JINDAL SAW LTD.

May 09, 2025

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Stock code: 500378

National Stock Exchange of India Limited,
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Mumbai – 400 051
Stock code: JINDALSAW

SUB.: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Transcript of Investor conference call on the financial results of the Company

Dear Sirs,

This is with reference to the captioned subject and our letters dated April 29, 2025 and May 05, 2025. Please find attached the transcript of the conference call organized by the Company for analyst and investors on the Audited (Standalone & Consolidated) financial results (Q4FY25) of the Company for the quarter ended March 31, 2025 on Monday, May 05, 2025 at 05:00 PM (IST) and the same has also been uploaded on the website of the Company.

This is for your information and record please.

Thanking you,
Yours faithfully,
For JINDAL SAW LTD.,
SUNIL KUMAR JAIN
Sunil K. Jain
Company Secretary
FCS- 3056

“Jindal Saw Limited Q4 FY '25 Earnings Conference Call”

May 05, 2025

MANAGEMENT:	**MR. NEERAJ KUMAR – GROUP CEO & WHOLE-TIME DIRECTOR, JINDAL SAW LIMITED** **MR. VINAY KUMAR – PRESIDENT & HEAD TREASURY, JINDAL SAW LIMITED** **MR. NARENDRA MANTRI – PRESIDENT, HEAD, COMMERCIAL & CFO, JINDAL SAW LIMITED**
MODERATOR:	**MR. VIKASH SINGH – PHILLIPCAPITAL (INDIA) PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Jindal Saw Q4 FY '25 Earnings Conference Call hosted by PhillipCapital (India) Private Limited.

As a reminder, all participants' lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Vikash Singh. Thank you, and over to you, sir.

Vikash Singh: Thank you, Anushka. Good evening, everyone. From the Management side, we have with us Mr. Neeraj Kumar – Group CEO and Whole Time Director, Mr. Vinay Kumar – President and Head Treasury, and Mr. Narendra Mantri – President, Head, Commercial and CFO.

Without taking any much time, I will hand it over to Mr. Neeraj Kumar for his opening remarks. Over to you, sir.

Neeraj Kumar: Good afternoon, friends. Last Friday, we had our Board meeting, which was just following the audit committee meeting. And we have announced the Annual Results as well as the last Quarter Results.

As you would have noticed in this results for the quarter as well as year, there are certain adjustments, I would say accounting adjustments, that have been made based on certain events on the NTPC, JITF Arbitration case and subsequent litigation which is going on in the High Court. Since the Single Bench Judge, which was at that point of time being presided by Dinesh Kumar Sharma, DK Sharma was the Single Bench Judge of High Court who gave this judgment.

The judgment actually came as a big surprise to all of us. And therefore we have taken an expert opinion from one of the top luminaries in the country. He is of the view that the Single Bench Judge has probably heard. And he believes it's a very, very strong case for appeal. And therefore without wasting any time, we have filed the appeal from the Single Bench Judge now to the Double Bench Judge. One hearing has already happened. The Double Bench Judge did appreciate the urgency for hearing such case is that there is a merit. So, one has happened. The second hearing is on 22nd May.

So at this point of time, we are in the middle of the scenario where the Single Bench Judge, the judgment came as a surprise to us. We have taken an expert opinion which believes that the judgment is appealable and we have a very, very strong case to go up the judicial process, which is now the double bench of High Court.

In the meantime, a few other things have happened. And I want to cover all of those first before we get into the financial statements, because the financial statements impact these or have effect of these in bits and pieces and therefore I thought it would be best to cover this upfront. So that's as far as the judicial process is concerned.

If you recall, so far we have received Rs. 850 crores in three tranches. The first one was MGQ one, Rs. 153 crores, then was Rs. 197 crores, and then Rs. 500 crores. All those moneys were guaranteed by bank guarantees. As of now, all that money has been repaid. JITF used its own sources. And the promoter company, which is the promoter holding company, which is the family war chest has provided financial support. And the entire Rs. 850 crore has been repaid to NTPC as we speak. All the bank guarantees have been returned. And so that transaction is also complete.

A few important points here:

A, Rs. 850 crores have been repaid within a few days of the judgment of Single Bench Judge coming. Jindal Saw has not paid a single penny. All bank guarantees have been returned. The support came from the promoter group company.

