Date: 29th October, 2024

To,

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001
BSE Scrip Code: 512455

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
NSE Symbol: LLOYDSME

Sub: Transcript of the Conference Call for investors and analysts for Q2 & H1FY25

Dear Sir/Madam,

Pursuant to the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), and in furtherance to our intimation dated 21st October, 2024 regarding Conference call with Analyst(s) /Investor(s) held on Friday, 25th October, 2024 we would like to inform that the transcript of the aforesaid conference call is attached herewith and the same is also available on the website of the Company at https://lloyds.in/earnings-call/.

The same may please be taken on record and suitably disseminated to all concerned.

Thanking you,
Yours Sincerely,
For Lloyds Metals and Energy Limited

Trushali Dinesh Shah
Digitally signed by Trushali Dinesh Shah
Date: 2024.10.29 15:18:23 +05'30'

Trushali Shah
Company Secretary
Membership No.: ACS61489

“Lloyds Metals and Energy Limited

Q2 FY '25 Earnings Conference Call”

October 25, 2024

MANAGEMENT: **MR. RAJESH GUPTA – MANAGING DIRECTOR – LLOYDS METALS AND ENERGY LIMITED**
MR. RIYAZ SHAIKH – CHIEF FINANCIAL OFFICER – LLOYDS METALS AND ENERGY

MODERATOR: **MR. SIDDHARTH GADEKAR – EQUIRUS SECURITIES PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Lloyds Metals and Energy Limited Q2 FY'25 Earnings Call hosted by Equirus Securities. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone.

Please note that this conference is being recorded. I now hand the conference over to Mr. Siddharth Gadekar. Thank you and over to you Mr. Gadekar.

Siddharth Gadekar: Good morning everyone and thank you for joining us today. We at Equirus are pleased to host Lloyds Metals and Energy's Q2 FY25 Results Conference Call. We have with us today Mr. Rajesh Gupta, Managing Director, Mr. Riyaz Shaikh, CFO. Now I would like to invite Mr. Rajesh Gupta to initiate the proceedings for the results call. Thank you.

Rajesh Gupta: Good morning to all the people, investors and analysts present on this call. We appreciate your continued support and interest in Lloyds Metals and a special thanks to Siddharth and the Equirus team for hosting this call today. We value the opportunity to share our progress and insights and the progress of the company with all of you. I am pleased to report that our Q2 and H1 FY25 results have been very satisfying and robust, reflecting strong performance on both operations and financial metrics and in continuation of our target to create a cyclical proof steel business.

In terms of iron ore volume, we have achieved 5.37 million tons in the first half and in sponge iron production also we have done better in both the plants, since now two plants are operational than the previous year substantially. The iron ore market domestically remains buoyant. There is some headwind, but the prices have remained stable at around $100 for the 62% grade in the international market. And in the Indian market for the first time after many months we have seen a double price increase in the market itself.

In addition, there is a considerable demand for high quality ore which, very positively influences our outlook for our iron ore business. In terms of project updates, we are excited to announce the successful laying of the 85 kilometer slurry pipeline, completed in record breaking time and probably one of the fastest durations of around 8 to 9 months since we started the project. This pipeline is now awaiting the completion of the first pellet plant which will be completed within this financial year in Konsari.

The DRI plant in Ghugus is progressing well and future projects like 2nd pellet plant and the 1.2 wire rod mill in Konsari and Ghugus are also advancing well within schedule. Regarding the mine expansion, we have received permissions stage by stage and within this fiscal year, we hope to announce the mine expansion also as per our original projections. With these updates, I will now hand over the call to Riyaz, our CFO who will walk you through our quarterly numbers. Over to you, Riyaz.

Riyaz Shaikh: Thank you, Rajesh ji. Good morning to all participants on this earning call. Thank you for joining us today. A brief overview on our H1 FY25 revenue performance. H1 FY25 revenue grew by 26% year-on-year driven by higher sponge iron and iron ore volumes. On the iron ore front, both volumes and realizations showed encouraging growth year on year. Sponge production also recorded increased volumes and realizations year-on-year. The company received close to INR72 crores as IPS benefits from previous years contributing to overall performance and this forms part of our other income for reporting purposes.

