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January 23, 2026

**BSE Limited**  
P J Towers, Dalal Street,  
Fort Mumbai - 400001  
Scrip Code: 542216

**National Stock Exchange of India Limited**  
“Exchange Plaza”, Plot No. C-1, Block G  
Bandra - Kurla Complex, Bandra (East),  
Mumbai - 400 051  
Symbol: DALBHARAT

**Subject: Transcript of Q3 FY26- Earnings Conference Call**

**Ref : Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Sir/Madam,

In terms of Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirement), Regulations 2015, please find attached transcript of the Q3 FY26 Earnings Conference Call held on January 21, 2026 for the quarter and nine months ended December 31, 2025.

The same will also be uploaded on Company's website: [www.dalmiabharat.com](http://www.dalmiabharat.com)

This is for your information and record.

Thanking you,

Yours sincerely,  
**For Dalmia Bharat Limited**

**Rajeev Kumar**  
**Company Secretary**

Encl.: As Above

**Dalmia Bharat Limited**

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A **Dalmia Bharat Group** company, [www.dalmiabharat.com](http://www.dalmiabharat.com)



## “Dalmia Bharat Limited Earnings Q3 FY-26 Conference Call”

**January 21, 2026**



**MANAGEMENT:** **MR. PUNEET DALMIA – MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER, DALMIA BHARAT LIMITED**  
**MR. DHARMENDER TUTEJA – CHIEF FINANCIAL OFFICER, DALMIA BHARAT LIMITED**  
**MR. YATIN MALHOTRA – CHIEF FINANCIAL OFFICER, DALMIA CEMENT (BHARAT) LIMITED**  
**MR. PRASSAN GOYAL – INVESTOR RELATIONS LEAD**

**Moderator:** Ladies and gentlemen, good day and welcome to the Earnings Conference Call of Dalmia Bharat Limited for the Quarter Ended 31<sup>st</sup> December 2025.

Please note that this conference call will be for 60 minutes and for the duration of this conference call, all participant lines will be in the listen-only mode. This conference call is being recorded, and the transcript will be put on the website of the Company.

After the Management discussion, there is an opportunity for you to ask questions. Should you need assistance during the conference call, please signal an operator by pressing ‘\*’ then ‘0’ on your touchtone phone. As a reminder all participant lines will be in the listen-only mode.

Before I handover the conference to the Management, I would like to remind you that the certain statements made during the course of this call may not be based on historical information or facts and may be forward-looking statements. These statements are not based on expectations and projections and may involve a number of risks and uncertainties such that the actual outcome may differ materially from those suggested by such statements.

On the call, we have with us Mr. Puneet Dalmia – Managing Director and CEO, Dalmia Bharat Limited, Mr. Dharmender Tuteja – CFO, Dalmia Bharat Limited, Mr. Yatin Malhotra – CFO, Dalmia Cement (Bharat) Limited and the other Management of the Company.

I now like to hand the conference over to Mr. Prassan Goyal – Investor Relations Lead. Thank you and over to you.

**Prassan Goyal:** Thanks Rutuja. Good evening, everyone. Thank you for joining us today on the Q3 FY26 quarterly earnings call of Dalmia Bharat Limited.

We published our Results and Investor Presentation couple of hours back and I hope you had a chance to go through it. We have the Dalmia Management here with us today to answer your questions.

I will now request Mr. Puneet Dalmia for his opening comments. Thank you and over to you.

**Puneet Dalmia:** Thank you, Prassan. Good afternoon, everyone. Before I begin, I would like to wish everyone a Warm and Prosperous New Year.

I will first begin with my thoughts on the general Indian economy:

The Indian economy has demonstrated strong resilience despite the geopolitical headwinds and registered a GDP growth of 8.2% in Q2. The Reserve Bank of India is projecting India's GDP growth at 7.3% in the current fiscal. We have become the 4<sup>th</sup> largest economy in the world and will continue to hold our pole position as the fastest growing major economy. I am personally very excited about the India growth story, and we take pride in being an integral part of it.

Cement sector:

Talking about cement, continued government investments in infrastructure and capacity building is expected to support cement demand over the medium to long term. This is also encouraging us to step up our investments in the cement sector as we work towards our strategic goal of becoming a pan India player. In the current environment, we have started witnessing improved demand traction with the end of monsoon and the festivities. According to estimates, cement demand during Q3 grew at about 7%-8% on a YOY basis and I believe this momentum will continue in Quarter 4 as well. At this pace, FY26 will witness a growth of about 6% YOY on a full year basis.

Moving to prices:

We saw healthy increases at the beginning of FY26. GST reduction in September was a key milestone for the Indian cement industry and benefits were duly passed on to the consumers. Q3 saw softening of prices beyond GST cuts, especially in our key operating regions of East and South. Though Q4 has started with some improvement, we will see how prices pan out in the coming months. As I mentioned earlier, pricing in the short term is difficult to predict due to various market dynamics. However, I remain optimistic that prices should be supportive going forward in the mid to long term.

I would now like to spend some time on Dalmia's operating performance in Q3:

Generating shareholder value by delivering profitable growth remains our topmost priority. We are focused on driving it through sustained improvement in revenue and deepening our cost leadership. In Q3, we delivered a robust volume growth of 10% versus last year. This growth was driven by focused efforts of our sales team to deliver superior value proposition to our customers, supported by improved demand traction. We have been making consistent efforts to deepen our channel engagement. We recently hosted our annual dealer conferences, and we have received very promising feedback from dealers. This is an encouraging sign, and it reinforces our belief that we are on the right track.

