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Date: 19.11.2025

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001.
Scrip Code: BSE: 532734

To,
National Stock Exchange of India Limited
Exchange Plaza, C/1, Block G,
Bandra Kurla Complex, Bandra (East),
Mumbai-400051.
Scrip Code: GPIL

Dear Sirs,

**Sub: Submission of Transcript of Conference Call held on 17th November, 2025
regarding Q2 & H1 FY26 Results.**

This has reference to conference call held on 17th November, 2025 to discuss the results and performance of q2&H1 FY26 for Analyst/Institutional Investors/Fund House/Investors etc.

Please find attached herewith the Transcript of Conference Call held on 17th November, 2025.

The aforesaid information is also being hosted on the website of the company viz., www.godawaripowerispat.com at Investors Information > Shareholders > Notices.

Thanking you,

Yours faithfully,

For Godawari Power And Ispat Limited



Y.C. Rao
Company Secretary

Encl : As Above



Godawari Power & Ispat Limited

An ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, 50001:2018 & 27001:2022 certified company
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GODAWARI POWER & ISPAT

**“Godawari Power and Ispat Limited
Q2 FY26 Earnings Conference Call”**

November 17, 2025



**MANAGEMENT: MR. ABHISHEK AGRAWAL – EXECUTIVE DIRECTOR –
GODAWARI POWER AND ISPAT LIMITED
MR. DINESH GANDHI –EXECUTIVE DIRECTOR –GODAWARI
POWER AND ISPAT LIMITED
MR. SANJAY BOTHRA – CHIEF FINANCIAL OFFICER –
GODAWARI POWER AND ISPAT LIMITED**

MODERATOR: MS. SANA KAPOOR – GO INDIA ADVISORS

Moderator: Ladies and gentlemen, good day, and welcome to Godawari Power and Ispat Limited Q2 FY '26 Earnings Conference Call hosted by Go India Advisors LLP. 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 any assistance during the 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 Ms. Sana Kapoor from Go India Advisors. Thank you, and over to you, ma'am.

Sana Kapoor: Thank you. Good afternoon, everyone, and welcome to Godawari Power and Ispat Limited's Earnings call to discuss Q2 and H1 FY26 financial performance. We have on the call Mr. Abhishek Agrawal, Executive Director; Mr. Dinesh Gandhi, Executive Director; and Mr. Sanjay Bothra, Chief Financial Officer.

We must remind you that the discussion on today's call may include certain forward-looking statements and must be, therefore, viewed in conjunction with the risks that the company faces. May I now request Mr. Dinesh Gandhi to take us through the company's business outlook and financial highlights, subsequent to which we will open the floor for Q&A. Thank you, and over to you, sir.

Dinesh Gandhi: Thank you. Good afternoon, everyone. Thank you for joining us on this call today. Our financial results, press release and earnings presentation are available on our website and on the stock exchanges. I believe you have had a chance to review the same. At the outset, we are deeply mourned and grieved by the unfortunate and unforeseen incident, which took place on 26th September '25 in one of our pellet plants in which six of our colleagues lost their lives and six others were injured.

Our heartfelt condolences to the families of the deceased colleagues. May the departed souls rest in peace. The company has provided financial assistance to the families of the deceased. While no amount can ever compensate for the loss of life, our support goes far beyond the financial aid.

We remain committed to ensuring the long-term security of the families of the deceased employees through employment opportunities for eligible dependents, pension benefits for non-employable members in the family and uninterrupted education for children through reimbursement of school and education expenses. Safeguarding their future is our highest responsibility, and we stand fully committed by the same.

Now coming to the GPIL performance, I'm pleased to state that H1 FY '26 has been a period of consistent performance with strong operational progress. Revenue remained stable, supported by higher pellet and galvanized product volumes, while EBITDA and PAT margins stood healthy at 22% and 14%, respectively, despite soft realization across the product range.

On the operational performance front, GPIL is well on track to meet its FY '26 production target despite the loss of production of pellet for about 40 days due to the incident that took place on 26th September. While the plant was closed, we took the opportunity to prepone the maintenance shutdown, which was in any case due in Q3 FY '26.

In H1 FY '26, production volume of iron ore mining, pellet, value-added steel products grew by 18% and 16%, respectively, despite the loss of production of 5 days in September. Pellet sales rose 30%, while value-added steel products declined due to realization softness across the product, except ferro alloys and galvanized fabricated products.

In Q2 FY '26, production increased further by 23% -- 29% for the mining, 31% for the pellet and 5% for value-added products. Pellet sales surged by 71%, whereas value-added steel products saw a decline. The trend in realization remained similar, with only ferro alloys and galvanized products maintaining Y-o-Y stability.

Coming to the consolidated financial performance, in H1, sales turnover remained largely stable, supported by higher production and sale of pellet and galvanized products. However, EBITDA and PAT were lower due to softer realization, even so, PAT and -- EBITDA and PAT margins remained robust at 22% and 14%, respectively.

