



“Jindal Stainless Limited Q1 FY ‘26 Earnings Conference Call”

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MODERATOR: **MR. ALOK DEORA – MOTILAL OSWAL FINANCIAL
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Moderator: Ladies and gentlemen, good day, and welcome to Jindal Stainless Q1 FY '26 Earnings Conference Call hosted by Motilal Oswal.

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 “*” then “0” on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Alok Deora from Motilal Oswal. Thank you. And over to you, sir.

Alok Deora: Thank you. And welcome everyone to the Earning Conference Call, I would first thank the management giving us the opportunity to host the call.

From the Management Team we have with us Mr. Abhyuday Jindal – Managing Director; Mr. Tarun Kumar Khulbe – CEO, CFO and Whole Time Director; and Ms. Shreya Sharma, Head of Investor Relations.

To start with, I will hand over the call to Shreya and post the introduction by Mr. Jindal, we can take up the Q&A. Over to you, Shreya.

Shreya Sharma: Thank you, Alok Deora. And a warm welcome on Q1 FY '26 Earnings Call.

We have shared our Q1 FY '26 Earnings Presentation with the Stock Exchanges, which is also available on the Company's website. And today's call discussion will be on the same line. Please note some of the information on this call may be forward-looking in nature and is covered by the disclaimer on Slide #2 of the earnings presentation.

Now, I would like to hand it over to our Managing Director – Mr. Abhyuday Jindal. Over to you, sir.

Abhyuday Jindal: Thank you, Shreya, and a very good evening to everyone and welcome to our Earnings Call.

I will first discuss the key Business Highlights of the quarter ending June 2025, following which Mr. Khulbe will take you through our Operational and Financial Performance.

Building on the positive momentum from last quarter, our sales volume in Q1 FY '26 grew by 8% year-on-year and remained steady quarter-on-quarter, mainly supported by sustained domestic demand. Focusing on specific segments, auto sector deliveries increased on account of special grade materials with segments such as lift elevators, railways, white goods also delivering a healthy performance in the quarter.

Our Special Product division continued to support this momentum, contributing across key applications. Overall domestically, we are witnessing increased adoption of stainless steel in

large scale infrastructure projects such as metro rail, airports, railways among others, signaling a growing shift towards long term sustainable material use in public infrastructure.

The global trade environment as we all know is extremely dynamic, driven by tariff disruptions and ongoing realignment of global trade flows. Amid challenging global trade conditions, we are strategically prioritizing the domestic market, which offers compelling opportunities to maintain our growth momentum. Our flexible market strategy supports our commitment towards volume growth.

I am happy to share that owing to the success of our co-branding initiative in the pipe and tube sector, which supported our growth in this segment, the Jindal Saathi campaign is now extended to kitchenware and sink category. This initiative reinforces our commitment to quality and will lead to enhanced business opportunities.

In the context of trade measures, the Indian Stainless Steel Development Association has submitted an application to DGTR on behalf of the stainless-steel industry, seeking action on certain cold rolled stainless steel flat products from China, Vietnam and Indonesia. Considering the increasing adoption of trade protection measures worldwide, we trust appropriate measures will be adopted to curb the injury to the domestic industry.

On the sustainability front, we continue to make strong progress towards decarbonization. In FY '25, we achieved a 14% reduction in Scope 1 and Scope 2 of GHG emissions through our ongoing initiatives. Reaffirming our commitment to sustainability and safety, we received the LEED Platinum Certification, the highest level of certification under the globally recognized LEED Green Building Rating System.

In addition, we are fully compliant with CBAM's quarterly reporting requirements and remain strongly committed to reducing our CO2 emissions. As the framework evolves, we remain agile and dedicated to staying ahead of compliance obligations, ensuring we continue to serve the European market with confidence, transparency, and a strong focus on sustainability.

With this, I would like to hand over to Mr. Khulbe to discuss our operational and financial performance.

Tarun Kumar Khulbe:

Thank you, Abhyuday. Good day, everyone. Welcome to the call. I would like to begin by providing a detailed overview of our operational and financial performance.

Our deliveries stood at 626,252 metric tons in Q1, an increase of 8% year-on-year basis, but remained flat Q-o-Q. Our Q1 EBITDA increased 8% Y-o-Y and 23% Q-o-Q to Rs. 1,310 crores, while our PAT stood at Rs. 715 crores, an increase of 11% Y-o-Y and 21% on Q-o-Q basis.

During the quarter, we benefited from an enhanced product mix with increased volumes of value-added products and special grades. Our digitization initiatives, including the stainless mart

and QR code loyalty program for pipe and tube, leading to seamless customer experience, is driving deeper customer engagement. Other initiatives, such as Stainless Academy and Fabricator Training Program, is building robust ecosystem to support the stainless steel usage across industries.