Regarding cost:

We remain steady on our path to deliver a cost take-out target of Rs. 150-200 per ton that we spoke a few quarters back. We have made meaningful progress in our journey by delivering efficiencies across the value chain and there are more initiatives in the pipeline. I believe that this focus on cost will keep us in good stead to maintain our position as one of the lowest cost cement producers in India.

Now let me talk about our expansion plans:

I am happy to share that we have started commercial production from the new clinker line at Umrangso in Assam with a capacity of 3.6 million tons of clinker per annum. The 2.4 million

ton per annum grinding capacity in Lanka was already commissioned in Q4 last year. This makes us fully clinker back to serve a total of 8-million-ton cement capacity in the region. Northeast as a region has been very promising in terms of demand growth and offers one of the best profitability among the regions. Our focus now is to ramp up this capacity quickly.

Our Belgaum-Pune expansion as well as the Kadapa expansion are progressing as per schedule. We have placed all the major orders. Civil work in Belgaum is also in full swing. These projects will take our capacity to 61.5 million tons.

As informed earlier, we are on the path to expand our presence in new regions and reach a capacity of around 75 million tons by FY28. We are developing the Jaisalmer project and are likely to firm up our decision in the next few months. In parallel, we are working on various other projects in preparation to reach our stated long-term ambition of 110-130 million tons by 2031.

To conclude:

I must say that I believe we are making very positive strides in our journey amidst promising times when prospects of long-term demand remain strong, industry consolidation is accelerating and the potential for margin expansion is significant. I am confident that as a Company we are well positioned to capture the tremendous opportunities that lie before us.

Thank you and over to you, Dharmender, for the financial updates.

**Dharmender Tuteja:** Thank you, Puneetji.

Let me give an overview of our financial performance:

As Puneetji mentioned, our performance for the quarter was continued to be guided by profitable growth. During the quarter, we witnessed a sales volume growth of 9.5% YOY to 7.3 million tons. Our trade share stood at 62% while premium product share was at 23% during the quarter. Revenue for the quarter improved by 10% on a YOY basis. While prices were marginally higher on a YOY basis, it corrected in our core markets sequentially. This led to an NSR drop of about 4% on a QOQ basis.

As called out last quarter with the change in GST regime, our incentive run rate has also come down. During Q3, we have accrued incentives of Rs. 91 crores. This figure includes certain incentives amounting to Rs. 37 crores pertaining to earlier years and Rs. 9 crores for H1 of FY26. During the quarter, our receipt of incentives was Rs. 121 crores, with which our total outstanding incentives declined to Rs. 776 crores. As mentioned last time, we expect the incentive run rate to be around Rs. 200 crores next year.

Coming to the cost line items:

Our raw material cost per ton of production increased only by 2% YOY to Rs. 780 per ton despite the additional levy of tax on minerals in Tamil Nadu.

Further, our power and fuel cost per ton of production increased by just 1% YOY to Rs. 1,019 per ton despite the cost headwinds. During the quarter, we have achieved RE share of 48% on consumption basis.

Our cost efficiencies will continue to improve with the rising share of renewable energy in our consumption mix. We have commissioned 23 MW of RE capacity this quarter. With this, our total RE capacity has reached 410 MW.

In 9 months, we have invested about Rs. 50 crores in equity SPVs for the group's captive RE projects. There are more projects in the pipeline, which are expected to come online in the next few months.

During the quarter, our blended pet coke and coal consumption cost has remained range-bound at about \$99 per ton on a QOQ basis. Blended fuel cost during the quarter stood at Rs. 1.36 on per kcal basis, while CC ratio was 1.6x.

Our logistic cost during the quarter saw a significant decline of 5.6% YOY thanks to good progress on our various initiatives. Our direct dispatches percentage stood at 62% this quarter, while lead distance was at 277 km. Other expenses during the quarter increased by 11% YOY to Rs. 579 crores, primarily due to planned shutdowns and increase in marketing spend.

During the quarter, the Company hosted its Annual Dinner Conference and was one of the major sponsors of the Messi India tour, among other initiatives.

As Puneetji mentioned, we will continue to strengthen our position as one of the lowest cost cement producers. In one of the slides of our earnings release, we have included our total cost trend, excluding the two major external headwinds that affected us, i.e. additional levy of mineral tax in Tamil Nadu at Rs. 160 per ton and spike in fuel prices, clearly shows that we have reduced our structural cost over the last few quarters through better operational efficiency across levels. Our EBITDA per ton stood at Rs. 823 per ton, while absolute EBITDA was at Rs. 602 crores. This is an improvement of 18% on a YOY basis.

As you are aware that the Government of India has recently notified the new labour codes. Consequently, we have assessed an incremental impact of these changes amounting to Rs. 32 crores towards gratuity and other employee benefits. This has been provided under exceptional items.

During Quarter 3, FY26, we have incurred a CAPEX of about Rs. 513 crores, which makes YTD December spending to be Rs. 1,703 crores. We expect the spending to be around Rs. 2,700 crores in FY26. Majority of the CAPEX in current year is being spent on Umrangso clinker, Belgaum Pune units and Kadapa project, along with other land acquisitions and other ROI projects.

Our gross debt at the end of the quarter stood at Rs. 6,844 crores, while net debt stood at Rs. 1,793 crores.

Our balance sheet position remained strong, with our net debt to EBITDA at 0.6X. Just to summarise, we saw good volume growth and stable costs in Quarter 3. Our drop in prices led to margin suppression during the quarter.