In Q2 FY '26, revenue, EBITDA and PAT Y-o-Y declined, driven by higher sales volume of pellet and rolled products. On a Q-o-Q basis, however, these metrics were lower owing to reduced realization and seasonal necklace for iron ore pellet and finished steel. EBITDA and PAT margin continued to hold firm at 20% and 12%, respectively. Overall, the financial performance of the company remains healthy and stable.

Let me now update you on other strategic growth plans of the company. I'm pleased to inform you that we have been able to move forward on getting much-awaited regulatory approvals for expanding the capacity of Ari Dongri iron ore mines from 2.35 million tons to 6 million tons per annum, and we have successfully completed the public hearing for environmental approval.

The environmental approval is in the final stage now and expected by the end of December '25. The 2 million ton pellet capacity expansion is progressing as planned. The pre-commissioning trials are underway and commissioning is targeted by the end of November '25, which is awaiting consent to operate from the State Pollution Control Board. The entire work for the commissioning of the project has been completed.

The land acquisition for the expansion of iron and steel capacity has been completed with 452 acres of land secured for the integrated steel plant and CRM complex. The 0.7 million tons cold rolling mill complex project is progressing well with land acquisition completed and major equipment orders placed.

The total cost of project for CRM project is INR900 crores, of which INR600 crores is financed through debt and the balance remainder funded by internal accrual. The company proposes to take up a 1 million ton integrated steel plant post iron ore mining capacity announcement. The proposal for the same will be put up to the Board after the production on expanded mining capacity is started.

Godawari New Energy Private Limited, a wholly-owned subsidiary of GPIL, has planned to set up a 10 gigawatt battery energy storage system project in Maharashtra, for which land acquisition of 112 acres has already been completed. The cost of the project is INR700 crores, which is proposed to be funded by a debt of 60% and balance from internal accrual out of equity contribution from GPIL.

GPIL has already infused equity contribution to the extent of INR175 crores, which has been utilized for land acquisition and other project-related expenses. The Board in its last Board meeting has approved setting up an additional 250-megawatt solar power capacity in addition to the earlier announced capacity of 125 megawatts for captive use in the CRM project and integrated steel plant.

The project is expected to be commissioned by Q4 FY '27, coinciding with the commissioning of the CRM project. The surplus power pending use in Boria Tibu and integrated steel plant, the company proposes to use power from the 250-megawatt solar for existing iron and steel operations by temporarily suspending thermal power generation.

Operations at Boria Tibu mine resumed in May '25 following approval of the updated mining plan. Additionally, GPIL received PGCIL approval for the supply of steel billets for transmission-grade galvanized steel structures, recognition the high quality of GPIL billets now comparable to those of India's leading steel producers.

Notably, GPIL remains the only company in India to provide a fully integrated end-to-end solution for galvanized steel structure from iron ore to finished product. Coming to the market outlook, global iron ore prices have largely moved within the \$95 to \$110 band this year and are currently at around \$102, \$103 a ton.

Weather-related supply disruption supported the prices in the first half, while higher supply in the second half may take further upside. Geopolitical tensions continue to infuse global demand through China's recent stimulus measures, including direct cash transfer to boost consumption, should offer some support.

For calendar '25, iron ore prices in China are expected to remain in the range of \$90 to \$105. The World Steel Association, however, projects China steel demand to decline by 2% in calendar '25 and 1% in '26 as the housing market stabilizes. On the domestic front, iron ore prices, NMDC 64 AC fines have remained range-bound between INR4,500 to INR5,500 tons.

Pellet prices have also been stable around INR8,500 to INR10,000 band, currently at around INR9,750 a ton, and likely to follow a similar trend in H2. Indian steel demand remains strong with the World Steel Association forecasting 9% growth both in FY '25 and '26, driven by sustained expansion across infrastructure and construction, supported by initiatives such as the National Infrastructure Pipeline, Pradhan Mantri Awas Yojana.

By '26, India's steel demand is expected to be nearly 75 million tons higher than as compared to 2020. Taken together, our operational consistency, disciplined project execution and forward-looking investment highlight GPIL's readiness for the next phase of growth. Backed by over four decades of industry experience, strong leadership and a committed workforce, the company stands on the foundation of strength and resilience going forward.

As we scale our mining and pellet capacities, strengthen downstream capabilities and deepen our renewable energy integration, we continue to build on a strong competitive position. Our solid net cash position, strategic capex pipeline and strong ESG focus further support our long-term value creation efforts. With efficiency gains and cost savings from the solar project, benefits of captive iron ore

resources, GPIL is well-positioned to capture emerging opportunities and deliver sustainable value to all stakeholders. I would now like to open the floor for questions and answers.

Moderator: The first question comes from the line of Vikash Singh from ICICI Securities.

Vikash Singh: Sir, first question regarding the pricing scenario. So if you could you give us some idea of what the spot prices versus the 1Q averages? And we have heard some price increase happening recently. So could you just confirm the same? And lastly, anything you have heard on the safeguard duty, which has -- provisional has been lapsed?

