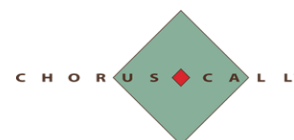




**“Jindal Steel Limited
Q4 & FY26 Earnings Conference Call”
May 02, 2026**



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MODERATOR: MR. ASHUTOSH SOMANI – JM FINANCIAL

Moderator: Ladies and gentlemen, good day, and welcome to the Jindal Steel Q4 & FY26 Earnings Conference Call hosted by JM Financial Institutional Securities. 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 this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Ashutosh Somani from JM Financial Institutional Securities. Thank you, and over to you, sir.

Ashutosh Somani: Thanks, operator, and welcome, everyone, to the call. I will first thank Jindal Steel for giving JM Financial the opportunity to host today's call. Without much ado, I will hand over the call to Mr. Vishal Chandak, Head Investor Relations, Jindal Steel, to introduce the management. Over to you, Vishal.

Vishal Chandak: Hi Ashutosh. Good evening. Thank you very much. Good evening, ladies, and gentlemen. Thank you very much for joining us for the Q4 and FY26 earnings briefing, on a Saturday, on a long weekend. Quickly, we will introduce the management participants. We have with us, Mr. Gautam Malhotra, CEO; Mr. Damodar Mittal, Whole-Time Director; Mr. Debojyoti Roy, Whole-Time Director; Mr. Sunil Agrawal, CFO; Mr. Sanjib Nanda, President Finance; Mr. Pankaj Malhan, ED, Sales, and Marketing; and Mr. P.K. Biju Nair, ED, Angul. Without much ado, I would request Mr. Gautam to start with his opening remarks. After this, we will open the floor for the Q&A. Over to you, sir.

Gautam Malhotra:

Thank you, Vishal. Good afternoon, ladies, and gentlemen. Welcome to Jindal Steel's Fourth Quarter FY26 and FY26 Earnings Conference Call. We appreciate you finding time on a Saturday afternoon to join us. FY26 has been a defining year for Jindal Steel, marked by significant progress across our expansion projects, which have taken our steelmaking capacity from 9.6 million tonnes per annum to 15.6 million tonnes per annum.

We have had a steady ramp-up of these newly commissioned capacities at Angul and a continued focus on operational efficiencies across all three manufacturing sites, including Raigarh and Patratu. As we transition into a higher scale of operations, we are well positioned to deliver not only higher volumes, but a value-add product range geared towards the infrastructure demands of a growing India. Let us start with a big picture view on the global steel industry, which is entering a phase of measured recovery.

There are projections of modest growth of 0.3% in 2026 to reach 1.7 billion metric tonnes, accelerating to 2.2% in 2027 at 1.762 billion tonnes. China's demand contraction is gradually decelerating while India and other developing Asia remain growth drivers. Developed economies, including the EU, U.S. and Japan, are expected to return to positive growth in 2027.

The Middle East conflict has tempered near-term regional demand. However, the broader global outlook remains largely resilient. With regards to China specifically, production remains resilient despite weak demand. Crude steel production was 950 million metric tonnes in CY25, down 5% year-on-year, even as domestic steel demand continued to contract at 7% year-on-year. This growing gap signals persistent oversupply. With that context, exports reached a record high of 119 million tonnes in CY25 with surplus steel entering global markets to compensate for continuing demand weakness primarily in real estate construction.

Coming on to India, the country continues to assert itself as the world's fastest-growing major steel market with domestic demand projected to expand by 7.4% in 2026 and accelerate further to 9.2% in 2027.

This outlook is underpinned by broad-based strength across all key steel consuming sectors, infrastructure-led hot construction activity, the automotive sector, a broader industry capex cycle and a nationwide rail network expansion plan. These demand fundamentals are well reflected in FY26 with finished steel consumption rising 8% year-on-year to 164.2 million tonnes and crude steel production expanding 11% year-over-year.