As we look forward to Quarter 4, we expect positive momentum to continue on demand, whereas margins are likely to get supported with better prices.

With this, I open the floor for question and answer. Thank you.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. First question is from the line of Jashandeep Singh Chadha from Nomura. Please go ahead.

**Jashandeep Chadha:** Hello. Thank you for the opportunity. Sir, before I ask my question, I just need a clarification on the incentive front. In your presentation, you have mentioned that around 37 crores of the incentive received this quarter was from the previous period. Is it in line with the expectation and the run rate that the management was building or should we treat it as a one-off item? How should we look at the 37 crores?

**Dharmender Tuteja:** When we said that the run rate for the next year is about 200 crores, this new incentive is also included. So, this incentive is including the retrospective effect. That is why the figures have been stated that 37 crores for the previous year and 9 crores for the first half. But the impact will come in the coming years also. That is included in the run rate of 200 crores per year.

**Jashandeep Chadha:** So, it is in the normal course of business, right?

**Dharmender Tuteja:** Yes, please.

**Jashandeep Chadha:** Thank you for the clarification. Now, my first question is largely on account of demand and pricing. In a few of your key states, in both East and Northeast, there will be state elections that will be happening this year. So, with that context, how do you see demand going in East and what will be the impact on the pricing? How do you see cement pricing? I understand, Puneet sir just mentioned in short term, it is very hard to say. But over FY27, if you can give a wider picture on both demand and pricing, how are you seeing especially in East?

**Puneet Dalmia:** I think our view is that East is one of the lowest per capita consumption regions in the country. And the headroom for growth here is quite high. A lot of the Eastern economy is determined by mining and natural resources. And I think the government is quite focused on unlocking some of these resources and converting them into GDP growth. Also, a lot of infrastructure is being built. So, my personal view is that also given the fact that now to get re-elected, you have to show good development and you have to meet the aspirations of the Indian demographic, which is largely a very young population. So, my belief is that East should definitely be slightly above

the national average. And I think 7% to 8% growth in East should be quite easily possible. But again, as I said, there will be blips along the way. This is like, , a large part of Indian consumption is the CAPEX business, whether it is housing or infrastructure. The repair business is quite low in India because India is still being built. And therefore, sometimes CAPEX gets postponed sometimes. But over a slightly longer period, it's more easier to predict quarter-on-quarter, there could be blips. But over a 3 to 5 year period, it evens out. And I think that East should grow in high single digits quite comfortably.

Second point is, if I look at pricing, the pricing in East India and South also declined more than the adjustment for GST post 22<sup>nd</sup> September. I expect this to come back. And even in January itself, we are seeing some corrections, although they are still minor and not very meaningful. But I see some upward corrections in January. And this is usually a strong quarter in terms of demand also. So, I think given the fact that there has been excessive correction in prices, and the demand is strong, I expect some price uptick this quarter. But again, as I said, it's hard to say. And long term, I think prices will get driven by consolidation. I think barriers to entry in this business are rising. And higher consolidation will mean higher prices over the medium to long term. That's all. Thank you.

**Jashandeep Chadha:**

Thank you for this. So, if I put this question in a slightly different way, like we had Bihar election and we saw out of all the Eastern states, Bihar spent close to 55% of their budgeted CAPEX, whereas all the other Eastern states are less than 25%. So, given that West Bengal and Assam will be soon having elections, do you think more funds and more projects will flow to East? And hence, you will have a higher demand coming from these regions, which obviously suits Dalmia. But just wanted to understand a quick view on how elections normally affect demand in that sense.

**Yatin Malhotra:**

Jashandeep, if you were to look at Quarter 3, , we have seen revival across markets on demand in East. So, if you were to see four quarters prior and the trend line, I think the trend line has started to move up in Quarter 3. Elections would have an impact. We would right now not sit in judgment and anticipate which way it will go. But if you were to look at collective East, I think Bihar is now through the election cycle. We expect spending to come back. In other markets also, I think the spending is a little overdue. So, we are hopeful it will come back. So, we will see how it pans out. I think Odisha, Jharkhand, Bihar, all of them should do good and West Bengal might see some blip in the interim. But I think that again, the demand will come back. So, high single digit might be we may end up touching double digit is what our expectation.

**Jashandeep Chadha:**

Understood. Thank you so much for this, Yatin. My last question is largely on cost we have seen pet coke rise in recent months. So, what will be the impact for Dalmia in 4<sup>th</sup> Quarter on cost front? If you can just give an estimate.

**Dharmender Tuteja:**

The blended cost will go up as we have seen that the Pet coke prices have gone up. But of course, we will try to mitigate this by increasing the blend of the domestic coal, which is slightly cheaper.

**Jashandeep Chadha:** Understood, sir. I will join back with you for my other question. Thank you.

**Moderator:** Thank you. The next question is from the line of Indrajit Agarwal from CLSA. Please go ahead.

**Indrajit Agarwal:** Hi. Thank you for the opportunity. A couple of questions. Of the Rs. 150 to 200 cost savings, how much have we realized so far and what is still pending?

**Yatin Malhotra:** So, Indrajit, I think Dharmenderji mentioned in his commentary earlier, if you look at slide 23 of our IR deck, actually we made that explicit because this is generally a question that comes up. I think we gave this estimate around five to six quarters ago. Structurally, if you were to see, I think we have made decent progress. If you were to remove the two major headwinds that have come along our way, one was the Tamil Nadu limestone and one is the fuel uncertainty. We have roughly in the ballpark of Rs. 45 to 50 per ton is what we have structurally extracted. But as Puneetji also mentioned, there are more in the pipeline. So, we gave a guide to the 150 to 200. We are down six quarters. We are roughly 50s in the bank. I think much more will get converted in the coming quarters. So, we are pretty much steady on this journey.