Now, as far as this Arbitration award is concerned, there is everything to gain for JITF. There is nothing to lose in the sense that assuming the most unlikely, most extreme situations that the Single Bench judgment just carries through the entire judicial process, there is no counter claim that NTPC has made. So, JITF would not be subjected to any incremental financial burden irrespective of what the outcome of the judicial judgments going forward are.

However, if the judgment goes in favor of JITF, Double Bench and Supreme Court, then JITF has everything to gain. The entire amount along with interest would be paid to JITF. So, JITF will have all the gain. The entire money will come to JITF. That is as far as the cash flow is concerned.

So again, to summaries, please, now take note that irrespective of whatever is the outcome of the final judgment, there cannot be any financial burden on JITF. All the money that was received has been repaid.

On the contrary, if the decision goes in favor of JITF, it gets back everything including interest, which is interest even on this Rs. 850 crores for the date that it is out. That's the cash flow impact. JSAW has not put in a single penny as yet. But if all those money comes to JITF, definitely JSAW will be a beneficiary, and I will come to that in a minute.

Now let's look at the accounting of JITF:

JITF as you know, once it got into this litigation, arbitration, did not have a regular or a very high revenue stream because it all got wrapped up into this litigation. There are this set of 25 barges which are still floating. And they are kind of managing themselves. So, it's a small income, small expense. They kind of take care of each other. And JITF is, at this point of time, operations only surrounding those flying of 25 barges in the Hooghly area which is happening.

On the balance sheet of JITF, to fund this NTPC project and subsequently to fund losses and all of those, there have been some debt. Some quasi debt, some instruments were like RPS etc., which had a kind of repayment possibility but also had a possibility of converting into equity. That's why I call them quasi-equity instruments and some debt.

Now in terms of the accounting parlance, few steps have been taken:

Rs. 144-146 crores of amortized lease receivable from NTPC which was kept alive in the balance sheet of JITF has been now completely written off which you would see in the consol results. Rs. 235 crores of deferred tax assets which were created on account of the carry forward losses have again all been written back, have all been de-recognized.

So that makes it an impact of around Rs. 400 crores on the balance sheet. But it's important again to note both of them are just reversing what had been created in the past. So, it has a P&L impact for this year. But it has got zero cash impact either on JITF or on JSAW.

Also, all these instruments, they were there, quasi-instruments and the debt instrument, we are converting each one of them to equity. It is being done in a few steps. The eventual equity shareholding of JITF would be Jindal Saw would own 57%, Siddheshwari would own 42.06%. And the foreign partner would have less than 1%.

Now, once all these conversions have taken place, then there would be minimal debt or any instrument which has any repayment obligation on the balance sheet of JITF. So, it's important for me to explain why did we took all these steps.

I repeat. The judgment came as a surprise and therefore we took it very seriously, took a very firm legal opinion and took immediate legal action. All cash flow impact Rs. 850 crores have been done without Jindal Saw’s cash flow getting strained in any manner. It was JITF funds as well as the promoter group fund, which has done.

Accounting, we have derecognized the accumulated losses, the deferred tax assets as well as the unamortized lease rental. And we have converted all the quasi-instruments into equity. The final equity, as I have told you with this there would be minimal obligation on part of JITF to pay anything to anybody at any time.

All these have been done based on a lot of careful thinking, expert advice and to make sure that we take a very appropriate or a situation which can cater to the extreme impossible scenario, but still now it caters to that and therefore all these decisions have been taken in one go.

We are keeping JSAW as still a parent company of JITF because we are still very hopeful that all this money, which is the arbitration amount plus the interest, will come to JITF. It's only a matter of going through this legal process. At that point of time, all this money would flow to different shareholders.

That is where this 57% becomes important. Jindal Saw will get 57%, Siddheshwari will get 42% and the foreign partner will get less than 1%. So, there is no downside for Jindal Saw, but there is every upside of whatever money that JITF receives. It will have a 57% share on that.

So that completes very comprehensively our discussion on the litigation, JITF, NTPC, where we stand and what is our future strategy. The impact of all this you would have seen in the consolidated financials, and you would have also noticed that in the standalone financials, there is zero impact.

Let me now turn attention to the Results:

The last quarter results or if you look at the year-on-year results, it would appear that the results are plateauing. They are similar to what we did last year. Whether it is turnover, whether it is EBITDA, whether it is PBT, PAT, everything appears in a band where it can be saying that the performance has been plateauing, which is indeed the case except these comments, which I am going to make.