At a quarterly level, Q4FY26 sustained this trajectory with finished steel consumption at 44.6 million tonnes and crude steel output at 44.7 million tonnes. This reflects growth rates of 10% and 5%, respectively, over Q3FY26, underscoring India's steel demand recovery. It is also important to recognize that India has now become a net exporter of steel with 0.1 million tonnes in FY26. It is important to note that the safeguard duty on flat steel imports stepped down from 12% to 11.5% effective April 21, 2026.

Turning to Jindal Steel. FY26 has been an exciting milestone year in terms of project execution and capacity expansion. During the year, we made significant progress on the Angul expansion.

As you would recall, this plan is to increase the iron-making capacity by 6.6 million tonnes through BF2 of 4.6 million tonnes, which is operational and DRI2 of 2 million tonnes, which is under construction. At a steelmaking level, capacity was increased by 6 million tonnes with BOF2 and BOF3 each at 3 million tonnes.

The cold rolling complex of 1.2 million tonnes per annum enhances the Jindal Steel product portfolio and supports margin improvement through higher value-added products. On the power side, we commissioned the 1,050 MW Shree Bhoomi Power Plant, consisting of two modules of 525 MW each. The coal pipe conveyor belt between the thermal coal mine in Utkal C and Angul is operational now. On the slurry pipeline from Barbil to Angul, this challenging project is close to completion now. The pipeline is expected to be commissioned in this quarter, Q1FY27.

Overall, as mentioned earlier, the Angul expansion has taken our company's total steelmaking capacity from 9.6 million tonnes per annum to 15.6 million tonnes per annum. During the year, we have continued to progress our integrated raw material strategy. We have been declared the preferred bidder for Thakurani-A1 iron ore block in Odisha. For thermal coal, you may recall at the end of last year, we were awarded the Saradhapur Jalatap East coal block.

For FY26 production volume was 9.25 million tonnes, and sales was at 8.68 million tonnes, representing an increase of 14% and 9%, respectively. For Q4FY26, production volume was 2.65 million tonnes, representing quarter-on-quarter growth of 6% and year-on-year growth of 26% and sales volume was at 2.62 million tonnes representing a quarter-on-quarter growth of 15% and year-on-year growth of 23%.

This performance reflects a strong ramp-up at Angul and improved capacity utilization across operations, including Raigarh. Dispatches have also improved in line with the stronger demand environment. Overall, we have achieved a balanced sales mix across product categories with focus on optimizing realizations by moving our product mix towards higher value-added products.

Coming on to the financial performance in FY26. Jindal Steel reported consolidated gross revenue of INR 62,412 crores, an increase of 8% compared to FY25. Consolidated adjusted EBITDA was INR 9,099 crores and on a per tonne basis, the adjusted EBITDA was INR 10,482 per tonne, compared to INR 11,712 in FY25. The profit after tax for the year is INR 3,361 crores, a growth of 18% over last year and corresponding earnings per share of INR 33. The Board of Directors has recommended a final dividend of INR 2 per share.

For Q4FY26, consolidated gross revenue was INR 19,399 crores, compared with INR 15,172 crores in Q3FY26, a growth of 28%. In addition to the expansion ramp-up volumes, HRC and TMT rebar prices recovered strongly during the quarter, although the benefits were partially offset by an increase in coking coal prices. The blended ASP has increased by INR 4,743 per tonne on a sequential basis. Consolidated adjusted EBITDA for the quarter was INR 2,647 crores and an adjusted EBITDA per tonne of INR 10,093. Profit after tax for the quarter was INR 1,041 crores.

Until the previous quarter, the Australian assets were under care and maintenance. This quarter, we have closed the shaft, and the reserves are no longer accessible, although we still have the license. Accordingly, we have recognized an impairment of INR 1,433 crores which equates to USD 159 million in the standalone business and INR 834 crores, which equates to USD 93 million in the consolidated results.

Overall, the ramp-up of the expanded Angul facility, along with our commitment to ongoing operating efficiencies and customer focus will drive our financial performance in the quarters to come.

