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July 28, 2025

The Secretary, Listing Department, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 Maharashtra, India Scrip Code: 543299	The Manager – Listing Department National Stock Exchange of India Limited “Exchange Plaza”, 5th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India Symbol: SHYAMMETL
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Dear Sir/Madam,

Sub: Transcript of the conference call for Un-audited (Standalone and Consolidated) Financial Results for the First Quarter Ended 30th June, 2025

Pursuant to the Regulation 30 read with Schedule III of SEBI (LODR) Regulations, 2015, we forward herewith the transcript of the conference call with investors and analysts held on Wednesday, 23rd July, 2025 for the Un-audited (Standalone and Consolidated) financial result of the company for the first quarter ended 30th June, 2025.

This is for your information and record.

Thanking You,

For Shyam Metalics and Energy Limited

Birendra Kumar Jain
Company Secretary
Membership No. F13320

OUR BRANDS:



SHYAM METALICS AND ENERGY LIMITED

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“Shyam Metals & Energy Limited Q1 FY ‘26 Earnings Conference Call”

July 23, 2025



**MANAGEMENT: MR. BRIJ BHUSHAN AGARWAL – CHAIRMAN AND
MANAGING DIRECTOR, SHYAM METALICS AND
ENERGY LIMITED**

**MR. DEEPAK AGARWAL – DIRECTOR OF FINANCE,
SHYAM METALICS AND ENERGY LIMITED**

**MR. PANKAJ HARLALKA – HEAD INVESTOR
RELATIONS, SHYAM METALICS AND ENERGY LIMITED**

MODERATOR: MR. OMKAR BAGWE – MUFG INTIME



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Moderator: Ladies and gentlemen, good day, and welcome to Q1 FY '26 Earnings Conference Call of Shyam Metals & Energy Limited, hosted by MUFG Intime.

As a reminder, all participant lines will be in listen-only mode. And there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing “*” then “0” on your touchtone phone.

I now hand the conference over to Mr. Pankaj Harlalka, Head IR from Shyam Metals. Thank you, and over to you, sir.

Pankaj Harlalka: Thank you. Good afternoon to everyone, and thanks for connecting with us on our first con call of this financial year. On behalf of Shyam Metals, I am delighted to welcome you all to this call, particularly our shareholders and our industry analysts. Thank you for taking the time out on this call to discuss our latest results and performance. Our results and detailed investor presentation has been uploaded on the exchanges as well as our website. I hope everyone had a chance to go through it.

To discuss our results, we have with us our Chairman and Managing Director – Mr. Brij Bhushan Agarwal, and our Director Finance – Mr. Deepak Agarwal. They will take you through our results and then we will proceed to Q&A session.

Before we proceed, a small disclaimer:

This conference call may contain some forward-looking statements about the company which are based on the beliefs, opinions and expectations of the company as on the date of this call. The actual results may differ materially. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. A detailed safe harbor statement is also given on Page #2 of the company's Investor Presentation.

Now I would like to hand over the call to Bhushan ji. Thank you, and over to you, sir.

Brij Bhushan Agarwal: Very, very good afternoon, everyone. Thank you for joining the Call. FY '25 has been a very pivotal year for our company, a period well-defined by strong operational achievement, resiliency, growth and effective strategic execution. Despite a dynamic industry landscape, we remain focused on integration, diversification and expanding our value-added portfolio. This approach enables us to deliver solid performance across all the business verticals.

I am pleased to share that we have delivered a robust and resilient performance this quarter. Your company's revenue growth has been close to 22% year-on-year while the operating EBITDA rose to an impressive 19%. Volume growth was particularly notable with 32% year-on-year increase. This result reflects our continued emphasis on operational efficiency, rigorous cost management and balanced product mix supported by growth contribution from value-added products.



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Our blast furnace and color coated facilities commissioned in FY '25 have performed strongly this quarter with operational stabilization achieved ahead of schedule. In Q1 FY '26, the pig iron plant recorded a utilization rate of 104% while color coated unit reached close to 70%, indicating a healthy ramp-up and positive momentum. This reflects not just operational excellence, but also our ability to execute projects ahead of expectation, showcasing strong ramp-up capabilities and performance-driven culture.

We believe our core strength lies in driving efficiencies through both vertical and horizontal integration. This strategy enhances profitability, broadens our customer base, and helps mitigate margin volatility. Our continued focus on backward integration is expected to further improve operational performance and increase the revenue share from the finished goods.