**Indrajit Agarwal:** Sure. This is helpful. Second, I missed the CAPEX guidance for this year. What was it again?

**Dharmender Tuteja:** 2,700 crores.

**Indrajit Agarwal:** And lastly, if you can help us understand, how is the current pricing versus 3Q average? We have seen some increases in early January. So, is this like meaningfully above 3Q average or we are broadly at the same level?

**Yatin Malhotra:** I think we are just 20 days into the quarter. Right now, if you were to ask that question, yes, we are excited with the green shoots, but too early for us to count money. Early signs are good. Let us see how it pans out. As we have said, we are not in the business of predicting very immediate short-term on prices. So, let us see how it pans out.

**Indrajit Agarwal:** Sure. Thank you so much. That is all from me.

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

**Amit Murarka:** Hi. Good evening. Thanks for the opportunity. My first question is on CAPEX. So, while this year you have essentially been able to control the CAPEX from an initial guidance of 4,000 crores you had given earlier in the year, does it mean that next year now the CAPEX will be far higher with this reduction in '26? And if you could talk a bit more about the journey on CAPEX in '27 and '28?

**Dharmender Tuteja:** So, next year also we expect the CAPEX to be around 4,000 crores. And for the next two years, I think the CAPEX could be in the range of 8,000 to 9,000 crores.

**Amit Murarka:** So, basically 4 and 5 in that sense.

**Yatin Malhotra:** Yes. Amit, actually, if you dial back to what Puneetji mentioned, we are working on other projects. There might be some more announcements coming around the way. This is the current project that we are running. We would be hitting in the vicinity of 2.5-3 on an average annual, might be on the little above 3. And as we announce more projects, I think we will have more clarity. We are a few months away from that announcement. So, I think we can park that question for a while. Once we come with the full roadmap of 75, because the next thing is due, as Puneetji mentioned, I think we will give more clarity. So, as of now, if you were to look at the current projection CAPEX that we are doing, ballpark of roughly 3,000 Cr per annum. And as more happens, we will announce that.

**Amit Murarka:** Sure. Understood. And just a second question on realization. So, again, last year in Q1, like we had mentioned that we are pursuing profitable growth, but we have essentially seen realization actually drop almost 9% for you between Q1 to Q3, which is actually higher than the industry pricing decline. So, wanted to understand, is there been a change in approach or you're still following the profitable growth strategy?

**Yatin Malhotra:** No. So, you are saying Q1 to Q3.

**Amit Murarka:** Yes. So, those two quarters, essentially, both quarters have seemed like roughly 4%-4.5% fall, which at least what I understand is a bit higher than the decline seen in the market.

**Yatin Malhotra:** So, I will try to answer your question in points. #1. Discounting and selling is definitely not a strategy on the table. I think when we say profitable growth, we deeply believe in this concept. #2. Whatever drop in realization, you are looking at a blended level, is by and large, a mix of the market where we operate. As you are aware, East and South have seen the most significant drops in terms of the prices, industry wide. So, if you were to benchmark us versus the peers, I don't think you will see us fall steeper. If anything, we would have improved something on price positioning. So, rest assured that the NSR drop is not an outlier to the industry. It would be one shade better only. And discounting is not on the table as a strategy to sell. And the profitable growth remains our objective.

**Amit Murarka:** Sure. And if I could just squeeze in one last question. So, we have seen generally a very strong pickup in demand from December onward, largely. So, in that context, what would you kind of pin your volume guidance, if you can, give any for FY27?

**Yatin Malhotra:** We generally don't guide the market on volumes, but we remain hopeful that we will be able to do better than the industry. And this is what we are endeavouring to do.

**Amit Murarka:** Okay, sure. That's all from me. Thank you.

**Moderator:** Thank you. The next question is from the line of Navin Sahadeo from ICICI Securities. Please go ahead.

**Navin Sahadeo:** Thank you for the opportunity. So, my first question was on the closing capacity plan, which in your opening comments, you said 75 million tonne target remains for FY28. And you also said that plans for Jaisalmer will firm up in next few months. Now, I am referring back to your comments in the previous quarters, wherein we had alluded that if the JP Associates transaction does not come through, we could actually see digging, the commencement of breaking ground in Jaisalmer by April. So, how are we positioned to start Jaisalmer project by April, or are we awaiting any incentive related clarity or some approvals, may I say, from the government before we kick-start the Jaisalmer project? How should one look at it?

**Yatin Malhotra:** I think one should look at it with quite a bit of optimism. As Puneetji mentioned like we participated in the process. The process was out and open. The COC has made a decision. As we had said a couple of quarters back, that if this doesn't happen, we look at other options. We are now actively pursuing Jaisalmer project detailing,. Every detailing of the project would entail at least 15-20 critical points before we come and announce a date or a month. So, just bear with us. As we said, in a few months, we will be back and we'll be informing you in terms of all the steps. But rest assured that every single element that goes into creating the project is happening and is well on track.

