



Jindal Steel & Power Limited
November 2, 2021



**“Jindal Steel and Power Limited
Q2 FY2022 Earnings Conference Call”**

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- **Moderator:**
- Ladies and gentlemen, good day and welcome to Jindal Steel and Power Limited Q2FY22 Earnings conference call hosted by Prabhudas Lilladher Private Limited. As a reminder, all participant lines will be in the listen only mode and there will be an opportunity to ask questions after the presentation concludes. If you need assistance during the conference call, please signal an operator by pressing star, then 0 on your touchstone. Please note that this conference is being recorded. I now hand over the conference to Mr. Kamlesh Baghmar from Prabhudas Lilladher Private Limited. Thank you and over to you sir.
- **Mr. Kamlesh Baghmar - Prabhudas Lilladher Private Limited.**
- Yes, thank you Faizal. Good evening everyone and thanks for taking part in Jindal Steel and Power Q2FY22 Earning call today. I want to wish you all a very happy Diwali and prosperous new year ahead and without much ado, I want to call to Nishant Baranwal who is at Investor relations to introduce the management and take a call forward. Over to you Nishant.
- **Mr. Nishant Baranwal – Head, Investor Relations**
- Thank you Kamlesh and Welcome everyone. I would like to wish everybody also from the company's side, a very Happy Diwali and a prosperous New Year. Taking the call forward, I would also like to welcome you all to discuss our Q2FY22 Financial Results. Today, on the call with us, we have with us our Managing Director Mr. V.R Sharma and our CFO Mr. Hemant Kumar. We would like to directly dive into questions and answers like last time. So, moderator please start with Question and Answers session.
- **Moderator:**
- Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on your touch tone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking the question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. Reminder to the participants, anyone who wishes to ask a question make press star

and one at this time. The first question is from the line of Ashish Kejriwal from Centrum Broking. Please go ahead.

- **Mr. Ashish Kejriwal - Centrum Broking:**

- Good evening everyone. I have two questions. One is, we understand that cost of coking coal is on the rise and we are having our own coking coal mine which started production sometime in October, so is it possible for you to give us an idea how our coking coal cost can be in the third quarter versus second quarter or that's not possible.

- **Mr. V R Sharma – MD, Jindal Steel & Power:**

- Yes, thank you very much. So, we have three mines outside. One is in Mozambique, that is the coking coal mine. The other is the anthracite mine, that is in South Africa and we have two more mines in Australia, out of two mines, one has already commenced the production. The first consignment from this mine is about 50,000 tons, likely to reach in end of November or early December. We will be producing around 2 to 2.5 million tons per year and then slowly, we will ramp it up. Now as far as the prices of the coking coal are, coking coal prices today are hovering around 380 to 410 Dollars per ton FOB Australia, depending on the different kind of coal availability as per the grade and size. So now, for the calculation purpose, we take the same price, that is the Index price. So, no matter at what price we are getting the material or no matter what price we will be dispatching our exporting material from all these three different mines in different countries to India but for calculation purpose, for the cost purpose, we will be taking the index pricing, international index price. Now if you ask, your question is regarding the cost of manufacturing there, it is about 90 dollars FOB in Australia. Hope I understood you.

- **Mr. Ashish Kejriwal - Centrum Broking:**

- So, 90 Dollars is on the coal which is given in the blast furnace.

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- No, coal does not go into blast furnace, first it goes into the coke oven and then from coke over, we make it coke and then coke goes to blast furnace, so the 90 Dollar cost as I told you, that is in Australia, after that there is a freight, then there are the washing charges, we wash it and then finally it goes to the blend of coal in coke oven and then from coke oven, we produce coke and then coke goes to blast furnace.

- **Mr. Ashish Kejriwal - Centrum Broking:**

- So, in terms of the (Inaudible)

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Mr. Kejriwal, your question is what is the impact..
- **Mr. Ashish Kejriwal - Centrum Broking:**
- Yes.
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Impact is not more than 50 Dollars because we are adequately covered till January 2022.
- **Mr. Ashish Kejriwal - Centrum Broking:**
- You are talking about 50 Dollars per ton, quarter-on-quarter in terms of coking coal because of all the arrangements that you have taken.
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Yes.
- **Mr. Ashish Kejriwal - Centrum Broking:**
- That's great, that's perfect. My second question is on steel prices. We have seen a long products pricing increase since beginning of October, so is it possible to just let us know how much price it is that we have taken in this and now because export prices have become cheaper than domestic price, any changes in the strategy for export value going ahead?
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Yes, thank you, so at the moment, the export prices are either 5% or 7% higher than the domestic prices recalling some of the cases, so we are maintaining our export strategy as it is as we have been doing from 30% to 40% of the total export from the total produce, so we will maintain that 30%, 35% and till the time it is at par and the demand and supply is met out. Secondly the prices, yes, you are right, this has gone up in the last 3 months' time, basically the input cost has gone up and till the time the coking coal starts opening, these prices are going to remain stable. The moment the coking coal prices starts opening, then whatever the actual impact comes, then the correction will take place accordingly.
- **Mr. Ashish Kejriwal - Centrum Broking:**

- So sir, is it possible to quantify how much increase we have taken in the industry in October?
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- I do not know industry but I can tell you in our case, we have increased 2000 Rupees in the flat products and 1500 Rupees in the long products and this week we are taking a decision, maybe we will be increasing another 2000 in flat products and around 1000 Rupees in long products.
- **Mr. Ashish Kejriwal - Centrum Broking:**
- Okay, thank you sir and all the best.
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Thank you.
- **Mr. Ashish Kejriwal - Centrum Broking:**
- Happy Diwali sir.
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Happy Diwali to you as well.
- **Moderator:**
- Thank you, the next question is from the line of Vishal Chandak from DAM Capital, please go ahead.
- **Mr. Vishal Chandak - DAM Capital:**
- Right, thank you very much and congratulations for the recent numbers sir. Sir, my question was with respect to the Kasia mines, you mentioned in the press release that the mines could be operational in the third quarter itself, so what kind of cost impact will this have on the overall costs for Q3 and will it hold
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- So, regarding Kasia mines, yes, we won this mine in the open auction as you all know and these are very good mines, good quality of material, iron ore and this is a running mine, so there isn't much of an impact except paying some of the bank guarantees to Government of Orissa and day to day operations, so hopefully we will be starting this quarter itself, that is before December, we will begin operations.