Our production capabilities remain strong, underscoring our commitment to operational excellence and ongoing investment in the most modern advanced technology. Through upgradation, modernization and process enhancement, we have expanded both our capacity and product quality and gone more and more value-added to enhance the profitability at the bottom line. The aluminum segment continues to demonstrate a very solid performance and we are confident in expanding our presence in this space. By developing the niche product for special applications, we aim to drive growth in both volume and profitability in the coming quarters.

At Shyam Metals, we remain firmly committed to executing our growth and roadmap. As Q1 FY '26, we have incurred up to Rs. 7,003 crores in capital expenditure, representing 70% of our total planned CAPEX. Of this, close to Rs. 4,900 crores have been capitalized. Our announced investments are progressing well and we anticipate timely completion.

As stated during our call, most of our carbon steel CAPEX is expected to become operational by FY '26, with the stainless steel and aluminum projects on track for commissioning in the year FY '27. These investments are fully aligned with our long-term vision, strategy and focus on deeper integration and improved efficiency and sustainability. We expect them to be earnings accretive which will contribute meaningful in terms of revenue profitability from '27 to '28 onwards.

In conclusion, we are proud of how our team continues to deliver in the challenging environment while staying focused on the long-term values and commitments. By consistently executing strategic projects and optimizing efficiency, we are well in position to maintain our annual CAGR of close to 15%.

Thank you for your continued support and trust. We look forward to engaging with you in the upcoming quarter.

With this, I conclude my speech, and I would request our CFO and Director, Mr. Deepak Agarwal, to take us through financial performance. Thank you so much. Deepak, up to you.



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Deepak Agarwal:

Thank you, sir. A very good afternoon to all the participants. I thank all of you for taking time out of this call to discuss the results for the 1st Quarter of the current Financial Year ended 2026. I will be glad to share a quick review of the reported consolidated financial for the 1st Quarter under the review for the Financial Year 2025-'26.

I am elated to share that in spite of ongoing geopolitical crisis and the U.S. President, Donald Trump's induced tariff uncertainty, which has negatively impacted the current market scenario, Shyam being the exceptional market player, as always, has not only restrained its existing moment of growth and the result reinforced our trust in our strong business model, which continues to generate healthy cash flow.

We expect with a reasonable strong demand recovery on the back of recent policy announcements made by the government towards railway, roadways, civil aviation, gas pipeline, towards affordable housing and the incremental budgetary allocation to this sector is likely to drive the demand for both long steel and as well as in stainless-steel.

I would now like to draw your attention to the financial of the company on a consolidated basis. In the 1st Quarter of the current financial year, on a consolidated basis, the company reported an operating revenue of Rs. 4,490 crores, a growth of 22.4% over Quarter 1 of the last financial year. The sales mix constitutes a high percentage of volume from finished steel, which accounts for 76% of the total revenue.

Over the past quarter, the price of product across steel had been subdued except for aluminum foil. The margin has remained at par on the back of reductions in raw material prices for our consumption. The company has been able to book an operating EBITDA of Rs. 580 crores, sustainability increased by 18.98% over Quarter 1 of the last financial year. And operating EBITDA margin in Quarter 1 of the current financial year was 13.12%. This margin, mainly increased over the previous quarter, is on the back of our performance of a newly introduced product, pig iron and color-coated steel.

Our profit after tax for the quarter stands at Rs. 291 crores, which has seen an increase of 5.3% year-on-year. The PAT margin in the quarter is 6.6%, which is quite sound considering the current market trend and peer comparison. At Shyam Metals, we always follow disciplined capital allocation policy. Under this policy, we remain invested with 70% of our cash generated back into the business, retain 20% as a liquidity surplus, and return 10% to our esteemed shareholders on account of dividends.

Our ambitious CAPEX plans have been laid out in the investor's presentations, and we are well-tracked to execute them as per the expected timeline. We have around Rs. 5,599 crores CAPEX spending as capitalization, and out of which we have spent Rs. 2,114 crores. In this quarter, we spent Rs. 419 crores, and the remaining Rs. 3,485 crores shall be spent over the next two years from our internal accrual and from cash generated from our operations.



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As mentioned by our CMD sir earlier, the company has declared an interim dividend of Rs. 1.8 per share, amounting to an outgo of Rs. 52.24 crores, which is pursuant to our disciplined capital allocation policy. We now have a consistent track record of declaring dividend since our listing in June 2021. We look forward with the optimizations as we progress on our growth journey, and we are confident of achieving robust performance and financial performance going ahead.

