"JSW Steel Limited
Q1 FY-27 Earnings Conference Call"

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MANAGEMENT: **Mr. Jayant Acharya – Joint MD & CEO**
Mr. G.S. Rathore – Whole-time Director & COO
Mr. Arun Maheshwari – Director (Commercial & Marketing)
Mr. Swayam Saurabh – CFO
Mr. Ashwin Bajaj – Group Head (Investor Relations)

Moderator: Ladies and gentlemen, good day, and welcome to the JSW Steel Limited Q1 FY27 Earnings Conference Call.

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, 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. Ashwin Bajaj, Group Head, Investor Relations. Thank you, and over to you, sir.

Ashwin Bajaj: Yes. Thank you, operator, and a very good evening, ladies and gentlemen. Welcome to JSW Steel's earnings call for Q1 of Financial Year 2027.

We have with us today the management team represented by Mr. Jayant Acharya - Joint MD and CEO, Mr. G. S. Rathore - Chief Operating Officer, Mr. Arun Maheshwari - Director of Commercial and Marketing and Mr. Swayam Saurabh - the CFO.

We will start with opening remarks by Mr. Acharya and then open the floor to Q&A. So, with that, over to you Mr. Acharya.

Jayant Acharya: Good evening, everyone. The global growth outlook remains intact despite ongoing uncertainties, with the IMF lowering its global forecast for 2026, just by 10 bps to 3%, while upgrading the outlook for 2027 to 3.4%. Global economic activity remained resilient during the quarter with manufacturing support by inventory restocking amid the Middle East conflict and continued strength in the global tech cycle driven by AI-related investments. However, the disinflation trend that has been in place since 2024 appears to have stalled prompting major central banks to adopt to a more cautious stance.

While the adverse impact of the conflict on supply-side disruptions and elevated energy costs started to moderate in end-June, the recent escalation and development remain key monitorables. Looking ahead, reconstruction-related demand could provide an additional growth impetus.

India remains one of the fastest growing major economies globally with RBI growth projection at 6.6% for FY27, reflecting resilience amidst external headwinds. Industrial production and exports have performed well recently, despite the impact of geopolitical disruptions. The automotive sector saw sustained double-digit expansion in domestic passenger vehicles and commercial vehicle sales over the past 3 quarters, following the GST rate cuts implemented in September 2025.

The rural demand remains healthy, underpinned by a strong Rabi harvest with supported growth in 4-wheelers, 2-wheelers and tractor sales. Although some below-normal monsoon remains a key risk to monitor. The investment cycle also continues to strengthen, aided by healthy public capex pipeline and sustained momentum across commercial real estate, energy, data centres, defence and maritime sectors.

India steel consumption remained strong and grew by 8.3% in Quarter 1, with the imposition of safeguard duty in December 2025, India has become a net steel exporter after 2 years in FY26. However, in Quarter 1 India has become a net importer of steel once again and imports grew by 22% quarter-on-quarter and exports fell QoQ by 16%. Looking ahead, domestic steel demand is expected to grow at a healthy rate of 7% to 9%, providing a strong base for future capacity growth.

In China, steel production was down 3.9% during Jan to May and consumption declined by 4%. Steel exports including semis fell between January to March, though they continue to remain at elevated levels.

On sustainability, I'm happy to report that project SEED, our flagship decarbonisation project has delivered a cumulative emissions reduction of approximately 5 Mn tCO_2 since 2022. We have also been systematically ramping up deployment of scrap steel resulting in scrap utilisation growth by 16% YoY in Quarter 1.

JSW Steel had launched the GreenEdge brand, its low-emission steel brand supported by a carbon bank of 1 million tons of CO_2 credits certified by Bureau Veritas. In Quarter 1, we successfully executed our first GreenEdge export order, marking a key milestone in the journey from product launch to active market adoption.

Before we get into the Quarter 1 performance, I would just like to remind you that BPSL Steel business was deconsolidated from JSW Steel’s financials with effect from 27 March 2026. Hence, in our results materials this quarter, we have presented the previous period volumes and financials on a Proforma basis, excluding BPSL to make them comparable to the current period.

Coming to our operating performance. Utilisation of capacities for our Indian operations stood at approximately 94%, excluding the BF-3 which was under shutdown, much higher than the 88% in Quarter 1 last year. This was achieved through efficient operations of our assets across all plants.

Our consolidated crude steel production at 6.59 million tonnes, while the Indian operations production of about 6.35 million tonnes were up by 3% YoY. However, excluding the BF-3 which was under shutdown, our consolidated production growth grew by a significant 15% YoY, driven by the ramp-up of our JVML operations.

Consolidated steel sales for the quarter grew by 4% YoY to 6.25 million tonnes. We delivered our best Q1 Flats sales, which grew by 9% YoY as we focused on Flats due to better demand and pricing. Our total hot rolled sales were also the best ever for Quarter 1, up 18% YoY. Carbon steel longs demand in the market was impacted by labour availability due to the state elections and diesel availability issues due to the Middle East conflict, resulting in lower Longs sales.

Our sharp focus on the downstream segment enabled VASP sales to grow 8% YoY, accounting for 61% of our total sales. Sales to the Institutional sector was the highest ever for Quarter 1, up by 5% YoY. Retail sales, however, experienced some pressure during the quarter due to higher imports and channel destocking. We achieved our best ever Quarter 1 sales in the Auto and Renewable sectors with volumes increasing by 18% and 25% YoY. Sales to the MSME, Construction equipment, Bearings and Defence sectors registered a substantial growth.

Moving to our financial results, JSW Steel delivered a strong financial performance, our consolidated revenues during the Quarter 1 FY27 were Rs.47,364 crores. Adjusted EBITDA stood at Rs.9,373 crores with an EBITDA margin of 20%, while PAT stood at Rs.4,696 crores.

Steel prices recovered from early January this year and strengthened further through March. During Quarter 1, flat prices saw some moderate decline while long prices saw a significant correction. As we mentioned in last quarter's call, some part of the price discovery of quarter 4 was realised in quarter 1, thus, overall realisations were higher quarter-on-quarter. On the cost side, we were slightly higher than our guidance given in the last results due to an increase in various input costs on account of the Middle East conflict.