On the balance sheet side, there is an improvement in our net debt position, with a reduction in net debt to Rs. 3,869 crores as of June 30, 2025, underscoring our ongoing emphasis on maintaining a healthy balance sheet. The prudent approach positions us well to navigate the prevailing global macroeconomic headwinds. This is also being reflected in our leverage ratio, which remains comfortably placed with a net-to-debt EBITDA ratio of 0.81, well below 1, and net debt-to-equity of 0.22.

On the subsidiary front, Chromeni continues to ramp up in-line with our expectations, with capacity utilization reaching approximately 60% - 65% for Q1 FY '26. Our other subsidiaries have also delivered a satisfactory performance in terms of EBITDA contribution at group level. Meanwhile, our SMS project in Indonesia is progressing well, and remains on-track within the defined timeline.

Looking ahead, we remain confident in the continued growth of domestic stainless-steel demand, driven by strong economic activity and infrastructure-led consumption, reflecting a broader shift toward long-term sustainable material use in public infrastructure.

This brings my remarks to a close. I would now like to hand it over to the moderator to begin the question-and-answer session.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Amit Dixit from Goldman Sachs. Please go ahead.

Amit Dixit: Yes, hi. Good evening, everyone, and thanks for the opportunity. Congratulations for a good performance in very interesting quarter. A couple of questions from my side, sir. The first one is essentially on if you could highlight the performance, particularly of Rathi and on the progress of ongoing CAPEX at Jajpur plant with respect to downstream capacities and the logistics infrastructure that we mentioned earlier. That would be very helpful.

Tarun Kumar Khulbe: So, Rathi, now we are almost running at 80% - 85% of capacity utilization. While definitely our original plan was to produce more of rebar from there and sell it, but so far, we have not been able to do so. Majority of our production, almost 70% of the production is the wire rod. So, but our endeavor is to get more and more into rebar, and that is what as a Company we are continuously making efforts.

Abhyuday Jindal: And generally, during the monsoon period, anyway, as we all know, construction, infrastructure projects do take a slowdown. So, same way Rathi for rebar side, we saw the slowdown, which

we expect next coming quarter to pick up now. And also in some private places, we can see that some people showing, interest in this rebar for the building purpose as well.

Tarun Kumar Khulbe: And on CAPEX front, like so far as the spending is concerned, we have given a guidance of around Rs. 2,700 crores CAPEX for this FY '26. So, out of which in Q1, we have already spent around 665. Broadly, all the CAPEX part in-line with the timeline what has been given earlier. So, basically, our downstream as you were asking in FY '27 is what we had given the number, so broadly, they are so far they are on-track.

Tarun Kumar Khulbe: They are all on-track.

Abhyuday Jindal: As of now, they are all on-track.

Amit Dixit: Wonderful. I would like to know that. The second one is on a very interesting point you have made in press release that we are supplying to defense particularly the stainless steel required for ATGMs. Now considering that in India defense is catching a lot more traction, particularly I mean with respect to marine platforms or even aerospace or missiles, so do you see this particular segment as something very promising for us?

Abhyuday Jindal: Absolutely, it is still in terms of low in volume, if I can say, but very high in value and extremely prestigious also. And as always we as a Company to support our country have to be Self-sufficient (Atmanirbhar), we should not be depending on special grades from outside India. So, we do see it as becoming an important division of ours.

Amit Dixit: I know you cannot dive into a lot of details with respect to this but if you could highlight that are we carrying some R&D here, are we developing some new grades? And broadly, what all platforms we are looking to cater to in future?

Abhyuday Jindal: So, it is a mix of all Amit. It is also currently substituting certain grades that are being imported and as always our R&D team is working on new variants better performance grades in a lot of applications. I mean we are catering to all three army, aviation, navy as well and, even aerospace, ISRO and HAL. So, now we are present, but again, like I am saying the volume is still relatively small.

Amit Dixit: Okay. Great. Thanks and all the best.

Abhyuday Jindal: Thank you.

Moderator: Thank you. The next question is from the line of Ritesh Shah from Investec. Please go ahead.

Ritesh Shah: Hi, sir. Thanks for the opportunity. First congratulations for good set of numbers. Sir just trying to appreciate quarterly improvement in EBITDA per ton, like one can think of few variables one is Chromeni, second is probably product mix which could probably also include CR to HR ratio which might have include because of Chromeni. Third, could be potentially inventory gains or

probably we did not have losses probably what we had in Q4 into Q1 that could have reversed. Fourth could be 200 - 300 - 400 change in mix. Sir, can you help us understand basically broadly these four variables and any other variables which would have contributed to improvement and spread on a sequential basis please?