A, the last quarter usually is the strongest quarter. This year, after the election year, there were not enough budgetary allocations which got released and therefore the water infra projects, especially in Jal Jeevan Mission got held up. That has impacted the last quarter's execution and that's where you will see there is a dip in the last quarter top line which is usually not the case. It's an anomaly.

Looking at that, we also deliberately slow down taking of orders because we have enough orders, but as I have been saying in the past, we want to, typically, we want to have 9 to 12 months, 9 to 10 months of order book is where we like because that gives us time for the raw material, production, supply, invoicing and collection. So, because there was going to be a plateauing in the last quarter, we slowed down the taking of orders as well.

Based on the national budget, all this has been corrected. Jal Jeevan Mission has got Rs. 60-70,000 crores. The project is taking off and slowly as the money would percolate, we hope that next quarter, which is Q2 onwards, we should see the full impact of the growth trajectory for these water projects and oil and gas projects. So, Q1 may also see a result which is similar to what we saw in Q4.

Going down, foreign exchange has been stable. In fact, Dollar has weakened. Rupee has strengthened. That had a positive impact on our financial charges, and therefore it did contribute to the improvement in the financial charges. On a standalone, if you see EBITDA, as we have always been saying, now we are going to be in the 19 to 20 range. We maintain that, and we shall be maintaining the 19% to 20% EBITDA in the coming year as well. That is what our estimate is.

Luckily, the raw material prices are in a band where the commodity prices seem to be stable and easing out. Going forward, looking at the China scenario, we don't see any disruption in the commodity prices because China will have to do a lot of balancing in their supply chain and the commodity sale. So, we expect that it should be in a reasonable range only.

Coming to the U.S. tariff:

The commodity stability in commodity prices is the kind of one of the impacts, secondary result of the U.S. tariff. But directly U.S. tariffs doesn't have much impact on us because India has not levied any reciprocal tariff. No other country has gone that way. Only China has put the reciprocal tariff on US. So, we do not export much to U.S., or it's a very minimal that we export to US. So, U.S. tariff is not going to impact us.

Indian tariffs have not changed, so any import would not. No other country has followed this. So, every country that we export to, it's all status quo. So, the direct impact of U.S. tariffs on Jindal Saw’s performance, the answer is nil. The indirect impact is stability in commodity prices, because China will have to make its adjustments.

Likewise, now let's shift to the consolidated results. Everything is similar to standalone except for, you would see that in the PBT, you would have that impact of Rs. 146 crores and in the tax which in consolidated results appears as 386. You will have that impact of 235 or deferred tax being the conversion of other quasi-instruments et cetera into equity. It's a balance sheet item. It doesn't show up anywhere here, but already I have given you all those details.

Otherwise, there is nothing much in the consolidated results except status quo plateau performance, where everything is kind of moving at a very high capacity utilization. Things are happening. There was little hold back in the last quarter because of the Government of India, I would say budgetary release of funds. Otherwise, there is not much that we can talk about on those consolidated and single results.

Sale quantity also if you compare year-on-year, they seem to be similar. Already spoke about the order book. 1.4 billion last year, 1.325, the marginally lower, more of a deliberate strategy because we were seeing some slowdown in Q4. So, it will come back because yesterday only we got a very good order from Saudi. So, the order book will come back. The ratio of export to domestic remains similar in the range of 23% to 25%.

So, status quo this year also appears to be a by and large, status quo except for a few comments that I am going to make. So, the year '26 also appears like similar to what was there in '24, what was there in '25 except that some of the CAPEX that we have already incurred in the last one or two years, capacity expansion in DI in Haresamudram, capacity expansion in seamless in Nashik, cost reduction initiatives like introduction of PCI 3rd Coke Oven Battery in Pragpur, subsequent generation of energy from waste to heat.

So, those will have an impact, which will be a positive impact on the 2026 standalone financials. Otherwise, we can take it again as a status quo, but once we have the full impact of Nashik, once we have a full impact of the Haresamudram, those capacities going up, the cost impact then it would make a visible impact on the financials of '26.