Coking coal prices increased by around $17 per ton, slightly higher than our guidance of $12 to $15. Iron ore costs were also higher in the Quarter 1 FY27. Moving to our overseas operations at the Ohio EAF facility, we have commissioned the Vacuum Degasser in Quarter 1, which will enable us to produce higher steel grades, especially the API grades in U.S. Production and sales were significantly higher QoQ as we have taken shutdowns for the caster upgrades in Quarter 4.

Ohio generated a positive EBITDA for Quarter 1. The Plate and Pipe mill in Texas also performed better QoQ basis due to better operational efficiencies and higher sales driven by a strong plate and pipe demand. Both U.S. operations generated a combined EBITDA of $16 million. The Italian rail mill also performed well in Quarter 1, reporting a higher EBITDA of EUR7 million, though volumes were affected by an annual shutdown in May. We recently signed a program agreement with the Italian government for implementation of the rail mill modernisation project. The agreement covers various aspects relating to projects, including a grant of EUR33 million for the project.

The second tranche of JFE's equity investment of INR7,875 crores for JSW JV joint venture transaction has been received on 30th June, as scheduled. With this, the JV transition has been completed. Last quarter, we had revised our stated maximum cap for gearing from 1.75x to 1.25x and leverage from 3.75x to 3x. However, we would like to reiterate that our comfort level will be to keep the leverage below 2.5x.

Leverage and gearing have further dropped versus last quarter to 1.46x and 0.42x, respectively. Our net debt stands at Rs.46,157 crores and is substantially down from FY25, our revenue acceptances stood at US$2 billion. During the quarter, we incurred a capex of Rs.4,900 crores, and we expect to spend between Rs.22,000 crores to Rs.24,000 crores in this financial year.

Let me update you on the growth projects as well. The progress is good. At Vijayanagar, the BF-3 expansion from 3 to 4.5 million tonnes has been completed, and the blast furnace was lit up towards the end of June 2026. The blast furnace is ramping up and is now at about 80% within a few weeks, where we'll add incremental volume from Q2.

Our projects at Dolvi, Utkal and the slurry pipeline continue to be on track. On third July, we conducted the ground-breaking ceremony of our previously announced 1 million tonne EAF and structural project at Kadapa in the Rayalaseema region of Andhra Pradesh. Key equipment orders have been placed and commissioning is targeted for FY29. Our various downstream projects are progressing well, and in this quarter we have announced the scope of a few of them.

We are adding about 0.44 million tonnes of capacity in the earlier announced downstream projects at Vijayanagar, Khopoli and Rajpura. At Khopoli, we have also enhanced the product capability to include a wider range of high-strength steels, value-added coated steel products in the overall capability. Lastly, we are now adding a rail capability to the 1 million tonne structural mill at Raigarh.

Let me now update you on the developments on the raw material front. We are strategically enhancing our raw material security as we mentioned, both in iron ore and coking coal. We have 25 iron ore mines out of which 13 are currently operational, and we are working on operationalising the remaining mines as well as expanding some of our operating mines. We continue to bid rationally for new mines. And in May'26, we had won the Pissurlem mine in Goa.

As we increase iron ore production from our captive mines. We are geographically optimising our sourcing, thus reducing logistics costs and lead times. On the coking coal front, we have taken over the Dugda Washery from BCCL in June. We are modernising and expanding the capacity of the washery to handle coking coal from our linkages with BCCL and our captive mines. We continue to progress on our other coking coal initiatives, including the MdR project in Mozambique and the 3 captive mines in India. For our MdR deposit, we have finalised and placed one of the major EPC orders and are in the process of finalising others as well.

The JSW One platform in which we have 60.52% equity stake on a fully diluted basis, saw steel volumes grow by 36% YoY. GMV was Rs.5,919 crores in Q1, up 51% YoY. Rs.1,987 crores of this GMV was driven by JSW One's credit offerings which was also up by 49% YoY. JSW One continued to deliver positive EBITDA in Quarter 1 of this financial year.

Looking ahead, our volume should increase in Quarter 2 driven by the ramp-up of BF-3 in Vijayanagar and Ohio operations. There will be an impact on costs as coking coal costs are expected to be higher by $12 to $15 in Quarter 2.

Coking coal costs have come down recently, and that should be reflected in the subsequent quarter, and that is Q3. Iron ore costs are also trending down, and that should be favorable towards the end of Quarter 2 and Quarter 3. India steel demand is expected to grow at a healthy rate of 7% to 9% in FY27, and we expect to add an incremental demand of 12 to 13 million tonnes in India.

Demand growth will be supported by public capex as well as improving private capex, growth in manufacturing and the robust auto sector. We are also seeing a broadening consumption across the country across the rural side as well. With a strong balance sheet and improving operating performance, we are well poised to carry forward our growth journey and contribute to India's growth story.

With that, we are happy to take questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question comes from the line of Alok Deora with Motilal Oswal. Please go ahead.

Alok Deora: Good evening and congratulations on good set of numbers. Sir, just had a couple of questions. First is on the steel prices. Now how do we see the prices moving and for us in the second quarter, considering that there has been a sharp correction especially in the long steel prices. So just some color on that.

And also, on the demand scenario because the offtake has been pretty subdued in the first quarter. So, you briefly mentioned that it would be slightly better in Q2. But if you could just provide some sense on the demand side? That would be my first question.

Jayant Acharya: Yes. So, the demand, as we saw for India, I think, is quite good at 8% plus. We had drawn down our inventories quite substantially, if you recall, during the March quarter end. And some of the inventories we needed to rebuild for our operations of downstream and for our plate mill at Anjar, which we have done, which is our usual process in the first quarter.

On the long side, we did have an impact of lower sales due to a price, a lower price from the secondary market. Some labor shortage and fuel availability in some of our project core areas. We see the volumes improving in Quarter 2 with the ramp-up of BF-3. So, you will see higher volumes from JSW Steel for the Quarter 2 as the BF-3 ramps up and JVML continues to operate fully.

On the pricing, it will be difficult to give a indication at where it will be. But the Long prices have corrected as you also said, and we have also commented. The Flat corrections have been moderate. And we feel that the Flat pricing is quite reasonably priced. Longs is a seasonal impact, which we see every monsoon.

We feel that the prices would normalise as we go into the second half of this year with a good demand growth, normalisation of projects and capex growth and in general, a seasonally stronger H2 as we go ahead.

Alok Deora: Sure. Also, sir, on the iron ore side, how much was the captive iron ore and what's the annual cost impact we could see in the Quarter 2? If you could just highlight on that?