On EBITDA front, EBITDA mirrored revenue performance increasing by 37% year-on-year in H1 FY25. The robust performance was supported by high margins from both iron ore and sponge. Speaking about capital expenditure, we incurred a capital expenditure of INR1,690 crores in FY24 and INR1,714 crores in H1 FY25. We will now give you a brief snapshot on per ton matrices as well. Iron ore realization, for quarter Q2 FY25 the iron ore realization was INR5,516 per ton up 19% year-on-year and for H1 FY25 it was INR5,638 up 11% year-on-year.

EBITDA per ton for quarter Q2 FY25 INR1,668 up 17% year-on-year and for H1 FY25 INR1,782 up 21% year-on-year. DRI segment volumes were as follows. Q2 FY25 was 84,552 tons and H1 FY25 was 1,60,974 tons. Realizations remained stable both year-on-year and quarter-on-quarter. Power segment performance. The power reported a steady performance with 38% higher sales year-on-year for quarter 2 FY25. For H1 FY25 volumes were also higher by 4% year-on-year. Capex and project updates.

As mentioned by Rajesh ji, all our projects are progressing at breathtaking speed. Several projects are ahead of schedule, but we will maintain our capex deadline as previously guided. The fundraising undertaken by the company has supported fast execution of all the projects. Taking queue from Rajesh ji, we foresee a much better H2 FY25. That's all from my side. Thank you all for taking the time to join this call. I look forward for your insights and questions during this call. Thank you. Over to you, Siddharth.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Parthiv Shah from TS Builders Private Limited. Please go ahead.

Parthiv Shah: Thank you sir for allowing me with the question and firstly congratulations for a resilient set of numbers. Sir, I want to understand what has been the average iron ore prices during the quarter and also what have been the existing iron ore prices?

Riyaz Shaikh: The average for this quarter the iron ore prices was INR5,516 per ton.

Parthiv Shah: And what is the existing?

Riyaz Shaikh: And for the half year it is INR5,638.

Parthiv Shah: Sir, have you increased the ore prices for the October deliveries?

Parthiv Shah: Sorry, have you sir increased the ore prices for the October deliveries and also sir if you could quantify because NMDC has taken two price hikes in October?

Rajesh Gupta: Yes, so we go with the flow of the market and we have also taken price hikes. Our price hikes are more constant or price hikes or price falls are more constant. This year or rather this month as like I mentioned earlier after , many months the price increase of two times has been announced by NMDC and we have followed suit - little bit better than that.

Parthiv Shah: Okay, and sir what is your production volume guidance for 24 estimates FY24?

Rajesh Gupta: FY24-25, so we expect around 13 million to14 million tons assuming that the EC for the expansion comes by mid-February or so.

Parthiv Shah: Okay and sir one last one in your prior calls you had mentioned that as and when your iron ore mining goes up you tend to get operating leverage and that would reduce your cost. Could you throw some light as to where your cost per ton looks at after this enhanced mining?

Rajesh Gupta: After enhanced mining, the MDO cost should come down once it stabilizes by around INR150 to INR200 a ton and once the beneficiation starts by another INR150, INR200 then the volumes go up really high number one. Number two the slurry pipeline cost once it is started which will start along with the present plant that should reduce our transport cost by around INR600 a ton also.

Parthiv Shah: Thank you so much for taking my question. All the best.

Moderator: Thank you. The next question is from the line of Vikas Singh from Phillip Capital. Please go ahead.

Vikas Singh: Good morning sir and thank you for the opportunity. Sir, just wanted to understand the way I see that the sponge iron EBIT has jumped on a sequential basis while we believe that the price was kind of lower for most of the players in the Chhattisgarh region. Is there anything additional in this sponge iron which we are missing out right now?

Rajesh Gupta: We have got previous year IPS, Industrial Promotion Scheme in this year which we have accounted for as other income of around INR72 crores. So that is the one time income that is added to the bottom line.

Vikas Singh: Understood sir. Sir, in terms of pellet trading which we started and had done other marginal losses this quarter. Just wanted to understand that why if we are able to sell iron ore then why this pellet trading is happening here right now?