Management: The prices -- are you talking about our sales prices, right, pellets, sponge iron, et cetera, and so on?

Vikash Singh: Yes.

Management: Yes. Okay. So the pellet H1 has been close to INR9,000 on average. Looking at the current demand and supply, we feel H2 will also be on the same similar level because pellet demand in the domestic market is still quite strong. Of course, there will be plus/minus 8%, 10% on account of demand. But more or less, it is stable. So DRI is about INR22,000 to INR23,000 on the lower side.

Billets were about INR34,000 on the lowest. Right now, it's about INR35,000. And finish is around INR38,000 to INR39,000. So prices in the last, I would say, 6 weeks or so have been close to the bottom for this financial year at least. Demand looks to be picking up as monsoons got over and everything is -- festivals are over. So hopefully, in H2, we can see a better realization compared to H1.

Vikash Singh: Okay. Was there any INR1,000, INR1,500 kind of price hike in the last one week in the long product?

Management: As I said, right, slowly the demand is picking up. What happens now is people try to increase the prices in haste. But if the demand is there, it sustains. If it doesn't sustain, then it rolls back. That has been a trend from the last couple of weeks where the prices start going up and then come down a little bit again. But I'm very sure things should improve from here on.

Vikash Singh: Okay. Any words on the safeguard duty, which you have heard because the provision has been lapsed, and we are not sure by when the final notification would come?

Management: No, not -- because since I'm not dealing with the product of HRC, right? So I don't follow it very closely. But yes, I think at the moment, everyone is hoping it should come soon to support the industry.

Vikash Singh: Noted. Sir, my second question is your strategy towards using solar power to use in the future projects as well. Sir, that 250-megawatt solar power, which you intend to use in the CRM, how should we look at what kind of cost savings it will give? And does it really make sense because that money could go for the new product or increase your overall volumes? So just wanted to understand what kind of internal IRR on that project we are expecting at this point of time, especially when there's no premium on the green steel?

Management: I'll tell you. If we don't install any power and import power from the grid, my grid tariff will be close to about INR8, INR7.70 to INR8 annually on a per-unit basis. When I calculate that because the CRM, it's a volume business, there's a lot of competition, but it's high value addition, but the margins are thin. We operate between 8% to 10%.

So every penny matters, right? If I import INR8 grid power and give it to my CRM complex, so my operating cost will be on the higher side. Rather, when I have land available for me, which I can use and I've been doing solar power since so many years, so I think this is the right way to invest in solar power so that my operating cost goes down from day 1. If not today, by next.

Plus, just to tell you, that solar power plant will not only go for my CRM complex, in the long run, it will also be feeding to my second mine, Boria Tibu mine, where we will be installing power there as well because the mine tariff is close to INR12. So it's better to put a solar plant there as well. So this new 250 megawatt will feed to my CRM as well as my mine in the longer run.

Vikash Singh: Noted, sir. Actually, I was coming from the fact that a thermal power plant of much lower capacity and cost -- price you are...

Management: No, I'll tell you in that way. Firstly, today, a thermal power plant is not cheap. It's INR7 crores minimum per megawatt, right? Plus, as a company, we have decided we will not be going to any fossil fuel thermal plant. We have no intention of going back into that. We are very much happy in moving forward because sooner or later, I'm very sure with new government norms, new carbon tax mechanisms which India has proposed, things will get beneficial for us in the longer run. We will start getting the results of whatever investment we're doing right now. I'm very sure about it. So we have no intention of going back into fossil fuel.

Vikash Singh: Noted. And sir, until your own HRC capacity comes in, you would be buying HRC from the market. What kind of margins do you think you would be making in CRM?

Management: No, just to correct, we are not entering into the HRC market. Our new steel plant, when it goes ahead, it will not be making HRC. So we will be a long-term buyer of hot-rolled coil from the market to feed to my CRM complex.

Vikash Singh: What kind of conversion margin do you see at the current spot basis? I know that the future can be different. But at the current level, what kind of conversion margin do you see in the CRM context?

Management: That's what I'm saying. As we said by the industry trend, I think between 10%. That's 10% is a very good number. I would say 7% to 8% is an average number. So even we have considered the same margin when we did our entire business planning. We will be a buyer of HRC from the market on a longer basis, and we will be feeding and converting to value-added products. That is the whole area.

Vikash Singh: Noted, sir. Just one last question. Once the Ari Dongri mining capacity goes to 6 million tons, do we have the need to run Boria Tibu simultaneously, or will we save that project for the future? Just wanted to understand the...

Management: Yes. See, Boria Tibu is a low-grade mine, specifically where the average grade is about 48, 47, 50, right? The idea is we want to start investing in Boria Tibu because increasing the mining capacity will take a lot of time because currently, that mine is not with a lot of infrastructure. So that needs to be developed, and it will take its own sweet time. So the idea is in 3 to 4 years, we start ramping up Boria Tibu to a decent level.