As of 31st March 2026, consolidated net debt was INR 16,019 crores with a net debt to EBITDA of 1.66x and debt to equity of 0.43x. With the ramp-up of new capacities and corresponding improvement in operating cash flows, we expect leverage metrics to normalize by Q2FY27. We remain committed to maintaining a disciplined capital structure whilst funding our sustenance and future growth initiatives. During FY26, we have invested a further INR 9,574 crores out of the total planned capex program of INR 47,043 crores. Along with the INR 25,924 crores already invested up to FY25, the remaining capex under the program is INR 11,545 crores.

It is interesting to note that from FY22 to FY26, net debt increased from INR 8,876 crores to INR 16,019 crores, which is INR 7,143 crores more. And during the same time, we have invested INR 35,498 crores in the current capex program which reflects the strong internal accrual allocation we have been able to do through the capital allocation framework.

We are making strong progress on our AI and digital transformation journey, from upscaling our workforce and deploying AI-powered digital agents to turning smarter and increasingly autonomous plants. We are building Jindal Steel into a truly intelligent enterprise. Our JARVIS, which stands for Jindal AI for real-time visibility, intelligence and systems platform unifies production, sales, and business data into one thinking layer. While investments in robotics, end-to-end digital integrated systems ensure that our business processes are safe, connected and future ready.

Jindal Steel's ESG journey runs in four clear phases. Through FY30, we are building site-level control systems and credible reporting foundations. By 2030, we target a 30% CO2 intensity reduction, 50% renewable energy and full biodiversity coverage across all sites. The 2030 to 2040 decade will scale hydrogen circularity and CCS infrastructure. By 2047, our goal is net zero emissions, zero waste and net positive biodiversity. We were pleased to have our sustainability efforts recognized during the year with S&P Global raising our ESG score from 37/100 to 74/100, and our CSA score improved from 30 to 72.

Looking ahead, we expect continued ramp-up of the new capacities at Angul to drive volume growth. Steel demand in India is expected to remain reasonably strong, supported by infrastructure development and construction activity. Steel prices have shown recovery in recent months and are expected to remain supportive in the near term, although raw material cost, particularly coking coal, may remain volatile.

With that context, our production plan for FY27 is 11 million to 11.5 million tonnes and sales between 10.5 million to 11 million tonnes. For Q1FY27, we expect coking coal prices to increase by \$20 to \$25 per tonne sequentially. Thank you.

Moderator: Thank you. Our first question comes from the line of Jashandeep Chadha from Nomura. Please go ahead.

Jashandeep Chadha: Congratulations, sir, for a very good set of numbers. My first question is on realization. We see that realization has improved in the fourth quarter. The steel prices continue to improve in the first quarter as well. So, I wanted to understand, have your contracts been reset on the higher realization? And what will be the impact on realization in the first quarter? And any comment on the recent dip in steel prices? That will be my first question, sir.

Gautam Malhotra: Thank you for your question. So, two things. We have a mix in our order book of spot selling as well as contractual selling. So typically, in a rising market and a falling market, there is usually a lag also in the system. So, you can see that our ASP has increased significantly and considerably in the last quarter.

I think second part of your question was more related to you seeing a slight dip in the market. Yes, but we still feel that at the moment, the market is holding firm, and there is nothing to worry about on that front. And we do have contracts on the earlier prices as well, which are continuing, which will continue to support us as we move ahead in this quarter.

Jashandeep Chadha: So, it means the realization will remain strong. And my second question is, sir, with BOF commissioned, steelmaking capacity commissioned, with slurry pipeline expected to come in first quarter and then conveyor belts also largely commissioned. What will be Jindal Steel's capex outlay for FY27 and FY28? And which are the key projects now which are left? And will it be fair to say that now Jindal Steel will be looking more at asset sweating than further capacity expansion in the next couple of years?

Gautam Malhotra: That is a lot of questions in one question. Let me try and break it up. So, I will start reverse. I think you are 100% right. We more or less finished our capex program. Our focus is on sweating the assets and getting returns out of them. So, bang on that. Another question you had is, I think our guidance has been fairly clear that we will be allocating INR 7,500 crores to INR 10,000 crores to our capital expansion programs or sustenance capex as we call it. So, I think that broadly answers your question. If I have missed any part of the question, feel free to go ahead.