Now, I conclude my portion of speech, throw the floor open for the question-and-answer session. Thank you. Thank you to all investors.

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

Amit Dixit: Yes. Hi. Good evening, everyone. And congratulations for a good set of numbers. Couple of questions from my side. The first one is regarding two resolutions, fund-raising resolutions amounting to Rs. 7,500 crores. Now the company is reasonably cash-rich and our pending CAPEX is hardly Rs. 3,500 crores. I just wanted to understand the genesis of these, are these merely enabling resolutions at this point in time? Or you have certain targets in mind for spending this money?

Deepak Agarwal: As far as the fund-raising resolution, this is basically enabling resolution. Earlier, we were enabling the resolution of Rs. 3,600 crores, which was expired because the resolution is valid for one year. This time, because in this Board Meeting, we are also fixing our annual general meeting, and subject to the approval of SEBI we are just going to enable our resolution as far as fund raising to the extent of Rs. 4,500 crores on account of various issues like QIP, fresh, preferential, and any type of issues. That's it.

Amit Dixit: Sir, there is another one Rs. 3,000 crores through debt actually, and this amounts to Rs. 7,500 crores. So, wanted to understand that if you have --

Deepak Agarwal: This is also enabling. As you all are aware that the Shyam Metals is always in the CAPEX mode, and whatever we have announced our CAPEX of Rs. 10,000 crores, out of this Rs. 10,000 crores, we have already incurred Rs. 7,000 crores, and balance Rs. 3,000 crores will be incurred maybe in the next two years. And definitely, another round of CAPEX plan is on the table and our CAPEX committee is working and evaluating going forward. As and when it is required, we are just enabling the resolution as far as NCD or any type of debt instrument. If it is required, then we can be able to go ahead, otherwise it is just like an elapse.

Amit Dixit: Sure. Thanks. Understood. The second question is essentially that I find a new product, that is HR pipe. Now, this product I am seeing for the first time in our presentation also. So, just wanted to understand whether it is an intermediate product that you are testing the market with and later on we would have some broadened commerciality of this? Or is it something that we are trying to get into, let us say, ERW pipe segment or something? So, just wanted a little bit more color on this and about future plans with respect to this HR pipe product.



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- Brij Bhushan Agarwal:** Amit, right now we just commissioned the CR plant. HR is just a by-product. Presently, we do not have any such plan to go into a pipe business. These are the off cut which generally generates when you buy the big HR coil. You have to maximize the value of the pipe product. This is just a pipe product, nothing on the primary side. Thank you.
- Amit Dixit:** Okay. Understood. Thank you so much, sir, and all the best.
- Brij Bhushan Agarwal:** Thank you.
- Moderator:** Thank you. The next question is from the line of Shaleen Kumar from UBS Securities India. Please go ahead.
- Shaleen Kumar:** Yes. Hi. Good evening, everyone. Congratulations, Bhushan ji. Congratulations, Deepak ji. Pretty good solid number in the environment. Sir, just want to understand a few things here. Sir, I believe a part of this strong performance is coming from our new units of pig iron and color-coated sheet. So, have we captured the benefit completely in the quarter or there can be more to come in an incremental quarter? I mean, like, were they completely utilized, their units, or there is still some scope to build in from divesting of assets?
- Brij Bhushan Agarwal:** Presently, you can say there is not much more header on this unit presently, because I think more or less it is capitalized. And today, I am very happy to say that we are operating the pig iron facility at more than 120% rating presently. And this is something, none of the company in India is operating the capacity of the pig iron at this capacity. Our fuel consumption is also very, very well in comparison with our peers. We have taken the best technologies, and we have done a lot of R&D in setting up this plant. And I am pretty happy to see this. And in the time to come, yes, there will be a lot of other improvements. But it will take a little time because now we are in the monsoon time. And this is the first monsoon we will be facing with our new setup. So, maybe in next six months the much better picture, larger picture will be on the table, yes.
- Shaleen Kumar:** Great. If I can just ask like a basic question, like what is leading to such a high utilization, right? Are you able to produce at a lower cost, strong demand? What is driving this utilization?
- Brij Bhushan Agarwal:** If you see, generally, the blast furnace is operating at 3.5 rate. Like, I will just give you an example like, today we have set up a 600 cubic meter blast furnace. And for a 600 cubic meter blast furnace, the optimum capacity what is guaranteed generally is close to 2,100 tons. But constantly, we are producing 2,700 tons today, which is close to 4.5 rating. Generally, the size vis-a-vis the capacity, the run rate is 4.5 in comparison with 3.5, and we expect that we should be able to go to 3,000 tons or maybe a little less than 3,000 tons. Since it is a monsoon time, we do not want to take a lot of new challenges because it's the first monsoon and generally the teething issues are always on the front of the moisture and other concerns are there. But we are pretty sure we will be able to touch it to 2,900 tons.
- Shaleen Kumar:** Got it, sir. Right. And also, just want to understand the status of our captive power unit.



