

Dated: 15/07/2024

Corporate Relationship Department, BSE Limited. 25 th Floor, P.J. Towers, Dalal Street, Mumbai-400 001	The Manager, Listing department, National Stock Exchange of India Ltd. 'Exchange Plaza', C- 1 Block G, Bandra Kurla complex, Bandra (East) Mumbai – 400051	Corporate Relationship Department, Metropolitan Stock Exchange of India Ltd. Building A, Unit 205A, 2nd Floor, Piramal Agastya Corporate Park, L.B.S Road, Kurla West, Mumbai – 400070
BSE Scrip Code: 534600	NSE Scrip Code: JTLIND	MSEI Symbol: JTLIND

REG: TRANSCRIPT OF EARNINGS CONFERENCE CALL FOR UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2024

Dear Sir/Ma'am,

This is further to our intimation regarding Conference Call for Analysts/Investors with respect to the Un-audited Financial Results of the Company for the Quarter ended 30th June, 2024.

The transcript of the conference call held on 11th July, 2024 with investors/analysts to discuss the Company's Q1FY25 Financial results is enclosed herewith.

Kindly take note of the same.

Yours Sincerely,

**For JTL Industries Limited
(erstwhile JTL Infra Limited)**

**Amrender Kumar Yadav
Company Secretary & Compliance Officer
(M. No. A41946)**



“JTL Industries Limited
Q1 FY25 Earnings Conference Call”
July 11, 2024



MANAGEMENT: **MR. PRANAV SINGLA – WHOLE-TIME DIRECTOR – JTL INDUSTRIES LIMITED**
MR. DHRUV SINGLA – WHOLE-TIME DIRECTOR – JTL INDUSTRIES LIMITED
MR. ATUL GARG – CHIEF FINANCIAL OFFICER – JTL INDUSTRIES LIMITED

MODERATOR: **MR. SOUVIK MOHANTY – NUVAMA WEALTH MANAGEMENT**

Moderator: Ladies and gentlemen, good day and welcome to the JTL Industries Q1 FY25 conference call hosted by Nuvama Wealth Management. 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.

I now hand the conference over to Mr. Souvik Mohanty from Nuvama Wealth Management. Thank you and over to you, sir.

Souvik Mohanty: Thank you, Sagar. Good morning, all. We welcome you all to the JTL Q1 FY25 conference call. We are joined today by the senior management of JTL Industries represented by Mr. Atul Garg, CFO, Mr. Pranav Singla, Whole-Time Director and Mr. Dhruv Singla, Whole Time Director. We will now start with the opening remarks by the management, followed by the Q&A.

I will now hand over this call to Mr. Pranav Singla for his brief opening remarks. Over to you, Pranav.

Pranav Singla: Good evening, everybody. Thanks Souvik and thanks Nuvama for hosting the call for us. And thank you, everybody, for joining us today. I am delighted to welcome you all to the JTL Industries earnings conference call. We will be discussing our financial performance for the quarter 1 of FY25, as well as providing an overview of our ongoing capacity expansion. Before we delve into the details of our results, let me briefly provide you an introduction of the company.

With three decades of experience, JTL Industries has grown into a rapidly expanding reputable player in steel tube manufacturing. Our product range includes ERW black steel tubes, galvanized pipes, large diameter steel tubes and pipes, solar structures and hollow construction materials. We specialize in producing VAP products like galvanized pipes, which ensure superior quality standards and impeccable finishing across all our offerings.

JTL operates five cutting-edge manufacturing facilities across India, located pan India in such a way that both our plants are in Punjab, one in Maharashtra and one in Jaipur. We recently did a takeover of 70% stake in Nabha Steel and Metals company, which is also located in Punjab as well.

In June 24, we successfully launched the first phase of Nabha Steel and Metals, achieving sales of 10,000 tons. This milestone has a significant step in JTL's backward integration strategy, enhancing our product portfolio and positioning us as one of the top solution providers. The integration is expected to improve yield, generate synergies and boost profitability.