- **Mr. Vishal Chandav - DAM Capital:**

- If you can explain to us how the cost structure would change because of receiving iron ore from Kasia mines, what would be the output for this year from these mines?

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- Kasia mines can give 5 million tons a year. we have another mine that is 3 million tons a year, it is Tensa mines, so put together our captive supply will be 8 million tons or it will be 8.5 million tons and in times of need, we can increase Kasia mines to up to 10 million tons a year but in the meantime, we have a long term agreement with OMC and also with NMDC, so we would like to utilize that long term agreement benefit also and this long term agreement with OMC and NMDC, so this will continue and we will be blending all of the 4 different iron ores and re-utilizing it, so I would say that at least 40% is self-reliance now, what we have and 60%, we will still continue buying from OMC and NMDC.

- **Mr. Vishal Chandak - DAM Capital:**

- Sir, my second question was in respect to your de-leveraging. We are already at 11200 now, so from here, should we still expect any further deleveraging in the current year given that coal costs are rising and the Capex is also now kicking in, how should we look at the de-leveraging from the current one.

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- I think we will hold our guidance which we have given. We will continue to be, by the financial year, 2023 as we have given a guidance from our (Inaudible), we will become net debt free and whatever guidance we have given to the market in the current (Inaudible), I think we are doing exactly the same and we are confident that by the financial year 2023, we would be becoming net debt free in the steel sector.

- **Mr. Vishal Chandak - DAM Capital:**

- Sure, thank you very much. Sir, all the best and I wish you a very happy Diwali.

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- Okay, so happy Diwali boss.

- **Moderator:**

- Thank you. The next question is from the line of Mr. Mangal Newatia from Kotak Securities. Please go ahead.

- **Mr. Sumangal Nevatia - Kotak Securities:**

- Yes, good evening. I will just continue on the previous question on the Net debt. Previously in FY22, we had directed for about 8000 crores of Net debt by the end of the year but we have already reached somewhere around 11000 crores and I believe 3000 crores would come in from the kitty of JPL, so do we revise our netback guidance for FY22 given that the second half is also looking strong for us?

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- I think that you have rightly mentioned the outlook for steel is promising and we will stick by our market guidance that by the financial year 2023, we will become a net debt free.

- **Mr. Sumangal Nevatia - Kotak Securities:**

- Understood, the second question is around the pledges. Any guidelines as to when the promoter family is looking to reduce pledges because given our balance sheet, improving our balance sheet situation, any thoughts on that?

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- As we have been talking on pledges as well and we brought from a peak of 1150 to 450 or so and accordingly the pledges will come down, otherwise the flow share being kept in the safe custody of our lenders, I hope that that will also get released in the current financial years or so as the company's performance is on a quarterly basis or a sequential basis improving.

- **Moderator:**

- Mr. Newatia, does that answer your question?

- **Mr. Sumangal Nevatia - Kotak Securities:**

- Yes, just one small clarification with respect, I am sorry I joined the call late, so with respect to this CTO, we receiving the CTO at Angul for one million ton, would you, in the second half, can we have extra volumes and I mean, can we go up to 9 million tons next year?

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- You see, consent to operate for additional one million ton is basically, that gives us a flexibility that if you want to increase the production from blast furnace or from electric arc furnace, we can. So, there are so many other factors, there is not just

straight jumping from 8 to 9 million tons but definitely we are taking up some of the modification methods which will definitely help us, in any case, last year, we were at 7.5 million tons and this year, we will be crossing more than 8 million tons and with all these modifications and the changes, what we are going to do, not a Capex but it is a modification of blast furnace and electric car pullers, we may reach the capacity and we may reach 8.6 or 8.7 million tons as against last year of 7.5 million tons.

- **Mr. Sumangal Nevatia - Kotak Securities:**

- That's for FY23 right?

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- Yes, 2022-23, yes.

- **Mr. Sumangal Nevatia - Kotak Securities:**

- Understood, thank you and all the best sir.

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- Thank you.

- **Moderator:**

- Thank you, the next question is from the line of Indrajeet from CLSA, please go ahead

- **Mr. Indrajeet - CLSA:**

- Hi, thank you for the opportunity, a couple of questions from my side, also, can you highlight the impact of the lower thermal coal availability for the last couple of months and what could be the cost impact of that for third quarter and fourth quarter again, mainly on the auction and the (Inaudible) part?