Moderator: Our next question comes from the line of Darshan Mehta from Dolat Capital.

Darshan Mehta: Sir, my first question was basically, we had earlier indicated a shift to high throughput and lower-margin products in Q3. However, since that, even in Q4, our share of value-added products has fallen QoQ. So, can you just provide any timeline that by what time should we be able to recalibrate towards higher value-added products? And what is the target value-added mix for FY27?

- Gautam Malhotra:** So, I think our thought process on this is fairly clear. At the moment, we are ramping up our facilities. And whilst in ramp-up, our primary goal is first to achieve capacity utilization. And once we start achieving the desired capacity utilization numbers, we start going towards the mix optimization. So that is the way we are approaching it. So, I think you are going to see a little bit of movement in the first two quarters of this year and then a stabilization in the second half of the year.
- Darshan Mehta:** Sure sir and would you like to call for any one-off start-up costs in this quarter?
- Gautam Malhotra:** Which quarter? Last quarter or this quarter?
- Darshan Mehta:** No, this Q4.
- Gautam Malhotra:** I think most of the start-up costs were covered in Q3. There was some fag end of it, which was there in Q4, but it is not anything which is significant, and it is all done now.
- Moderator:** The next question comes from the line of Vikas Singh from ICICI Securities.
- Vikas Singh:** Sir, can you tell us about the contract versus spot sales mix this quarter and expected in the Q1? And another question would be the product mix changes impact on your overall realization because as we see the sequential jump was much higher than what you have realized this quarter. So, if you could just elaborate on that point for us.
- Vishal Chandak:** Vikash, this is Vishal here. For any data-related questions, I will connect with you offline. And can you please repeat the second part of your question?
- Vikas Singh:** Our product mix is changing towards more on HRC. So obviously, it is slightly on a blend basis, deteriorating. So just wanted to understand the product mix change versus the realization ratio impact basically. How should we look at the realization base increase going forward?
- Gautam Malhotra:** See, I think I would stay away from saying the word deteriorating. Yes, we are increasing our flat sales, and you picked up correctly especially on the HR side. And over there also, we continue to expand our value-added portfolio. Along with that, we have the downstream facilities, which will actually add more capability and more niche products downstream, which will also add to our realization and our value addition program and our ratios on that. In terms of how the numbers will pan out, I think earlier, our teams have already spoken about it. I think today, we are around 50:50. Flat sales will increase in times to come and move towards 70% odd as we move ahead.
- Vikas Singh:** Noted. And sir, any update on the FY27, at least in the production guidance as well as the benefit which we are going to receive from the infrastructure projects combined?
- Vishal Chandak:** Vikash, if you are specifically referring to any project as such, because we have already just announced the FY27 production and sales guidance at 11 million to 11.5 million tonnes of production and 10.5 million to 11 million tonnes of sales.