In Q1 FY25, JTL Industries delivered stable financial results, demonstrating sustained growth year-over-year. Our revenue for the quarter reached INR5,153 million, up from INR5,050 million last year, driven by strategic market expansion, increased product demand, high sales volume and enhanced product offerings.

EBITDA for Q1 FY25 stood at INR438 million, reflecting a 21% increase from Q1 FY24, underscoring our efficient cost management and operational excellence. The EBITDA margin improved to 8.5% in Q1 FY25, up from 7.2% in Q1 FY24, driven by strategic focus on high margin products and increasing scale.

Sales volume grew by 10% year-over-year, reaching 85,674 metric tons in Q1 FY25, compared to 77,342 metric tons in Q1 FY24. Notably, VAP products contributed 25% of total sales mix, with sales volumes of 21,261 metric tons. Quarterly exports stood at an all-time high, at 7% and the total export sales was 5,917 metric tons. I am open to questions.

Moderator: Our first question is from the line of Parth Kotak from Alpha Plus Capital. Please go ahead.

Parth Kotak: Hi, thanks for taking my question. Congrats for now for a decent set of results. So I just wanted to get an update on Nabha Steel. We are manufacturing HR coils over here, which will be used for backward integration. So some 10,000 odd metric tons of sales that we've received is not the sales volume. It's just the volume that we're using for our backward integration?

Pranav Singla: Thanks for the question, first of all. So what the process over there is right now, Nabha is in a phase which is not currently making the exact product that we require at JTL. It is about a quarter away from the product that we require at JTL. The product that we are delivering at Nabha right now is sellable in the market right now. That's what we did this quarter.

And being it a partnership firm as of now, so the top line and the volumes couldn't be added to JTL this time. It is in the process of becoming to a limited company, which will happen this quarter. And accordingly, everything will be added to JTL afterwards.

Parth Kotak: Okay, Perfect.

Pranav Singla: Later on it will be making coils, as you mentioned, which will be used for our backward integration. So now we have sold everything in the market.

Parth Kotak: I think that's really helpful. And so, then the revenue that we've generated from Nabha basically has, I think, mentioned in the note is included in other income. Is that the right understanding?

Pranav Singla: Only the share of profit to the extent of 70% is what is included in the profit. And that's all.

Parth Kotak: Okay, which would be to the tune of about INR4-odd crores. So I just wanted to know the contribution that comes from Nabha. Because I'm asking this question primarily because in order to calculate, although you've given the breakup, but EBITDA per ton, then we don't include either the profitability or the volume from Nabha, right?

Pranav Singla: I don't have the exact number handy with me, but about INR96,00,000 - INR97,00,000 was the PBT from there.

Moderator: The next question is from the line of Bhavesh Chauhan from Aditya Birla Money. Please go ahead.

Bhavesh Chauhan: Sir, in terms of channel checks that we did, it seems like the competitive intensity in this pipes industry is increasing because the balance sheets of many of the companies have become stronger. So I would like to know, what is your view on that? That most of the companies are targeting 20%-25% volume growth, but supplies are likely to increase much faster. Maybe putting pressure on margins, maybe volume growth may not come in as fast as everybody is targeting. So what are your views?

Pranav Singla: Thanks for your question. So we are fairly positioned well in the market and have a decent size ourselves as well. And given the capacity, we do face challenges at times, but altogether, the Indian growth story is intact and so is the company.

So a little bit of a slowdown in the growth story might happen because of elections and the VAP share might go down because of elections that have happened in this quarter or the past quarter. But going down ahead, we see everything should normalize very soon. Even the exports have, if you see, it's the highest growth we have ever done.

So everything globally has been improving and we are positioned in the market in such a way that we are there in both primary and secondary. So the dealer has to say something. It's either primary or secondary. So we are in a lucky spot that we don't face a lot of pressure. So things are aligned and the demand, when it becomes soft, we sell secondary more. When it's strong, everything is selling as equal.