Abhyuday Jindal: You have answered the question extremely well Ritesh, and these are the main factors. So, Q4 of last year was abnormally low because of these factors. Like you have mentioned and in Q1, there has been a healthy increase of our CR capacity due to Chromeni, which definitely impacts, there has been an increase in special grade sales into auto, lift elevator, white goods sector. So, that is why we are seeing improvement.

Tarun Kumar Khulbe: And then for that reason only our guidance even after Q4, we maintained Rs. 19,000 to Rs. 21,000.

Abhyuday Jindal: Yes. After Q4 of last year, we did not dip our guidance and we maintained it because Q4 was an aberration quarter totally. So, now, we are quite confident of delivering these numbers.

Ritesh Shah: Sir, would it be possible for you to indicate some numbers on CR to HR volumetric mix, Chromeni contribution at the EBITDA level? And third is basically probably what was inventory loss, if there was any inventory gain in this particular quarter?

Abhyuday Jindal: So, in terms of Chromeni definitely I think now we are at 65% capacity utilization and every month we should see that increase.

Tarun Kumar Khulbe: In H2, we intend to take it to around 80% - 85%.

Abhyuday Jindal: 80% - 85% by H2 of this year. And like from EBITDA perspective, we give always a blended number, so we are sticking to that between Rs. 19,000 to Rs. 21,000, we still like to stick to that.

Ritesh Shah: Sir, CR to HR, where we are, where the aspiration is to be?

Tarun Kumar Khulbe: So, like if we compare from Q4 to Q1 in CR almost 12% increase we have already done and as we said that once this in H2 when the Chromeni further ramps up this number should go to 15% - 20% over Q4. And I am talking CR to CR increase.

Abhyuday Jindal: And if you ask aspirationally, our target is to take our total CR capacity to at least 75% of our melting capacity. That is an aspiration, but that will take few years and what CAPEX we are doing is in tune or in line with that.

Ritesh Shah: Sure. Sir, my second question was wanted an update on the blast furnace 2 million ton, which is under the promoter entity. Any update over here? And I just wanted to tie this thing up because once this furnace comes we had the optionality to use more NPI. So, I do not know timelines, to my knowledge it was August '25. So, are we on schedule, and how it will impact the cost curve for Jindal Stainless going forward?

- Abhyuday Jindal:** So, Ritesh, there is still very early to answer these questions. There has been a certain little bit of a delay in our blast furnace operation. But being a private entity, I would like to take this maybe offline with you.
- Ritesh Shah:** Sure. And if just one question, last question on CAPEX priorities. We had deferred RVPL and HRAP. So, what is the status over there? And anything incremental on Maharashtra expansion, what we have spoken about in the last call?
- Abhyuday Jindal:** So, HRAP is on-track, like we said, by FY '27, maybe H2 of FY '27, our HRAP line should be commissioning. And Maharashtra project, like we have said, land acquisition is on-track and things are progressing smoothly there as well.
- Ritesh Shah:** Thank you. I will join back to queue for more questions. Thank you so much.
- Abhyuday Jindal:** Thank you. Ritesh.
- Moderator:** The next question is from the line of Vikas Singh from ICICI Securities. Please go ahead.
- Vikas Singh:** Good afternoon, sir, and thank you for the opportunity. Sir, just coming back to the Maharashtra project, since you are already acquiring land, do you have something in mind that in percent, what kind of capacity which you are going to put up and what could be the potential CAPEX for this?
- Tarun Kumar Khulbe:** So, in Maharashtra, whatever we have announced that the capacity will come in phases in the module of 1 million tons. This is what we have already stated. And this information is clear. Up to 4 million tons is what we have announced. And yes, we still intend to build it that way. But of course, five years is also a long time. If we see demand supply situation changing, maybe then we can accordingly amend our plans and handle the things accordingly. So, because right now, all these things are open yet to be tied up.
- Abhyuday Jindal:** So, basically, like Mr. Khulbe is saying, our Maharashtra plans that we have announced are still remaining intact. And at a large level, it is going to be a 4 million ton project that we are envisaging. But again, depending on market conditions, depending on global, let us say, uncertainty or opportunities, we can either expedite it also or if required, delay it also. But looking at all things positive, we would like to stick to our timelines.
- Vikas Singh:** So, that is what I just wanted to know this Phase-1 of 1 million tons, have we finalized any initial CAPEX for the Phase-1?
- Tarun Kumar Khulbe:** No. No CAPEX has been finalized but we are targeting FY '29 - '30.
- Abhyuday Jindal:** We will let you know.
- Vikas Singh:** Noted, sir.