**Navin Sahadeo:** Helpful. My second question was on pricing. Puneetji's initial comment this time appeared a little cautious than what it was in the past couple of quarters, more so after Q1 when South prices had really recovered. We were expecting prices to hold up with benefits of consolidation in South. But Q3, of course, saw a much sharper dip. So, is it fair to assume that competitive intensity has again got elevated and that's why the near-term caution, even though long-term optimism prevails?

**Puneet Dalmia:** Look, the all-India capacity utilization of the sector is around 70%. I think we will see and reasonable capacity expansion in the pipeline. Our belief is that capacity growth will be around 5%-6% per annum. So, when demand growth, we think maybe 7%-8% per annum. So, really, we don't expect material increase in capacity utilization of the sector over the next few years. Of course, there are regional differences. This is the national average. I believe that the overcapacity in this sector is here to stay, at least for the next foreseeable future. So, what happens is that when new capacity gets commissioned, at that time there are sometimes there's a volatility in prices. But I think, new projects are viable and acquisitions are viable at the price at which recent transactions have happened at EBITDA, which is much above the current level. So, I believe that there is assuming rational behavior in the sector. My personal view is that pricing is going to move up over the medium term. And I remain cautious in the short term, but reasonably optimistic in the medium to long term. My position has not changed, but again, as entrepreneurs, we are mostly optimistic. So, I think you should look at the long-term trends in the sector and discount what I want to say if you want to. But I think we are investing behind the growth in India and our deep conviction that there is entry barriers are rising due to limestone auctions and due to not easy to commission new projects. And it's not even easy to integrate acquisitions and turn them around quickly. So, it's a skill which requires a lot of hard work and a lot of focus and a lot of disciplined execution. So, in our view that entry barriers are rising and I think

consolidation will yield good results in the long term. And I think the GST thing again is a very big shift. It's almost 10% difference than what it was, consumers are used to paying a higher price and then what is it then what the spot prices are. And in the medium term, at least the prices should easily bounce back to what consumers are used to paying for a period of time. So, over a 2-3 year period, I think that's easily possible. So, I think I remain optimistic.

**Navin Sahadeo:** Great. We truly appreciate your comments. Just one small question. For the Northeast clinker unit which got commissioned recently, are we planning any split grinding units in Bihar like some of your peers are already contemplating or in an advanced stage of land acquisition? Is that a possibility to expect a better utilization of the clinker there?

**Yatin Malhotra:** Navin, can you repeat the question, please?

**Navin Sahadeo:** My question was about the possibility of a split grinding unit coming up in Bihar. So, some of your peers in Northeast are contemplating, rather not just contemplating, are in an advanced stage of land acquisition in Bihar for a grinding unit to utilize the clinker in Northeast and they are very close competitors to you, if I may say, in an open forum. So, I am just trying to understand if we also, to utilize the clinker better, are likely to put up or pursuing to put up a grinding unit given the state also has incentives. Just trying to understand your thoughts around better utilization of Northeast clinker. Thanks.

**Puneet Dalmia:** It's a definite possibility. I think, as I said, we are evaluating all options in line with our laid-out roadmaps. And I think, as and when we are ready to make announcements, we will. But this is a definite possibility. We have excess clinker in the Northeast right now.

**Navin Sahadeo:** Appreciate. Thank you so much.

**Moderator:** Thank you. The next question is from the line of Pinakin from HSBC. Please go ahead.

**Pinakin:** Thank you very much. So, my first question is on the near-term March quarter. So, you mentioned in your comments that you expect industry demand growth of 6%, 1H was low single digits, Q3 was better. But that would broadly imply that Q4 could be as much as 10% industry or late high single digit industry demand growth, which will be very strong. Would that assessment be correct?

**Yatin Malhotra:** Yes. This is what we expect. I think the momentum has picked up in December. We expect the same to roll on in Quarter 4. Might be a little here and there. So, yes, high single digit is what our expectation is for the industry. Thank you.

**Pinakin:** Sure. If we have such strong demand growth, would pricing also see a similar improvement given pricing has been very weak for the last 6 months or you see industry overcapacity or competitive intensity hold back price increases? Because naturally such a strong demand growth should drive prices higher.

**Puneet Dalmia:** Well, as I said, the price is corrected quite excessively beyond the GST reduction in both South and East. And there has been a marginal recovery in January. But as I said, I want to just wait and watch. And demand growth obviously helps. But let's wait and watch as to what happens.

**Yatin Malhotra:** And Pinakin, just to add December saw more decent demand than November. But still, it's all price drops. So, we can't put our finger down and say this is going to happen. Let us see. We are hopeful this should be positive for the industry. We have our fingers crossed.

**Pinakin:** Got it. My second question is that the trade share which used to be in the late 60s, Q3, Q4, Q1, has been 62% for the last two quarters or so. So, is this the new normal we should work with as new capacities come on stream for Dalmia or will the trade share go up back to the late 60s?

**Yatin Malhotra:** This is definitely not the new normal. This is a reality. In a subdued demand environment, this is something that has happened. By choice, I would say partially by the way market drove us. I think you should look at mid-60s to high-60s only as a future path. This is what we are committed to deliver. In the interim as the capacities come online, there might be a little spike here and there. But steady state, I don't think this is what you would look at.