Jayant Acharya: Our captive iron ore was closer to 30% or so, including the Netrabandha mine, which supplies to JJSL now, at about that range. Iron ore costs have gone up during the quarter. Direct iron ore costs have gone up by about Rs.230 odd per tonne of iron ore.

Alok Deora: Got it, sir. That's all from my side. Thank you and all the best.

Moderator: Thank you. Our next question comes from the line of Amit Dixit with Goldman Sachs. Please go ahead.

Amit Dixit: Yes. Hi, good evening, everyone and thanks for the opportunity. Congratulations for good performance. Couple of questions from my side. The first one is that, you have added couple of small downstream projects one at Dolvi-3 of around Rs.2,000 crores in this quarter compared to the last one. Possible to elaborate on that, what is the downstream project all about, also the progress on the CRGO project that we have been discussing earlier would be helpful?

Jayant Acharya: So, there is no downstream facility being added in Dolvi. There are some design changes in our raw material handling system because the conveyors, which we had planned from the port operations to the plant were to go through a certain area of land. And that did not materialise, so we had to create a higher structure on a double-conveyor basis and that resulted in a much stronger cost on the RMHS side.

The project cost was, also there was some enhancement in the other areas, including the some of the costs due to the Middle East conflict as well. But we continue to remain very strong on the IRR. If you see the total cost of the project from a specific capex investment point of view, for a 5 million tonnes of facility, is still below Rs.5,000 crores per million tonnes and remains very competitive.

Amit Dixit: Got it, sir. That's helpful. The second question is essentially on the West Asia crisis only that we have been in certain companies reporting in other sectors, of course, the one-off cost. Did we also face some one-off costs due to middle east escalation in energy cost or propane or something that we don't expect to recur possibly if the war settles down or situation becomes better. Was there an element of such kind of cost also in this quarter, if you want to quantify that?

Swayam Saurabh: Of course, I mean we did not see a very significant impact. Of course, some fluxes gas prices went up, plus there were indirect costs in the form of higher container cost, shipping cost went up. We believe that most of it for example, gases, should reverse fully in this quarter. But as we go into towards war subsides and there is more stability, all of this should come back.

Amit Dixit: And how much it would have been, I mean, as a per ton of steel, I mean, cost or something?

Arun Maheshwari: It has been varying depending on the product to product. There has been an impact on the fluxes as Swayam mentioned. Also, on the bunkering side, the marine fuel has gone up. So that has an impact overall. Month-on-month, I would say it will be around $20 odd kind of overall industry side.

Amit Dixit: Sir, can you please be clearer? Sorry, I couldn't hear your last sentence.

Arun Maheshwari: Close to about $20 per ton of steel

Amit Dixit: $20 okay great. That's helpful, sir. Thank you so much and all the best.

Moderator: Thank you. Our next question comes from the line of Sumangal Nevatia with Kotak Securities. Please go ahead.

Sumangal Nevatia: Yes. Good evening. Thanks for the chance. So, my first question is on the raw materials. So first, if you can share about our coking coal initiatives. So, in the next 3-4 years, what volumes, what percentage of our requirement could be made from captive mines? And what sort of cost advantage can we foresee there. And then on iron ore, I mean, overall, over the next 2-3 years, from 30%, where are we looking at and the slurry pipeline what sort of cost advantage or cost reduction do we expect from FY28 onwards?

Arun Maheshwari: So, on the raw material front, first of all, your question was on the coking coal front. There are several initiatives which we have taken. First thing is what we are developing our mine in Mozambique MdR which is expected to start production by 2028, mid of 2028. So that is one thing which will have.

We continue to get our material from our equity stake from Illawarra mine in Australia. On the domestic side, we have started using partially material in one of the locations. We are seeing the benefits coming in. However, the actual quantification of the benefits will be done when we come to size and scale. Maybe in next 3 years, probably, we will be able to scale it to 3 million tonnes kind of input from the domestic sources, which will be close to about more than 10% of our total feed. This is our target for domestic cooking coal.

Sumangal Nevatia: And what about Mozambique and Australia in terms of volumes and cost benefit?

Arun Maheshwari: Australia, it's close to about 2 million tonnes a year. Mozambique will start by the mid of 2028, target is to take it to 7 million tonnes, eventually, when the project will start.

Sumangal Nevatia: Understood. That's useful. And on the iron ore?

Arun Maheshwari: Iron ore continue to, as Mr. Acharya mentioned in his opening remarks, we have 25 mines as of now, only 13 are operational, and we are working on the balance mines to make them operational, which should come in phases as and when we get the approvals and all those timelines are done. So hopefully, we'll be able to.

Sumangal Nevatia: I wanted to understand about the slurry pipeline, what sort of volumes do we expect to move and the cost savings, which we will incur?

Arun Maheshwari: I think a couple of quarters back when we took this approval, definitely I had mentioned this entire volume of the slurry pipeline is -- the capacity of the slurry pipeline is about 30 million tonnes, and we intend to do about 20 million tonnes out of that for now and the cost saving as compared to today is about Rs.1,000 per tonne.

Jayant Acharya: Per ton of iron ore.

Arun Maheshwari: Yes, per ton of iron ore.

Sumangal Nevatia: Just one more question. I just wanted to understand, given the BPSL deal, we've significantly deleveraged the balance sheet. So, what sort of rating upgrade and subsequently interest cost savings are we expecting to flow through in the coming quarters or next 1-2 years?

Swayam Saurabh: Yes. So of course, we are in that cycle where our credit standing is getting evaluated and you would have already noted Fitch recently has upgraded us from BB to BB+ with a positive outlook. We have also gotten a rating upgrade from CARE. We expect this trajectory to continue.

As far as cost is concerned, I mean the fact that absolute gross debt is going to be lower, absolute interest costs should trend lower versus our historical numbers. We, over time, should start to see some advantage in terms of borrowing costs, but it also depends on the mix -- so it's difficult to give you a number, but we should see gradual reduction also on the rate front of finance cost.

Sumangal Nevatia: Got it. Thanks, and all the best.

Jayant Acharya: Thank you.

Moderator: Our next question comes from the line of Pallav Agarwal with Antique Stock Broking. Please go ahead.

Pallav Agarwal: Yes. Good evening sir. I had a question on the standalone, the change in the inventory part. So, if I look at the volumes, the sales volumes were actually higher than the production volume. So, is it just change in inventory due to your work in progress or some of the raw material inventories?