As and when we feel the bigger mines are not able to feed or there is a shortage, we can always ramp up the capacity. Today also, if I start working on Boria Tibu, the next expansion can only happen a minimum of 3 to 4 years from now on. I'm looking at April '29 minimum from here to increase some kind of capacity in Boria Tibu. So it's a long-term plan.

Vikash Singh: Very well noted.

Dinesh Gandhi: Let me add one more point in this solar thing. This 250-megawatt solar, if you compare with the rate of INR7 and net cost to the steel plant at about INR5.50, the internal rate of return is about 24%. So it is a healthy investment. Number two, if you want to do solar under group captive, then the point is that the land on which this project is proposed cannot be done under group captive because it has been allotted to Godawari Power, and it cannot be subleased to any other company. So these are the two other factors for considering this 250-megawatt project on the balance sheet of GPIL.

Moderator: The next question is from the line of Siddharth from Equirus Capital.

Siddharth: My first question is on the mining capacity. Now with Ari Dongri going to 6 million tons, when do we expect the entire crushing beneficiation to come online, and we should be at that 6 million ton run rate on an annual basis?

Management: See, hopefully, we should get the final clearance from the State Pollution Board by the end of this quarter. And from there on -- so January, probably -- we need a couple of months to get things back in order because we have been trying to manage till now because there has been a delay for 2 years. We see a ramping up capacity happening from April '26. And next year, 6 million looks difficult, to be very honest with you. Our idea is to reach 4.5 million to 5 million tons next year and then full throttle 6 million tons from January '27. That is the whole idea to go ahead.

Siddharth: So broadly, so we're targeting the -- sorry, go ahead.

Management: And Boria Tibu mines will mine about 5 lakh tons annually, out of which I'll get about 3 lakh tons of concentrate. So that will give me a decent cushion to operating my plant from my own captive mines, all the pellet plants.

Siddharth: Sir, broadly, so we are suggesting that the beneficiation and crushing facility also should come online by calendar year '26 end, and we should be in place to ramp up the...

Management: No, we are already running a 0.6 million beneficiation plant. The further expansion is just an extension of it. We are completely ready. Once we get the permission, we'll take about 4 to 6 months to get the line up and running. We're expecting by June, July, the full beneficiation will be in place, right? Since it is going to be monsoon, you can expect from Q3 onwards the entire beneficiation and mining will be at full capacity.

Siddharth: Sir, at peak, given where our current capacities are on the expanded pellet capacities, what would be our peak iron ore requirement in '27 then?

Management: You mean FY '27?

Siddharth: From calendar year '27 onwards?

- Management:** We will be producing -- at the current pellet levels, we should be producing anything above 4.2 million tons, and assuming a 15% to 20% yield loss on beneficiation. So we need about 5.7 million, 5.8 million tons. That is the whole idea. We mine about 5 million tons in the first phase, take it to 6 million tons in the second phase so that we are always 100% captive.
- Siddharth:** So we will broadly not use any iron ore for manufacturing sponge. We will still use pellets to manufacture sponge, or we might transfer something there also?
- Management:** No, no, we cannot because our mine is magnetite, and magnetite is not suitable to directly feed into sponge iron. The only way you can consume magnetite is through the iron ore pellet route. So our DRI capacity will always run on 100% pellet.
- Siddharth:** So broadly, we should look at it that way that at peak also, we would be mining somewhere between 5.5 million, 5.7 million tons?
- Management:** I mean, see, 6 million tons and you -- so 6 million is the idea is. So 5.5 million, 5.75 million depending on how the monsoon will play. But the idea is whatever requirement we have for a captive pellet plant, it has to come from our mines. There is no intention of selling any surplus in the market.
- Siddharth:** Sir, secondly, in terms of the CRM complex, any timelines for both the CRM complex and the BESS plant?
- Management:** As we have informed earlier to everyone, we're looking at the commercial production of April '27, which is FY '28 for both, for BESS as well as for the CRM.
- Siddharth:** And in 2 years, we should reach full utilization of that?
- Management:** Sorry, come again?
- Siddharth:** For the utilization, we should reach near full utilization in 2 years of operation?
- Management:** Because both things -- for us, it's the firsthand experience. We are assuming a 50% to 60% PLF on the first year. From the second year onwards, we will be at 80% plus in both the plants for sure. That is the whole idea.
- Siddharth:** Okay. Sir, and given that now we will start work on even Boria Tibu mine, so broadly 2 to 3 years down the line, again, we will look at expanding our pellet capacities or how should one think about?
- Management:** No. The idea is the Boria billet capacity so that it can support our additional capacity requirement in this new steel complex. We might require 1 million tons because we're putting -- we might put a plant there. So the idea is to benefit Boria inside the mine, reduce our wastages and then straightaway send it for usage in my new steel complex. So that is -- with my new steel plant.
- Siddharth:** So we will time the Boria Tibu capex with the steel plant only, that is that how one should think about it?
- Management:** The capex is not very big. The idea is because there are a lot of approvals required, and new EC has to be obtained. Today, it's anywhere between 18 to 24. Then in 12 months, we need to get the plant up

and running. That's why we started working on the Boria Tibu approval, preparing a new EC and other documents. capex will only happen probably 2 years down the line, nothing before that.