Rajesh Gupta: Pellet trading we have started for three, four directional reasons. The primary reason is that it becomes our seed marketing effort for our higher grade pellets. That we will be coming into the market very shortly so that we can export with a better knowledge of the market when we are fully commercial. This quarter like many people know the pellets margin especially on the export front were very low. So we have not had much export or zero export rather. And the marginal loss that you see is basically a carry on for the previous quarters some figures that were balance and some administrative costs.

Vikas Singh: Understood. Sir, just one last question. How much capex we have already done for the first half and the pending capex for the second half which we are guiding and for FY26 as well?

Riyaz Shaikh: We have done around INR1,700 crores in the first half. And we should be doing an equal amount in the next half of this financial year also.

Vikas Singh: Understood sir. And lastly if you would like to give us some idea about the beneficiation of low-grade iron ore project where it is right now by when we are thinking of starting and how is the cost differential in terms of additional cost which we had to incur for the beneficiation of iron ore?

Rajesh Gupta: The beneficiation plant we have started a pilot plant which was commissioned in end of March 2024. That pilot plant is giving us very good results. We are getting little better results than what was earlier thought to be. We are getting 68% FE output through the beneficiation . We have produced some quantities and we are now going to do this testing of these quantities up to pellet making as well as steel making so that we understand the full benefit of the ore and or any correction need to be doing from downstream production activities. Number one.

Number two, we have from the project angle, with the beneficiation pilot plant completed, the flow sheet of the project is now final and detailed engineering is going on along with our Chinese contractor Sinosteel. Simultaneously the permissions required for the forest land etc are being processed and we are in line as projected for the first plant to be ready by end of 27-28. So we are well in line within that.

Vikas Singh: Understood sir. Sir additional cost which you need to take up versus the premium of 67% Fe grade? What is it right now the premium and what is the additional cost we expect to have?

Rajesh Gupta: The cost of beneficiation would be around INR800 a ton, but that is more than offset by the fact that this material would be piped by slurry pipeline to our steel plant or pellet plant facility, number one as well as the royalty would come down because we are doing this beneficiation outside the mine area and the royalty would be paid on lower grade material. So we believe that the cost would be well under control compared to current in spite of a higher grade.

Regarding the premium of the higher grade, if you look at pelletization the market is giving a premium of around USD40 to USD50 dollars in the international market and if you look at steelmaking we expect around similar benefit. So overall it is a win-win situation.

Vikas Singh: Yeah, it is still way above the cost you are incurring.

Rajesh Gupta: Yes.

Vikas Singh: That's all from my side sir. Thank you for taking my question and all the best for future.

Moderator: Thank you. The next question is from the line of Nishant Bagrecha from Incred Finance. Please go ahead.

Nishant Bagrecha: Thank you for the opportunity sir. I hope I am audible and I have a couple of questions on the capex front and also on your iron ore. So my first question is like can you give some highlights on the capex front and share timelines on each plant commissioning over the next 2 years to 3 years?

Riyaz Shaikh: The capex as I mentioned during this first half we have done INR1,700 crores. It was well backed up with the fund raise also what we did. So the projects are all going much on time. We intend to do around INR3400 crores to INR3500 crores in this year of capex and followed in the next 2 years of almost close to double sort of a thing what we are doing here. So that's how the capex plans are. All our projects are running much in advance as of today as we mentioned, but we just continue sticking with the same dates what we have already mentioned. So on the capex front all projects are almost 1 year, 1.5 years ahead of schedule that is what we are going on. So we should be completing things very soon.

Rajesh Gupta: If I can give some update on the project wise. First is the 25 million ton dispatched from the mine either DSO or beneficiated. We hope to complete this by February 2025. The beneficiation like I mentioned earlier by end of financial year 27-28 was the original. We hope to do it around 6 months earlier than that for all the three phases. The iron ore grinding plant and the pipeline like I mentioned earlier the pipeline is already completed.

The grinding unit of 10 million tons will be completed by March 25. The pellet plant, the first one will be completed by the March 25 and the second one by March 26. Our original guidance was around 6 months to 1 year more than this. For the integrated steel plant the first phase of that is the DRI plant. We hope to complete this by March 25 again and part of the captive power plant in March 25, one small part in January 25 and the 1.2 million ton steel plant with BF, blast furnace, coke oven and wire rod mill by September 26.

Nishant Bagrecha: Okay. Thank you.