Jayant Acharya: I think the way you should look at it is look at the overall India operations and see the numbers. On an overall basis, our inventory has gone up, as we mentioned, to some extent, to build up some inventory, which was drawn down in March quarter, for our downstream operations and finished good servicing. In addition to that, some of the slab transfer to our Anjar plate mill. However, specifically for the standalone question which you asked. I think Swayam will answer.

Swayam Saurabh: So, our Vijayanagar facility also hosts JVML, which is a subsidiary. And depending on capacity available, there are inter unit transfer. So JSW Steel side of volume gets reported under standalone, but the transfer between JVML and Vijayanagar or vice versa is the reason why the volumes look higher.

Pallav Agarwal: Sure. So, could you actually just give us a breakup of when you mentioned consol volumes? So in that is a standalone plus JVML, what else, Ohio and what else is included in those volumes?

Swayam Saurabh: So consol volume would include the standalone plus JVML plus Raigarh plus Salem…

Jayant Acharya: That is a standalone.

Swayam Saurabh: No, no, consol volume plus U.S. Ohio. And adjusted for any intercompany volume elimination. And coated is not part of volume.

Jayant Acharya: So, coated is basically netted of the transfer, the net debt of purchase and quoted from outside, it becomes again for overall adjust. So, it includes all our units basically other than JJSL.

Pallav Agarwal: And I'm assuming Salem volumes being a 1 million tonne plant and the Raigarh would not be very significant on a quarterly basis?

Swayam Saurabh: Correct.

Pallav Agarwal: Okay. So just lastly, also, you mentioned there was some spill over of benefits from Q4 prices may be auto contracts in Q1. So, is it possible to quantify what exactly how much was the benefit on the 1Q?

Jayant Acharya: The auto prices for most of the customers have been finalised. And some part of the benefit, I think close to 90% of the benefit is already factored in the results of Quarter 1. 1 or 2 closures which are in the process will get concluded, and that will reflect in Q2. I don't have the exact numbers to give you with respect to how much because it depends on product, depends from customer to customer, it will be different.

Pallav Agarwal: Sure, sir. Okay. Yes. Thank you so much.

Moderator: Thank you. Our next question comes from the line of Ritesh Shah with Investec India. Please go ahead.

Ritesh Shah: Hi, sir. Thank you for the opportunity and congratulations for a good set of numbers. I have a few questions. First is the hypothetical one, sir. If hypothetically safeguard duties are not reinstated or extended then how are we looking at the regulatory scenario? I understand antidumping duty investigations have been initiated. If you could provide some colour on what has been proposed at the industry over here, and just paint a scenario, but if safeguard come and antidumping duties are there or not there?

Jayant Acharya: The imports into India in the last quarter have gone up as we explained, we became a net importer. We have seen imports going up from Japan, Russia and China, in particular. The Government of India and the industry had applied also and the Government of India has considered to investigate the case. And the antidumping against some of these countries have been initiated.

What the results will be is difficult to say. I think it's an investigation, which is a legal process and takes its course, and the results will come out in due course. The antidumping is other than safeguard and can run in parallel to the safeguard as is today also there in US and Europe.

Ritesh Shah: Sure. That helps. Sir, my second question is, on the last quarterly call we had indicated a capex of Rs.1,00,000 crores plus Rs.1,26,000 crores. So, the total was I presume Rs.2,26,000 crores. I see on Slide number 41, we have given a split of Rs.1,30,000 crores, I just wanted to have some clarity on the total number of Rs.2,26,000 crores versus Rs.1,30,000 crores. I presume a part of it towards JV, mining, etcetera, etcetera. So, if you could provide some breakup with respect to those numbers? That would be great.

Jayant Acharya: So the indications, I think you're talking about Rs.2,20,000 or odd is the -- you're talking about the future for 62 million tonnes. Those are not approved in the board yet. What you are getting in the slides in the investor presentation of Rs.1,30,000 crores is the currently approved budgets, which are there for our operations across all the locations.

Ritesh Shah: This includes JV, mining, everything?

Jayant Acharya: This includes everything, growth, mining, downstream operations, cost-saving projects, all of them put together. The projects which will further get added on to this, like Odisha Phase II. Odisha Phase I is included, Odisha Phase II, our Salav, our Odisha Phase III or any other equity investments in our operations of expansions in JJSL or in POSCO.

Those all would get added. In addition to that, our investments once we fructify fully into our mining operations, if any of them gets added, would further add. And downstream operations as we add capacity, we would add downstream operations. Those will all get added. And as and when it is approved, we'll come back to you and give you the numbers.

Ritesh Shah: Sure. And sir, just last one. We haven’t spoken about the Maharashtra optionality of 25 million tonnes that we have. Can you provide some light over here with respect to the underlying land and/or -- and the time lines?

Jayant Acharya: No. As now there is no further update. We had indicated that Maharashtra’s Gadchiroli is one of the sites under consideration because of the availability of iron ore in that region. And we have one mining lease, which we have had won in the auction. That's still in the early stage of evaluation and the mine evaluation is going on. We will come back with further updates as and when we have. As of now, there is no change.

Ritesh Shah: Sure. Thank you so much I will join back the queue. Thank you.

Moderator: Thank you. Our next question comes from the line of Amit Murarka with Axis Capital. Please go ahead.

Amit Murarka: Yes hi. Good evening and thanks for the opportunity. On JSW coated, I have -- last few quarters, you see that the per ton EBITDA has consistently been around Rs.6,000, earlier there used to be a range of 3,000 to 5,000. So, I just wanted to understand like what is driving this steady improvement in margins in coated and like what is the outlook over there?

Jayant Acharya: So, you know the coated is basically -- the value-added space of JSW Steel, all the coated products are under JSW Coated mostly. In addition to some, we have facilities in Vijayanagar as well. Our effort has been to see that we build up capability of high grades and more of specialty products, which is able to meet both the industrial, the automotive as well as the consumption retail demand. This has started bearing fruit. The tinplate capabilities also the packaging sector is doing well.

Our branded products, which we have been launching including the JSW Silveron for Galvalume has gained a lot of traction. In colour, apart from our JSW Colouron, which is the highest selling colour brand, JSW Endura is also doing very well in the colour space and getting a premium vis-a-vis competition. All these initiatives put together, I think, is improving the overall value. In addition to that, we have taken various measures to improve cost efficiencies in the overall business.

Amit Murarka: Sure. So, fair to say the run rate of margin and EBITDA look sustainable then?