Siddharth: Sir, last question on my side. On the steel plant, any timeline for the capex, or are we still how many quarters away?

Management: See, as we had said earlier, for us to have comfort, for everyone has to have comfort, we are very clear. Once we receive the final approval of mining EC, then only we'll take it to the Board for approval. Parallely, we are very close to fine-tuning the capex, last discussion with all the key suppliers. For that as well, we need about a couple of months. We are hoping probably in the next Board meeting, we should be able to take up the steel plant for approval. Everything goes well.

Moderator: The next question is from the line of Manav from Yes Securities Limited.

Manav: So first question is on the iron ore expansion at Ari Dongri. Since you have already completed the public hearing and are expecting approvals by December, what sort of volume can we expect? I mean, is there going to be any lag in the production once the ECs are in place?

Management: No, there won't be any lag in the production because -- from quite before only we were always calculating the additional volumes to come up in FY '27, which is April '26 Q1 quarter. There has been a couple of months delay to obtain the EC, which we thought we could get the EC by Diwali. This will not impact any kind of production lag this year. There might be a little bit of overlapping because the monsoons are going to arrive by June, and we will need some time to start the capacities.

Manav: Got it. And on the pellet front, when do we see the commercial production start for the new pellet plant, the 2 million ton expansion?

Management: I think in a couple of weeks. I think by the end of this month, we should be able to announce it on the stock exchange. We're just waiting for the final approval to go ahead. We have started doing the cold trials, which is very much permissible. I think in a couple of weeks, the new pellet plant should be up and about. From Q4 onwards, we're expecting close to 80% to 85% of the capacity for the new pellet plant.

Manav: Okay. So the ramp-up time wouldn't be that long?

Management: No, probably a month or so, probably 4 to 6 weeks.

Manav: Got it. That is helpful. Additionally, with the incident which happened at the pellet plant, what impact on volumes can we expect? Could you quantify it, inclusive of the maintenance shutdown?

Management: We did lose about 1.5 tons of volume. Some of it was at the end of Q2 and the entire October. so it will affect -- but the good thing is out of 35 to 40 days shutdown, 20, 25 days were already planned at the end of Q3, early Q4 as an annual shutdown. So that we did the maintenance job this time only. Plus, with my new pellet plant coming in, I'm hoping to ramp up by Q4, the volume we had declared initially about 3 million tons, we are confident we can achieve that.

Manav: Okay. So on average, we can expect like 820 kilotons per quarter. Is that how the run rate is to be looked at for the next couple of quarters?

- Management:** Yes. I think January Q4, we should be doing about 0.9 million tons itself. Whatever production has happened, we are very confident we can be able to cover it from our new plant.
- Manav:** Okay. Got it. And since the mining is going to be a little delayed and the pellet plant would already be up and running, so can we expect some merchant purchases of iron ore as well during Q3 and Q4?
- Management:** Yes, of course. We have been a buyer in the market for about 50,000 tons every month. And with the new pellet capacity, there will be additional mine, till mining capacity ramps up. The good thing is, firstly, in today's market also, because there are other merchants' pellet supply in the market who are buying 100% iron ore from the market, and speaking to the sponge iron guys, there is still money to make. That will also help us in the bottom line with the additional EBITDA coming from additional volumes of pellet.
- Manav:** Got it. So you had mentioned in your opening remarks that the H2 prices for pellets are expected to remain in the INR9,700 per ton range. How are the premiums on iron ore pellets looking currently? Have we seen some fall over there as well or is it in the broadly range of INR1,000....
- Management:** There are no premiums as such. Specifically in the Raipur market, there has been a lot of addition of DRI capacities, and the addition is still going on. Every month about 20, 25 additional capacity requirements are coming up. At the moment, Raipur is not able to feed the DRI guys. There is a shortage of pellets in Raipur. Going forward, once the new plant comes to production, the demand-supply gap will be quite balanced, and we can see the prices to be at a similar level. We don't see many going up and down too much.
- Manav:** Okay. Got it. Just one last question. Could you provide me what was the landed cost of imported coal for the quarter?
- Management:** It was about -- so Q2, it was about INR11,000 landed to my plant, RB1 coal, 6000 GCV coal.
- Manav:** Okay. And how is it shaping up in Q3? Any impact...
- Management:** Initially, the market was on the lower side. The index had gone down below 80. There's been a little bit of current, but not much. We can see Q3 should be between INR10,500 and INR11,000 because the dollar rate has again gone up from INR86 to INR89 level. That also needs to be considered. So yes, plus/minus INR500. It's quite stable only, I would say, the imported coal as well.
- Moderator:** The next question is from the line of Sahil Sanghvi from Monarch Network Capital.
- Sahil Sanghvi:** My question is more on the BESS side. I think we've heard announcements from Ola and Adani to enter this particular part of the project. They will be doing something similar on this line. How similar is what we are doing and what they are doing? Would that be a lot of competition to handle for us?
- Management:** Firstly, whether it's Adani, Ola, or JSW, there will be stiff competition in this, and we are very well prepared for that. We don't want to be a capacity design such that we want to be probably one of the top 5 in India in terms of volumes. We are very clear about the competition. In terms of Adani, the announcement they had made, they also came back with a new announcement.