Rajesh Gupta: These are our internal projections. Our projections to our board are the original projections which were little bit more than this like Riyaz mentioned.

Nishant Bagrecha: And just wanted one more clarity on the capex front like we have spoken about almost INR32,000 crores capex over the next 5 to 6 years. So, post the fundraise can we assume the entire capex would be funded by internal accrual?

Riyaz Shaikh: Yes, as of today we have all decided it should be without debt that is what we have decided – we should be continuing. We had a fundraise through QIP as well as warrants. Warrants is still around 35% is what we got and we will be getting 65% more. So, this would be funding for the projects. It would be without, we still maintain it would be without debt.

Nishant Bagrecha: Okay. And one more like what would be our cost of benefiting this iron ore? Can you give any sense on the all inclusive cost of iron ore including mining and beneficiation and royalty charges?

Rajesh Gupta: The all inclusive charge of beneficiation, royalty and transport to the consuming center that is either pellet or steel plant would remain more or less the same as of today. Okay around INR2,800 to INR3,000.

Nishant Bagrecha: Okay, sure. Thank you, sir.

Moderator: Thank you. The next question is from the line of Rajesh Ravi from HDFC Securities. Please go ahead.

Rajesh Ravi: Hi, sir. Good afternoon. Part of the question giving the details of the timelines. Just wanted to cross check the INR3,500 crores, capex would be in FY '25 and INR7,000 crores each is in FY '26 and '27?

Rajesh Gupta: Yes.

Rajesh Ravi: Okay. And as per your timeline, most of the project would get completed by FY '26 and the BHQ beneficiation line also you mentioned would be completed by FY '26 and or early FY '27?

Rajesh Gupta: BHQ, the last phase of that would be completed by September 2028.

Rajesh Ravi: Okay.

Rajesh Gupta: September 2027, sorry.

Rajesh Ravi: Okay. So, FY '28 it will get completed

Rajesh Gupta: It is a steel plant of 3 million tons which expenditure of this land has started and the full study of the project is on right now. That INR16,000 crores project would be apart from land would be invested post some of the major investments being completed.

Rajesh Ravi: Okay. So, this is the third leg, beyond this 14,000, to17,000, which you would be spending in 3 years.

Rajesh Gupta: Yes.

Rajesh Ravi: And the remaining 16,000, is what you would be…

Rajesh Gupta: First, if you want to break it up, we have the DRI plant, the pellet plants at around and the pipeline and the beneficiation of around INR16,000 crores. 3 million tons steel plant at around INR16,000 crores. Roughly, I am giving broad figures. So, the INR16,000 crores figure investment would start apart from land and technology build up would start post most of these other projects being over.

Rajesh Ravi: Great, sir. I will come back in queue. Thank you.

Moderator: Thank you. The next question is from the line of Manish Sehgal, an Individual Investor. Please go ahead.

Manish Shehgal: Hi, sir. I just want a quick clarification on our relationship with Sunflag, given we are having about INR6 crores shares sitting there which could be potentially a supply overhang. And also, there was some oversupply agreement if you could clarify a bit on that with them.

Riyaz Shaikh: Sunflag, as you all know, it was an arbitration matter by which we had given them these OFCDs which got later converted into equity shares. That is around 6 crores of equity share which they have. And also, based on this same order, we entered into an over purchase agreement where we supply them almost –they have a requirement of around 1 million tons per annum. So, at a costplus basis. So, we've been doing that as per the arbitration order what we have. And it's a completely -- the shares are in the, it forms the part of the public holding.

Manish Shehgal: Thank you. There was, at least in the initial list, the warrants were issued to them also. But, of course, finally, I think it didn't fructify.

Riyaz Shaikh: Yeah, they were not able to apply for it.

Manish Shehgal: Yes. So, I mean, is there some long-term thinking on the relationship with that company as well? Or it is just outside, setting outside?

Rajesh Gupta: In terms of long-term relationship, it is limited to the supply of iron ore for which we have a long-term supply agreement with them.

Manish Shehgal: Okay. So, the supply can come in the market effectively?

Rajesh Gupta: Supply of iron ore as such.

Manish Shehgal: No. I'm just saying the stock?