Jayant Acharya: I would say, there is -- there could always be some lags with respect to the hot rolled coil price increase versus the impact of prices going into the end-use segment because the coated is more towards the end-use segment. But I would say a range of between Rs.5,000 to Rs.6,000 per ton is good. The zinc and aluminium prices are another factor which we need to consider as a variable. And in the recent case also the aluminium has been on the higher side because of the Middle East conflict. So that can also impact your overall cost.

Amit Murarka: Sure. And just another question on the second quarter. A while ago you said that the realisation is a bit volatile. But given that coking coal is up and spot prices are down for rebar, like 2Q spreads, like in the previous quarter, I think you had given a guidance on cost and spreads like could you ballpark at least indicate what kind of spreads movement could be there? Could it be down 2,000 or 3,000 per ton in second quarter?

Jayant Acharya: You know, seasonally, July-September is a quarter where you do see some movement of prices. But I think in July, the long product prices, I feel has more or less played out. The flat product prices have seen some moderation in the past quarter. Difficult to say whether it will moderate more in this quarter. But I would look at it from the perspective that the next quarter, we will have better leverage from better operating capacity.

The BF-3 will ramp up. Ohio operations will be better. So, the absolute volume and the leverage thereof because of that on the cost would help us. Iron ore prices have gone down in the recent past, benefit of that towards the latter part of Quarter 2 should be -- should come in, and that would basically offset some of the coking coal cost increase, which we are likely to see. On the price side, I think I would not hazard a guess at this point in time. If there's anything which we are able to guide you on, our Investor Relations will circle back to you

Amit Murarka: Thank you so much.

Moderator: Thank you. Our next question comes from the line of Raashi with Citi. Please go ahead.

Raashi: Thank you. Just continuing with the last question. On the pricing, would you be able to give a sense of where spot is versus the last quarter on average for you?

Jayant Acharya: You'll have to just hold on. I would say from a flat steel point of view, the spot may be on an average from the starting of -- if I give hot rolled as a reference, the starting to closing of June end would be about Rs.1,000 lower. In the month of July, I think we'll still see the prices playing out. There could be a little bit more impact in this month.

However, on Longs impact has been far more. We have seen a drop from the beginning of Quarter 1 and especially in TMT to the end of Quarter 1, and now, to some extent, in July. So, the spot prices in TMT, specifically is much lower than what we started within the Quarter 1 beginning. It would be in the range of about Rs.7,000 to Rs.8,000 a tonne in TMT.

On the hot rolled side, I would say it's more -- the price is on an exit price between Quarter 4 and Quarter 1, the hot rolled prices went up by Rs.1,000, and I think it may marginally moderate from here, but I don't see too much of a moderation on the Flats prices. Wire rods are more or less. Wire rod, sorry, just to finish on the long side. I think wire rod, the exit price of June we have seen an impact of about Rs.750 to Rs.1,000 per tonne.

Raashi: So, the Rs.7,000 to Rs.8,000 that you mentioned, the decline in the TMT prices, that is from the beginning of the first quarter to now?

Swayam Saurabh: March exit to June exit.

Jayant Acharya: Spot to spot.

Raashi: Spot to spot. Okay. Secondly, on the volume side, our domestic volume growth, I mean, while your overall year-on-year increased 4%. Domestic volume growth has been only 1% and has been increasing in spots. Is this entirely attributed to weakness in Longs or even Flats volumes were muted?

Jayant Acharya: So, the Institutional part, let’s break up the volume into 2. One is in the Institutional part; the other one is the retail part. On the Institutional part, we had strong sales, and it was the best ever quarterly sales in Institutional, I think, close to 3.7 million tonnes -- 3.7 million tonnes or so, and that has grown by 5%, in line with what you will see the India growth of industrial activity.

On the retail side, it has been lower because there was a destocking in the channel. And because of the uncertainty on the Middle East country, I think the buying in the retail has been lower as we have seen it. In addition to that, we had an impact on the TMT Longs. Alloy Steel special continue to do well. Actually, it grew QoQ. That has done quite well.

Product wise also, we have done well. I think if you look at the overall Flats sales overall went up by 42%, including export. If I look at HR overall, our HR sales have been the highest ever, that's also grown by a healthy number. So, on Flats sales, I think we have been, by and large, good, value added, we have been good. In retail, where also some Flats is involved there, there has been some impact because of the destocking.

Raashi: Understood. Just last 2 quick questions. Did you mention that the impact of the West Asia crisis has been $20 for the quarter?

Jayant Acharya: So, I think this basically is an indication of the sum of the cost.

Arun Maheshwari: Yes. So, we'll have to see how it plays out, because it's a moving average on a daily basis, we have to assess the situation. But as we look today, it's close to about $20 per ton.

Raashi: Okay. Thank you.

Moderator: Thank you. Our next question comes from the line of Parthiv Jhonsa with Anand Rathi. Please go ahead.

Parthiv Jhonsa: Hi. Thank you for the opportunity, sir. So, my first question pertains to your captive iron ore. In annual report, you have mentioned that you will eventually be taking your EC to about 31 million tonnes or slightly higher than that. Would it be possible to quantify which mine would be contributing to that EC, because currently, I think we are at about 19.2 odd million tonnes of EC.

And similarly, sir, for coal, I think you mentioned that your volumes of Australia, which is about 1.9 million tonnes and also from Mozambique, which will start from mid of CY. That means would it be fair to assume that in 2028, your captive on a consol level your coking coal consumption would be close to about 20%, 25% and not beyond that. So how are you planning to take from your current, say, 30% of captive iron ore and almost nil in coking coal to say 50% to what has been mentioned in the annual report?

Jayant Acharya: Just hold on for a second, please.

Arun Maheshwari: So far CY28 is concerned when Mozambique mine starts. Our coking coal would be domestically would be around 20% of the total requirement of the coke ovens. Similarly, about 20% would come from Mozambique, and we expect somewhere around 10% would be Australia of our total requirement. So more or less, about 50% would be from our own. Domestic is not all our own mines, but these are linkage coals on long-term basis.

Parthiv Jhonsa: These, you're talking about FY28 or FY30.

Management: CY28. Because these are like calendar year, a few of the mines will be starting somewhere in mid of 2028.

Parthiv Jhonsa: Because if I recollect correctly, sir, I think in the annual report, you have mentioned that Jharkhand block would start about 2 years. The BCCL, I think you've done 0.6 million tonnes, which would be about 5 odd million tonnes of raw cooking coal, but that would also take about good 2 years. So, would this mean that it would be more in 2029-30? Is it fair to assume?