**Pinakin:** Understood. Thank you very much.

**Moderator:** Thank you. The next question is from the line of Satyadeep Jain from Ambit Capital. Please go ahead.

**Satyadeep Jain:** Hi. Thank you. So, Puneet, I just wanted to check on the expansion beyond what you already have. Specifically tied to North. So, you have two options, Jaisalmer and Nawalgarh. As you look at Jaisalmer specifically, what is the land acquisition status? What is the ECE? We are hearing generally some delays in ECE because of Great Indian Bustard. Even for cement land, is that something you are noticing? So, level of preparedness for Jaisalmer, especially as you look at FY28 commissioning. Also, Nawalgarh, it's been 4-5 years since you got that. And all the others who got that lease in 2021. And typically, as we understand that after the award of mining lease, typically there is 3 plus 1 years. And if nobody commences production within that timeframe, the lease is given back. So, what is the status on the optionabilities you have both in Jaisalmer and Nawalgarh?

**Puneet Dalmia:** I think on Jaisalmer, things are going as per plan. We expect a large part of the land acquisition for grinding units, etc. is already done. And in that area, it is not very difficult to acquire land. Some part of it is government land also. I personally think that we are on schedule in terms of developing that project. In terms of Nawalgarh, our priority is Jaisalmer right now because from a return perspective, we think that this will offer better returns. And therefore, we are more focused on this at the moment.

**Satyadeep Jain:** Anything on GIB related delays, are you witnessing in EC?

**Puneet Dalmia:** Sorry, what delays?

**Satyadeep Jain:** The Great Indian Bustard related delays there in Jaisalmer.

**Puneet Dalmia:** I haven't heard anything about it so far.

**Satyadeep Jain:** Okay. And secondly on this, in the notes account you mentioned for the ED investigation for Kadapa, back and forth, obviously you gave your reply. And then after December, there is a reply from ED. Can you give us some idea what's happening in terms of what ED reply has been? Is it possible to give some update?

**Yatin Malhotra:** I don't think it will be fair for us to be very exact with that update. I think we are pursuing it through the right channel. And we are optimistic for a good outcome in near future. But let us wait and we will keep you posted on the developments on that.

**Satyadeep Jain:** Okay. Thank you so much.

**Moderator:** Thank you. The next question is from the line of Shravan Shah from Dolat Capital. Please go ahead.

**Shravan Shah:** Hi, sir. Is it possible to share both the Kadapa and Belgaum break up in terms of the CAPEX? So roughly 6,800 crores was the announced CAPEX. So how much till now we would have broadly would have spent on that?

**Yatin Malhotra:** We would not want to share project wise CAPEX details. I think you just need to look at the larger picture. As we said, the projects are on track. We are pretty much on track to deliver them on the target commissioning date. And detailed project by project CAPEX is not what you would want to diverge into the call.

**Shravan Shah:** Okay. And previously participants have tried to understand in terms of the 75 million tons. Still, I am again trying to understand in furthermore detail. So, if you can specify in terms of timeline, because it is becoming very difficult to digest that we can reach to 75 million tons. Actually, we need a kind of 13 odd million tons. So, we have to start spending now. So that's what when Puneet sir said that we will be announcing in a couple of months. I want to understand a couple of months. Does that mean by March we will be announcing or it could be by June? Even if by March also, how are we kind of confident that we can reach to a 75 million tons?

**Yatin Malhotra:** So, Shravan, a few points. Point number one, yes, Puneet ji mentioned today also, we are targeting to be around 75 by FY28. Now, Jaisalmer could be an opportunity in the vicinity of 7 to 8 million tons. We will see how we detail it out. And this could very well take us in the range of 70 because we are looking at 61.5 million tons, which is the current expansion announced. And then we just spoke about Northeast extra clinker that we have and we might end up setting up a grinding facility. Even if we do something in March-April announcement, and we also mentioned that not that the work is waiting announcement. We are anyhow working on all the levers to set up the project. Even if we do that announcement in the next 2-3 months, we will still have 24 clear months to have the project up and running. So, we are pretty hopeful that and

FY28 is a milestone, around 75 million tons is a milestone. Give or take a month here and there actually doesn't matter in this long journey. But just wait for a few more months and we will be giving more clarity on this topic.

**Shravan Shah:**

And then given further to if I extend it, still we are kind of maintaining 110-130 million tons by FY31. So, another 35 odd million tons post this. So, does that mean that now onwards we would be kind of every year keep on announcing and then in terms of the CAPEX, how are we on a yearly run rate basis can look at and in terms of net debt EBITDA, what's the level that we should not be. So, because everything is kind of a link. So, if that's the plan, then in terms of the volume growth also, we should be looking kind of a +15% kind of a CAGR. So, but that's not the way we are kind of portraying. We are still kind of a shying away in terms of clearly confidently talking kind of a, that kind of a number 15% kind of a growth. Because till now also our utilisation is low and the way we are, we will keep on or are pursuing to add the significant capacities.

**Yatin Malhotra:**

So, Shravan, I think we have mixed up a lot of points. Number one, let's talk about, we are not shying away from anything. You delivered a 10% growth quarter, the one that you just closed. We are very optimistic about beating the industry in terms of growth in the coming quarters and years. So, that is point number one. Point number two, to your question that, should you expect a lot of announcements to come your way? Definitely, you should expect a lot of announcements. Because if we have to cover a journey of doubling our capacity in 5 years, definitely we have to do that. To your point of too much capex on the anvil, yes. But if you were to just take a, this is a typical thing that I have been saying to my friends, even in the investor community, even in a bad year, we generate 3,000 to 4,000 crores of cash, which is equivalent to setting up a 6 to 7 million tons capacity in a year. So, if you were to just add up numbers, and if you were not to factor any incremental growth or any incremental margin addition, we are still steady in terms of our leverages to fund our growth journey for the next 5 years. So, I don't think that is a topic that would worry us too much. And we have stated our capital allocation policy, we have stated our clear goal that, we want to stay within 2 in terms of net debt-to-EBITDA. We are 0.6, I think we will be comfortably reaching home. So, that is not a concern.

