two festivities back-to-back in Northeast Durga Puja and now the Diwali so there has been slight dampness at this point of time. But surely double digit growth, I see happening in these two quarters.

Amit Murarka: Okay, sure. And also on realization a Rs.50 hike that you mentioned that has happened, like has it stabilized or you think that there could be some rollbacks going into the valley and all?



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Management: No, as far as Star is concerned, we have realized the gains definitely in our NOV. So there's no rollback as of now. Slight rollback because of these festivities, which happened because Durga Puja if you understand is a big festivity here. So there was a slight correction, but there's nothing big happening. Going forward, if everything works out, I hope this should get maintained. If it has come down, there may be a possibility of taking up another Rs.5, Rs.10, Rs.5, Rs.7 dilution which has happened in last 10, 15 days we definitely see once the demand picks up the opportunity to bring it back on the table.

Management: And, I would just like to add that this price increase of Rs.50, outside Northeast in Bengal and Bihar and Rs.10 hike in Northeast happened in the month of September. So in quarter two, we haven't NOD does not affect us increase in the price because it happened somewhere mid in September, so did not even have 15 days of impact. So the impact of that should be seen in Q3.

Amit Murarka: Got it. Lastly, like you believe instant players are also trying to get into the Northeast market. UltraTech particularly has been quite vocal about it. So, are we seeing them making inroads incrementally or do you think that it's tough to do that?

Management: UltraTech has been there in that market for quite some time. So it's not a new market for them. Yes, they must be having their own strategy to get into there. But it's not a new market. UltraTech has been serving that market for quite many years.

Management: I don't think like there's any significant increase in, sales from UltraTech side in quarter two, so there is nothing which actually makes us believe that they are gaining market share in Northeast.

Amit Murarka: Sure. And just a last one, so as we believe like you are doing the clicker line even Dalmia is doing their clinker line. And both of them combined, I believe is like almost +30% kind of an expansion with the capacity in the market. So could there be a situation of like a temporary kind of increase in competitive intensity within the sales and growth of your clinker are ramping up, just some thought on that?

Management: So, Dalmia clinker coming, approximately one year after our clinker plant is coming. So, that will not be the case for at least the next one year. But of course, when there are two companies which are getting big capacities of, two dominant companies getting big capacities, there could be some correction in the price. But what will happen is that, it will be made up in terms of volume. And that's what we expect and it will be made up from, there is cement coming from outside Northeast. So, there'll be some substitution of that market share getting added to ours and somewhat to Dalmia.

Moderator: Thank you. Next question is from Mangesh Bhadang from Centrum Broking. Please go ahead.

Mangesh Bhadang: Sir my question is with regards to your profitability in the Northeast spends region, in the past you have mentioned that Easter region profitability is significantly lower than Northeast, so with



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this price hike it should be much higher increased. How far you have bridged this gap, this is more or less similar now, or you think there is still the difference that you need?

Management: So, if the question is that, is the difference between any Northeast and outside Northeast profitability per tonne, of course there is still a difference between the two. But given that there was a price hike outside Northeast, which was higher than the price hike in Northeast the difference would of course now reduce but still very substantial.

Mangesh Bhadang: Anything you can quantify there?

Management: Outside Northeast it would be about, this is before the price hikes. I don't have the EBITDA per tonne after the price hike. But before the price hike, the per tonne EBITDA outside Northeast was about Rs.300 per tonne and now the per tonne EBITDA would be much higher. And the per tonne EBITDA in Northeast was about 1500.

Mangesh Bhadang: Okay. Sir second question is on the Bihar market, so during that there has been a slowdown in that market in terms of demand. So just wanted to some color on, have you experience the sale in the North Bihar market that you target. And if at all it is, then what could be the quantum of the demand decline that we are seeing, you are saying that it is normal course of a deal?

Mangesh Bhadang: No, sir Bihar market, we have seen some slowdown in demand.

Management: Yes.

Mangesh Bhadang: So, just wanted to understand for North Bihar market that we specifically target have we also seen a similar kind of slowdown?

Management: Yes, we have experienced a slowdown in demand, last month or two I will say two months it has been a pretty bad in Bihar and Bengal also it's not something great vis-à-vis Bihar also, but Bihar was the type of growth which Bihar was showing it is not showing as of now, last few months.