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- Moderator:** Sorry to interrupt, sir. Sir, your voice is cracking.
- Shaleen Kumar:** Sorry, sir. My bad network area. Sir, I just want to understand the status of our new captive power plant, what is the current position of that?
- Brij Bhushan Agarwal:** We have commissioned the first 90 megawatts of Odisha, and the second 90 megawatts of Bengal plant is under the final stage of commissioning, we expect that by end of August or early September we should be able to commission that as well.
- Shaleen Kumar:** Sir, just if you can help us what kind of benefit will come on a quarterly or annual basis once both the units are fully operational? Just help us if you can.
- Brij Bhushan Agarwal:** So, most of our power plants are based on the fuel rejects and waste heat gases and all. So, our cost of generation is close to Rs. 2 to Rs. 2.5 a KWH. So, it is going to enhance the bottom line because the cost is going to be more competitive. Whatever some percentage of imports we are taking from the grid, we will be able to reduce it. And we expect that this will be also enhancing our bottom line and will help us to be more cost effective.
- Shaleen Kumar:** Got it, sir. One quick question, this last question and then I can come back in the queue. I did not get a chance to ask this question earlier also.
- Moderator:** Sir, sorry to interrupt, sir. Sir, your voice is cracking.
- Shaleen Kumar:** Again. Sir, okay, I will join back the queue then. It's OK.
- Moderator:** All right. Thank you. The next question is from the line of Preeti Agarwal from SK Associates. Please go ahead.
- Preeti Agarwal:** Hello. So, the stainless-steel wire segment has entry barriers due to customer approval timelines. Have you cleared any approvals in Q1? And which export markets are being targeted? Also, you mentioned 7,000 tons to 12,000 tons of EBITDA in wire division and even Rs. 30,000 per ton in select products. So, what proportion of your output in FY '26 is expected in these higher margin SKUs?
- Brij Bhushan Agarwal:** In the stainless-steel wire, we just commissioned the plant and presently, we are operating at close to 30% - 35%. We are overcoming all the challenges of stability, and we also have started the export market, started exporting the material. So, this year we will be stabilizing our market, and I expect that we should be able to sell close to 10,000 tons of wire this year, so which will be a very substantial growth in terms of the new plant and new technology what we are adopting. And we expect that we will be able to ramp up to close to 20,000 tons for next year. And approvals are a very general process. It's a generic thing. I think there's nothing to worry as such because whatever Shyam Metalics has done, we have done always a world class and all the best of the compliance in the terms of machines, and all the quality aspect has been taken well care of. Thank you.



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- Preeti Agarwal:** Okay, understood. And also, you mentioned evaluating new project post FY '27, so are you actively considering entry into HRC, long products for construction or anything beyond metal?
- Brij Bhushan Agarwal:** We are doing a lot of products on construction. Our long product is more than 2-million-ton capacity. So, this has to grow up. We are revamping our existing plant. We are trying to see more better optimization, because by some kind of a modification you find like we can definitely enhance it to 10% - 15% more. Apart from that, the new plants are also under the planning stage, which we are thinking in next couple of years we will be able to roll out that as well. So, these are all continuous things, day in, day out. If you see, every unit is having a volume growth year-on-year, so this will continue growing in the average CAGR of around 15%.
- Preeti Agarwal:** Understood, sir. Thank you so much and all the best.
- Brij Bhushan Agarwal:** Thank you.
- Moderator:** Thank you. The next question is from the line of Vikas Gupta from RJ Investments. Please go ahead.
- Vikas Gupta:** Yes. So, my first question is on the stainless-steel flat products project, when exactly do you expect to begin commercial production? And what's the expected volume in FY '26? And for the aluminum foil and fin projects, what is the status of the foil plant battery foil line? Has any part of the 2.5x capacity expansion already gone live?
- Brij Bhushan Agarwal:** Related to the aluminum plant, the construction is going on. And we have declared that by end of '27 we will be commissioning the plant. So, almost after a year or little more than later, we will be commissioning the aluminum plant. And even the stainless-steel plant has been also projected end of '27, which is, as of now, it is under track, maybe one or two months it can go little plus or minus.
- Vikas Gupta:** Understood, sir. And my further question is, any update on the wire and bright bar divisions in the stainless-steel segment that were to stabilize over three to six months? Has customer qualification started?
- Brij Bhushan Agarwal:** I just answered this question before. We have already started exporting and all, and other things are under progress. We expect that everything should stabilize in next six to six months.
- Vikas Gupta:** Understood, sir. Understood. Thank you for taking my question. Thanks.
- Moderator:** Thank you. The next question is from the line of Kunal Devendra Kothari from Nuvama Wealth Management. Please go ahead. Kunal, you are not audible. As there is no response from the current participant, we are moving towards the next participant. The next question is from the line of Kartikeya Pandey from B&K Securities. Please go ahead.