Jayant Acharya: Yes. So, we had guided, if you recall last time, we had said that all our coking coal mines put together, which is Parbatpur, Sitanala and the domestic linkages, which we have got, we would be getting 3 million to 3.5 million tonnes of coking coal. And that 3 million to 3.5 million tonnes of coking varied from time to time because depending on when the Parbatpur mines opens, the Sitanala mines opens. And the washeries get ready for the domestic coal linkages. Based on that, we had given some time lines. I think we'll...

Arun Maheshwari: CY28, basically 2 years from now.

Jayant Acharya: Yes. So I think it will be a combination, but let Ashwin get back to you with the time lines. We don't have exactly numbers here in terms of time frame for each of the mines.

Parthiv Jhonsa: No, no issue, sir. Absolutely, absolutely fine. I'll coordinate with Ashwin, sir. Sir, my second question is pertaining to your debt. Again, 64% of your debt as on 31st March was from -- it was more like a foreign debt, right, wherein your forex impact was almost about Rs.5,600 crores.

Considering all your capex is in India, wouldn't be more convenient or more cost-effective for you to basically take debt in domestic, and not have that forex impact at the end of the day, especially when your rupee is depreciated?

Jayant Acharya: Yes. So that question just now -- it's a good question, Swayam will answer that. Just on the cooking coal part, I think the -- if you look at our cooking coal requirement -- the hard cooking coal requirement specifically, we would be roughly covering about 25% -- 20% to 25%, which you mentioned, which is something which we had guided earlier as well. That remains on track. Once Mozambique starts coming in, the percentage, as Arun said, will grow once Mozambique starts operating, then we would be growing that percentage further.

Plus, we have recently taken over the Dugdha washery, and that washery, we are upgrading, we're trying to modernise that would take about close to 2 years. So, from -- that's why he said calendar year, that's from the maybe second half -- later second half of CY28, Dugdha washery will consume the local linkage coal, and that would give cooking coal in various grades for consumption in the domestic market. So, this is by and large the flavour, but I will ask Ashwin to come back. I just wanted to add some part of flavour to that, and Swayam will answer your question.

Swayam Saurabh: No, on the foreign debt part, decision to tap different capital pool to stay diversified is a conscious choice we have made for years. I understand the starting point of the question is indeed rupee depreciation, which we saw last year. We are fully aware of it. We have taken steps to do coverage in terms of hedging.

And if you compare our foreign debt now versus 3 months back, you would see that a large part of the new proceeds, which have come in, has actually been utilised to repay a large part of foreign debt and also given we have some bond maturities coming, you would see this balance automatically correcting. But we are taking steps to see that fluctuations do not impact our P&L.

Parthiv Jhonsa: Okay. Would it be possible to quantify what is the current foreign debt? How much it has reduced from 64%?

Swayam Saurabh: This, I will ask Ashwin to perhaps provide you bilaterally. But historically, we have kept around 50% to 55% foreign debt in our total mix. And we think that's still healthy mix, given the kind of capital we will need, we don't want to be completely dependent on domestic banking system and domestic capital market.

Jayant Acharya: Yes. So, at the same time, in terms of onshoring of debt, which you mentioned to reduce volatility, that part of the exercise, I think Swayam and team have worked upon. And we have taken steps to see that the volatility in the balance sheet and in the P&L, the P&L specifically, the volatility will come down sharply.

Parthiv Jhonsa: Okay, that is quite helpful, sir. Thank you so much. And best of luck.

Moderator: Our next question is from the line of Pinakin Parekh with HSBC. Please go ahead.

Pinakin Parekh: My first question is on the sharp increase year-on-year in the export volume. Now given Europe CBAM is in place, how do you see the export market, especially in Europe evolved for Indian steelmakers?

Arun Maheshwari: A question which most of us keep asking for answers. But then I think Europe will continue to remain a very high-priced market as we move forward because of the CBAM impact. Impacting those domestic mills as well as the other imports happening over there. Today, if we have to see U.S. market is about $1,250 for hot-rolled coil. Europe market is close about $800, India, it is about $600. China is about $500.

So, as we move forward, Europe may start moving towards high-cost steel market because of all these CBAM implications coming in. Having said that, there are certain quotas, which have been reduced as of now. But then Europe will be deficient of steel and they will continue to import steel, and it will remain a lucrative market for imports over there.

Jayant Acharya: And tentatively, Pinakin, if you see the European export right now from India, it's in the range of 35% to 40% in the last quarter also, as we have seen. I think the basic thing which from JSW's point of view, I think, as Arun explained, one is that the pricing, it will go up, and so we'll look at opportunities which can reflect that. The other thing is that our percentage of export still remains quite small. Our focus is 90% of the domestic market, and we'll continue to focus on that as the Indian demand grows.

Pinakin Parekh: Got it. My second question is on blended pricing realisations. Now Q1 benefited, a, because of the flow-through of the delayed contract pricing -- and to an extent, the product mix as you sold more Flats versus Longs. Now when you move to second and third quarter and given that there has been a decline in spot pricing, the flow-through to contract prices lower, would that entirely happen in the second quarter? Or will that get pushed out into the third quarter?

Jayant Acharya: So, in the second quarter from automotive point of view, I think, we will still be better because some price impact of the automotive, which always comes with a lag. So automotive Quarter 2 is likely to be slightly better than Quarter 1 is what we are expecting. On the contractual side, it gets -- the quarterly prices get calibrated on a quarterly basis. So, Quarter 1 we got the increase, Quarter 2 there would be some correction if the market reflects that based on the formula, which is already agreed on with the customers.

Pinakin Parekh: Got it. That is very helpful. Thank you very much, sir.

Moderator: Thank you. Our next question is from the line of Satyadeep Jain with Ambit Capital.

Satyadeep Jain: Hi, thank you. So first, I want to ask on JVML. I think few quarters ago, you mentioned that JVML may have lower EBITDA per ton versus standalone because it would be less vertically integrated in terms of downstream. Last two quarters, it's been actually reporting higher

EBITDA. I just want to understand is that -- how do we recalibrate expectations on JVML profitability versus standalone?

Jayant Acharya: Well, JVML, we had mentioned at that time that the JVML doesn't have downstream capabilities, but it was adding the RH facilities of degassing, which would enable us to produce special steels. So, some RH has got commissioned and now, therefore, the special steels from JVML is available. That is one.