- Vikas Singh:** Yes, that I see on your presentation, I think this was on Slide 5. Infrastructure related, if you can tell me the slurry pipeline and the port facility, how much savings we are actually building in from those two projects?
- Gautam Malhotra:** So, I think on slurry, we have been clear in the past. Slurry will come online, and it will start delivering in this financial year. And roughly about INR 700 is the savings that we indicated on that. And if you want to take it to a per tonne basis on steel level, it will be roughly about INR 750 to INR 1,000 as we ramp up.
- Moderator:** The next question comes from the line of Kiran Naik from Mody Fincap.
- Kiran Naik:** Can you hear me, sir?
- Gautam Malhotra:** Yes, we can hear you.
- Kiran Naik:** Sir, can you give me a guidance for revenue growth for FY27?
- Gautam Malhotra:** I think we have given you the guidance for our sales and production numbers. And I think revenue is a function of a lot of other things. So, we will stick with that for the time being.
- Kiran Naik:** And EBITDA margin will be how much for FY27?
- Vishal Chandak:** So, Kiran, EBITDA is a function of several things, a lot of which includes raw material and the pricing, which remains outside our control.
- Gautam Malhotra:** And also, I would like to add, I think if you look at our performance over the years and quarters, largely, we have been a very robust and a consistent performer on our EBITDA numbers as well as percentages. So, I think that should provide enough confidence for you to take guidance from that.
- Moderator:** The next question comes from the line of Satyadeep Jain from Ambit Capital.
- Satyadeep Jain:** The first question on the write-downs. I am not sure if I missed in the prepared remarks. What were the write-downs in JPML and in Wollongong?
- Sunil Agrawal:** This is Sunil Agrawal. So basically, we have written down our WCL, Australian asset, by INR 834 crores, mainly because we are going to close that mine. So, we have already closed the shaft, and that is why it took the hit of around INR 834 crores. India level, if you can see that we have already write-offs around INR 1,433 crores during the quarter.
- Satyadeep Jain:** So, the remaining loans that you have, is it fair to say that there would be no additional write-downs now?
- Sunil Agrawal:** That's right. So, we do not expect any further write-offs. This is represented by the independent valuation done by reputed agency.

- Satyadeep Jain:** Okay. And just on the rail rakes that the company was going to buy, what is the current position? How many rail rakes have already been acquired? How many are left?
- Gautam Malhotra:** So, we are at about, I think our rail rakes program was about 79 rakes. We had about 72 rakes and the remaining rakes are also very soon getting delivered. So, I think in the next 2-3 months, we should be all in.
- Moderator:** The next question comes from the line of Somaiah V from Avendus Spark.
- Somaiah V.:** Sir, my first question is on iron ore. So, if you could just help with the kind of pricing trends that we saw last quarter. And also, in terms of captive versus outside buying, if you could give us a mix and also, if possible, a mine level, Tensa, Kasia and the newer mine.
- Gautam Malhotra:** Okay. So, I think mine level, you can take it offline with Vishal. But largely speaking, we saw that the pricing was more or less stable and our mix is about 60:40.
- Somaiah V.:** 60% captive?
- Gautam Malhotra:** 40% captive.
- Somaiah V.:** 40% captive. Got it. Sir, so in terms of incremental volumes that we are bringing in this year, so in terms of markets, how do we plan to, are we going to go into newer markets or in the existing markets, we have the headroom to kind of have this sales put in. So how do we see in terms of this incremental 2 million tonnes versus last year in terms of placing in markets? And which markets will be more in the Eastern or will we have to move to new markets?
- Gautam Malhotra:** So, I think there are a couple of ways we are looking at this. Firstly, with our wide product portfolio and the fact that we have a very rich value-added mix and value addition is actually in our DNA. We are able to cross-sell products to existing customers, and we become a good natural choice for them to start buying other products also, which we have just launched, from us. So, we become kind of more or less "one-stop shop" for them for a large portion of the portfolio.
- Second part, I think you are talking about which markets, I think that is more difficult to answer. But we continue to remain focused on what we define as our strategic markets and our strategic markets where we have strong presence, where usually closer to where we are and also markets which tend to be larger in size. So that is the way we look about it. But generally, we are thinking that our customers actually benefit from cross-selling opportunities that we bring on the table now.
- Somaiah V.:** Okay. Sir, on the mining assets, so if you could just help us, you did speak about Australia, in terms of Mozambique and South Africa. So, what is the kind of contribution that we have had in this quarter? And also, with respect to the Australian assets, you mentioned that winding down of assets. So, is there any cash outflow that is required from our side by the time this kind of gets closed?