Atul Garg: Also to add here, when we are expanding, what we are doing is not increasing our capacities in the current format that we have under production. So we are increasing our range and everything. So our aspects are of increasing SKUs.

Bhavesh Chauhan: Okay. And we had a weak quarter this time in terms of volume growth. I think we are targeting more than 25% volume growth. So is it that we are going to cover up in the next coming three quarters so that average growth is north of 20%?

Pranav Singla: As we mentioned, our major capacities are coming in H2 by the end of H1. So the jump in everything would be visible thereafter only. And to defend ourselves, it was a fairly 11% up year-on-year and given the industry and election scenario.

So that is something that we are decently satisfied with right now. And also the Nabha volume, how I mentioned, couldn't be counted for in JTL right now. If that was there, it would be 97,000 tons - 98,000 tons anyway in JTL. So altogether, everything is according to the target that we had in mind and we told as well.

Bhavesh Chauhan: Okay, sir. Thank you and all the best.

Moderator: The next question is from the line of Vikash Singh from PhillipCapital. Please go ahead.

Vikash Singh: Good evening, sir. Thank you for the opportunity. I just wanted to understand one thing. If I look at the Y-o-Y perspective, while my value-added product phase had percentage-wise declined significantly, I still managed to do better EBITDA per ton. So effectively, I just wanted to understand, has anything changed in the product mix or is it a function of something else?

Pranav Singla: See in our range of products, what happens is that we are able to look into and produce those things which give us a higher value of product. In value-added product also, there are thicknesses and sizes which give you higher returns than the other normal commercial materials which is, say, galvanized pipes. So in the first quarter our value, even after our quantity of value-added has decreased, we are able to maintain a higher EBITDA level because we produce those smaller-gauge and lighter thicknesses more in this quarter.

So that is the reason that you see the quantity is less because if I am producing say, for example, if I am producing a higher diameter and a higher thickness material in my galvanized pipe, I can even double the capacity. But at times when the demand is such and also when we see that we are able to make higher margins in certain products we have to sacrifice, at times, quantity to margin.

Pranav Singla: Also every company's way of telling their VAP products is very different. For me, I define everything which is above INR7,500 under VAP. If I bring that figure down to INR5,000, my VAP share is already at 50%. So it's every company's way of defining products under VAP category. I don't have a lot of SKUs right now. So the basic things I mention are general commercial-grade products and galvanized pipes.

If I further break it up, the commercial break-up as well, which is bigger section pipes, like 12 inches of pipes, smaller section pipes. So all those demand a different EBITDA, which is towards higher EBITDA. How does the company explain? But for me right now, the standard I have kept is only galvanized pipes as value-added.

Vikash Singh: Understood. My second question pertains to our annual volume guidance as well as the EBITDA per ton guidance. Given that majority of the capacity is coming in the second half and would take some time to ramp it up also, do we want to tone down our assumptions or we are still holding to it?

Pranav Singla: Whatever we mentioned before, we are confident on that and everything is in line. In the first quarter as I mentioned, Nabha's sales volume could be counted for as well. The number shows 86, which is 97 effectively. So if you think of it that way it's almost the same.

Vikash Singh: Understood. And just one clarification, basically, in Nabha and next quarter onwards, we will be merging, right? We will be merging it and it would be a combined number?

Pranav Singla: It will be a subsidiary.

Vikash Singh: Okay, it will be a subsidiary. Fine. One more question regarding the plans to have the additional 1 million ton in Maharashtra. Any update regarding the progress, how much we have spent so far on that project?

Pranav Singla: So Vikash ji the DFT has already arrived at the plant. It's under the installation phase and it's before time that it has arrived. We are expecting it to arrive later this quarter. Everything is in the plant and it should be setting up right now.