As you would have seen, our focus on debt continues to remain very tight and the term loan has gone down to, I would say now we have repaid some further after what has been shown in the March. So, our term loan is now in the vicinity of Rs. 600 to Rs. 700 crore. Our net worth would be in the vicinity of close to Rs. 10,000 crores.

So, Rs. 10,000 crores of net worth, term loan of close to Rs. 600 crores, working capital is around Rs. 1,800, which is again an improvement over the last year because last quarter since there was too much focus on collection and that helped us reduce our working capital. The debt profile is well under control and would remain that way.

Still we are looking at new projects. We are looking at what all we can do on the top of the goodwill and everything that we have created in KSA especially when we completed our neom project. What all we can do in India? Already, as I said, the seamless, the DI have already been upgraded, capacity is being added. Bhilwara, as you know, we have a commitment and assurance to the Government of Rajasthan for the steel project. So, now these things have been brought on the drawing board, and we are looking at each one of them carefully. Maybe by next quarter, we may have firmed up on a plan of action. And then we would let you know.

One thing that again, I wish to assure you, that we would be diligent. Those things would be planned in such a manner that there is no cash flow strain. The debt does not go out of whack. We keep an eye on our rating, which is Double A, and it's significant to mention that even after this JITF Single Bench judgment, we repaid everything, the rating has not changed. The rating people were not at all worried about anything. That's an important thing which should be mentioned. So, we will keep an eye on our rating.

We will keep an eye on the opportunities, and we will examine all these projects and then put them on our timeline so that they give the fillip for the next round of quantum growth without impacting the debt structure or the capital structure of the company beyond what we have achieved so far.

This year also, since the results were similar, we have maintained the same dividend payout. Idea is to conserve cash as we are looking for now getting into some new projects. As I mentioned, I have given indication to a few that we are looking at. Next quarter, maybe I would have more to tell you.

The Hunting JV is doing well. This year, the proportion of profit which has come in the consolidated financial results, PAT from Hunting is about Rs. 27 crores. So that would give you and that in the first year of operations, it has earned a profit of Rs. 50 crore plus. They are full on order book at this point of time. At this point of time, we do have a first mover's advantage.

On premium connection, we are the only one currently operating in India and we are doing well. That should continue to do well.

That I think more or less covers everything that I wanted to tell you in my opening remark. Let me stop here now and take a few questions. Thank you very much.

Moderator: Thank you. We will now begin the question-and-answer session. The first question is from the line of Poojan Shah from Molecule Ventures. Please proceed.

Pujan Shah: Hello. Sir, the first question would be on the JJM side. So we know that there is a slowdown in JJM Mission from last 8-9 months. So, how is the current demand and what is the order book now we have been getting out in terms of traction and all that stuff? Did the state or the center has been releasing the funds? And continuing with the same question, we have also listened about the JJM fund has been slashed by 50% by the Government. So then how the economics will work? Do the project which has been liable to complete, so can you just give a broad thought on it?

Neeraj Kumar: Okay, Jal Jeevan Mission, what appeared as a budgetary delay of funds has all been restored. This year, the Government has released Rs. 70,000 crores. So, that puts the JJM projects on track. The full impact of that would come in Q2 onwards. And you said 50% slash. I don't think that is the case.

The state Governments as well as JJM put together are going full throttle on water infra projects. Now even the states with the help of multilateral agencies, some from their own sources are going ahead. So the demand for the water infrastructure is very good giving rise to a lot of demand for pipe.

In fact, now many of the states have come up with a new business model, which they call HAM, which is a hybrid annuity model where the EPC contractors are expected to participate in a big way wherein they become a partner with the Government even in putting equity and then they implement the whole project, do the O&M for a period of time and then hand over. So, that's the term that they use is HAM, which is Hybrid Annuity Model. And it's a mix of PPP build, operate, transport, build, operate transfer and also on as you progress in the project. So, there is a talk about…

Pujan Shah: Sir, just a follow-up question on the...

Neeraj Kumar: Sorry.

Pujan Shah: Yes, just a follow-up question. Your voice was not clear on the, so when you will see the full impact of JJM? In April? May?

Neeraj Kumar: Q2 FY2026 will see the full impact of all the water infra projects, including JJM projects coming on the growth trajectory.

Pujan Shah: Right. Got it, sir. And in terms of funds, there is no challenge as of now. But do you feel after 2028 when the Jal Jeevan Mission will get completed, there will be a need of that mission or any other mission which will have that facility for the aggregate supply of water? Or it will restore through like any other mission like that?