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- Kartikeya Pandey:** Yes. Thank you for the opportunity. So, I had a few questions. So, first was that, can we expect a similar kind of EBITDA run in the coming quarters as well? And what is the pricing outlook for the second quarter?
- Brij Bhushan Agarwal:** See, this is a monsoon time and these three months are generally challenging months, starting from July, August, September. But yes, this is not going to have a major impact because we are also focusing on more and more cost reductions. It's not going to have a very big impact. But yes, this is going to be a month where a little bit of pressure will be there, this quarter, on the pricing side.
- Deepak Agarwal:** And I would also like to add one more thing. As far as pricing, we will not consider only the pricing. If you have seen our track record, we will be always on a volume growth. Whatever be the EBITDA we are generating, we are adding our capacity, and we are generating more EBITDA from adding our product capacity.
- Kartikeya Pandey:** Okay. And another question that I had was on the fundraise part. So, can we assume that this Rs. 7,500 crores of enabling resolution, like will it be fully utilized for the CAPEX plan?
- Deepak Agarwal:** As of now, there is no such plan for utilization of this fundraising. We are just enabling the resolution subject to the approval of the shareholder. As and when if it is required, then definitely we will achieve. But as of now, there is no plan for any fundraising or something. This is just like enabling.
- Kartikeya Pandey:** Okay, Thank you. That's all from my side.
- Moderator:** Thank you. The next question is from the line of Devesh Lakhotia from Ikigai Asset Manager. Please go ahead.
- Devesh Lakhotia:** Yes. Hi, sir. Thanks for the opportunity. So, a couple of questions. One is, on the aluminum segment the ADD also I think was approved in terms of foils in the past couple of months ago. So, are we seeing any improvement over there? Because at least in terms of margins and volumes, it's not reflected as of now. And the second one is, just wanted your thoughts in terms of the entry into wagons that we have announced with a Rs. 300 crores CAPEX. Just a rationale and the opportunity you are seeing there. So, those two.
- Brij Bhushan Agarwal:** See, definitely there is a good spurt in the demand in the aluminum foil and the margins are definitely improving, but people are carrying over with their own inventories on the sales side as well as on the buy side. Generally, all these things take some transition phases in the level of three, four months. We will start seeing more and more better numbers in the time to come.
- And when we are talking from the wagon point of view, it's a very small unit, on the size of our company. And since we had a railway siding, we had complete infrastructure. And with such a low CAPEX, also enable us to utilize our stainless-steel plates which are going to be



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manufactured in our plant. So, basically, it is more a strategy side and we will be able to enhance more value. Like one of the companies only in the country which has the capability to produce from ore to metal, so this is basically a concept that we are seeing that a lot of stainless-steel wagons have been introduced by the government and we are coming up with a flat product in the stainless-steel. So, we expect that it will help us to create more value for the organization and our shareholder by this forward integration. Thank you so much.

Devesh Lakhotia: Thank you.

Moderator: Thank you. The next question is from the line of Kunal Devendra Kothari from Nuvama Wealth Management. Please go ahead.

Kunal Kothari: Hi. Good evening, sir. Many congratulations for a great set of numbers. Sir, few questions from my end, this is on regard to our key projects. So, is it possible to share what are the three projects which are going to be executed in this quarter? Second question is, are we looking at any other sector also to enter into it? Because earlier we were looking to enter into DI pipe mill, but we have not seen any CAPEX going on over there, so any thought on that?