- Vikash Singh:** Understood. Just one last thing, in terms of demand side basically, though the monsoon has started, but on a like-to-like basis, do we feel that the demand is better than the last monsoon because there was a long period of election and probably would have led to de-stocking? So your views on that, if you see that the demand is better than what it was in last season or it's more or less similar? If you could give us some idea about that.
- Pranav Singla:** So like-to-like basis we are growing every year. It's very difficult to give you like-to-like basis. Our range has expanded compared to last year and this year also. We've added kind of range that we've gathered more demand into. But see monsoon has just arrived and it's very soon to say what impact monsoon has affected. So it is just the first say fortnight of monsoons in India right now and the impact is still to be found out. So I would still wait to comment on what impact monsoons have on demand.
- Vikash Singh:** Understood. That's all from my side. Thank you.
- Moderator:** The next question is from the line of Aditya Welekar from Axis Securities. Please go ahead.
- Aditya Welekar:** Yes thanks for the opportunity. So just harping on this Nabha Steels question as you said from next quarter it will be consolidated. So just want to understand the sales volume from Nabha will contribute to our revenue side or again you will factor it in profit from associate or profit from subsidiary?
- Pranav Singla:** Thanks Aditya for the question. So whatever there is an RPT so that will be not accounted for in the like that's the process and whatever we sell outside the fact that we won't be fitting in our mill that will be sold in the market. So those will be coming in the profitability as well similar with how subsidiary numbers account for.
- Aditya Welekar:** Okay. So means out of the 0.2 million ton Nabha capacity the first phase is now installed. So out of that some portion will contribute to our EBITDA per ton increase and some portion will directly contribute to our sales volume. Is that understanding right?
- Pranav Singla:** That's definitely right.
- Aditya Welekar:** So any quantification of that split means how much will contribute to our external sales volume and how much will contribute to our EBITDA that is our backward integration?
- Pranav Singla:** We won't be able to give an exact number on that right now.
- Management:** So we won't be able to give an exact number on that right now, but in the future what we'll have to do is we'll have to give you a standalone consolidated statement so that things are more clear.
- Aditya Welekar:** Yes fair enough and on the guidance once again slightly harping on that. So we on the earlier call we have said that you are targeting 30% year-on-year revenue growth and volume growth for FY25 and 40% VAP share. So with the DFT coming from second quarter is that VAP target and revenue target in line or do you want to tweak that?
- Pranav Singla:** Everything is in line. There is no change in whatever you mentioned before. Everything is just as in line as mentioned in the last concall.

- Aditya Welekar:** Perfect. And lastly if you can throw some light on primary and secondary sale prices, what is the gap between the two patra price and our normal HRC prices?
- Management:** The last month's gap was around INR3.5 - INR4. It's a very fluctuating market. The gaps are keeps on rising and decreasing, but we've encountered on average during the year, the gap is more or less in the range of INR4 - INR5 per kg, but having said that now the use case scenarios of both the patra and say the prime coil material has been widely accepted in different markets.
- So for a light structural steel people are now preferring for gauges below 2 mm, people are now preferring patra steel and for gauges above 2 mm, 2.5 mm people are preferring for primary coil steel. So there has been a market use case scenario differentiation in that, that is more so how do we understand about it.
- Aditya Welekar:** Perfect. That's very helpful. Thank you and all the best.
- Moderator:** The next question is from the line of Pradeep Rawat from Last House Blue. Please go ahead.
- Pradeep Rawat:** Good evening and thank you for the opportunity. So I have a couple of questions. So first question is regarding capacity expansion in the industry. So how much of capacity are you seeing in the industry adding up and do you see any threat that the capacity can grow faster than the demand growth?
- Pranav Singla:** Thanks for the question, first of all. The industry is evaluated by the reports that are available online around at a size of 40 million tons and the industry growth rate itself is above 14%-15% every year. How the plants are being set up and being added every year, we personally are growing our capacity by 20% to 25% odd every year. And so are a few of our peers as well.
- But we don't see any threat to that because whatever SKUs or products that we are adding, they are new to the market. They are like not a lot of people are doing the products. So it's safe to say that we are in a very comfortable position and the products that we are offering are unique in themselves. So there is no threat that we see as such.
- Pradeep Rawat:** Okay. And sir during the last concall, you mentioned that we are seeing demand slow down due to elections. So how do you see demand shaping up now after the election?
- Pranav Singla:** Demand has picked up from before, but the final flow of demand will open up after the budget. So it's a few days away from budget and we should see new government orders lining up after that.
- Pradeep Rawat:** Okay. So the demand is currently like lagging as expected?
- Pranav Singla:** It's not lagging. It has improved from before and it's on track as well. It's just as usual. And the major boost in demand from the government side is expected post elections.
- Pradeep Rawat:** Okay. Fair enough. And my third question is regarding, sir, our current capacity utilization is close to 55% and 60%. So why we are expanding capacity instead of first increasing our utilization? So can you explain the thought process behind it?