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- There was an impact on prices. The thermal coal was available at a price of 55 to 60 paisa maximum 70 paisa per megakal. It reached to as high as one rupee per megakal and also in some cases two rupee per megakal but again, demand and supply that has balanced the situation. The entire country was facing some problem of thermal coal. The Government of India has taken a very good decision. They have transported coal to a lot of different power plants in the country and different regions. They didn't face any blackout, neither to cities, nor to MSMEs or industrial sector. Fortunately both our plants, Raigarh in Angul are located at the thermal coal

hub and we continued lifting materials, coal from the mines. For a few days yes, we stopped any auctioning but now they have again given us the tenders because the stop is quite good, we are producing more than 2 million tons a day which is a good size I would say it. There was a temporary impact for 20 to 22 days' time but now things are back to normal. Also, you might have seen the high exchange or energy exchange, the power prices or the power tariff, that has also normalized. Things are better now and we are getting coal regularly. There is no disruption in terms of coal supply from Coal India. It is very smooth.

- **Mr. Indrajeet - CLSA:**

- The higher costs will impact our profitability in third quarter and maybe a part of fourth quarter, is that understood ?

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- No, it will not, reason being because we have a stock of about 30 days. This is one. Offtake is also less in that time but when you take the average in next 3 months' time or in H2, the impact will not be very significant, very, very minor impact.

- **Mr. Indrajeet - CLSA:**

- Sure, that's helpful. My second question sir is on the current demand scenario, are you already seen pick up in the demand scenario in India or is that still to come in as we have just come out of lockdown?

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- Demand of Steel in India is at a good level today. I would say that this kind of a demand is coming from infrastructure sector and MSMEs are also doing extremely well. The shipbuilding industry, (Inaudible) industry, oxygen plants are coming in a bigger way, water pipelines are another big area where the government is concentrating and has given a full focus. The other good thing is we might have seen 3 days back, Mr. Biden, the President of United States, he has lifted the embargo in terms of the safeguard duties imposed by Trump administration 2 years back and European Union on Steel and Aluminum. So, this will make a good flow of European Steel to America. American steel prices will be coming down from 2000 dollars to maybe 1200 or 1400 Dollars in 6 to 8 weeks' time and the European Union, they will be selling a lot of steel to America and specialty products like specialty plates, specialty wire rods, India will have an opportunity to supply to European Union. So, in a way, the demand from European Union will also come and the European Union, they are also exporting some of the goods to the Middle East and since America is a better economy and across the Atlantic, the freight is also low, they will be happier to supply to America and they will not be very glad to supply to eastern part of

Europe including the Middle East and Africa. So, that market it will be definitely available now for Indian steel. We feel that the demand from Middle East, demand from African countries, MENA countries, the Middle East and North African countries will continue to rise and it will be good for Indian suppliers and secondly the demand of specialty plates and specialty hot rolled coils in Europe will also be collected by Indian suppliers.

- **Mr. Indrajeet - CLSA:**

- Thank you, you have made it very clear. One last question if I may, in terms of our export proportion overall rising on a higher volume in the third quarter, can you shed some light on what kind of a product are we exporting. Is it more finished or semi-processed or mixed there?

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- We have maximize the sale of finished steel, especially the plates, hot rolled coils and these are the first commodity I would say. Then the structural is another good size, so that is like heavy section beams and parallel front themes, UCUB beams, heavy angle irons for the power grid corporations in different countries, power transmission, the structure for the high-rise buildings, that is on the move. So this is a demand puller and we are maintaining that. We are not very keen to supply the sandy finished goods or blades and blooms nowadays, so these materials are predominantly, you are growing vision and the (Inaudible), they are the major players and export this kind of a material but our focus is on the on the finished goods.

- **Mr. Indrajeet - CLSA:**

- Thank you so much and all the best, happy Diwali.

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- Thank you, same to you.

- **Moderator:**

- Thank you, the next question is from the line of Amit Dixit from Edelweiss, please go ahead.

- **Mr. Amit Dixit - Edelweiss:**

- Yes, hi, thank you for the opportunity and congratulations for the good set of numbers. I had a couple of questions. The first one is on raw material cost. So, if I see

raw materials cost is higher Q on Q by almost 7000 rupees per ton on steel plate, so if you can just separate it between, your cost in field, in coking coal cost and iron ore costs and others, that would be helpful.

- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**

- Yes. Amit, Hemant this side, as you are aware the last June quarter, there was a zero-cost inventory of iron ore lying which we are utilizing in that quarter. Due to that reason, cost of 5500 per ton, then there is also small impact of 800 rupees in coking coal as well, rest is to other materials, (Inaudible) and other things put together.

- **Mr. Amit Dixit - Edelweiss:**

- That is very helpful sir. Second question is on realization. If I look at total realization, I think despite the underlying long cycle dropping by almost 3000 rupees, our realization is slightly up. So if you could, last quarter I understand there was some exports and products like coke, so what global realization in this quarter?

- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**

- H: MD sir, you want to take?

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- Okay, no problem, I will take. So, first of all, the realization today, if you see the NSR that is hovering around 56 to 58 thousand rupees on an average, we expect that this particular quarter it will be around 60000 rupees across all the products. So, the prices are somewhere around 56 to 70 thousand rupees now, different products. So, we feel that these prices will continue for this particular quarter. By the time to coking coal prices start opening, which we are expecting, we are always expecting, though it is very unpredictable but maybe from January onwards, the coking coal prices will start looking down and till that time, these prices will remain and the NSR, that is the net sales realization will remain in between 56000 to 65000, average about 60000 per ton.

- **Mr. Amit Dixit - Edelweiss:**

- No problem. I was asking about Q-on-Q movement of Q1 to Q2 because I see that your realization has gone up despite underlying prices, (Inaudible) prices, long prices, that were under pressure, so just wanted to understand why the realization has increased for you and what were the key factors?