Neeraj Kumar: See, if you look at today, the water grid system in every state, there is still a lot of headroom to go because there is a lot of flooding still. If you look at the aggregate amount of rainfall in a country for the full year, aggregate all over geography, and if you add up all your consumption of water again full year aggregate, all they get balanced.

But still there are places where there is no water, and there are places where there is flooding. There are places where all the excess good water flows into the sea. So, this water management grid, there is a lot of scope to do this management wherein the sources, the storage, the distribution and the timeline is such that all this mismatches on a timely basis, seasonal basis can be met and therefore there is a lot of scope which still can be seen river diversion.

A few announcements that Government has recently made may also give rise to a lot of opportunities. So, there is a lot of options or a lot of opportunities going to come in water infra projects for at least next five to seven years.

Pujan Shah: Got it. And then my last question would be on the DI side. So, we know that the many companies are expanding their capacity and even we have getting some better option, little products like OPVC. So, do you think that will be a challenging part in terms of DI pricing and realizations coming?

Neeraj Kumar: No. See, the demand, the growth in demand will take care of all the capacity. Number two, even if there is this incremental capacity, we would always at the core because we have a cost advantage, we have a locational advantage, and we have an advantage of being an established player in the market. So, any newcomer will have a higher burden of interest depreciation, their cost of production, manpower, everything for them would be a challenge, and we would be sitting in our leadership position. So, therefore, those additional capacity et cetera does not bother us much.

Pujan Shah: In terms of optionality products like OPVC, do you see the replacement of DI would be, like, there would be any replacement for it or it won't exist because of the quality of product?

Neeraj Kumar: DI has not been replaced anywhere in the world. If you look at Europe, in fact, what we expect as the country develops and the people, the Government and everybody becomes more cautious towards portable water, we expect that DI should be used even in the smaller diameter where HDPE et cetera is being used because from a health perspective, from a quality perspective, from a product life cycle, if you take the full life cycle, a DI pipe can last up to 40-50 years. No HDPE pipe lasts for that long.

So, if you see during a full life cycle, the redigging and the relaying, then those options become much more expensive option. In some cases, they have become an impossible option because if you have an urbanization then, you know, keep on digging all over the city becomes that much of a problem. So, as these realizations come into Government and the users, we expect DI to not only stay, but to also replace others even in the smaller diameter.

Pujan Shah: Right. Got it, sir. thanks for the opportunity. I will join back in the queue.

Moderator: Thank you. Ladies and gentlemen, in order to ensure that the management is able to address questions from all participants in the conference, please limit your questions to two per participant. The next question is from the line of Vedant Sarda from Nirmal Bang Securities Private Limited. Please proceed.

Vedant Sarda: Hello. Sir, my query is regarding the cash losses we have faced in our subsidiaries. Like in current year, it is around Rs. 357 crore, and last year it was Rs. 157 crore, JITF part.

Neeraj Kumar: Can you come again?

Vedant Sarda: Sir, in JITF, Rs. 345 crores of cash losses in the current year and Rs. 157 crore cash loss in previous year.

Neeraj Kumar: Rs. 157 crore of cash loss, 57.

Vedant Sarda: In previous year. And 345 in the current year.

Neeraj Kumar: So, 146 is considered as a cash loss. See, I don't have those figures in front of me. So, why don't I suggest that please write to us. RAJEEV Goyal, today he is not joining us on this call. He is not in the office. He would answer that very specific accounting entry because broadly I have given you everything in terms of the adjustments, but if you really want to know that specific thing or have you found one?

Vedant Sarda: It isn't reported in the CARO report.

Neeraj Kumar: Just hold. Mantri is trying to answer that. Narendra Mantri is our CFO. So, he just got that.

Narendra Mantri: Current year numbers which you are seeing is inclusive of this Rs. 146 crore, which we have explained earlier. So, if you exclude that number, then both the numbers are at the same range.

Vedant Sarda: That Rs. 345 crore is impact of deferred tax.

Narendra Mantri: No, no. Deferred tax is after this. I am saying Rs. 146 crore, this reversal of JITF unamortized assets, so that is inclusive of, that Rs. 350 crore inclusive of that. So, if you exclude Rs. 146 crore out of that.