- Sunil Agrawal:** So, I will take the first one. So basically, as you say, regarding the Australian mine, so hardly, since we have already closed and we have retained a lot of people, so we have very minimal cash flow there. So that is one question. And regarding our Mozambique mine, we are clearly operating at EBITDA positive level. So, we are getting all the mined coals from there for our captive use. Hope that clarifies.
- Somaiah V.:** And South Africa also?
- Sunil Agrawal:** Yes, South Africa also is operating, but due to some local issues, so we are not EBITDA positive, but that mine is operating.
- Vishal Chandak:** Somaiah, just to add to it, if you look at the entire big picture of the overseas asset mine base, the only place where we have taken the large part of the write-down is on Australia. Rest of the mines on a net basis are functioning on an EBITDA positive largely.
- Moderator:** The next question comes from the line of Amit Murarka from Axis Capital.
- Amit Murarka:** Just 2 questions. Firstly, on the thermal captive power plants. Just wanted to understand when do we expect the ramp-up from those capacities? And what really is the strategy on the power production from there? I believe you will have some excess power capacity at hand once you fully ramp up the expanded power capacity. So, will you be looking to sell in the merchant market? Or will you just think of using it for captive consumption?
- Gautam Malhotra:** So, I think the ramp-up will be complete within the first half of this year. In terms of the excess power, yes, we intend to sell it. But if you look at the overall picture and the financials, it is not really material to that. But it does 2-3 things. One, obviously, we can sell the excess power, but it gives us stability of power for our assets, and it gives us redundancy of power for our facilities as well. So that is the way to think about it. But yes, it will contribute to the bottom line, but it is not material.
- Amit Murarka:** Understood. And also, is it fair to say that now there will be no excess sale of byproducts going ahead with the ramp-up in steel capacities happening now?
- Gautam Malhotra:** Yes, that is right.
- Amit Murarka:** Okay. And just very lastly, like you are also looking to increase your EC capacities for some of the mines, which I believe is still pending. So, when is that expected to come through?
- Gautam Malhotra:** It is underway. I think pinpointing a date will be difficult, but the process is underway, and it is working fairly well. And at the moment, with the current capacities, I think within that also, we are fairly comfortable.
- Moderator:** The next question comes from the line of Saras Singh from Dhan Securities.

- Saras Singh:** So, two questions. First is I wanted your input on the overall steel demand in India, especially with the ongoing inflationary trends that we are seeing across commodities. Are we hearing some kind of delays in capex executions across both public and private companies?
- Gautam Malhotra:** No, nothing like that. I think it is fairly healthy. I think I indicated towards a 9%, 9.5% market increase that we are expecting. And with the kind of infrastructure program that we are rolling out, we do not see any issues on that side.
- Saras Singh:** Got it. Second question is actually on the timeline of the ramp-up of the slurry pipeline. So, if the project gets onboarded in Q1. So, by when can we expect a full 100% ramp-up or at least at the level of INR 750 to INR 1,000 per tonne of steel savings?
- Gautam Malhotra:** See, full utilization will not happen this year because this utilization will increase as the other facilities that we are coming up in the future also come online, namely PP2. But in terms of savings, whatever material we are bringing in, we will save on that material per tonne basis, as I indicated. That is not a function of how much utilization we have.
- Moderator:** The next question comes from the line of Raashi from Citigroup.
- Raashi:** What was our NSR increase during the quarter please, sequentially?
- Gautam Malhotra:** I just indicated, the ASP increase is about INR 4,700 per tonne.
- Raashi:** Okay. And spot versus what we saw in the fourth quarter, how much upside is there for realizations to go up to where spot is at the moment?
- Gautam Malhotra:** You are talking about Q1?
- Raashi:** Q1 and going forward as if Q2 will be higher than Q1. Q2, basically, how much more upside do you have on the realization?
- Gautam Malhotra:** I think predicting the market will be difficult. But all I can tell you is that the market is holding up. It is healthy. And as I indicated, because of the way we do our product mix and our contract mix, we are in a comfortable position at the moment.
- Raashi:** Okay. Then on the cost side, in the last quarter, that is the third quarter, you had a one-time start-up cost of about INR 1,500 a tonne. And you indicated that there was something this quarter as well. So, what is the total quantum or this quarter, what is the increment?
- Gautam Malhotra:** INR125 crores.
- Gautam Malhotra:** As I indicated earlier, it is done now.
- Raashi:** So, we can expect a reversal of this entire thing going forward?
- Gautam Malhotra:** It is a cost. Cost cannot be reversed.