**Shravan Shah:**

Lastly, sir, is it possible that in January, we said that some price hike is there? If you can quantify, was it kind of a Rs. 15 odd and that too in a non-trade? Was there any price hike in trade also?

**Yatin Malhotra:**

In January?

**Shravan Shah:**

Yes, January.

**Yatin Malhotra:**

I think it is still living in January. I think your trade case can give you better indicator than what we know as of now. But let us call the pan out and we will have more chat on this topic.

**Shravan Shah:**

I am done. Thank you and all the best.

**Moderator:** Thank you. The next question is from the line of Rahul Gupta from Morgan Stanley. Please go ahead.

**Rahul Gupta:** Hi, thank you for taking my question. So, I have one question on other OPEX. So, how much of your marketing initiatives that you undertook this quarter had one-offs? Can you please help us understand that?

**Yatin Malhotra:** We can get back to you in a while. We do not have that number off-hand. I will try to give it to you before we end the call.

**Rahul Gupta:** Okay. So, just a connected question on this slide 23, where you discuss your cost adjusted for Tamil Nadu tax, keeping fuel cost constant from 1Q '25. So, does 3Q '26 number also include one-offs from marketing expenses?

**Yatin Malhotra:** Yes, it does. Actually, we did not want to slice and dice it too much. So, it has one-offs of marketing. It has a spike of the shutdown cost we had in this quarter. We do not want to cut down two layers. We just called out the two larger headwinds, because that is everything else is a part of business the way we see it. So, if you were to ask me structurally, I think we look at a larger number than what is coming in front of you. And hence, when we say that more initiatives are in pipeline, that is the reason that we say that.

**Rahul Gupta:** So, I just want to understand that the cost savings that you have got is Rs. 50 or more than that, because a part of marketing expenses is already included in that. So, maybe your savings are better than Rs. 50, right?

**Yatin Malhotra:** Yes, that is what we are trying to mention.

**Rahul Gupta:** Okay, great. Thank you.

**Yatin Malhotra:** Sorry, just to answer that question, roughly Rs. 20-23 crores of extra marketing spend has been incurred in this quarter, if you were to take that number.

**Moderator:** Thank you. The next question is from the line of Prateek Kumar from Jefferies. Please go ahead.

**Prateek Kumar:** Good evening. I have a couple of questions. Firstly, your employee cost on an annualized basis has remained, hardly moved in the past 2 years, from '24 to '26. Is this also part of cost saving and how is this kind of happening and the outlook there is the first question?

**Yatin Malhotra:** I don't think employee cost reduction as such is a line item of a cost saving agenda. Yes, we believe in running a fitter, leaner organization which is fit for purpose of future. But this is not a stream of cost initiative that we are driving very consciously.

**Prateek Kumar:** Sure. So, basically, but your employee cost in 2 years have grown only 2%-2% each year. So, you have seen a reduction in employees during this period or what?

**Yatin Malhotra:** As I said, we are getting into a mode where we have a fitter organization for future. I am saying that cost reduction through employee cost is not a stated objective that we are trying to change. It's a byproduct of all the other efficiencies that we are building in the system.

**Prateek Kumar:** Right. Sure. My other question is on JPA assets. As far as public information, it has been given out by NCLT to the other industrial group. So, why are we still chasing it and still talking about it? I am a bit confused on the thing.

**Yatin Malhotra:** We did not talk about it.

**Moderator:** Thank you. The next question is from the line of Kunal Shah from DAM Capital. Please go ahead.

**Kunal Shah:** Hi, sir. Just one question. Now, for a large part of the year, the government CAPEX momentum was on the softer side. And now we are seeing a demand rebound in December and Jan. Now, could you just provide some color here on the profile, whether we are seeing pickup of central CAPEX or state CAPEX or more IHB-led rural demand? Just wanted to understand the sustainability of recovery as we speak.

**Puneet Dalmia:** Actually, as I said, it is very hard for us to build a model like this where we can get a very accurate quarter-on-quarter, state-by-state demand projection. There are times when projects get delayed. There are times when there is large CAPEX and projects get accelerated. So, I think what we have learned is instead of spending too much time on this issue and becoming a perfect demand forecaster, we are better off making a larger trend line on how the Indian overall demand is likely to behave and plan our investments on that basis. I think we have found that it is just a better way to spend time to plan investments which are longer term with a longer-term trend line in mind. And I think there are sometimes blips along the way. But as I said earlier, things catch up and revert to mean unless there is some very-very structural change. So overall, I still believe that 7%-8% demand growth over the next 10-20 years is possible in India. And that is the core drivers remain intact, which is infrastructure, which is housing, which is commercial urbanization and also the revival of manufacturing and private CAPEX in India. These four drivers structurally, I think, will remain intact. We don't see any reason quarter on quarter to change our view on this. And we also don't see any reason to change our investment strategy unless something fundamentally changes. So, it's hard for me, I cannot give you an answer to a question which we just don't look at it quarter-on-quarter. And frankly, we don't even know. So, it's hard for me to give you an answer to this question. And frankly, maybe you guys are better qualified to answer this based on the data that you see. But we don't plan our investment strategy also. So, if demand growth becomes negative, our investment strategy won't change. If demand growth suddenly becomes 13%-14% in one quarter, our investment strategy won't change. But yes, we are ready in the market, our distribution, our sales infrastructure, all that is planned based on the capacity that we put in. So, I can't give you a better answer than this that we look at medium to long term for this. Thank you.