Vedant Sarda: Okay. Thank you, sir.

Moderator: Thank you. Ladies and gentlemen, in order to ensure that the management is able to address questions from all participants in the conference, please limit your questions to two per participant. The next question is from the line of Deepak Lalwani from Unifi Capital. Please proceed.

Deepak Lalwani: Yes, sir. Thank you for the opportunity. Sir, on the order inflow, your comment that you expect JJM to come back in Q2, have you seen any green shoots in terms of the bidding for the projects or any tenders for the water projects that have already started? Have you seen that in April month?

Neeraj Kumar: Yes.

Deepak Lalwani: And on the inflow side, should, yes, sir. That was my question.

Neeraj Kumar: Answer is yes. That's why I am telling you our confidence of it picking up in Q2 comes from that yes, things have begun to happen in terms of tenders, in terms of discussions and all of those we have seen in many states.

Deepak Lalwani: Okay. A relative question to that. Sir, in this environment of weak demand, has there been any correction in terms of the DI pricing?

Neeraj Kumar: No. When there is a weak demand, see, that's why we slowed down our order and what we are executing is order which has already been taken. You must understand DI, once you bid, that price more or less holds true for the next six to seven months. So, these kind of temporary connections do not impact the DI prices or margins in the long run. There are few because today what we would be bidding, we would be running with those prices for the next 6 to 8 months, but it will not impact my Q1 if there is a certain drop in the raw material price or there is a slowdown or anything.

Deepak Lalwani: Understood.

Neeraj Kumar: But as far as we are concerned, we are confident of maintaining our EBITDA margin around between 19% and 20% that EBITDA margin would be maintained on a on a full all product basis.

Deepak Lalwani: Got it. Sir, in the order book that we mentioned that we have 13 lakh tons of order book in terms of pipe. How much would be the DI pipes again?

Neeraj Kumar: Hold, probably you got that wrong. I said we have an order book of $1.3 billion, not lakh ton.

Deepak Lalwani: So, there is a mention of 13 lakh tons in your PPT. Hence that question.

Neeraj Kumar: Yes, that 13 lakh is there. But I did not mention it in my speak. So, you are referring to the PPT, then it's fine. I just wanted to make sure that you are speaking of number from PPT, yes.

Deepak Lalwani: How much would be DI pipes?

Neeraj Kumar: That's about nine months. Sorry.

Deepak Lalwani: How much would be DI pipes out of the 13 lakh?

Neeraj Kumar: DI pipe would be around 6.25 lakhs.

Deepak Lalwani: 6.25. Okay, got it. And this number sequentially, how is it moved, sir? That 6.25 lakh.

Neeraj Kumar: This number?

Deepak Lalwani: How is it sequentially moved between Q3 and Q4, sir?

Neeraj Kumar: As I told you, the order book has come down. So, it has come down from 6.8 to 6.3.

Deepak Lalwani: Understood. Got it. Sir, last question from my side. The debottlenecking CAPEX that we are taking in DI and the seamless, some minor capacity addition that we are doing in Nashik, how much should these two initiatives add to our volumes in FY '26?

Neeraj Kumar: Nashik capacity would go to 4.5 lakh tons, and we would add about 1 lakh ton in Haresamudram. The total capacity in Nashik, 4.5, and Haresamudram, old capacity plus 1 lakh ton.

Deepak Lalwani: Got it. Sir, I was trying to gauge the utilization that you can achieve.

Moderator: Mr. Deepak. Hello, sorry to interrupt.

Deepak Lalwani: Yes. I just wanted to complete this question. Okay.

Moderator: All right.

Deepak Lalwani: Yes. Can I go ahead?

Moderator: Hello. Sir, I would request you to return to the question queue for follow up questions. Hello. The next question is from the line of Radha from B&K Securities. Please proceed.

Radha: Hello, sir. Thank you for the opportunity. And I wanted to thank you specifically for the detailed opening remarks, especially on JITF. My first question was you mentioned in your opening remarks that current capacity are already running at full utilization. So, from a base of FY '25 on the pipe front, how much volume growth are you expecting in the next two to three years?

Basically my question was regarding, I wanted to understand what is the road map to achieve Rs. 5,000 crores of EBITDA from a current base of Rs. 3,400 crores of EBITDA.