- Tarun Kumar Khulbe:** As soon as our plans are ready because we would like to take all our shareholders through it so we will come with a proper announcement and interaction.
- Vikas Singh:** Sir, this quarter JUSL numbers EBITDA suddenly jumped sharply which also was one of the reasons for the poor performance. What has happened actually because volumes did not seem to be growing at the same pace?
- Tarun Kumar Khulbe:** So, JUSL, I believe all of us know that it is first of all it is 100% subsidiary to JUSL. JUSL works on a job work model and because we have already announced our volume growth of 9% - 10%, which is the guidance what we have given and because Company is performing then in-line with that JUSL performance is also reflecting
- Vikas Singh:** Sir, I was comparing on the sequential basis it went from Rs. 172 crores to Rs. 192 crore, but the volumes on sequential basis is actually slightly down. So, if you could just elaborate what has actually contributed to that jump?
- Tarun Kumar Khulbe:** Yes. So, actually in that also through JUSL, some material we also sell beyond tolling, so some changes in that impacts. But broadly, whatever the numbers you are seeing we believe that the similar kind of performance can be maintained.
- Vikas Singh:** Understood, sir. Sir, lastly on our Indonesia venture, if you could give us an update on the NPI as well as the other 1 million tons facility which you are putting up, so some update on those?
- Tarun Kumar Khulbe:** I will say that it is in-line to whatever we have announced we had given that in FY27 this will come so we believe this is progressing well. So, far as NPI is concerned, there we are producing we are ramping up and ramped up to a certain stage. But yes, nickel fluctuations are there and because of that so far as EBITDA is concerned we see it in the range of 500 to 1,500, but fluctuating because things are a bit fluidic on that side of the market whether it is nickel ore, whether it is I mean so many things are happening on that front. But again, I will repeat that, that business for us is also a raw material security and we see it that way also to that business.
- Vikas Singh:** Got it, sir. That is all from my side and thank you.
- Abhyuday Jindal:** Thank you.
- Moderator:** Thank you. The next question is from the line of Parthiv Jhonsa from Anand Rathi. Please go ahead.
- Parthiv Jhonsa:** Hi, thank you for the opportunity, sir. So, before we dive into the question, just wanted to get a quick break-up on the 200, 300 and 400 series for the Q1.
- Shreya Sharma:** Yes, sure, Parthiv. So, for this quarter, I will say it out in a sequence of 200, 300 and 400. It was 36%, 46% and 18%.

Parthiv Jhonsa: Okay. Thank you, Shreya. Sir, my first question is pertaining to the potential so called anti-dumping duty. Any timeline what you can give us pertaining to the anti-dumping duty? What can we expect? What not to expect on this particular topic?

Abhyuday Jindal: So, I can give you the latest update. DGTR allocated officials to the case who are evaluating and have raised certain clarification from the industry. And the industry is collating all the responses and clarifying them. And generally, the standard duration for completion is approximately one year. But considering the increase in adoption of trade protection measures worldwide, industry is hopeful of the earliest initiation followed by recommendation. So, just to summarize, they have allocated officials to start the process. The question-answer kind of classifications are on. And we are quite hopeful that in the next couple of months, investigation should start.

Parthiv Jhonsa: All right. Sir, the next question pertains to the current tariff scenario, especially from the U.S., considering multiple global headwinds, especially from U.S. and EU side of geographies. Though we really appreciate that you have kept your yearly guidance unchanged, but I believe the change in export definitely has an impact on the realization, is the understanding correct? And if so, what can we expect from this that what can be the differential in export and domestic? And what kind of impact it can have?

Abhyuday Jindal: So, like we have been saying for the last couple of years, actually our focus is primarily domestic and EBITDA maximization. So, export has never been a compulsion of ours. Export, we are continuing to supply our long-term customers that we have built over many decades. Those are the only ones that we would like to continue to support. Our focus is EBITDA maximization. Currently, domestic market is where we are seeing maximum opportunity, maximum demand also coming in and that is going to be our primary focus. And like I said, export is not a compulsion. So, if we see some good opportunity then only we would like to export otherwise we will continue to service our domestic market.

Parthiv Jhonsa: Got you. And sir, if I may just squeeze in one more, just wanted to get your guidance on the nickel and for the coming quarters? And also EBITDA pattern considering said really well in Q1 and also your JUSL target is expected to remain around the same level going forward, so you can just give some guidance, like would you tend to change your EBITDA pattern guidance slightly going forward or you want to keep it intact about Rs. 19,000 to Rs. 21,000 level?

Abhyuday Jindal: At this moment we will stick to Rs. 19,000 to Rs. 21,000 and definitely if we see certain things changing then we will come with a revised guidance as we always do, so we would like to stick to that. What was your first part of the question?

Parthiv Jhonsa: Your outlook on nickel sir, how do you perceive the prices going forward?

Abhyuday Jindal: It is very difficult to really predict Nickel, but we expect it to remain at the current level it is been hovering between let us say Rs. 14,000 to Rs. 16,000 and our expectation is that it should remain at this level.