Mangesh Bhadang: Okay. Sir final question is on the incentives, you can just run us through the incentives that we are eligible for the investment that we are doing?

Management: So, you are aware about it, the incentive is 200% of our plant and machinery investment. So we look if you want me to quantify that it should be around 800 crores.

Management: 800 per tonne pertaining to that.

Moderator: Thank you. The next question is from Giriraj Malu from MDM Tradecom. Please go ahead.



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Giriraj Malu: Just wanted to know, what is the current status on the capacity utilization as of date the current status?

Management: You want to know for quarter two?

Giriraj Malu: No, the running quarter where we are right now, as on date.

Management: Around 88% of cement utilization.

Giriraj Malu: Okay. Sir in last concall we have been noted that there has been some plans for the cost reduction of fly ash at the Siliguri unit. So what is the update on that, have we been able to make some progress on that?

Management: Yes, so that's a project we said it's a BTAP wagon project so whereby we are bringing fly ash by road as of now. So we want to bring through BTAP wagon, that project we are progressing under because it's a project in which we will have to order wagons. So presently the negotiation for wagons is going on, we will be ordering those wagons and it will be a project which will get realized in financial year 25 only, somewhere around March and April we expect those wagons to get delivered. So that's the time we expect the gain to come in from because that's the main initiative although a number of initiatives we have taken for Siliguri to reduce cost, but one of the major initiative is that, so that is already under progress. Our consultant everybody has been appointed, discussion and negotiations are on.

Giriraj Malu: Okay. As per the studies Star commands about 45% to 30% as far as the Northeast market is concerned. So post this whole expansion that is there for the next two years, where do you see this number really jumping into as far as the market is?

Management: We are targeting to reach a market share of +30%.

Giriraj Malu: So, where we are expecting the capacity to double. So, do you see that kind of absorption taken by the market, because both as national players, the big players as well as the small, there are lot of small players who are also expanding the capacities of less than about 2 million tonnes. So, how do you see on that front?

Management: So, there are two things one is the market will grow naturally. So the growth which we get out of the market growth that is something is there available for us. Secondly, the players who are not serious players in Northeast who are dumping material and are working and doing like hit and run, these are the players whom we will have to fight out with, we have all wherewithal with whatever with our capacity there as well as we'll have more subsidies with us. So if the need be, we will have to fight our market share out from them as well. As far as the smaller players are concerned we don't see much capacity expansion coming up from any smaller player. So, they



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will remain stagnant at the level where they are. So, that growth which they were also taking will also come to us.

Giriraj Malu: And sir, in consolidation, do you see any kind of consolidation happening in the market in the coming couple of quarters or a couple of years, since a lot of capacity is being added. So, any consolidation within the industry that can be expected?

Management: We don't rule it out once the two big players have the capacities coming in there, that's for the people they may not see much opportunity for their existence, if they don't have a capacity to expand, they may think about that.

Giriraj Malu: Okay. And sir as far as the central India place, any progress or any minds that we are really looking out or any opportunity that is there because the company has been looking to venture into the central part. So, any update?

Management: We have been looking for mines, we have participated in few auctions as well. in Rajasthan we have participated, in MP we have participated, in Chhattisgarh we have participated, we have been successful in getting one in Chhattisgarh, Saloni we are able to get the composite license, we have secured one composite license in Chhattisgarh already.

Giriraj Malu: And sir, one last question, what is the current non-trade versus trade volumes that the company has won by for Q2 and any ballpark that can be given for the Q3 and Q4?

Management: Our current ratio you want, you are asking in non-trade?

Giriraj Malu: Yes.

Management: 89% in quarter two and 11%, 89% and 11%.

Giriraj Malu: And sir with the new capacity and all in place, how do you see this?

Management: It will grow, our non-trade portfolio will grow, this is one thing which we have not invested much on. Last few months, we have paid attention to this and it has slightly grown in last two months. So we see it going to a level of 85, 15.

Giriraj Malu: And sir what has been the average pet coke cost that is there in entry size?

Management: Come again?

Giriraj Malu: The pet coke cost, average cost that is there in the closing inventory for the last quarter. So the cost realization that will happen in this particular quarter coming?



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Management: You are talking about the pet coke?

Giriraj Malu: Pet coke cost?

Management: We are not using pet coke.