Rajesh Gupta: Supply of shares. We as a company not – it's a part of the public shareholding. And we are not in a position to comment on that.

Manish Shehgal: Okay, great. Thank you.

Moderator: Thank you. The next question is from the line of Siddharth Gadekar from Equirus Securities Pvt Ltd. Please go ahead.

Siddharth Gadekar: Sir, can you just quantify how much price hikes have we taken in October month?

Rajesh Gupta: We have taken one price hike of 425 and the second one is around 380 or 400. in the fine sector. And in the lump sector, the first one was 425.

Riyaz Shaikh: Second one, I think, is INR500. I'm not able to remember the second one offhand right now.

Siddharth Gadekar: So, broadly, excluding the royalty, incremental royalty that we might be paying on the higher legalization, broadly, everything should flow to our EBITDA in the third and the fourth quarter, assuming prices stay where they are, right?

Rajesh Gupta: Yeah, the royalty. Apart from the royalty, everything should flow to the bottom.

Siddharth Gadekar: Okay. So, secondly on the IPS number, where you said you have received INR72 crores for this years, how should we look at these numbers going ahead over the next 2, or 3 years?

Rajesh Gupta: I think this number is more or less the final figure for the overhang that was there for the past investment. For future, once the pellet plant is started, then we will start our new series of the IPS for Gadchiroli at 150%. That will start post the pellet plant, which will also be for the DRI plant in Gadchiroli. And similarly, for the DRI plant, the new plant, once we start, post that, the income would start accruing.

Siddharth Gadekar: So, we can expect some benefits to start flowing in from FY '26 only?

Riyaz Shaikh: Yes. Because once we complete our projects in FY '25, we start operations in FY '25, '26, then we should be fine.

Siddharth Gadekar: So, secondly, in terms of the slurry pipeline, which you have got commissioned already, when do we expect to actually start utilizing the slurry pipeline?

Rajesh Gupta: The iron ore grinding unit is under preparation. And the pellet plant, even if the iron ore grinding unit is started, we can start sending ground material to the pellet plant area and try to dispatch some ground material to some customers. However, it is expected around the same time as the pellet plant, around March 25.

Siddharth Gadekar: So, the cost of transportation in the pellet plant would be around INR50? Is that a fair understanding?

Rajesh Gupta: To the pellet plant?

Siddharth Gadekar: Yes.

Rajesh Gupta: Yes, around INR50.

Siddharth Gadekar: Okay, that's it from my side, sir. Thank you.

Moderator: Thank you. The next question is from the line of Ashutosh Somani from JM Financial. Please go ahead.

Ashutosh Somani: Thanks for taking my question, sir. If you could spend some time on the domestic pricing outlook, both in the short-term and in the long-term. So, short-term perspective in terms of what are your customers saying and what kind of room you are seeing in terms of price increase further. And from a longer-term perspective of mines expiring in 2030 and how do you look at the pricing outlook?

Rajesh Gupta: Ashutosh, thank you very much for a very nice question. We have engaged with BigMint and for a detailed market study to address some of these questions. In the preliminary discussion, some surprises have been thrown up. For example, many of the steel authority mines also expire at the same time as some of the other mines in 2030. That I didn't knew, for example. So, continuing with the long-term, the steel market is expected to grow to 300 million tons by 2030, '32, '33.

And there is a growth of around 7%, 8% per annum for the next 4 years or even more. Given the pace of the iron ore mining increase in the past few years, we do not see that keeping pace, so we see a mismatch. Some of this mismatch will be covered by other beneficiation projects which are being thought about. But we don't know the extent of that. That is the study that BigMint would try to cover for us in the next 2, 3 months. We will have that detailed report with us.

Regarding the short-term, the steel plant capacity in the country, has been added by around 8% in the last quarter. The two mega blast furnaces have been commissioned apart from many other units being added. There have been no mine announcements coming up. So, that is probably part of the reason of this mismatch and rise increase. The Indian market continues to remain at a deep discount to the international prices. And so that does remain in the overall scenario that we factor in.

Ashutosh Somani: Sure. That answers my question, sir. Thank you.

Moderator: Thank you. The next question is from the line of Aryan Sharma from B&K Securities Limited. Please go ahead.