Raashi: No, as in, it will not recur.

Gautam Malhotra: Yes, it is over. It will not recur.

Raashi: Yes. Okay. And the coking coal cost increase during this quarter was how much, \$20?

Gautam Malhotra: About \$20, yes.

Moderator: The next question comes from the line of Indrajit Agarwal from CLSA.

Indrajit Agarwal: A couple of questions. Given that our flat steel exposure is rising, what kind of end markets are we tracking in terms of segments? Is it more autos, discretionary? What kind of end markets are we already talking to?

Pankaj Malhan: First of all, thank you for your question. We have been maintaining that we are an infrastructure-led organization, and we are also ramping up our facilities. Our focus would be largely on infrastructure sector, followed by building and construction and then, of course, into the downstream facilities, then followed with the automobile sector.

Indrajit Agarwal: So, do we need some kind of approvals from the consumers on these or fresh approvals from the consumers on these? Or what we have is good enough for now?

Pankaj Malhan: See, our HSM has gone very well in terms of getting the approvals, and we have developed all the grades which are needed for all the niche products. We are in the process of ramping them up in this quarter and going forward also.

Gautam Malhotra: And to add on to that, I think, the thing to look at over here is this is not something which will hold our plans. We are well positioned to execute our plans going forward.

Indrajit Agarwal: Sure. And lastly, if you can give the flat and long mix for 4Q and FY26 as a whole.

Gautam Malhotra: 52% flat, 48% longs.

Indrajit Agarwal: This is for the full year.

Gautam Malhotra: This is for the Q4.

Indrajit Agarwal: And full year?

Gautam Malhotra: Sorry?

Indrajit Agarwal: For the full year, FY26?

Gautam Malhotra: 49% flat, 51% longs.

Indrajit Agarwal: Thank you.

- Moderator:** The next question comes from the line of Prateek Singh from IIFL Capital.
- Prateek Singh:** I wanted to get a sense about the metallic balance right now as the DRI plant is yet to be commissioned. So, I understand that we have 15 million tonnes of iron making and 15.6 million tonnes of crude steelmaking. So, is there any plan to buy DRI or other metallurgicals from outside and produce more this year? Or that is something we would be looking at and DRI plant once it comes up, it is the only one which will be contributing to our iron making facilities.
- Vishal Chandak:** So, Prateek, Vishal here. So, as you must have noted that we have already announced our guidance for the production and sales volume for this year. So that would explain the kind of volumes that we are looking up and how we plan to deliver. As and when our DRI comes up, which obviously is under construction phase, we will have more metallurgicals. And for the next year, the volumes will continue to ramp up. So, I would suggest if you can take the current guidance and work accordingly, that would be great.
- Prateek Singh:** Understood. And given that we have seen price increase in 4Q sequentially every month, fair to assume that the current ASPs would be still higher than what we delivered in 4Q?
- Gautam Malhotra:** It is. Yeah, it is holding strong. It is higher. And at the moment, we do not see anything which is otherwise.
- Moderator:** The next question comes from the line of Rajesh Ravi from HDFC Securities.
- Rajesh Ravi:** My first question pertains to this tax impact of the INR 840 crores write-down in Australia. So, does it have any tax impact on the reported P&L?
- Sunil Agrawal:** Yes. Whatever we have written down, INR 1,433 crores, we will save tax on that.
- Rajesh Ravi:** No, so this INR 840 crore is net of taxes, or this is before tax?
- Sunil Agrawal:** No, INR 840 crores is on the Australia balance sheet.
- Rajesh Ravi:** Yes, Australia.
- Sunil Agrawal:** Yes. And India level, we have written off INR 1,433 crores, and that is subject to income tax benefit.
- Vishal Chandak:** So, these are gross numbers, you can calculate the tax accordingly, right.
- Rajesh Ravi:** Understood. And second is on the value-added product share has come down to around 61% from 66% QoQ. Just wanted to understand the pricing gain versus the average price increase for steel. Is it because this was tapered down also on account of lower share of value-added products?
- Gautam Malhotra:** No, I indicated earlier that as we are ramping up, we are going to focus on both the things, capacity utilization as well as the value-add mix. What you need to also appreciate that value

addition and value-added products is something which is built into our DNA, and we continue to focus on that.