- Parthiv Jhonsa:** All right. Thank you so much. Thank you for the opportunity.
- Abhyuday Jindal:** Like I would also mention we never take a position on Nickel, we always work on natural hedging and that is how we will continue.
- Parthiv Jhonsa:** Sure. Thank you so much.
- Tarun Kumar Khulbe:** Thank you.
- Moderator:** Thank you. The next question is from the line of Sagar Sahu from Jefferies. Please go ahead.
- Sagar Sahu:** Thank you for the opportunity. I just wanted to get your sense on what has been happening with imports from China in the last few months? And if implementation of BIS norms has had any impact? Thank you.
- Tarun Kumar Khulbe:** So, this is true that government, the BIS and also the Ministry of Steel, they have come out with some clarifications on the on the QCO requirements where the ingredient product also should be BIS compliant, and also the BIS has been made mandatory on certain downstream products as well. So, all this definitely has put some restriction on the inferior quality products getting into the country and with that some amount of reduction in the imports we can see. And we believe that this also means that the quality product requirement within the country should go up and that should help industry as well.
- But at the same time, we would like to watch it for some time, because in the past, we have seen sometimes government changes their position but we are hopeful that this time they should not be, because already we have seen the kind of discussion or representation made to the government, but they are not budging because this is something linked to the quality and that is why they are keeping to their ground.
- Abhyuday Jindal:** It is a very welcome move and I think it will support the entire country for long-term to come. There have been so many examples in the recent past where people have used substandard Chinese materials and infrastructure projects are failing, other things are getting destroyed, so this is a very welcome move to only allow quality products in India, and it is a very good opportunity for everyone to take benefit of this.
- Sagar Sahu:** Thank you so much for that. My second question is around domestic demand and your strategy around co-branding etc. So, you mentioned that the strategy in pipes and tubes has been successful and has been extended. Is there any plan to do something similar in any of the other segments as well?
- Abhyuday Jindal:** Like I mentioned we have just started for kitchenware and for sinks and every time actually you will see more and more addition also. Because again, we would like to support our MSMEs, we would like to support our domestic players in this regard so we are definitely taking this forward.

Sagar Sahu: Thank you so much. That is all from me.

Abhyuday Jindal: Thank you.

Moderator: Thank you. The next question is from the line of Ritesh Shah from Investec. Please go ahead.

Ritesh Shah: Hi, sir. Thanks for the opportunity again. Sir, I think you indicated CAPEX of Rs. 2,800 crores, is that correct?

Tarun Kumar Khulbe: Rs. 2,700 crores.

Ritesh Shah: And how should we split for '26 and '27, I presume it is for two years together?

Shreya Sharma: So, Ritesh, for FY '26 it is Rs. 2,700 crores and whatever is the spillover CAPEX in case it is going to be there in '26. Otherwise for '27 the CAPEX amount is roughly around to the tune of Rs. 1,000 crores to Rs. 1,200 crores.

Ritesh Shah: Okay. I think in the last call we had indicated a number of Rs. 1,800 crores plus maintenance CAPEX, so how should one understand this bump from Rs. 1,800 crores to Rs. 2,700 crores?

Shreya Sharma: No, it was always, even in the last call if you go by the transcript even, it was always Rs. 2,700 crores for FY '26.

Tarun Kumar Khulbe: So, 1,700 crores plus Rs. 1,000 crores.

Shreya Sharma: Yes, which includes last year's spillover as well, yes.

Abhyuday Jindal: So, Rs. 1,700 crores plus Rs. 500 crores of maintenance plus Rs. 500 crores of spillover which is total Rs. 2,700 crores.

Ritesh Shah: Sure. That is helpful. Second is Indonesia, we were looking to dispose assets. I think we had got something around USD 20 million and there was balance also which was pending and we were awaiting the proceeds, any indication over here on how much of money has already come in? How much incrementally can come in and timelines?

Tarun Kumar Khulbe: No so equipment you have already stated that is what the number is USD 20 million after that what remains is the land. Land no deal has been made yet but we are confident looking at the at the market prices over there that once we sell the land no hit comes to the books of the Company.

Abhyuday Jindal: And we are not in any desperation. So, when we get a good value then only we will sell the land.

Ritesh Shah: Sure. And do we have any plans to merge the acquired downstream assets because I presume there were accumulated losses over here. Any plans on this front for tax efficiencies?