And on top of it now, because by year end we are going to end up with all the projects which is ongoing. So, do we have something in mind now because our company is now in a bigger shape, instead of doing small, small projects which we have been successfully doing it, do we which can change the orbit of the company? Thank you.

Brij Bhushan Agarwal: First of all, I must tell you the diversification what Shyam Metals is doing is not a commodity diversification. If you see the kind of business what we have created in the aluminum sector and going for the expansion in aluminum where we are more than doubling the foil capacity and also going backward integration, putting up a downstream value added product which is a 100% substitute like pins and other critical aluminum components which is used in the automotive as well as in the railways and other sectors. So, we are not working in this small orbit. We are working more on the qualitative and more niche product with the high return and more sustainable business.

So, we expect that this aluminum business in the next couple of years should at least grow by more than 250% what we are doing today. So first of all, what we are doing, we start with a very, very small pilot model, we learn and then we expand. Even in stainless steel, our orbit is very decent, we started with close to around Rs. 1,200 -1,500 crores top line in the first year and now we are targeting of more than Rs. 5,500 -6,000 crores in next two to three years. We learn the business and then we make a model and we make sure that all our business yield should have a decent IRR and ROI return.

Related to your ductile business, yes, at present it is a very small CAPEX for us. We have put this project on hold for some time because we are seeing some kind of a challenge coming up in businesses in respect to ductile. First of all, some changes are there on the OPVC side where we



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are seeing that minus 400 is replacing. And apart from that, we are also seeing that very big expansion is coming up in ductile. So, we are just evaluating again. I know we have not invested because these things we had been evaluating for more than six to nine months and now we have decided that we will keep this project on hold, and it is a very small CAPEX in terms of the overall size of the CAPEX what we have decided. And any other questions?

Kunal Kothari: Yes. I was looking at, sir, any other sector we are looking to enter the way we have gone to wagons? And what are the key projects which are going to be executed in FY '26?

Brij Bhushan Agarwal: Yes. This year, we have the flat product, this color-coated business and HR and all what we are doing right now, we are more than doubling. So, from close to 200,000 tons approximately what we should be able to do this year, we are ramping up to close to 450,000 to 500,000 tons. So, by end of this year we will be commissioning this project. And we are also ramping up the stainless-steel long product and the wire business what we are planning to stabilize, we will see some effect in this size also. And we are also increasing some capacity in the existing manufacturing facilities by little modifications and some power plant has to be commissioned this year. So, this is also one of the subjects which is going to be there this year.

Deepak Agarwal: Yes, in addition to that, as far as key project which will be commissioned in coming year, I would like to apply it on this that this year '25 - '26, majorly the carbon steel project will be commissioned. The growth which will be happening in the stainless steel and aluminum, the project of aluminum and stainless steel will be commissioned in the year '26 - '27. Majorly, the major revenue will come up at the end of the year '26 - '27.

Kunal Kothari: And sir, lastly, that same thing. Any other sector we are looking to enter?

Brij Bhushan Agarwal: Not yet. We are looking for lot of things, but nothing has been decided.

Kunal Kothari: Okay. And sir, about mining also, we are looking at the iron ore or coal side also?

Brij Bhushan Agarwal: Not really. We have been allocated iron ore mines in Maharashtra, and we are opportunists. We are looking for some coal mining opportunities. So, once we see that, because coal is available in plenty, there is no problem of the coal availability and the coal prices, I do not see in the time to come. But if we see something good on the mining side which has lot of lucrative advantages of logistic and quality and help us to more create an optimization on our operating efficiency, we might. But these are all the opportunities and nothing very concrete.

Kunal Kothari: Understood. And sir, lastly, obviously, this is not for a short term. If somebody has to look for next five years after this expansion gets over, can we expect something big coming in from our so that we can maximize our balance sheet also?

Brij Bhushan Agarwal: That we will give. That we are thinking on the Board right now and maybe we come with a Diwali Dhamaka at the time of Diwali. So, we are working on that.