The news is not totally 100% correct. So basically, 30 gigawatts, they are doing it for their own Gujarat project, where they're building up one of the biggest solar parks of 20,000 megawatts. So 30 to 35 gigawatts will go for their captive consumption. That beneficiation came from Adani in the Economic Times.

What Ola is doing, Ola is now trying to install a BESS for their battery charging solutions where the consumers can reduce their power cost, the electricity bill in the net metering concept. The idea is the same -- I mean, the logic is the same, but the applications are different for everybody individually. In our case, what we want to be doing is -- we're not a developer. We won't be bidding in tenders of SECI. We want to be supplying containers and directly competing with other guys in India as well as imports from China. And banking on government policies, the way it has supported the solar industry till now, those policies will also start coming in place as and when the volumes in India start going up of supply. There's a big mismatch of demand and supply.

Today, India can supply, I would say, 10%, 90% is import. When the demand-supply starts coming close, I'm sure the government will come up with policies and start supporting the domestic industry. That is the whole idea on the BESS side. Just for your information, so Reliance is coming up with 40 gigawatts.

But 30 gigawatts again is for their own towers, telecom towers. They'll be coming with only 10 gigawatts capacity in the market and competing with us. Eventually, we will be on a similar level. Our capacity is also very big. It's 10 gigawatts purchase only. That's how we visited at the moment, then this entire new this particular business.

Sahil Sanghvi: Got it. And secondly, just to understand the kind of iron ore that we'll be mining in FY '27, you said about 5 million to 5.5 million tons. Is that correct for FY '27?

Management: Yes. For FY '27, since there has been a slight delay and with the monsoon onset -- so this year, the monsoon was 5 months. Keeping all that in mind, we should be able to do somewhere about 4.7 million to 5 million tons in FY '27. And my new -- and the expanded beneficiation plant of 6 million tons from 0.6 million will be up and about by, say, June, July, which is the end of Q1 or early Q2.

Sahil Sanghvi: Right. So the balance requirement this year and next year will be fully dependent on the market or would there be some supply from Boria Tibu also? I mean how is that...

Management: Boria Tibu supply are continuing. We intend to do constant mining of about 0.5 million from Boria Tibu, where we'll get about 0.3 million tons. There will be additional support of our own magnetite raw material. The rest, we will have to go into the market to keep running our plants. But I'm hoping this should continue max till probably, say, March because from April onwards, we will see additional volumes coming out of the mines.

Sahil Sanghvi: Okay. And roughly, the production target for FY '27 would be 4 million tons for pellet? Or would that be lower?

Management: No. Pellet for next year, 4 million will be the bare minimum. It might be on the higher side. Probably we will analyze during the planning of the next year, but 4 million will be the bare minimum for sure because we expect 80% capacity utilization from Q4 this year only for the new pellet plant from

January onwards. So that happens 80%. For next year, it will be the bare minimum 4 million tons without a doubt.

Moderator: The next question is from the line of Vinit Thakur from Plus91 Asset Management.

Vinit Thakur: I had a couple of questions regarding our -- so there is a sponge iron decline in production. Are we utilizing it to make pellets and other stuff more? Have we increased the capacity to utilize sponge iron ore?

Management: See we are -- currently, our sponge iron is 0.6 million tons, in our steel capacity. We do about a production of 0.5 million. We are installing a new furnace of 30 tons, which will require an additional 1,500 tons of sponge iron. Once that is in operation, I think from next year onwards, our sponge sale will be totally zero.

Vinit Thakur: There is a spike in our galvanized fabricated production and sales. Could you shed some light on why the spike in that? We have done really well in that segment. So is there any market tailwind that you are expecting or are we exploring new avenues for relating sales for that product?

Management: We are. So additional capacity, we got all the approvals from PGCIL now. We are ramping up the capacity of our rolling mill. We have also started taking strips, which are used for the pipe segment because our quality of billets is like that. We are hopeful from Q4 onwards, we can see a substantial jump in the volume of RR for strips as well as for the billets itself.

Vinit Thakur: Sir, there is a decline in the sales of steel billets by 40% H1 over H1.

Management: I don't know, it was because in June, we had to -- we had taken a planned shutdown of one of our bigger turbines. There were modifications required to meet the new norms. Basically, the State Pollution Board has recommended to all industries to revise their pollution norms. To maintain that, to complete the timeline, we had to take a 2-month shutdown of one of our power plants. Due to less power, the production on the billet side is less. That is the reason.