- Tarun Kumar Khulbe:** So, that is something, I mean, it is in the process of evaluation and once we make any decision we will let you know.
- Abhyuday Jindal:** But you are right, we are looking at it very closely and we would like to take this forward.
- Ritesh Shah:** Sure. This was helpful. Thank you so much. Thank you.
- Moderator:** Thank you. The next question is from the line of Pathanjali Srinivasan from Sundaram Mutual Fund. Please go ahead.
- Pathanjali Srinivasan:** Thank you for the opportunity. A very good set of numbers. I have few doubts. So, our mix has actually broadly remained the same over the last couple of quarters, but current quarter realization was much better and profitability also in terms of cost reduction is visible. Can you give me a bridge of where this improvement is coming from?
- Tarun Kumar Khulbe:** Could you please repeat the question, I really could not get it fully.
- Pathanjali Srinivasan:** Okay. No, so the current quarter realization has improved, our mix is broadly same compared to the previous quarter. I do not know how this increase of around Rs. 4,000 - Rs. 5,000 has happened like that is one thing. And secondly, on our cost front, there is been like a decent decrease in cost also like from the previous two quarters - three quarters. So, is there anything that is contributing to this? Can you give me a bridge of where these cost benefits are coming from?
- Tarun Kumar Khulbe:** Yes, so more than that, I think, Mr. Jindal in one of the replies to one of the questions he mentioned it, that we are able to enrich our product mix, we are able to get more into cold roll and more value added like polish product as well, and then our Special Products. So, all this is helping to increase this realization. And we mentioned Q4 of last year was a total aberration. So, that is why now Q1 is back to our normal course of business.
- Pathanjali Srinivasan:** Sure, sir. Understood. And sir, what would be our volume guidance for this year? Because I think last year was a relatively weaker year for the industry.
- Abhyuday Jindal:** We are not changing. Like we mentioned, 9% to 10% volume growth this year and we are quite confident of delivering that.
- Pathanjali Srinivasan:** Okay, sir. Thank you.
- Abhyuday Jindal:** Thank you.
- Moderator:** Thank you. The next question is from the line of Pallav Agarwal from Antique Stock Broking. Please go ahead.

- Pallav Agarwal:** Yes. Good evening, sir. The first question is on, whether are we seeing or how have we seen the trends of nickel scrap prices? Is there some softening over there or, the broadly stable?
- Abhyuday Jindal:** It is very difficult to take a call on nickel and what the nickel prices are going to remain or not. So, like I said, we do not really take a position on it. We do natural hedging and that is the way we are going to go forward.
- Pallav Agarwal:** Sure, sir. But what in the case of aluminum, in a couple of quarters back, we did see an increase in scrap prices, because probably China was importing more scrap. So, is there something similar happening in nickel or it is totally different?
- Abhyuday Jindal:** No. Aluminum and nickel do not go hand in hand. You cannot relate them totally. So, nickel is a different kind of ballgame compared to other raw materials in the market.
- Pallav Agarwal:** Sure, sir. The other thing is, I think the purchase of stock in trade, I think, is probably low compared to the last year. So, is this trend expected to continue?
- Abhyuday Jindal:** Sorry, purchase of? I did not hear, I missed that. Purchase of what?
- Pallav Agarwal:** Purchase of stock in traders.
- Abhyuday Jindal:** Purchase of stock in trade. Okay.
- Pallav Agarwal:** So, that seems to be lower than.
- Shreya Sharma:** Yes, Pallav.
- Pallav Agarwal:** Yes. So, I am asking if this trend is expected to continue for lower external purchases?
- Shreya Sharma:** Yes, broadly it will be in this range, what it is in this quarter. Yes.
- Pallav Agarwal:** Sure. Okay. And lastly sir, you got it for a 9% - 10% volume growth, so what sort of utilization level would be at the end of FY '26?
- Abhyuday Jindal:** It will be around 80% - 85% capacity utilization.
- Pallav Agarwal:** And then going ahead, the Nickel, the Indonesian unit should come out, so that would add to the capacity. Is that understanding correct?
- Abhyuday Jindal:** Yes, but that will happen next year.
- Pallav Agarwal:** Okay, so maybe then FY '27 also volume growth could be constrained by capacity, or we can probably move, operate at more than 100%.