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- Sorry.
- **Mr. Amit Dixit - Edelweiss:**
- No, what was the reason for this price increase for you, what were the drivers?
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Demand, only one driver, demand and international demand as well as domestic demand. We do not lay the price movement. Price is given by demand and it is an international scenario. So when the prices are going to 1200 Euros in Europe, definitely we are also getting the same price but these sectors are uncontrollable, so demand is very high. Demand in India was also very high.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Amit, plus as you are, wanted to know about exports, definitely export market was very lucrative and healthy in the quarter and this number and also affect that we have exported 40% to the export market against 34% last quarter, 44%, I would like to correct 44% this quarter against last quarter of 34%.
- **Mr. Amit Dixit - Edelweiss:**
- Okay sir, thank you, that's fine and wishing happy Diwali to all of you.
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Thank you.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Happy Diwali to you Amit.
- **Moderator:**
- Thank you. The next question is from the line of Kirtan Mehta from BOB Capital Markets, please go ahead.
- **Mr. Kirtan Mehta - BOB Capital Markets:**
- Hello, sir thank you for this opportunity. I just wanted to understand a bit more about the price realization, the way you are guiding about the 1500 rupees per ton, you have taken in October another thousand is possible on the long products during November as well but currently if at all will look at discount of the import parity

price, the discount is probably wide, around 20% or so, so do you see this discount narrowing over next 3 to 4 months or do you think this could continue from here?

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- What is this discount, 20%?

- **Mr. Kirtan Mehta - BOB Capital Markets:**

- If at all we compare the domestic prices to the blended international parity prices and calculate the discount, that discount is around 20% or so.

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- Yes, you mean the price difference between the exports and the domestic?

- **Mr. Kirtan Mehta - BOB Capital Markets:**

- Price differential of the China export prices landed with India theoretically versus the domestic prices.

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- So, the China landing price, yes you are right, if China starts exporting to India, it will be at least 5 to 7 thousand higher than the domestic prices, so this will continue as it is because China does not have material.

- **Mr. Kirtan Mehta - BOB Capital Markets:**

- Sir, in terms of the capex plan that you are highlighting, could you sort of take us through the key milestones that has been achieved during this quarter?

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- This quarter, we had a very small expose in terms of capex but we I want to spend about 18000 crore rupees in next three years' time to elevate a production cost from 5.4 million tons in Angul to 9 million tons. So our CFO can tell you the total capex finding we have done in the last quarter and what it is likely to be in this quarter. Mr. Hemant, please.

- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**

- If we talk about the last half year, it is about 500 crores. If we talk about on the current quarter, it is 350 crores but as far as a project implementation is concerned, as our MD sir rightly mentioned, we are progressing well as per our plan.

- **Mr. Kirtan Mehta - BOB Capital Markets:**
- Right, and what would be the capex for FY22, what would you actually be able to deliver?
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Because most of the time has passed, we are not looking at more than 2400 to 2500 crores, all put together in the current financial year for new projects to 100% subsidiaries.
- **Mr. Kirtan Mehta - BOB Capital Markets:**
- Sure sir, just if I can squeeze in one more question, on the Kasia mine you said that, you will be able to sort of ramp up to 5 million tons immediately and in the long run it could sort of go up to 10 million tons, so what are the steps needed, what is the work needed in the Kasia mine to raise the production level from 5 million tons to 10 million tons?
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Right now, it could easily go up to 7.5 million tons, MD sir wanted to say in the front, here we can go up to 4 to 5 million tons because now 5 months are only left. The EC is 7.5 million tons.
- **Mr. Kirtan Mehta - BOB Capital Markets:**
- Is it possible to achieve the seven and a half million tons production in FY23 itself?
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- 23, financial year right?
- **Mr. Kirtan Mehta - BOB Capital Markets:**
- Yes, yes.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Yes.
- **Mr. Kirtan Mehta - BOB Capital Markets:**
- Right sir, thank you.

- **Moderator:**
- Thank you. The next question is from the line of Bhavin Cheda from ENAM Holdings, please go ahead.
- **Mr. Bhavin Cheda- ENAM Holdings:**
- Yes, congratulations to the entire team for good performance and record delivery done by the company, good to see a very high delivery being done in this quarter also. A few questions, first on the Australian coal mine, if I heard correctly, you said your FOB cost would be 90 dollars against a current realization of 380, 400 dollars.
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Yes, you are right.
- **Mr. Bhavin Cheda- ENAM Holdings:**
- So, 380, 400 dollars is hard coking coal, so your Australia grade would be hard coking coal, any talks of, if you can guide something.
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- It is hard coking coal.
- **Mr. Bhavin Cheda- ENAM Holdings:**
- So, from December shipment, you are saying that you are making 300 dollars on Australian coking coal?
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- It is not the point of making, it is the point of what the actual story is because those assists also, we are requiring money, so this is the net price, what I told you, net cost but we have to service those, that also. So, the point here is, we are servicing those debts for the last so many years in India, so now these are the self-reliant mines.
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- No, I understand that but it is a very big number you are guiding, so because you plan to guide, so if you can give some, because the run rate would start slow and then it would be two to two' and a half million per annum, so is this cost upfront or it would be after exit run rate, if you can guide something on this because if I extrapolate the number you are guiding, 500 to 600 million of EBITDA, Australia coal mines which is difficult to digest, so if you could throw some light here?

- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Hemant here.
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Yes, please go on.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Our MD sir said that we would have two to two and a half million tons of coking coal security available because we are receiving similar 50% from Australia and 50% from Mozambique. As per our funding going forward and that will meet around 50% of our coking coal requirement in India.
- **Mr. Bhavin Cheda- ENAM Holdings:**
- Sure, I will get an update on that. Second you also said that if I pressed on the number, your quarter 3 impact on coal would be 50 dollar per ton of steel.
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Yes, I said earlier also.
- **Mr. Bhavin Cheda- ENAM Holdings:**
- Which looks largely covered by the steel price hike which have been taken in October and you are looking to take further hike, so quarter to EBITDA looks largely to be maintained because of the aggressive price hikes taken by all the players in India, if I am understanding correct?
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Bhavin as you know, we don't give any future outlook on EBITDA. No one can say with 100% surety that so much will, price will move, so much price will come down.
- **Mr. Bhavin Cheda- ENAM Holdings:**
- Sure, sir, no, I am just trying to indicate, the cost hike is largely covered by the NSR hike that statement is fine.
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- You can estimate very well but we don't give any outlook on EBITDA.

- **Mr. Bhavin Cheda- ENAM Holdings:**
- Okay sir and then JPL, this equity number of 3015 crores, what are the pending things and when we should expect the JSPL to realize this equity number?
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- I am happy to advice that we got all the shareholders' approval and expecting the lender's approval plus there are two or three other approvals required, we are sure that we would be able to consummate this deal by the end of this financial year.
- **Mr. Bhavin Cheda- ENAM Holdings:**
- And my last question, you are looking for bond raising, so this is largely to refinance the Mauritius debt if I understand correctly, the FY22 repayment schedule is 220 million dollars there right, so is this largely to refinance the Mauritian debt?
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- I don't want to comment on that as I mentioned, we want to be net debt free by financial year 2023 and seems like an aspiration today, I can meet all the payments of overseas from my cash in the bank, so I can't comment on the future raise thing, once we do, we will come back to u
- **Mr. Bhavin Cheda- ENAM Holdings:**
- Sir, thanks a lot and best of luck, yes.
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Thank you.
- **Moderator:**
- Thank you. The next question is from the line of Rashi Chopra from Citi Group, please go ahead.
- **Ms. Rashi Chopra – Citi Group:**
- Hello, how has the raw material cost indicated that the breakup of the increase this year quarter over 5000 on iron ore and 800 on coal and other raw materials in the balance, how should we think about this for the third quarter, one and secondly, in this quarter, what was the pure steel realization delta sequentially, excluding the peripherals.

- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Rashi, as you are aware, quarter on quarter, we always give a blended NSR first, second as I reiterated, as you also mentioned rightly 5500 because of our own raw material inventory of iron ore, it's 5500 rupees per ton and 800 rupees of coking coal. I have given a guidance only on, because we are covered till January and that it is looking at 50 dollars per ton of coking coal, plus iron ore as our MD rightly mentioned on our downward is more or less stable, beyond that I don't want to comment.
- **Ms. Rashi Chopra – Citi Group:**
- Okay and this was capex which effectively in the second half should assume to practice about 2000 crores?
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- I think there are six months and we are committed because let us say, I have kept aside 2500 crores to meet any eventuality for my capex. It is a factor of depending on how much cash outflow will occur but we kept two and a half thousand crore separate to meet any kind of cash requirement coming out of that project in the current financial year.
- **Ms. Rashi Chopra – Citi Group:**
- Okay, thank you.
- **Moderator:**
- Thank you. The next question is from the line of Kamlesh Baghmar from Prabhudas Lilladher, please go ahead.
- **Mr. Kamlesh Baghmar - Prabhudas Lilladher Private Limited.**
- Yes, so Hemant ji, I had a question on the tax part, how much would be the cash outflow, say, are we in normal tax rate or how is the thing going to be handled on the tax outflow side?
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Kamlesh, first of all good evening and if we talk about tax, other methods are a factor of how much availability of tax shield and other things are there and accordingly we must get paid the advance tax for the two quarters. Beyond that, I don't want to give any additional comment.

- **Mr. Kamlesh Baghmar - Prabhudas Lilladher Private Limited.**
- No, but I just wanted to know that are we in the normal tax resume or we have the prior losses, all that has been exhausted now.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- If we talk about, we are in the tax bracket of 25% but keeping in view depreciation, unabsorbed and business losses kind of going forward, I think our working is being done and according the advance tax will be paid for the two quarters.
- **Mr. Kamlesh Baghmar - Prabhudas Lilladher Private Limited.**
- But like I said, assuming that we maintain the current run rate of handling, would we be in the normal tax regime or not?
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Yes, going forward is effective of a lot many things, tax, it's not a simple bracket, it's not a simple bracket, I can't say it's 25% in all but we have opted for, because a lot of now, whatever concessions and other things were available or not going to be available, as per new tax is of 25% and I don't see that we will be crossing down 25%.
- **Mr. Kamlesh Baghmar - Prabhudas Lilladher Private Limited.**
- Okay, so have you opted for 25% new regime or...
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Definitely, yes.
- **Mr. Kamlesh Baghmar - Prabhudas Lilladher Private Limited.**
- Okay and lastly sir, on the overseas coal mine like in the Mozambique, we would be having interest, like say 15 odd percent on the RO and production in the form of coking coal, like if we produce 4 million tons, so maximum I believe a 0.6 million tons would be the coking coal while rest, thermal coal and all those is very difficult to simply transport as well, so and even in Australia, say the RO, I had one doubt on that part because if I see the announcement which was made on the Port Kembla coal by subsidiary, we are allowed to produce 3.6 million tons over next 5 years in total, so how are we commenting on that, that we would be able to produce 2.5 million tons and even at that it part we would be having maximum like say, if I see the history of (Inaudible), there wouldn't be more than 45% production in terms of overall produce.

- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**

- I would like to apprise all my stakeholders here, if we move back the earlier story of 3mm 65 meters long wall issued and given to us and we mine all those in a months' time and as far as we are giving a guideline that annually we are going to do a 1 million to 1.2 million tons of production or mining, I don't find any difficulty. Yes, definitely it is for 3 years and after that, we have already, even for wongawali mines, we are moving ahead and for this mine also, additional permission will come, reason being that we have now changed the method of mining, for which the environmental and other authorities are very much comfortable. Let us see how this pans out and the first shipment is coming out in the first week of November, that is on a very auspicious day, of Diwali and as you mentioned about Mozambique, we would like to give that 5 million tons of coal and it is not 15%, it is 23 to 24 percent of ROM comes in the shape of coking coal, rest is a high calorific value of coal, that comes to 1.2 million tons of coking coal.

- **Mr. Kamlesh Baghmar - Prabhudas Lilladher Private Limited.**

- Thanks a lot sir.

- **Moderator:**

- Thank you. The next question is from the line of Saumil Mehta from Kotak Life, please go ahead.

- **Mr. Saumil Mehta - Kotak Life:**

- Yes, thanks, most have been answered, just two more questions from my side. First is in terms of, what is the status now, given that coking coal prices are globally anyway the thermal coal prices, do you believe that it is fair in this point in time to maybe find a suitable buyer for these assets because hypothetically if prices are correct, another 50%, the probability of that comes down, so is selling of the assets right now on the drawing board or what is the thought process over there?

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- Mr. Hemant.

- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**

- I request MD sir to take this question because...

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- It is a very ticklish question. I will tell you one thing. First of all, the investments were made to make things better for Indian operations. We were not interested in selling this coal to rest of the world than keeping our plant alive, so we will be happy, the things are in good shape and we keep on importing coal for captive use. As far as selling the assets, it all depends upon the situation. As of now, we are not registered sellers and neither are we allowed to sell it immediately but you never know, in future what would happen because many of the new coal mines will come in the world. As you know, in the G20 summit, there is a strong message given to the coal industry and also the thermal power plants that new funding for the thermal power plants will not be available. Now, the people who are in the business of coking coal, they will be scouting for mines so that they can find some running mines better don't have to borrow funds, so they come with the equity partnership or they come with some joint venture, so these things will change because of the change in the geo political situation in the world. So, we are working since last 3-4 days after this news, we are also pondering upon that, may be existing players, those who are in coking coal business, they are willing to invest into it and either in full or in part of paying us a good premium, then we will decide what is to be done. So as of now, there is no offer. Number 2, we have not proposed to anybody but the world will be changing very fast in terms of the coal assets and people, those who have the coal mines, they will definitely get a premium.
- **Mr. Saumil Mehta - Kotak Life:**
- Sure, we have an extremely high requirement for improving our ESG score, at least that was the rationale for JPL and that was the right one, don't you believe that selling the coking coal assets will further improve our ESG scores.
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Yes, you are right, it will. It will improve definitely but coking coal is required. If you don't it have your own mines and if you buy coking coal from somebody else, the impact is the same.
- **Mr. Saumil Mehta - Kotak Life:**
- Because we are using that.
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Yes, because the coke blast furnaces are there. So, we are working on a different technology, how to convert Indian steam coal, Indian high-end coal into gas. We are already doing it in Angul. We have the first plant in the world producing coal to gas and gas to DRI. We are working on how to use coal to produce hydrogen, so that we can reduce the overall coal consumption during the making of steel and also how to

inject this gas, hydrogen gas into blast furnaces, so that we can reduce at least 15 to 20 percent of the coking coal consumption in our plant. We are working on that very seriously in the technology fast.

- **Mr. Saumil Mehta - Kotak Life:**

- Sure, and my second and last question is, while the source cap of the year will also have a significant profit average, what we here is the decline in iron ore prices, especially in the Chinese market, are these kind of things some sort of a lower price tenders from pellets. I mean I am not using a specific number but in terms of qualitatively, do you believe that second half of FY22 can be more in terms of pellet profit availability for us versus first half?

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- No, because today we are consuming pellets, it's 60 to 65 percent in house. So, that is not impacting us. Secondary, we have now two brands and both the brands are meaningful. As far as the prices are concerned, prices about 13000 rupees a ton for pellets in the domestic market and also for the export market, similar prices are available. So, today, we are short of pellets, we don't have too much of pellets, the demand is pretty good because there was a problem of iron ore in the country and people were not getting the right size of iron ore, so pellet is in very good demand and we are maintaining a good profitability in that.

- **Mr. Saumil Mehta - Kotak Life:**

- Sure, thank you so much and all the best, a happy Diwali to both of you.

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- Thank you, same to you.

- **Moderator:**

- Thank you. The next question is from the line of Prashant KP Kota from Dolat Capital, please go ahead.

- **Mr. Prashant KP Kota - Dolat Capital:**

- Good evening sir, thanks for taking my question, really appreciate the renewed power deal that you have done the last quarter. Also pertaining to this quarter, had a question on, what is, could you please help us reconcile H1 EBITDA to H1 net debt changes on a H1 basis.