- Pranav Singla:** So what happens is how you calculate the utilization of company is. So on the same mill, you have to make a smaller size as well which is lighter in weight. And you have to make a bigger size as well, which is heavy in weight. So if you are running a bigger size throughout the year, your capacity utilization will probably exceed 100% as well. But this cannot be done in the given market scenario.
- Because when we have to sell a load of materials to somebody, it's usually multiple SKUs that one buys, a dealer, maybe government or anybody. So to serve the market as a whole, one has to make multiple sizes throughout the year. That's why the capacity utilization decreases. And it's the industry standard that this is the utilization. And it's a foot rule that after 65% utilization, you can think about expanding.
- Pradeep Rawat:** Okay. So max utilization in our industry would be somewhere around 70%, right?
- Pranav Singla:** It depends on what size the person is making. If we install DFT, the capacity utilization increases because the roll change time in that is less. So it depends, it varies machine to machine as well. But usually, this is the given case scenario.
- Pradeep Rawat:** Okay. Thank you.
- Moderator:** The next question is from the line of Nitin Gupta, who's an individual investor. Please go ahead.
- Nitin Gupta:** Yes. Thank you for the opportunity. I have two questions. First is with respect to the volumes. How much of our volumes are dependent on the government order?
- Pranav Singla:** As of last quarter, not even 15% of our volumes was towards government. And usually, our sales mix, how we do it in the past is that majority sales, which is around 50%- 55% is dealer network sales, around 15%-20% is government, around 20% is OEM, EPC players. And the remaining is exports. So that's how we usually divide it. But in the last quarter, not even 15% was government.
- Nitin Gupta:** So just a suggestion, can we include that kind of information in the investor presentation, just a suggestion?
- Pranav Singla:** We'll take a note of it. We'll keep in mind.
- Nitin Gupta:** Thank you. The second question which I'm having is with respect to the importing of DFT machinery. What is the current status of importing of DFT machinery.
- Pranav Singla:** The DFT is already at the plant. It is being set up. And we'll give a formal notice as well when it commences. But it has arrived at the plant.
- Nitin Gupta:** Okay. It is at the plant?
- Pranav Singla:** Yes.