- Abhyuday Jindal:** We will come, we will come when we are closer to the time period, but we expect 9% - 10% growth should happen also.
- Pallav Agarwal:** Sure, sir. Thank you.
- Abhyuday Jindal:** Thank you.
- Moderator:** Thank you. The next question is from the line of Ashish Kejriwal from Nuvama Institutional Equities. Please go ahead.
- Ashish Kejriwal:** Yes, hi. Thanks. Good evening, everyone. Sir, quickly, you have mentioned a few points which can bridge the EBITDA from fourth quarter to first quarter, which could be your uses of low-cost inventory or some change in inventory, product mix improvement, realization improvement, and cost decline. So, is it possible to even, not pinpoint, but at least, broadly, I am trying to quantify, because, when we are getting an EBITDA bridge, how much is contributing what?
- Because when we are saying product mix improvement, can it be, 30% - 40% of the change in EBITDA which we have seen, or is it only 10% of that? So, when we are giving these statements of product mix improvement or this, if we can quantify a bit, even in a percentage terms or anything which is feasible for the Company, I think that will help us to get a good sense of the numbers. So, is it possible to quantify now or?
- Abhyuday Jindal:** Difficult to quantify. What we can try to do is maybe calculate this for you and share it offline. But it is, I think, a factor of all these things that you mentioned. Yes, I believe. That is what you are asking, which one has contributed more or less, so that we can try to share with you offline.
- Ashish Kejriwal:** Because Abhyuday, even if we give a broad breakup, broad buckets, like, whether it is because of relation improvement or cost improvement or inventory improvement, then it will help us understanding in a better way and give some more confidence that going forward also, if macro changes favorably, we can do more.
- Abhyuday Jindal:** The main contributing factor is more value-added products. So, our CR capacity has picked up. We are serving more higher variants. Like, if I give you an example, in auto also, now we move to the higher variants in auto sales. So, all those factors help us in improving our margins.
- Ashish Kejriwal:** Is it possible to quantify something like when we are saying that CR capacity improvement, so in terms of overall volume, what could be the contribution of CR capacity last quarter or this quarter or last year, then it.
- Abhyuday Jindal:** That we can share with you offline.
- Ashish Kejriwal:** Okay. That is great. Secondly, is it possible to quantify, how much inventory we have at the end of the quarter versus last quarter, finished products inventory?

Abhyuday Jindal: Product inventory you would like in volume.

Ashish Kejriwal: Yes, volume. Volume as well as in value terms if you have. It will be great if you can share both.

Shreya Sharma: Yes, sure, Ashish. We will share this as well.

Ashish Kejriwal: Okay. That is great. And thirdly, I am sure that you do not like to divulge about Chromeni profitability, but if you can give a sense of whether Chromeni is making EBITDA positive now at 55%, 60% utilization or still it is EBITDA negative?

Abhyuday Jindal: No, absolutely. It is a value added core raw product, so it is definitely EBITDA positive.

Ashish Kejriwal: Okay. So, from when it has become EBITDA positive, this quarter only or it has been EBITDA positive for fourth quarter also?

Abhyuday Jindal: I think for last couple of few months it has been. Exactly. Again, I do not have the number from the top of my head, but from Q1 of this year it has become positive.

Ashish Kejriwal: So, is it possible to share the number? Broad number will also do, because we share JUSL numbers.

Abhyuday Jindal: No, I mean, we will take this offline, Ashish, with you.

Ashish Kejriwal: Okay. Sure.

Abhyuday Jindal: Because it again has certain trade sensitive things that we would like to share.

Ashish Kejriwal: Understood. Understood. So, lastly, if I look at the number this quarter as a base, then is it safe to assume that at least macro side we are not seeing deterioration as what we have witnessed in first quarter?

Abhyuday Jindal: We are sticking to one.

Abhyuday Jindal: We are sticking to our guidance, Ashish. 19 to 21 with this volume growth, we are definitely confident of achieving that. I think there is a lot of uncertainty, again, globally and everything, which is why this much we are absolutely confident. If anything changes positively or negatively, as always, I will definitely come back with a fresh guidance.

Ashish Kejriwal: Sure. Thank you and all the best.

Tarun Kumar Khulbe: Thank you, Ashish.

Moderator: Thank you. The next question is from the line of Alok Deora from Motilal Oswal. Please go ahead.

- Alok Deora:** Yes, sir. So, sir, just linking to the previous question only. So, how is the demand scenario now? I mean, we have maintained the volume growth, but considering the uncertainty, could there be any slippage there because first quarter has been pretty muted, so we need to catch up quite a lot in the quite a lot in the especially in the second half. So, first on that.
- Abhyuday Jindal:** So, Alok, we are extremely bullish on the domestic growth and domestic demand, and the major more uncertainty is to do with exports actually but absolutely on our domestic numbers and our growth that we have foreseen there we do not see any kind of aberration or dip coming in.
- Alok Deora:** Sure. And on the export side I mean it is in terms of proportion it is better than what we did in the last quarter. So, how do we see the shares shaping up? Could there be a case where this again goes down and which could impact the realization and the profitability or we may expect it to be in the similar range?
- Abhyuday Jindal:** Our focus as an organization is EBITDA maximization and if by anything it dips us then we do not have to export. It is not a compulsion for us. We can like many years even during COVID time and everything we proved that we could give 100% volume also required into the domestic market. So, we are not really concerned with that at the moment.
- Alok Deora:** Sure. Yes, that is all from my side. Thank you, sir.
- Abhyuday Jindal:** Thank you.
- Moderator:** Thank you. The next question is from the line of Parthiv Jhonsa from Anand Rati. Please go ahead.
- Parthiv Jhonsa:** Sir, just wanted to get a clarification. You said Rs. 2,700 crores this year in CAPEX and thereafter about Rs. 1,200 crores Rs. 1,500 crores. Am I correct in '27?
- Tarun Kumar Khulbe:** '27 number, next year.
- Shreya Sharma:** So, next year Parthiv, it will be somewhere roughly between Rs. 1,000 crores - Rs. 1,200 crores.
- Parthiv Jhonsa:** Okay. So, considering the Maharashtra CAPEX and all, so the major CAPEX would start rolling in from '28 - '29 onward, am I correct? Or even prior to that .
- Abhyuday Jindal:** Still too early to say for Maharashtra. We are talking about our current standing operations.
- Parthiv Jhonsa:** Okay, sir. And sir, just in continuation with my previous question on the nickel because I believe that realization is somewhere correlated to the nickel prices. I am not mistaken. Just wanted to get your guidance on the Q2 blended realization. What are you expecting for stainless?