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- Kunal Kothari:** Great, sir. Great.
- Brij Bhushan Agarwal:** I think you have to appreciate one thing, the only company in the metal sector which is kind of a debt free, which doesn't have any interest carrying forward, which has a CAGR of more than 20% - 25% year-on-year basis. In last three and a half years, from the revenue of Rs. 6,000 crores, we have touched close to Rs. 15,500 crores in three years. So, whatever we had promised, I do not know about 100%, but yes, more than 90% we have delivered. You see the cost of CAPEX what we have shared in our projection, you see what is the computation project. So, we are extremely careful, and we are concerned on our return and the value of our shareholders.
- Kunal Kothari:** That's very true, sir. That's very true. And all the best for your future, sir. Thank you, sir.
- Brij Bhushan Agarwal:** Thank you so much.
- Moderator:** Thank you. The next question is from the line of Varun Mishra from SK Ventures. Please go ahead.
- Varun Mishra:** Yes. Congratulations on the good set of numbers and thanks for the opportunity, sir. I had a couple of questions from my end. Starting from, sir, the color-coated roofing sheet like which we have it. So, like what has been the utilization trend as of Q1, sir, if you could like just tell in?
- Brij Bhushan Agarwal:** See, the color-coating.
- Deepak Agarwal:** Yes. We are utilizing Quarter 1 is 68% something.
- Varun Mishra:** All right, sir, so 68%. And like, how could we see that throughout the year, the utilization improving at what rate? By the end of like FY '26, what can we expect?
- Brij Bhushan Agarwal:** I will just brief you on this. The color capacity utilization, we have some bottleneck like we are putting up a gal volume line number two. And the present gal volume line, whatever we are utilizing, we are utilizing 100%. But the color-coated capacity is 200%. So, we are expecting to commission the color gal volume line by end of this year. And after that, we will be able to double the color business also. So, these are under the expansion plan as per the business like we are developing the market, everything is becoming set. It's a branded market where you need to also control the supply to control the price and all. So, it is under the process.
- Varun Mishra:** All right, sir. And like the blast furnace, which is at Jamuria, which has hit a 100% capacity, sir, so like can you provide as per the sales standards and outlook for FY '26?
- Brij Bhushan Agarwal:** We will be able to produce at 120% like the capacity of the blast furnace what we have installed, and I am sharing we will be able to do close to 800,000 tons this year.
- Varun Mishra:** All right, sir. And sir, anything like any guidance for anything like you could add in.



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- Brij Bhushan Agarwal:** I think just keep on watching your company, that's all and pray God, that you all have to do well.
- Varun Mishra:** Sir, I had one more question, just a moment, yes. So, this is the laminated aluminum fins for the AC cooling, the thing which we use. So, it is a 100% import segment. So, have we received any like TAL orders or any OEMs? Sir, that have we signed.
- Brij Bhushan Agarwal:** No, no, we do not need to. We are in the process of setting up the plant.
- Varun Mishra:** Got it, sir.
- Brij Bhushan Agarwal:** Once your plant is set up, then you have to apply for the qualifications. But you do not have to look back because we have tied up with the world's best technology supplier. And we do not have to worry. You are seeing all our units, whatever we set up we never compromise on the technology set.
- Varun Mishra:** All right, sir. That's all from my end, sir. All the best for the future. Thank you.
- Moderator:** Thank you. The next question is from the line of Rakesh Roy from Boring AMC. Please go ahead.
- Rakesh Roy:** Hi, sir, Sir, my first question regarding sir, do you see we are in bottom out for pricing pressure and we see any price improvement from second half?
- Brij Bhushan Agarwal:** Your question is not clear, Mr. Roy, sorry. Can you repeat the question again?
- Rakesh Roy:** Sir, are we seeing any bottom out of pricing pressure which we are facing currently? And do we see any pricing improvement from H2, from second half of this year?
- Moderator:** Sorry to interrupt, sir. Sir, your voice is not clear.
- Brij Bhushan Agarwal:** No, no, I will give the answer. We never see any pressure. We see always an opportunity in the pressure. So, everything is going on fine with the result and God-willingly, everything will go right. There is no pressure.
- Rakesh Roy:** Okay. Right, sir. Sir, again sir, so margin for FY '26, how much are you looking for at?
- Brij Bhushan Agarwal:** Sorry?
- Rakesh Roy:** So, margin for FY '26, how much we are expecting, sir, for FY '26?
- Pankaj Harlalka:** As far as margins are concerned.
- Brij Bhushan Agarwal:** We cannot say all these things because how the geopolitical situation, we have to see in the worst of the time also. We are working between 11%, 12%, 13 % EBITDA. So, I think the days -- I do not see anything will go further down. We expect that we should be able to do decent. It's



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very difficult to project anything on the margin side, but yes. I do not see anything on the downside hence further for this year.

Rakesh Roy: Okay. So, we expect for 30% margin to sustain for FY '26?