- Nitin Gupta:** Okay. And the last question would be about when you indicated about the fundraising plan. So there was a certain percentage from the promoters as a part of preferential and the other one was for QIP. So any updates you have with respect to that the QIP part?
- Pranav Singla:** We have taken an enabling resolution as a board. Whenever we'll be doing the QIP there will be a proper notice given as well. But nothing on it right now.
- Nitin Gupta:** Okay. Got it. So that would be all. Thank you and all the best.
- Moderator:** The next question is from the line of Bhavin Pande from Athena Investments. Please go ahead.
- Bhavin Pande:** Could you shed some light on how the demand scenario was in the exports market in terms of growth as well as trajectory going ahead?
- Pranav Singla:** See, we are only exporting now majorly from our Mangaon unit, which is located near to the Nhava Sheva Port. So in there again, all depends upon how many SKUs we are able to build for the entire export market. So now we are bringing the DFT also. There would be a substantial increase in the export demand. We are increasing our VAP as well. So all these things are happening in an organic way.
- Going forward, yes, regarding when we listen and read and see about how the world is changing from only China model to a China plus one model. And being located right next to the Indian port, we have several opportunities to import and export to take the benefit of the Indian market and the scenario of free trade from different countries. And also there are at point certain restrictions to enter countries as well like we are not country doing US and Canada.
- So all these things are there. But yes, going forward since we are increasing our SKUs certain markets will open up and we'll be shaping better for the export market. We've already performed better in this quarter as compared to the previous year's quarter regarding the export market and we had a considerable jump therein. So yes, we see that there is good growth in the export market.
- Bhavin Pande:** And in terms of, as we mentioned that the incremental capacity the effect could be visible in H2. So in terms of expectations for Nabha, are we expecting max capacity utilization to be sort of least in H2 or by the end of FY '25 or could there be some spillover to H1 FY '26?
- Pranav Singla:** No. Everything is just in line as we mentioned before. There is no delay of anything in any of the plans.
- Bhavin Pande:** Okay, that's great. And just one bookkeeping question, I could see other expenses have increased in this quarter. So if you could shed some light on that.
- Pranav Singla:** I'll have to dig deep on that. Probably, I can mail you the answer to that. We don't have the exact clarity on that.
- Bhavin Pande:** That's perfectly fine. So congratulations on a great quarter accounting for the fact that it was an election period and good luck for the year ahead.

- Pranav Singla:** Thank you.
- Moderator:** The next follow-up question is from the line of Pradeep Rawat from Last House (blue). Please go ahead.
- Pradeep Rawat:** Yes, thank you for the opportunity again. I have two more questions. So first question how do we see demand shaping up in the next one to two, three years in scrap-based tube and non-scrap-based tube?
- Pranav Singla:** Primarily in the secondary market again, like we mentioned in the beginning of the call there has been a considerable differentiation in the end-use case scenarios of both the kind of steel. So since primary steel is not offering low-grade thicknesses widely and also when they are doing so, there is a considerable value added charge on top of that, which in the secondary steel, since there is a size restriction and it's a miniature form of processing the same, they are able to do it in a cheaper manner. So those use case scenarios have defined both secondary and primary in today's scenario.
- And going forward, steel is a direct replacement of wood in areas such as low-cost housing for your window frames, door frames, furniture, for car sheds on top of the building, gates, staircases. So all these areas don't require a primary-grade steel and can be done from a secondary steel wherein load-bearing structures are not required. So rather than having a direct comparison between both of them, I would say that there is a shift in demand due to the use case scenarios being multiplied in the recent years.
- Pradeep Rawat:** Yes. So my next question is regarding our value-added products. So I can see that the volume has declined in absolute terms and you have mentioned that the election was a reason for that. So I was unable to understand why election was the reason for that.
- Pranav Singla:** No, not exactly. So what we said is, yes, we do supply a considerable amount of value-added products, which is only the Galvanized steel pipes that we cater into the value-added product for our kitty due to the last elections and the government projects of Jal Jeevan Mission and all get stalled. So in those, the quantity has decreased.
- But having been said that, I also mentioned that we were able to maintain higher realization on our value-added products and hence the quantity declined because we were able to sell products that were higher in realization, which is the lower thickness, lower gauge material. That is the reason that we, even after our value-added kitty being declined in number, the volume terms that you mentioned, we are able to maintain the EBITDA levels that we showcased.
- So that is the reason that at times, due to the market scenarios, we have to forego higher productivity or volumes and cater to that higher margin business so that our bottom line does not get affected.
- Pradeep Rawat:** Okay fair enough. And last thing about Nabha Steel. So I missed that at the beginning. Why we are not actively using the production from Nabha steel?