Aryan Sharma: Just one clarification. I know you have mentioned it already, but could you please give more details based upon the future cost? How much for beneficiation, pipeline, steel plant, etc.? Could you just share the specifics?

Rajesh Gupta: I think that would be quite detailed. Can we ask you to approach our investment relations cell and they would be glad to update you on that?

Aryan Sharma: Sure, sir. No problem.

Rajesh Gupta: Thank you.

Moderator: Does that answer your question, Mr. Aryan?

Aryan Sharma: Yes.

Moderator: Thank you. The next question is from the line of Deep Mehta from Bank of India Mutual Fund. Please go ahead.

Deep Mehta: Hi, sir. Thank you for the opportunity. Just one clarification. We will get our EC limits for increasing our mining capacity by the end of this year, correct?

Riyaz Shaikh: End of this financial year.

Deep Mehta: End of this financial year. And then how much time will it take to ramp up the production to the rated capacity?

Rajesh Gupta: So let me clarify on the EC. The mining plan has been approved. The TOR has been approved. Now the public hearing would happen post this Maharashtra Elections. And subsequent to that, the EC would be issued by the Central Government, MOEA. So that is the process that is in place

What has been completed, what is remaining. So we expect the timeline by February 15th, 20th, something like that. We have already have processed up to 2 million, 2.5 million tons also per month. So we hope that the 25 million ton DSO sales on a per annum basis could happen more or less immediately in line with the EC clearance. Our MDO Thriveni, has already started implementing machinery based on this.

Deep Mehta: So is it fair to assume that for FY '26 we may touch 20 million ton or something like that?

Rajesh Gupta: 25 would be a more accurate figure.

Deep Mehta: Very clear, sir. And pellet plant will also start, right? So what will be the sales to the outside world?

Rajesh Gupta: For sure. Yes.

Deep Mehta: And pellet plant should start during the start of the next financial year, right?

Rajesh Gupta: First pellet plant and the DRI plant capacity enhancement, both should happen by the end of March 25.

Management: Operations should start from the next financial year.

Deep Mehta: Okay, sir. Very clear. That's all from me. Thank you.

Moderator: Thank you. The next question is from the line of Vikas Shah from RNM Capital Advisors. Please go ahead.

Vikas Shah: Yes, sir. Thank you for the opportunity and congratulations on the robust performance. So first question is with respect to -- so what is the yield that you've got in the pilot beneficiation plant and can we assume that the yield will improve when we do beneficiation on a larger scale?

Rajesh Gupta: The yield that we've got is around 38%. Originally we had anticipated 35%, so 38% is a little bit improvement on that. I would say that this 38% is an optimum figure. There are too many variables in a larger plant, so I would say 38% would remain our internal thinking.

Vikas Shah: Okay. And so when we talked about 45 million ton of beneficiation, which would give us around 15 million ton of saleable iron ore. So can the number be even higher also?

Rajesh Gupta: It will be a little bit higher, but again that's -- we have to appreciate that this is the first time that this plant is being done in India, so we have been very, very conservative in announcing our figures. But the pilot plant is showing 38%.

Vikas Shah: And then one last question. What is the mining that you have done in any month, just to understand how fast we can ramp up the mine?

Rajesh Gupta: Sorry, come again. I lost your question.

Vikas Shah: Sir, what I'm saying is that what is the peak mining that we have done in any month, just to understand how fast we can ramp up the mines?

Rajesh Gupta: Around 2.2 million tons were done, I think, in the beginning of this financial year.

Vikas Shah: Okay, sir. Thank you so much for answering.

Rajesh Gupta: And one more thing that we have to keep in mind is the logistics movement. So that becomes a bottleneck. With the pipeline of 10 million tons being commissioned simultaneously, that bottleneck stands reduced dramatically.

Vikas Shah: Okay, sir. Thank you so much for answering. Thank you.

Moderator: Thank you. The next question is from the liner Shrey Gandhi from CR Kothari Stock Broking. Please go ahead.

Shrey Gandhi: Good afternoon, sir. Thank you for the opportunity. I just have a small question. When I was going through the quarterly results, I see the mining revenue has decreased quarter-on-quarter by almost INR800 crores. So, could you just show some light on this and what can we expect?

Riyaz Shaikh: we are not able to hear you properly.