- Abhyuday Jindal:** Again, like I said, it is difficult to comment on nickel per se. That is why we give our EBITDA per ton at 19,000 to 21,000. I mean, that is all that in terms of I can give that guidance which we are confident of achieving.
- Parthiv Jhonsa:** What about how you perceive your realizations for the next quarter? How are we sitting as of date?
- Shreya Sharma:** So, Parthiv, basically the prices of stainless steel is driven by the underlining prices of the raw material. So, it is difficult to comment on the realization because as you know, it is more a pass-through. Basically, a reflection of the nickel and the ferrochrome price movement is there on the stainless steel prices. So, it totally, majorly depends on that as well as the product mix during the quarter.
- Parthiv Jhonsa:** Sure. I understand that but I believe, a couple of your global peers have taken two price hike or three price hikes in the last couple of weeks actually. So, just wanted to get your idea on that because I believe a couple of them have taken almost USD 60 odd to USD 70 odd of a price hike. That is the reason for the question. Are we expecting a similar kind of a hike in the domestic market as well?
- Tarun Kumar Khulbe:** So, far, we have not changed our pricing. Yes, we have not changed any of our pricing.
- Parthiv Jhonsa:** All right. Thank you so much.
- Abhyuday Jindal:** Thank you.
- Moderator:** Thank you. The next question is from the line of Rakesh Roy from Boring AMC. Please go ahead.
- Rakesh Roy:** Yes. Hi, sir. My first question is regarding the export market. As you said, it is a going to be tough. In last concall, you have mentioned that we will grow nearby near 20% yearly growth, sir. So, this will sustain or come down, sir?
- Abhyuday Jindal:** Rakesh, if you can, you are aware that how uncertain the export market is. At that point, it was a different situation of what it is. And today, it is a different situation of what it is. And tomorrow, with Mr. Trump in this seat, it could be a different situation. So, it is extremely difficult to predict or give you any kind of guidance on export. That is why we are extremely confident on delivering our numbers despite any changes in export. Domestic is our focus. Export is only going to be to the tune of wherever we can get certain good margins. Then only we will export. Otherwise, we will focus on domestic only.
- Rakesh Roy:** Okay, sir. Next question is for Rathi, sir. Can you share the volume number for Rathi for this quarter?

- Shreya Sharma:** So, Rathi, for this quarter, it operated at around 80% capacity utilization. 80% - 85% is what we have achieved. And so, the ramp-up is quite satisfactory. It is just when the more of the rebar sales are going to increase in the portfolio, then we will see better returns going to forward.
- Rakesh Roy:** Right, sir. And, sir, last question. Do you see, sir, most of the companies have, sir, impacted on the export market. Do you see any of driving pressure on the domestic market due to, sir, the handling of export?
- Abhyuday Jindal:** No, we have not seen any impact of that. And we should not see any impact of that.
- Rakesh Roy:** Right, sir. Thank you, sir.
- Moderator:** Thank you. Ladies and gentlemen, as there are no further questions, I now hand the conference over to Mr. Jindal for closing comments.
- Abhyuday Jindal:** Thank you, and I would like to thank everyone for attending this call. Amid persistent global volatility, we continue to reinforce our market leadership through a strong customer focus, consistent innovation and operational excellence. With our focus on value-added products, tailored on specific applications and strengthened market relationships, we are well positioned to sustain momentum across markets.
- I hope that we were able to answer all your questions. Should you need any further clarification or would like to know more about the Company, as always, please feel free to contact our Investor Relations team, and would like to see all of you physically at some point or the other this year. Thank you once, again, and speak to all of you soon.
- Tarun Kumar Khulbe:** Thank you. Thank you, everyone.
- Shreya Sharma:** Thank you.
- Moderator:** Thank you. Ladies and gentlemen, on behalf of Motilal Oswal Financial Services Limited and Jindal Stainless, that concludes this conference. Thank you for joining us and you may now disconnect your lines.