Secondly, JVML is also supplying certain special grades to JSW Steel for the operations of downstream, which basically makes more productive sense to do in the JVML mill because it's a 1,650 wide mill rather than doing that width on 2,000 mm mill, which is the HSM-2 of Vijayanagar.

So that a little bit of reorientation in that is also there. Earlier, during the initial days, we were also selling some slabs from exchanging slabs between JVML and JSW Steel operations, which now also is stopped. So therefore, you will see JVML is getting an advantage of the full capacity. So, the cost leverage is now getting fully reflected.

That is reducing the per tonne cost. There is an incentive of 2% on the top line, which has now started increasing with increase in volume. And the blast furnace, we have mentioned to you if you remember, large blast furnaces and JVML in particular, the cost will be lower than the average of the JSW Steel Vijayanagar unit because they are smaller unit combinations. And that is also playing out. So that is why you will see a better EBITDA per tonne.

G.S. Rathore: Hot strip mill 3 is very productive. So, the production rate is much higher compared to the hot strip mill 1 and 2, so that's also an advantage because 1,650 and you can roll far more thinner at a higher production rate, more powerful.

Satyadeep Jain Do you think a 2% state incentive bearing?

Jayant Acharya: Yes, there is an incentive of 2% -- yes 2% incentive on the sales revenue as a part of the Karnataka incentive policy. So, you can expect for your -- on the purpose of budgeting maybe the JVML now with the benefits of leverage, volume, better BF-3 productivity, special grades emanating from there. The mill now able to give a lot of special grades. The EBITDA per tonne basis will be similar to JSW Steel facility, including JSW Steel downstream facility.

Satyadeep Jain: Okay. And secondly, sir, on the iron ore recently, the Supreme Court verdict on royalty on royalty. Does it -- would it basically make bidders re-evaluate the bidding premium. Was there something in expectations and maybe if this goes away this makes it higher return. So, would the industry actually recalibrate 120%, 130% premium on iron ore based on this?

Arun Maheshwari: So, Honourable Supreme court judgement has come, which was on a long overdue judgement. But whatever the bidding we had done in the past also, we had this condition quite available to us. So, basis the actual -- every mine now at every location has a different dynamic for bidding for premium. It depends upon the profitability from the usage, whether the slurry pipeline is possible or not or what the volume, what is the size and scale, if there is an adjacent mine closer to us.

So, the bidding premium is dependent on that. So, it may differ. It may be -- it may continue to remain in the range of what we have seen in the past or it will go slightly down. It purely depends upon user-to-user or bidder-to-bidder as well as the location.

Satyadeep Jain: Okay. Thank you so much.

Arun Maheshwari: Thank you.

Moderator: Thank you. Our next question comes from the line of Rajesh Majumdar with 360 ONE Capital. Please go ahead.

Rajesh Majumdar: Yes. Good evening, sir and thanks for the opportunity. My question was on JVML, again, I'm sorry to harp on this again. But it seems that the realisation per ton sequentially has gone up by nearly Rs.8,000 in JVML with an EBITDA per ton improvement of almost Rs.6,500. So, part of it is explained, of course, by the mix change and everything. But the 2% incentive was always there, and that's roughly about, say, Rs.1,200 per ton. So, what can be the reason for the huge jump in the NSR in JVML and whether it's sustainable going forward?

Jayant Acharya: The JVML operations, as we were explaining, we can provide some more colour, Ashwin, can give you more details. But the JVML EBITDA is primarily as I mentioned, one is because of the special grade component of JVML has gone up. The cost of JVML operations have gone down. The revenue impact of 2% on the overall volume because the volume impact is increasing, so the volume is resulting into higher 2% incentive in absolute terms. But if you want more flavour, I think let Ashwin get back to you offline.

Rajesh Majumdar: Yes sir. And sir, my second question was on the coking coal part of the BCCL and now BCCL has been operating washeries for many years, and they have some reasons why they could not ramp up the washery volumes, citing poor quality coal etcetera. So, I was just wondering what is the -- what are the terms and conditions of this deal? And how much of volumes are we looking at from monetisation of BCCL washeries? Yes. Thank you.

Arun Maheshwari: Our expectations on the volumes as of now, we have a linkage of about 7.5 million tonnes totally from our own captive mines as well as linkage coal. Linkage is about 5 million tonnes and our captive will be around 2.5 million tonnes. So that will become operational within the next two years. The linkage has started flowing in. So, which we have a smaller washery in our -- one of the units wherein we are washing the coal. The full-scale benefit of this linkage would start happening within two years time. Meantime, we'll continue to look for more linkages. BCCL has been very proactive. Now since coking coal is into the critical minerals with a special focus from the government as well.

And they are bringing more and more coal for the linkage. As we move forward, we will improve our washeries capacities at Dugdha and Parbatpur and then we will take it forward from there. So probably more colour on the coking coal linkages will happen as and when the BCCL comes up with the linkage auctions, and we'll participate in that and on the bidding side. Then only we can explain about it. Yes.

Rajesh Majumdar: And sir, the financial aspects, the monetisation of the deal, do we pay BCCL just rentals or what is the term and conditions of the deal?

Arun Maheshwari: No, we had acquired this washery completely. It's owned and operated by us.

Rajesh Majumdar: So, it is totally off BCCL books? Totally owned by us now?

Arun Maheshwari: Yes.

Rajesh Majumdar: And what was the consideration for that?

Arun Maheshwari: I believe we can send it across to you, but it was a bidding process through which we have taken it. So, it was a participation on the website of MSTC.

Rajesh Majumdar: Okay sir, thank you.

Arun Maheshwari: Thank you.

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

Jashandeep Chadha: Yes hi. Thank you for the opportunity and congratulations on a great set of numbers. Sir, my first question is regarding -- I hope I'm audible?

Jayant Acharya: Yes.

Moderator: You are audible sir.

Jashandeep Chadha: Yes. So, sir, my first question is regarding the Indian Steel Industry, especially in the first quarter. As you mentioned that this quarter, the industry became net importer I want to understand if you can shed some light on what are the reasons why the imports have suddenly increased despite safeguard duty still in effect? And what steps the industry is taking? Or how should we start accounting for over the next couple of quarters? Will the industry remain net importer and what impact will it have on HRC, so I just wanted to understand.