Vinit Thakur: Could you shed some light on the iron ore capacity in India right now, would be a shortfall for steelmakers in India itself in recent years? So do you think there will be a good price rise in iron ore sales and fines?

Management: I think today, because of the mismatch, especially in the Eastern belt which covers Bengal, Odisha, Jharkhand and all, there is already a acute shortage of iron ore. That is the reason in spite of such weak steel prices, the pellet prices are still on the higher side. If you speak to any DRI guys, they would say pellet prices should be at least INR1,000 less from here on. But because of the shortage of iron ore in India and the production going up every year by 8% to 9%, the raw material prices in India are on the higher side and will remain elevated unless the supply starts improving from the iron ore side.

Vinit Thakur: Sir, lot of mines are coming up on...

Management: See, mines keep coming, but any virgin mines, any new mines auction, it takes a minimum of 3 to 4 years for operations and at least a couple of years to ramp up the capacity. Whatever is happening, I'm sure the mines which got auctioned in say '21, '22, they might be coming into production this year. But

-- that's what I'm saying, the demand is much more than the supply, which is being held up into India. So government is concerned about it, and they are hopefully working on it.

Vinit Thakur: Do you think the prices of iron ore and pellets and everything would be -- this would be the bottom you are looking at right now and this would go upwards from here onwards?

Management: See, to be honest, on a very long-term basis, I think INR9,000 for us as a realization ex plant, on a longer-term basis is very, very practical. I don't want to be very optimistic or very pessimist. I think INR9,000, if at a longer term, I think is a good pricing for the pellet people for sure.

Vinit Thakur: Okay, sir. Thank you so much.

Moderator: Thank you. The next question is from the line of Ashish Soni from Family Office. Please go ahead.

Ashish Soni: Regarding BESS, you'll be supplying to utility grade, if I understand. So have you already started partnership discussions with the developers who might be using this or bidding for this?

Management: No. To be honest, not yet because we are still about 12 months, 13 months away from when we starting supplies. But as we come close to the date of commencing operations, we will think of having discussions with 3 or 4 big developers who are going very aggressive in terms of the volumes.

So we have that in mind. But at the moment, because it's too far away from our supplies, it doesn't make sense to talk to somebody right now because competition is big, imports are still happening. I don't think even the other players would be quite keen on taking discussions very seriously at the moment. Once we are closer to the commissioning operations, then probably we'll start discussing. We have that in mind.

Ashish Soni: Okay. Your cells will be imported from China, but BESS typically, the systems are for longer projects, whatever I understand, 5 to 10 years. How will the warranty work in that case? Because you'll be putting in the container or assembling, whatever you will do with that...

Management: Exactly. We will be importing cells. So whatever warranty we're getting on cells, we will pass on to our buyers back to back. That is the whole idea. Apart from cells, everything will be done in India. If you study the government policies, PCS is already compulsory from India, EMS is already compulsory from India. The government is very proactive in supporting domestic manufacturing. Only the cells will be imported, rest everything else will be from India only going forward.

Ashish Soni: So you basically see any issues come in wherever you're buying from China, they will be helping out with that warranty. Typically, what will be the warranty period, if at all you're importing from China?

Management: For cells, if you know the technicality, it's basically 8,000 cycles for 2-hour charging. Basically, roughly it's about 8 years, 10 years down the line, depending on the cell category. And for cells, because we do realize it's a very critical part of our operations, we are only discussing with top clients in China and trying to enter long-term supply with them. That's how we're going to be procuring cells on a long-term basis with top A category suppliers only, like CATL, EV, lithium. These three or four we have identified and we are at a very advanced stage of negotiation with them.

Moderator: The next question is from the line of Siddharth from Equirus Capital.