**Kunal Shah:** Understood. This is extremely helpful. Just one small follow up here. Just to put this the other way around, are we seeing any pickup, let's say in terms of tendering activity or enquiries, especially on the non-trade side or the infra projects? I mean, if you would just help with that.

**Puneet Dalmia:** Yes, certainly. I mean, I think we are seeing a lot of large CAPEXes. There are metros being built almost in 9 or 10 cities in India where we are participating. Large CAPEX happening there. In Northeast, a lot of bridges are being built, hydropower projects are in the anvil, there are roads, we see it all the time. There are railway tracks. So, there is a lot of activity on infrastructure. And yes, there are tenders which are coming in for some of these large projects on a continuous basis. You can actually just, I will just take 30 seconds more. You can actually see in our investor deck; we have put down some projects where Dalmia has been supplier to some infrastructure projects. There are pictures and there is location of those projects also. Thank you.

**Moderator:** Thank you. The next question is from the line of Ashish Jain from Macquarie India. Please go ahead.

**Ashish Jain:** Good evening. I had just one question. Puneet earlier in the call you made a point that capacity addition remains quite decent in the sector and utilization may not improve materially for the industry on an overall basis. So, in that backdrop, how should we think about the margin profile of the industry? Is it like remaining in a range and most of the expansion will be driven by cost efficiencies and all or there's a strong case for a sustained price hike for the industry from, let's say, the next 3-4-5-year point of view? And if yes, then what kind of drives that confidence? Because organic expansion also remains quite steep in the sector, irrespective of how much consolidation we see in the space.

**Puneet Dalmia:** I think, our belief is that if you look at the ROCE of most of the companies, it is not in line with what we see globally in consolidated markets. I also think that when new capacity comes in, there is a quest for market share at times. And all industries go through this phase of sometimes people prioritize market share over margins and sometimes people prioritize margins over market share. So, all industries go through this cyclical in terms of what is priority at what point in time. My belief is that with a 7% to 8% demand growth, to keep up the earnings profiles, cost reduction can happen maybe 3%-4%. But beyond a level cost has a finite limit to below which you cannot go. And ultimately prices should get a strong uptick. If I look at a long term CAGR in this sector of prices, in the last 10 years, it has been quite dismal. So last 10 year price CAGR is like very low single digit. And it begs the question that whether consolidation has actually driven prices up and whether it has given returns or not, in terms of prices. I feel that if I look in the rear-view mirror, it doesn't give too much confidence that consolidation will give a price uptick. But given the fact that entry barriers are rising and cost of setting up capacity or acquiring new capacity is fairly rich. I personally think to earn risk adjusted hurdle rates of return; I expect prices should go up in the medium to long term. But how soon, how up, how much up is hard for me to predict. But it's a conviction that I have given what we've seen in different industries, different geographies within India, as well as outside India. But again, it's a

view that we hold, the future will only tell whether we are right or wrong. But we are basing our investment strategy based on this assumption. But we are not going to hang all our boots on price increase. We are going to make sure that we work hard on figuring out the right markets in which we want market share. We are going to figure out how to remain efficient. We are going to make sure that our capital allocation is disciplined and we remain within the leverage conditions that we have outlined. So, we will grow with a very strong balance sheet and with a very efficient cost structure. So yes, price is a bonus, but it is not something that we are dependent on for meeting the returns that we are targeting internally.

**Ashish Jain:** Puneet, if I can just have a follow-up on that. Like the way my only concern is the cash flows in this sector are so strong that it's very difficult to believe that the capacity aspiration of companies will not be there tomorrow or day after tomorrow. So, are you seeing any change in terms of how managements are operating? Because ROE really is not something companies talk about that often in this sector particularly. So, do you sense there is a change in, especially given the change in ownership of capacities and all in the sector in the last 4-5 years and could that be a trigger you believe in terms of how people think about profitability?

**Puneet Dalmia:** No, sorry, I didn't get your question. You are saying that cash flows are strong, so people will keep adding capacity and hence prices will not go up. Is that the question?

**Ashish Jain:** Yes, because that's what we have seen, right, in the last 10-15 years.

**Puneet Dalmia:** It's a definite possibility. I mean, who knows the future. As I said, if you look in the rearview mirror, the price CAGR is like low single digit. It's below inflation. So, if you look in the past, that's the reality. Yes, I mean, there is a possibility that people keep adding new capacity and cash flow remains strong and prices don't go up. Yes, that's a definite possibility. I mean, I don't know, but I remain convinced that there is a strong case that as consolidation happens even more, because it is hard to execute. It's a boring business. A lot of people in the next generation are more attracted to different sectors, which offer amazing opportunities in India. And I think this business requires disciplined execution. It's boring. It requires the hard work on the ground. And I don't know, how many people can institutionalize managing scale at these levels. So, over a long period of time, more consolidation will happen driven by multiple factors, portfolio choices, succession, etc. And I think as more consolidation happens in my view, prices should go up.

**Moderator:** Thank you. Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to Mr. Puneet Dalmia for closing comments.

**Puneet Dalmia:** Once again, I wish all of you A Very Happy 2026 and thank you for your interest in our Company and thank you for all your incisive questions. We look forward to continuing our interactions in the quarters ahead. Thank you very much. Have a great day.

**Moderator:** Thank you. On behalf of Dalmia Bharat Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.