- Pranav Singla:** So it is in the process in which the products that are being offered over there. Right now they are not meeting the quality that or like the exact requirements we require at JTL. So it is about a month away or 2 months away from the exact products that we require at JTL to make our type. So after that, we will be using them in our Mandi plant.
- Pradeep Rawat:** Okay, fair enough. Thank you.
- Moderator:** The next question is from the line of Pallav Agarwal from Antique Stock Broking. Please go ahead.
- Pallav Agarwal:** Yes, good evening and congratulations on a good set of results. So just want to understand on the capex part. So how much of balance capex is left to be spent on this 1 million ton expansion?
- Pranav Singla:** Thanks Pallav, for the question. A sizable amount is left right now. We will not be able to quantify the number right now. We do not count by the number right now.
- Pallav Agarwal:** Okay. And also I think, in the results, it was mentioned that, some warrants were converted into shares. So was equity infusion during the quarter or this was just, the money had already come in and it was just a conversion of warrants into shares?
- Pranav Singla:** It was just a part conversion of the warrants money that were allotted before, just a part conversion of that.
- Pallav Agarwal:** Okay. And so what is the amount of warrants that are outstanding and when is the timeline for that by which those are to be converted and what would be basically the money that would come to the company on conversion of those warrants?
- Pranav Singla:** So the promoters recently infused money in the company and we allotted 2.8 crores shares out of which 2 crores shares were promoter category and 50 lakh were public category. And the company raised a total of INR600 crores. And out of that being warrants the promoters and the public category made one-fifth of the payment.
- So INR168 crores is what the company received inside itself. And the rest amount being the promoters, we have a cheat sheet. We know when the company requires money and the company, when the company is in a comfortable position. And look at the numbers the company is in a very comfortable cash position right now. So after, whenever the company requires money, the promoters will make the payment at that very moment. The promoters are in a comfortable position to make the payment overnight as well.
- Pallav Agarwal:** Sure. And I think and we broadly maintain a target of reaching 5000 per ton of EBITDA over the medium term. Is that what the target is?
- Pranav Singla:** Again, really everything is in line and the exact number is something that we cannot comment on right now.
- Pallav Agarwal:** Sure. Okay. Thank you so much.
- Pranav Singla:** Thank you.

- Moderator:** The next question is from the line of Prathamesh Dhiwar from Tiger Assets. Please go ahead.
- Prathamesh Dhiwar:** Yes, just one question. I just wanted to know about the industry specifically about the Jal Jeevan Mission. So how much government is allocating for FY '25?
- Pranav Singla:** Thanks for your question. As of last year, the government allocated a total of close to \$7 billion for the Jal Jeevan Mission. We are awaiting the news this year as well but it should be somewhere in the same line or a little higher.
- Prathamesh Dhiwar:** Okay. And so, any other water initiatives like Jal Jeevan Mission that government is doing and their allocation on that, say Har Ghar Jal and any other?
- Pranav Singla:** So it's the same mission only. It's the same, Har Ghar Jal is the same mission as Jal Jeevan Mission. And it's just that different cities have different things going on but it's the same thing.
- Prathamesh Dhiwar:** Okay. So basically \$7 billion expected for FY '25 also?
- Pranav Singla:** \$7 billion is the total budget. Out of that supposedly our sector receives an inflow of close to \$1.5 billion - \$2 billion.
- Prathamesh Dhiwar:** Okay, great. Thank you, sir. That's it from us.
- Moderator:** The next follow-up question is from the line of Aditya Welekar from Axis Securities. Please go ahead.
- Aditya Welekar:** Yes, thanks again for the opportunity. So just one question, Pranav and Dhruv. So in the last call there was some mention of adding color-coated lines and galvanizing lines in addition to DFT lines. So any color on that? Where are we on that?
- Pranav Singla:** Again, Aditya, everything is on line. To give the exact timelines, it's a little hard right now but everything is the same as the target time that we mentioned last time.
- Aditya Welekar:** Okay, fair enough. That's it from us.
- Pranav Singla:** Thank you.
- Moderator:** Thank you. As there are no further questions from the participants. I now hand the conference over to the management for closing comments.
- Pranav Singla:** Thanks, everybody for spending the time out of the busy schedule for the call. Thanks, Nuvama and Souvik for hosting the call for us as well. Hope everybody has a nice day.
- Moderator:** Thank you. On behalf of Nuvama Wealth Management that concludes this conference. Thank you for joining us. You may now disconnect your lines.