And in times to come, it will come back to its normal robust levels and improve further. We also have additional capacities in our flats, in the plate segment, on our heat-treated plates, which are doing very well, and they are also growing. So that will also add to our value-added mix.

Rajesh Ravi: Understood. And versus steel prices, what would be the concurrent increase that we can expect for coking coal and iron ore prices in Q1?

Gautam Malhotra: Coking coal, I have already indicated is going to be about \$20 to \$25 increase in this quarter.

Rajesh Ravi: And for iron ore?

Gautam Malhotra: That is difficult to predict. It is a monthly thing that happens. So, it is fairly difficult to predict without an index.

Rajesh Ravi: Basis current prices for April, basis April prices, at least.

Gautam Malhotra: It is plus/minus INR100, INR150 here and there. So that is how it moves. But anything beyond that is very difficult to articulate on.

Rajesh Ravi: Understood. Understood. And lastly, when you mentioned the slurry pipeline, INR 750 per tonne saving once fully ramped up, this is on the company level savings?

Gautam Malhotra: Yes, steel level.

Rajesh Ravi: Sorry, at steel level, okay. Understood.

Moderator: The next question comes from the line of Pinakin from HSBC.

Pinakin Parekh: This is Pinakin over here from HSBC. So, a couple of questions. First, can you give us a timeline of what are the key projects which will be commissioned in FY27 and FY28?

Gautam Malhotra: I think the projects; slurry will be commissioned in this quarter. We already indicated ports will be commissioned. And we have two projects left, which we had indicated for this financial year, which were DRI 2 and PP2.

Pinakin Parekh: Sure. So, the DRI plant is what, Q2, Q4, how should we look at it?

Gautam Malhotra: It is towards the end of the year.

Pinakin Parekh: Okay. Second, if you look at Q4 volume sales of 2.62 and the guidance, effectively, it is fair to say that the Q4 sales is going to be the run rate for this year? I mean, sequentially, unlikely to see any big pickup in sales volume?

Gautam Malhotra: I think the market is seasonal. So, this factors in the seasonality as well.

- Moderator:** The next question comes from the line of Ashish Jain from Macquarie Group.
- Ashish Jain:** So, my first question is a clarification. This cost savings from slurry pipeline, which you said is INR 750 per tonne is on the full steel volumes of the company, right? Like 10 million, 11 million tonne kind of number. Is that the way to think?
- Gautam Malhotra:** No. So earlier indicated at INR 700 per tonne of iron ore coming in, which will translate to that kind of a number, but that is not dependent on it going towards the full utilization.
- Ashish Jain:** Okay. Got it. Sir, secondly, in terms of our raw material security, where do we see ourselves moving in terms of, let us say, in the next 2 years or so versus where we are on thermal coking coal and iron ore? And by security, I mean backward integration.
- Gautam Malhotra:** Yes. I think all our announcements are there. The new mines are also announced. So that is also available. So, we have the coal mine and the iron ore mine, as I indicated. And the current capacities are already, I think, in the pack for each mine. So, if you want any further details, I think Vishal can take it offline.
- Ashish Jain** I will reach out to Vishal. Okay.
- Moderator:** Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to the management for the closing remarks.
- Gautam Malhotra:** Thank you. And once again, thank you for joining us on a Saturday afternoon. Overall, Jindal Steel is well positioned to benefit from the ongoing industry dynamics and deliver sustainable growth in the coming years. Thank you once again, ladies and gentlemen.
- Moderator:** Thank you, sir. Ladies and gentlemen, on behalf of JM Financial Institutional Securities, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.