Jayant Acharya: The hot rolled some of the cargoes, which were destined for the Middle East because of the conflict have landed up in India also. That has resulted in some increase. Second is the imports from FTA countries like Japan has gone up. We have to see how it plays out in the quarter, but this is an area we have to monitor. But based on the data provided, the government of India is -- has initiated this antidumping at the request of the industry.

And as we have seen in the past, if there are cases for putting a fair trade in place, I think those steps will be taken to see that the imports to that extent is restricted, unfair trade is restricted. From an availability supply point of view, I think India is very well supplied. If you really look at our capacities, we are now close to 225 million tonnes of capacity. In last year, our production was 169 million tonnes as a country.

This year, it would be more by, whatever, 10-12 million tonnes. And we do not see that there is any supply gap from India perspective. So, India is well, capacity is good enough to meet the India requirement.

Jashandeep Chadha: Sir, just one clarification. This supply-demand mix that you're talking about, will it be proved for both Flats as well as Longs?

Jayant Acharya: Longs, the imports are hardly anything. Actually, 85% of your imports are flats.

Jashandeep Chadha: No sir I meant supply and demand for India only?

Jayant Acharya: I think by and large, the secondary capacity of Longs is larger. They operate at a lesser capacity utilisation than the primary players. That's the only difference. But the Flats capacities are mostly with larger integrated players, and they are all more or less operating very efficiently. The capacity, which are getting added in the Flats space where some material is basically the capacity ramp-up takes time, that's something which is playing out in some of the capacities which have come up recently.

I think that's what I see the difference between Flats and Longs -- we would be adding like our capacity of 2 million tonnes, let's say, 1.5 million tonnes here and some debottlenecking, which we are doing, that would add some capacity of 2 million tonnes. But it takes a few months for the capacity to fully ramp up and come on stream. That's the only thing which we see in Flats.

Jashandeep Chadha: Understood, sir. And sir, one question on the net debt. So, what is the peak debt which the management is estimating and what will be the peak net debt to EBITDA on a sustainable basis?

Swayam Saurabh: So, as Jayant mentioned earlier, our comfort level is to stay below 2.5x. We are right now at 1.46x and we have guided an upper limit of 3.0x. But we want to stay below 2.5x is what we think we will aim for.

Jayant Acharya: Also, from a capacity Flats point of view, I think you can factor that our Dolvi Asset of Phase-III, which we have guided by September 2027 is something also which would be available for the next financial year from a capacity point of view.

Jashandeep Chadha: Understood, sir. Thank you so much. I'll join back the queue.

Moderator: Thank you. Ladies and gentlemen, we will now take 1 last question, which will be from the line of Rahul Gupta with Morgan Stanley. Please go ahead.

Rahul Gupta: Two questions. One, when you talk about September quarter being seasonally weak, especially given how rebar prices have behaved during recent months. Can you help us understand how spreads are looking right now vis-a-vis the earlier years with respect to seasonality? That's my first question.

Jayant Acharya: Not very different. Your Longs prices for TMT, which seasonally, what you see in the quarter, it is similar. As a matter of fact, if you were to look at the price in December of 2025, the pricing of TMT was probably a little lower than what it is today. So, it does move through a seasonal pattern. I think it is in a similar vein that you see, the prices had gone up to some extent during the last quarter and April, and there is some correction in the seasonal factor.

I would take it to that. But keep in mind that our exposure to TMT, which is the one which is impacted is not very much. How much is that percentage of TMT overall? It's about -- roughly about 10% of our overall volume. So therefore, the impact of that is not going to be material on us.

Rahul Gupta: Got it. Got it. That's helpful. My second question is on industry demand. Now first quarter saw around 8% growth for the industry, and you noted that industry may do 7% to 9% for full year. What gives you confidence that the industry may sustain demand beyond monsoons? Similarly, what could be the risk of weak monsoons and inflation beyond monsoons, how should we look at?

Jayant Acharya: Just on a positive note, I just want to take you back to 2019-20 when we were at 100 million tonnes. And I think we have faced multiple challenges of COVID, wars, and after that, the Palestinian, the Russia-Ukraine, the Palestinian, and now the Middle East conflict. Last year, after 6 years, the demand from 100 million tonnes went to 164 million tonnes in India. 64 million tonnes up in 6 years in spite of these challenges. I think India, I feel is a very resilient country.

Our growth is very strong today. The resolve with the government from a structural reform point of view to actually improve our self-reliance is also increasing. So therefore, I feel the domestic demand will continue to remain strong and be sustainable, whether you see in a year, 12 million tonnes increasing or 13 million tonnes increasing is a matter of discussion. But I think directionally, we will continue to add capacity and we will continue to add demand in the country as we grow as we develop our infrastructure in the country, manufacturing in the country. Does that answer your question broadly? Or do you think that...

Rahul Gupta: No. I get the context that structurally, India is a growth market. Just more -- I was being more myopic to understand how are you looking at demand beyond monsoons? Is there any risk to demand given how El Nino and the weak monsoons are playing out. But that's helpful.

Jayant Acharya: But yes, I would say that -- so it's difficult in a steel industry also, which typically takes a few years to really, we look at the medium term, we don't look at QoQ as such. But just to give you a flavour also, I think the H2 has usually been better than H1 typically, if you were to see that every H2 is a little bit. The volume starts picking up as monsoons wears off, the festive season comes in.

And this cycle is there, by and large, every year. From December onwards, you will see the long prices moving up, your activity on the project picks up from November onwards the festive season kicks in and January, March is a seasonally strong quarter. So H2 back-ended is always strong. I would still remain optimistic and hopeful that it will continue on a similar pattern.

Rahul Gupta: Thank you.

Moderator: Thank you I would now like to hand the conference over to the management for closing comments. Over to you, gentlemen.

Jayant Acharya: Thank you very much for a patient hearing. As we said, the outlook for the quarter, we will see increase in volumes in the Quarter 2. While the coking coal prices are going up, for the quarter. However, the prices in the recent weeks have started coming down, and that would reflect on the cost in the subsequent quarter.

Iron ore prices is also trending down, and that would benefit us partly towards the later part of Q2 and balance in Q3. We remain very optimistic on the India growth story. And with our capacity increases, we are poised well to be able to service that growth. Thank you very much.

Ashwin Bajaj: Thank you ladies and gentlemen. Have a good evening. Bye-bye.

Moderator: Thank you. On behalf of JSW Steel Limited, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.