Brij Bhushan Agarwal: 30% margin?

Deepak Agarwal: 1-3

Rakesh Roy: Yes, 13%.

Brij Bhushan Agarwal: Yes.

Rakesh Roy: Yes. Okay, sir. Thank you, sir.

Brij Bhushan Agarwal: You investors put a lot of pressure on margins and all. People are never happy. People are never happy.

Moderator: Thank you. The next question is from the line of Pathanjali Srinivasan from Sundaram Mutual Fund. Please go ahead.

Pathanjali Srinivasan: Thank you for the opportunity, sir. Very good set of numbers. I want some data points. So, what is our capacity mix between CPP and WHRB currently? And post our expansion, where would it be in terms of megawatt?

Deepak Agarwal: As far as mix of captive power plant and outsourcing power, we are always 82% of our captive sourcing, and we are sourcing power from outside is around 20% to 25%.

Pathanjali Srinivasan: Sir, no, I was not asking about outside. In captive --

Brij Bhushan Agarwal: Yes.

Pathanjali Srinivasan: Yes, please.

Brij Bhushan Agarwal: Actually, so to understand, in our captive power model, we are hardly using coal. We are majorly using washery rejects and the byproducts of the washery and the other plants. And major portion of the fuel is also the middling and the rejects what we generate from the washery. So, the unique thing in our business is all our power plants are set up where we are using more than 70% - 80% of the byproducts and 20% is the fuel in the terms of low-grade coal what is used to sustain the heat rate in the boiler and other power comes from the waste heat recovery from the kiln. At this point of time, it is very difficult for me but to say how much we are going to generate from gas fuel because fuel is also a byproduct, but you are seeing the prices are so competitive where we are generating power. The price at what we are generating power is less than Rs. 2.5 a unit.

Pathanjali Srinivasan: Correct.



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- Brij Bhushan Agarwal:** So, on average, you can say maybe 30%-35% or 40% must be waste-heat, but I am not 100% sure. I have to check because every day we are commissioning some plants and all.
- Pathanjali Srinivasan:** Sir, I would like the capacity, sir. The utilization is different. I get what you are saying. But I would like the capacity like in our current 467 megawatt, how much would be from waste heat and how much would be from thermal power plant?
- Brij Bhushan Agarwal:** The waste heat recovery should be close to 35% - 40%.
- Pathanjali Srinivasan:** Okay, Understood, sir.
- Brij Bhushan Agarwal:** Yes.
- Pathanjali Srinivasan:** Sir, and just one more question.
- Pankaj Harlalka:** And post the expansion, it should reverse. So, today, it is 60:40. It will reverse to around either 50:50 or 40:60. So, we will be having a higher WHRB post the 90-megawatt implementation.
- Pathanjali Srinivasan:** Sure, sir. Understood. And just one last question. CAPEX for stainless steel and aluminum, what timelines are we expecting the plants to get commissioned by?
- Brij Bhushan Agarwal:** End of '27 year.
- Pathanjali Srinivasan:** Okay, Sure, sir. Thank you, sir. Very good numbers. Congrats once again.
- Brij Bhushan Agarwal:** Thank you.
- Moderator:** Thank you. The next question is from the line of Gaurav Gandhi from Glorytail Capital Management. Please go ahead.
- Gaurav Gandhi:** Yes. Thanks for the opportunity and congratulations on great set of numbers, sir. Sir, these days, there are a lot of talks about large ship vessels manufacturing in India. So, whether this ship grade steel is manufactured in India or not? And how are you looking at this opportunity?
- Brij Bhushan Agarwal:** Honestly speaking, we have not evaluated this. So, I cannot comment anything on this. So, these are very different grades. These are all basically carbon steel plates. Here, we are not in the process of present manufacturing. But in the time to come, once we have any new business plans, we will be able to share that. But presently, no.
- Gaurav Gandhi:** Okay. All right. Thank you.
- Moderator:** Ladies and gentlemen, this was the last question, and I now hand the conference over to Mr. Omkar Bagwe from MUFG Intime for closing comments.



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- Omkar Bagwe:** Yes. Thank you for joining us on call today. I would like to thank the management for sparing the time and answering all the queries today. We are MUFG Intime, Investor Relations Advisors to Shyam Metals & Energy Limited. For any queries, please feel to reach out to us.
- Deepak Agarwal:** Thank you. Thank you to everyone.
- Moderator:** Thank you. On behalf of Shyam Metals & Energy Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.