Moderator: Thank you. We will take the last question, which is from the line of Uttam Kumar Simal from Axis Securities. Please go ahead.

Uttam Kumar Simal: Sir, what's the capacity on Siliguri unit in this quarter?

Management: Capacity utilization of Siliguri grinding unit in this quarter has been 45%.

Uttam Kumar Simal: Okay, and what was it last quarter, last year same quarter?

Management: Last year same quarter it was 37%.

Uttam Kumar Simal: So, it has improved and now sir you have improved on premium cement share to 4% to 7%. So, any number that you want to take premium cement too?

Management: We are targeting to hit 10% by in this financial year.

Uttam Kumar Simal: Okay. And this WHRS plant which came last quarter. So how much trading till did we have achieved from that?

Management: In quarter two, we have got 10 crores out of WHRS.

Uttam Kumar Simal: And last one sir, this quarter our freight cost has been quite low, on tonne basis it has gone down by 16% so any reason for that?

Management: Yes, there are two reasons. One is as you are aware that Star has its own fleet. So we have deployed our fleet strategically to bring down the freights, number one. Number two, there was a bridge, which was broken last year, which escalated the freight substantially, that bridge work has been over so that has helped us in bringing down the freights.

Uttam Kumar Simal: And this one is sustainable going forward also?

Management: Yes, we see it sustainable.

Moderator: Thank you. Ladies and gentlemen that was the last question I now hand the floor back to Mr. Vaibhav Agarwal for closing comments. Thank you and over to you.



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Vaibhav Agarwal: Thank you Aman. Sir, I had a few questions. So sir you have guided on the call of about 14% to 15% volume growth if I rightly hear for FY24. And in the first half we have done about 10% growth in terms of volumes. So sir are we getting let say 17%, 18% kind of a growth in second half H2 given that the demand is not great at the moment, and there could be a risk to demand because of labor issues closer to elections. So, there are elections, so do you see a downside risk low guidance of 14% or you hold on to that, that we were able to achieve this number?

Management: We are absolutely aiming for those numbers. We have to aim for them. Vaibhav because in December if you know our plant is coming. So we are absolutely focused and our actions are in-line with that.

Vaibhav Agarwal: Understood sir. Sir second question was that, in East we have seen, like you also mentioned on the call that East prices have been quite higher than Northeast prices. So has these price hikes been able to push on the inflow of material which was coming to Northeast from East and other zones, so has the inflow to Northeast from other?

Management: No, that has not impacted any material flow into Northeast the reason for that is, the player in East are low in capacity utilization, so increases have happened, but the volumes are not that great in last two or three months. So volumes have not been great, so they find obviously we will dump it at some place. So they continue to dump it, but they are not serious players, as you know. So network also seek the opportunity with them as and when they like, unlike the players who are operating and who are enriching that market and working on brands and everything. So that difference is there, to be very honest Vaibhav, these players are operating because of the price, they are operating at Rs.30, Rs.40 less than us in those markets. So it's a matter of time, the day we decide we have to fight it out we will fight it out.

Vaibhav Agarwal: Right, sir. And sir last question to Vinit sir. Vinit sir you had mentioned on the last call about some rationalization of some discount structures happening in East India specifically and even in Northeast India, so is that rationalization continuing or we have seen rollbacks of those discounts rationally. Is this something which is helping prices to sustain in your view, just wanted to take a view on that?

Management: Northeast doesn't work like since, I have a good exposure of Easter market. Northeast is not as bad in those practices. I'll say, it's more disciplined and more transparent I will say.

Vaibhav Agarwal: Okay. And as far as East is concerned, have you seen is good practices sustaining or?

Management: No, those good practices which were tried, they have been falling back. Again, I see those efforts are there but I have my serious doubts after our effort of one year. Those practices have come back again. And what is the seriousness, how to be one that they will be right going forward.



*Star Cement Limited
November 08, 2023*

Vaibhav Agarwal: Understood sir. Thank you sir those were my questions. Thank you so much. On behalf of PhillipCapital (India) Private Limited, I would like to thank the Star Cement for the call and many thanks to participants joining the call. Aman you may now conclude the call. Thank you very much sir. Thank you all, thank you.

Management: Thank you.

Moderator: Thank you very much. Ladies and gentlemen on behalf of PhillipCapital (India) Private Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.