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Mr. Hemant.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- If you see, in the EBITDA, we made about 9000 crores and we prepaid around 4500 crores loan in Indian books and if we talk about overseas as well, we have paid more than 4300 crores and if you talk about capex, we have mentioned that we have only done a capex of around 500 crores together and also there is a tax payment of 730 crores and these are very important items which we discussed last time, changes in net working capital, we have given because of covid, ports and other things which were down and our most appreciated fact is our working capital and I am happy to advise that most of the working capital has been unlocked, if I give a guidance as of today, in the month of today, today is November, there is a very small amount left out, we are very hopeful that we will be able to unlock that working capital in the front quarter itself.
- **Mr. Prashant KP Kota - Dolat Capital:**
- Okay, understood and sir, really appreciate your efforts on redeeming, really recognize the efforts to reduce the carbon footprint, that is our feedback to you and sir one really quick question, is a previous participants argument to all these questions but more so as a broad guidance, what would be the cash tax rate, life supposing we have made the singular kind of previous run rate for the next two, three years, so on a FY23 basis or 2024, I think the PBT is right now what it is but tax, what is the range, because you are not specific. You have a better idea of the depreciation and the kind of losses etcetera.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- I think I would like to say we would be compliant to all tax matters, whether all those payments of tax with respect to the law at that point of time, beyond that I also mentioned, I don't want to comment and we have already paid the advance tax as per the calculations for the current financial year and also, we have moved to a new tax regime of 25% including surcharge and all.
- **Mr. Prashant KP Kota - Dolat Capital:**
- Sure, I was only asking from the point of view of making our projections on the cash flows etcetera, nothing beyond that, nothing on the regulatory or compliance.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**

- Prashant, we are very sorry, we will not be able to give you a projection or estimation of the future, profit or prepaid for that matter.
- **Mr. Prashant KP Kota - Dolat Capital:**
- But sir, on the on the probable cash flows, that's all.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Because Prashant, that will actually be illegal you understand right, it will be back calculating through to the operating profit or the tax that we will make right.
- **Mr. Prashant KP Kota - Dolat Capital:**
- Sure, okay, thank you sir.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Sure, thank you.
- **Moderator:**
- Thank you. The next question is from the line of Vikas Singh from Phillip Capital, please go ahead.
- **Mr. Vikas Singh - Phillip Capital:**
- Good evening sir.
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Good evening.
- **Mr. Vikas Singh - Phillip Capital:**
- Sir, my first question pertains to our steel sales. So, basically finished steel capacity versus the production capacity mismatch, so shall we understand that the incremental half to one million tons that we are selling in the next one year, that could all be finished or we still have got some semis, some calling arrangement with conversion to finished?
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- There is no mismatch as of now but the mismatch comes when you feel that some of the products are not gaining a good revenue all good margin. A lot many times, we

sell semis because we are getting better margin then the finished products in India. Like for example, the last 3-4 months, it was very bad for the rebars and we were selling billets that were at a higher price than the domestic realization. Sometimes we sell pig iron at a higher price on higher margins of EBITDA than the billets or even the rebars. So, we don't have any surplus raw material or semis, put together, we are a very balanced company and we have the options to convert at least 2.5, 3 million tons rebars and we are already doing around 2.5 million tons or maybe more, 2.8 million tons plates. So put together, these two items give us more than 6 million tons, more than 5.5 million tons. If we arrange, we can put 1 million ton in medium and light section that can give another 0.8 million tons, so we have the capacity to roll at least 9 million ton but decisions are taken, these are economical decisions, so based on the economics, so whenever we feel we can earn more profit in selling semis, we sell, otherwise we don't sell.

- **Mr. Vikas Singh - Phillip Capital:**

- Thank you sir, my second question pertains to a net debt becoming zero. What I understand sir, our foreign has not been able to pay of their debt. So, are we talking about net debt, that India would have more cash than the debt in the foreign subsidiaries, in India we would continue to pay the debt of the foreign subsidiary and we will become net debt zero there also?

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- As I earlier mentioned here also, we are sitting on cash. If we would like to pay all of this loan, I can pay. The due date is 31st March 357 million dollars and if we talk about the next due date, then 106 million dollars on 30th September 2022 and we are expecting to make those payments from India itself though all cylinders are firing, generating cash, whether it is Mozambique, whether it is Australia but conservatively, we dip into our JSPL operations, we are going to make the payment from India, as of today.

- **Mr. Vikas Singh - Phillip Capital:**

- Understood sir, understood, thank you for answering my question and all the best for the future, happy Diwali sir.

- **Mr. V.R Sharma – MD, Jindal Steel & Power:**

- Happy Diwali, thanks Vikas, happy Diwali to you too.

- **Moderator:**

- Thank you. The next question is from the line of Rajesh Majumdar from BNK Securities, please go ahead.
- **Mr. Rajesh Majumdar - BNK Securities:**
- Thank you for taking my question and congratulations once again sir. Sir, I had a question for the export realization this quarter. I know, I am not asking for the exact figure, was it significantly higher than the benefit realization of the quarter?
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- You see, the export realization, we don't look at it the way you might be asking.
- **Mr. Rajesh Majumdar - BNK Securities:**
- Okay and which are the regions which contributed to the bulk of the exports, I mean specifically Middle East, was it a large contributor?
- **Mr. V.R Sharma – MD, Jindal Steel & Power:**
- Sorry Rajesh, could you repeat your question? There was some muffled sound in the screen.
- **Mr. Rajesh Majumdar - BNK Securities:**
- Sorry, so my first question was the export, I couldn't get the answer, what was the answer to that.
- **Moderator:**
- So, from the operator Mr. Majumdar, line from Mr. Sharma has got disconnected, requesting you all to please stay online.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Yes, we will continue, once Mr. Sharma joins, we can go ahead, I think I can take that question. Rajesh, I can't say whether it is region wise or not, whether it is European countries, we have even exported to Canada, US and even the Middle East and all Asian countries as well.
- **Mr. Rajesh Majumdar - BNK Securities:**
- The reason why I am asking this question is that we have a quota for exports, how are we going about fulfilling that quota?

- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- I think the quota is in countries and all total into that specific country European country and...
- **Mr. Nishant Baranwal – Head, Investor Relations**
- So, Rajesh, this is Nishant here. So, as you know, if you are talking about last quarter, in terms of quarter to quarter, so last quarter, export realization was better than in the domestic realization and region wise, as you said, there must be some quotas but frankly, all across the world, you will talk your US, Europe, odd even Southeast Asia, the prices were healthy and that was again better than India and therefore we were able to maintain healthy margins, healthy realization throughout.
- **Mr. Rajesh Majumdar - BNK Securities:**
- No, no, absolutely, so my second question is a follow up to that one. We have seen some happenings in the regional market in terms of Chinese internal prices falling Down by a lot. Now, I know that there are some internal guidelines there as to how much they can export and so on and so forth but we'll all this result in a BTS in our export realization going forward compared to what we have seen in the first two quarters and in that case, bill for export volume come up a little?
- **Mr. Nishant Baranwal – Head, Investor Relations**
- Let me just check a for MD, Mr. Sharna is back. Faizal, are you there, right Faisal, his Mr. Sharma joined us?
- **Moderator:**
- Not yet sir.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Okay so Rajesh, regarding your question, we are supplying, I can tell you across EU, South East Asia and the market are very buoyant right now and I can tell you this quarter, will be the Indian market opening up, like we said point of focus remains the Indian market and that is where we are looking to supply a lot a bulk of it while export remain our channel for us in case of subdued demand our in case of on minimum volume that we will all the supply there.
- **Mr. Rajesh Majumdar - BNK Securities:**

- Right, so is it feasible to assume that our contribution to 2H will be lower than in terms of 1H because it is a percentage of volume.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- It is a very relative term. We talk about it. It depends upon the demand and supply as Nishanth rightly mentioned. We are expecting the demand to pick up now. It's the festive season and the rainy season is over at domestic demand is really shaping up and it depends upon domestic demand absorbed. We will see as we have also given the guidance that we will keep our exports in the region of 25 to 40 percent maximum and we would like to keep that range 25 to 40 percent depending upon the demand and supply situation in in India and international market.
- **Mr. Rajesh Majumdar - BNK Securities:**
- Okay, thank you. My second question is also related to the domestic pricing of long.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- This is your third question. Given the paucity of time, people will have certainly waiting. If you can take the last question, we can always connect offline.
- **Mr. Rajesh Majumdar - BNK Securities:**
- Not a problem.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Okay, operator, let's take the last question.
- **Moderator:**
- Sure, so the last question from the line of Ritesh Shah from Investec, please go ahead.
- **Mr. Ritesh Shah - Investec:**
- Yes, hi sir, congratulations for a good set of numbers talking about the balance sheet, really noteworthy. Sir, a couple of questions, first is sir, you indicated fifteen thousand crores of capex over three years including 2500 crores in FY22, how should one built for 2023, 2024, 2025, should we just cut off FY22 and split it over 3 years it will be back ended, some color would be useful.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**

- Ritesh, we have already given a guidance on that, as you mention, 2000 to 2500 flows not mentioning the current financial year, going forward is around 4700 and 4500 and 4000 and then the balance because we are expecting to spend this money in the next 4 to 5 years' time.
- **Mr. Ritesh Shah - Investec:**
- Sir, that's useful. Secondly, can you quantify what is the number on the overseas Debt and debt maturity profile? I think you gave two numbers of 357 and 106 million. I missed out on the timeline over there sir.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Yes, 357 million dollars is due on 31st March 2022 and 106 is due on 30th September 2022 and the balance 6 million in in the next 3 to 4 years.
- **Mr. Ritesh Shah - Investec:**
- This is helpful sir and I just wanted a comfort on one thing, the (inaudible) pipeline and all the incremental expansion which are there, be it beneficiation or anything, everything is in the listed entity, would that assumption be fair?
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Yes, if we talk about 6 million tons of expansion that is into our 100% subsidiary and as far as slurry pipeline is concerned, we are implementing into our main company.
- **Mr. Ritesh Shah - Investec:**
- Perfect sir, thank you so much and look forward to more details on the two tonnes of carbon intensity that you have given by 2030. It is a very encouraging number. Look forward to more details over there. Thank you so much and have happy Diwali.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
- Thank you Ritesh. You can talk offline with Nishant on this. He can give you more color in respect to this. Thank you.
- **Mr. Ritesh Shah - Investec:**
- Thank you sir.
- **Moderator:**

- Ladies and gentlemen, that was the last question and I now have the conference over to the management for closing comments.
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
 - I just wanted to say, with improved sentiments in steel over the near term and company's focus on continuous deleveraging, JSPL is all set to engage in quick cash flows going forward for meeting all its debt repayments, continuing with our expansion project and funding requirements in our overseas business. Now with the management enhanced attention on the Indian steel business, we are confident, we will soon be a net debt free company as we mention by the financial year 2023 and I would like to wish everyone a very happy and prosperous new year to everyone. Now I will handover to Nishant and happy Diwali to you all.
- **Mr. Nishant Baranwal – Head, Investor Relations**
 - Thank you everybody for joining us today. Happy Diwali again on behalf of the company. I will pass over the call to Mr. Kamlesh Baghmar from Prabhudas Lilladher.
- **Mr. Kamlesh Baghmar - Prabhudas Lilladher Private Limited.**
 - Yes, thanks Nishant and thanks to all for participating in the call. Thanks a lot.
- **Moderator:**
 - Thank you ladies and gentlemen on behalf of Prabhudas Lilladher Private Limited. That concludes this conference. Thank you for joining us, you may now disconnect your line
- **Mr. Hemant Kumar – CFO, Jindal Steel & Power:**
 - Thank you.

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