Shrey Gandhi: The mining revenue has decreased by almost INR800 crores in the quarter 2 as compared to last quarter. So, can you throw some light on this and what can we expect in the coming future?

Rajesh Gupta: The quarter 2 are always going to be lower for any year because of the rains and monsoons and the demand, etc. So, all put together, that's always going to be little lesser than quarter 1 or quarter 4. It's the nature of the mining

Riyaz Shaikh: Seasonally weak quarter. So, the second quarter always sees a similar type of trend.

Rajesh Gupta: But this quarter has been better than the year-on-year quarter. This half has been better than year-on-year half.

Shrey Gandhi: So, in the coming quarter we can expect something similar figure or maybe more than this, the quarter 1?

Rajesh Gupta: Like we mentioned earlier, we would be having our, if you talk about mining, the figures will continue on the same basis till we get the EC clearance and the overall guidance will be around 13 million tons 14 million tons for the year for mining. And our DRI plant of around 330,000 tons a year will be the overall guidance.

Shrey Gandhi: Thank you, sir. Congratulations for the great numbers.

Moderator: Thank you. The next question is from the line of Bharat Bajracha, an Individual Investor. Please go ahead.

Bharat Bajracha: Can we see any incremental volume if we get the EC clearance by year-end or 2025, as you said?

Rajesh Gupta: So, the incremental volume would be, right now it is 10 million tons, so 13 million tons, so that means 3 million tons would be the incremental volume in the last 1.5 months to 2 months.

Bharat Bajracha: How can we increase the profitability from current levels, given the higher number of prices are today?

Rajesh Gupta: Can you repeat that?

Bharat Bajracha: Can we increase the profitability at current levels, given the higher number of prices are today?

Rajesh Gupta: we are losing the first part of the question. I think there is something wrong with the line.

Bharat Bajracha: Profitability at current levels, where iron ore prices are today?

Rajesh Gupta: I would leave that to the very able analysts to analyse that. There are nearly 100 people in the group, so I am sure many of them would be doing a lot of that analysis.

Bharat Bajracha: Thank you.

Moderator: Thank you. The next question is from the line of Amit Agicha from H G Hawa & Company. Please go ahead.

Amit Agicha: Can you please elaborate on how the slurry pipeline contributes to reducing the carbon footprint and operational efficiency?

Rajesh Gupta: In terms of carbon efficiency, I do not have the figures with me.

Amit Agicha: Can you have the figures?

Rajesh Gupta: We don't the figure. The truck movement is with diesel and this is through pumped power and the slurry reduces this. I will work on this. It is a very interesting question. We have the figures in rupees but not in carbon footprint. We will evaluate that. Apart from that, what we are also doing in carbon footprint reduction in the pelletization. We are going to work with LNG, not with oil.

So that will reduce that carbon footprint in a very big way. The local transport to the siding to the nearby customers would be through LNG trucks. That is as far as the transport is concerned. Within the mine, much of the equipment by the year 2025 would be through electrical equipment, again reducing the carbon footprint dramatically. So all of that put together, the footprint reduces. By the next quarter, I think we would be able to have a more precise, not precise but more elaborate answer to your question, my friend.

Amit Agicha: Thank you. It was very helpful. Last question is, are there any diversification plans or technology investments aimed at enhancing operational efficiency?

Rajesh Gupta: Within the plans that we are doing, there is a continuous effort to improve efficiencies, improve marketability, improve costs and things like that. So that is an ongoing process. Apart from this, there is no specific thing that we are addressing right now. The steel plant that we are talking about, the 3 million ton steel plant, we are looking at the latest technologies in the blast furnace route, etc., to ensure that the technologies are very well up to date. So whatever plans we are buying are state of the art, up to date plans.

Amit Agicha: Thank you. That was very helpful. Thank you and all the best.

Rajesh Gupta: Thank you, sir.

Moderator: Thank you. As there are no further questions, we would like to hand the conference over to the management of Lloyds Metals And Energy Limited for closing comments.

Rajesh Gupta: I would like to thank everybody for the active participation and the very interesting questions. And happy Diwali to one and all. And wish all a happy and prosperous investing new year. Thank you.

Moderator: Thank you, sir. On behalf of Equirus Securities Private Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.