- Siddharth:** One more question on the fundraise, the preference issue that we had done recently, any rationale behind that, that why did we do a preference issue?
- Management:** Dinesh ji?
- Dinesh Gandhi:** Siddharth, there is no major rationale. But if I have done a preferential issue, it shows that 50% or more than 50% of this is taken by the promoters. Who else knows the business better than the promoters? The promoters wanted additional liquidity in the company, and therefore, we have gone ahead with the preferential issue. This money in case will be partially utilized for our upcoming projects. This helps funding the project also without raising additional debt.
- Siddharth:** Anything that are we getting ready for the steel plant capex, and that is why we have done this capex in advance -- preferential issue...
- Dinesh Gandhi:** The steel plant capex will be much larger. This INR100 crores of preferential issue does not fund my entire steel plant project. But definitely, this will help meeting requirements for BESS and CRM projects.
- Siddharth:** Incrementally, when we go ahead with the steel plant, will we require incremental fundraising, or should we be able to do it from the internal cash accruals now?
- Dinesh Gandhi:** We will need to raise some debt definitely for the steel plant. We will definitely raise the debt. We'll see what is the equity availability we have and what is additionally required.
- Siddharth:** Sir, lastly, coming to our pellet volumes for 2H, given that NMDC has also taken a price cut, do we still believe that we should be able to maintain this range of pellet realizations going ahead?
- Management:** 100% because there is a shortage of -- see, you need to understand, although NMDC has taken a price cut, but the supply from NMDC is limited to a certain extent. They follow certain systems, they process, they have to apply for linkages. There is an additional requirement getting generated every month in this area because of additional capacity of DRI. Right now, there is a shortage of pellets in the market. Meeting the volumes and the pricing, I don't see a challenge at all, at least for this financial year -- the remaining part of this financial year.
- Siddharth:** And second thing, majorly in the first half, we have sold mainly in the Raipur area, or we have looked at other markets also?
- Management:** No, we sell close to about say a periphery of say about -- maximum is about 100 kilometers in and around Raipur, that's it.
- Siddharth:** Going ahead on the expanded capacity, how do we see that changing?
- Management:** That won't change because right now, there is pellet coming from outside Chhattisgarh. For example, Odisha is there. That will stop. Whatever is a little bit coming from outside, that will stop first. Again, it's a commodity at the end of the day. So there is some price plus/minus, so we shouldn't be surprised. But at the moment of it, I can see, I can visualize there is a demand-supply gap. With the new pellet capacity, that gap will close down.

- Siddharth:** Yes. Have you put any number in terms of how much DRI capacity has been added in India over the last 12 to -- 1 to 3 years?
- Management:** No, I don't have the data. Let me get back to you on that. Let me get back to you on that. Let me check and get back to you on that. I don't have the data right now.
- Siddharth:** But we are very confident that of the incremental offtake also, we should not see any challenges given there would...
- Management:** No, I know the capacity in Chhattisgarh at least because being a small town, we keep talking to each other at the promoter level. So I know which guy is joining how much capacity, how much is still in the pipeline. That idea we have. But just to give you a data, exact number, I need to go back and come back to you on that. I need to check.
- Siddharth:** Got it. Lastly, just on the secondary steel, given that we have seen a significant weakness in billet and sponge iron pricing, do you expect this trend to continue in the third quarter as well and some pickup in the fourth quarter?
- Management:** Hopefully not. I really don't know when demand comes and demand goes. I still wonder currently what happens. But I hope demand comes back because the period has been extended now for almost 5 to 6 months. I hope as an industry, the demand comes back and the prices do go up. Otherwise, it will be a tough time for -- as an industry it will be tough time to survive this phase.
- Moderator:** The next question is from the line of Manav from Yes Securities.
- Manav:** Just building on Siddharth ji's question regarding 2 million ton pellets also coming into the market. Are we looking at exports as a strategy sometime down the line just in case there's an overflow of pellets?
- Management:** Yes, 100%, of course. I always have my eye on exports. I do track the market. If you see even Lloyds is exporting a little bit of pellets because of its current supplies. Exports are always open, and the export market is, I would say, moderately strong at the moment. If you see iron ore is well above 100, there is demand for pellets in the market. We are very much open for exports as well if there is a challenge selling in the domestic market.
- Manav:** Got it. Have we -- I think a couple of quarters back, we did have one shipment for the exports. But have we done anything during the first half?
- Management:** No. At the moment, export only happens when there is actually a necessity. There is no demand in the local market, just to sell additional volumes for the time being. But with new capacity added up, there might be a situation where we probably have to sell every -- one cargo every month. So never knows how it plays. But we are very much open.
- Manav:** Got it. Sir, second question is for the CRM and the battery energy storage. I think for the CRM, we have already done with the order placements in the second quarter. What's the status on the battery energy storage systems right now?
- Management:** As Dinesh ji mentioned during the start of the call, so we have acquired the land in Aurangabad industrial area, it's called AURIC. We signed an industrial policy MoU with the Maharashtra

government. We should be starting the demarcation work and other infrastructure work during the next month.

From January onwards, we should be able to start work at the site in full throttle. Machine orders have started being placed with respective buyers, be it in India, be in China. That should complete in the next 6 months, and a line should be up and about, say, anything between January '27 to March '27. There is a big trial commissioning and all that.

Manav: Got it. So FY '27 end is where we expect...

Management: Yes. For both -- for BESS as well as CRM, we have given the commissioning date to be April '27, which is FY '28. And we should be able to meet that.

Moderator: Ladies and gentlemen, that was the last question of today. We have reached the end of the question-and-answer session. I now hand the conference over to the management for the closing comments. Over to you.

Dinesh Gandhi: We would like to express our deep sense of appreciation for joining us on this call. We are confident that we have been adequately able to answer all your queries. Should you have any other further questions or need additional information, please feel free to reach out to our Investor Relations team at Go India Advisors. Once again, we sincerely thank you for all your active participation and support. Thank you very much. With this, we conclude this call.

Moderator: Thank you. On behalf of Go India Advisors, that concludes this conference. Thank you for joining us and you may now disconnect your lines.