Neeraj Kumar: You have put a lot, lot many questions including A speculative question which is the EBITDA going to 5,000 from 3,000. Where did you get this 5,000 number from?

Radha: No, sir, for that only I wanted the road map. So, currently we are doing Rs. 3,400 crores of EBITDA.

Neeraj Kumar: But the road map is…

Radha: So, I wanted to get the visibility to...

Neeraj Kumar: Madam, hold.

Radha: Yes, sir.

Neeraj Kumar: Five is not a number that company has ever put out in the public domain. The way you asked your question, it look like somebody, somewhere from the company side has put the five in public domain. So, that is not so. Simple question, 5 or 4 or 3 or 6, at this point of time, the company is in the range of 3,300. 3,400. As you said, the road map for next two to three years is Seamless going from the present to 4.5 lakh, DI adding 1 lakh ton.

On large Dia, we expect that maybe there is a headroom because as you know in large Dia pipes because of the changeover, the thickness etc., there is a headroom. We can expect 10% to 15% growth. So, these are the three that we are going to get in terms of volume growth over the next two to three years. We will be getting cost reduction on account of coke oven, on account of PCI, and on account of other. Then we would get an incremental margin on account of things like threading, premium connection, OCTG, value added products, stainless steel and all of those.

So, next two to three years, you will see the growth and improvement from three buckets. A, moving towards value add, more coating, more stainless, higher grades, some volume because of these capacity and improvement in EBITDA because of the reduction in the cost because of the initiatives that have already been taken. That's what the impact is going to be over the next three years. And that is for you to make your assessment of where that current 3,300 or 3,400 EBITDA reaches.

Radha: Yes, sir. Just wanted to clarify. This 5,000 crores was my estimate and was not stated by the company. And to achieve this number, I basically wanted to understand whether over the next three years achieving 13% to 15% volume growth is possible considering the capacities that we have.

Neeraj Kumar: Yes, as I have given you all the guidelines and now I would leave it to your judgment. And still if you need some more input, I would encourage you please write to the company. We will get back to you and we can have a longer discussion so that it gives you whatever more inputs that you need.

Radha: The second question, sir, is regarding...

Moderator: Sorry to interrupt, Ms. Radha. Hello, sorry to interrupt. I would request you to return to the question queue.

Radha: Yes, ma'am. The response, the second response was actually to clarify that it was not the guidance from the management. It was not a question. So, is it okay if I go on with the second question?

Moderator: I would request you return to the queue.

Radha: Okay. Thank you.

Moderator: Thank you. The next question is from the line of Surbhi Saraogi from Nexome Capital. Please proceed.

Surbhi Saraogi: Thank you for the opportunity. Sir, my question is regarding the fall in selling prices of DI pipes. When do you expect the prices to be correct?

Neeraj Kumar: Again, Madam, you have also asked another speculative question. Where have we ever said that our DI prices are falling?

Surbhi Saraogi: No. Sir…

Neeraj Kumar: Our DI prices stay stable, and we don't expect any fall in our DI price, and therefore the correction of whatever that you are talking about is not relevant to as far as Jindal Saw is concerned.

Surbhi Saraogi: No, sir. I was talking about the market prices, not regarding our order book.

Neeraj Kumar: Madam, market price, what constitutes market price? The order book constitutes a market price. Jindal Saw is not reducing any of its DI price. Full stop. We don't expect the price to be reduced in the near future. We are getting orders at the prices. We are maintaining our NSR. We are maintaining our margins.

Surbhi Saraogi: Okay, sir. Understood. Thank you.

Moderator: Thank you. That was the last question for today. I would now like to hand the conference over to Mr. Vikash Singh for closing comments.

Vikash Singh: Thank you, operator. I would like to thank Jindal Saw management for giving us the opportunity to host the ConCall. Now, I will hand over to Mr. Neeraj Kumar for his closing remark. Over to you, sir.

Neeraj Kumar: Thank you all the investors. Probably I expect, I thought that there were a few more questions that you may wanted to ask. But as I said, I encourage all of you that please write to us. We would encourage a one-to-one discussion or maybe even a group discussion so that all your questions get answered. Some of the detailed accounting ones where I don't have the detail, we will answer you. And thank you all very much. With that comment, enjoy. See you next quarter. We continue to do well, and we will continue to put in our efforts. Thank you. Bye.

Moderator: On behalf of PhillipCapital (India) Private Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.