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October 27, 2026

BSE Limited  
Floor 25, P J Towers, Dalal Street  
Mumbai- 400 001. INDIA.  
Scrip Code: 532726

National Stock Exchange of India Limited  
"EXCHANGE PLAZA",  
Bandra – Kurla Complex, Bandra (East)  
Mumbai - 400 051. INDIA.  
Symbol: GALLANTT

**SUB: EARNINGS CONFERENCE CALL TRANSCRIPT FOR THE QUARTER AND HALF YEAR  
ENDED 30<sup>TH</sup> SEPTEMBER, 2026**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed herewith the transcript of the Earnings Conference Call with investors/analysts held on Wednesday, October 21, 2026 to discuss the Financial and Operational Performance of the Company for the quarter and the half year ended 30<sup>th</sup> September, 2026.

The above mentioned Earnings Call Transcript is also available on the Company's website at [www.gallantt.com](http://www.gallantt.com)

Kindly take the above on your records.

Thanking You,

Yours faithfully,  
**For GALLANTT ISPAT LIMITED**

**NITESH**  
**KUMAR**

Digitally signed by  
NITESH KUMAR  
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**COMPANY SECRETARY**  
M. No. F7496

Encl: As above

**GALLANTT ISPAT LIMITED**

CIN: L27109UP2005PLC195660

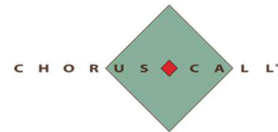
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**“Gallantt Ispat Limited  
Q2 FY27 Earnings Conference Call”  
October 21, 2026**



**MANAGEMENT:**    **MR. DINDAYAL JALAN – VICE CHAIRMAN**  
                              **MR. MAYANK AGRAWAL – CHIEF EXECUTIVE OFFICER**  
                              **MR. AMIT JALAN – CHIEF ACCOUNTS OFFICER**

**MODERATOR:**    **MS. VANESSA FERNANDES – INVESTOR RELATIONS,**  
                              **ADFACTORS PR**

**Moderator:** Ladies and gentlemen, good evening and welcome to the Gallantt Ispat Limited's Q2 FY27 Earnings Conference Call. 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 this 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 Ms. Vanessa Fernandes from the Investor Relations team of Adfactors PR. Thank you, and over to you, Ms. Vanessa.

**Vanessa Fernandes:** Thank you, Swapnali. Good evening, everyone. On behalf of Gallantt Ispat Limited, I would like to welcome you all to the earnings conference call for Q2 and H1 FY27. Today on the call, we have with us from the management Mr. Dindayal Jalan, Vice Chairman; Mr. Mayank Agarwal, Chief Executive Officer; and Mr. Amit Jalan, Chief Financial Officer of Gallantt Ispat Limited.

We will begin the call with brief opening remarks from the management, followed by a Q&A session. All participant lines will be in listen-only mode during the management's remarks, and the floor will be open for questions thereafter.

Please note that certain statements made during this call may be forward-looking in nature. Such forward-looking statements are subject to risks and uncertainties that could cause actual results or projections to differ materially from those statements. Gallantt Ispat holds no responsibility for any actions taken based on such statements and undertakes no obligation to publicly update these forward-looking statements.

I now hand over the call to Mr. Dindayal Jalan, Sir, for his opening remarks. Over to you, Sir.

**Dindayal Jalan:** Thank you, Vanessa. Good afternoon, ladies and gentlemen, and a warm welcome to Gallantt Ispat's earnings conference call for the second quarter and first half of FY27. Let me begin with wider environment because it shaped this quarter in important ways. The global steel industry continues to operate in an uncertain setting. Geopolitical tensions, including the conflict in the Middle East, have kept energy, freight, and coal costs elevated. And trade flows have shifted as surplus from overseas looks to new buyers.

India has not been fully insulated from this, but the domestic fundamentals remain strong, and our two home states, Uttar Pradesh and Gujarat, remain among the fastest-growing markets in the country. We see this as a long cycle, and we are building Gallantt to participate in it fully. Mayank will take you through the market trends in more detail.

For Gallantt, Q2 was a quarter in which we chose to invest in our future capacity. We took a planned shutdown at our Gorakhpur plant to integrate the expanded capacity, and an unplanned extension of a power plant shutdown added to the impact. Mayank will take you through both in detail.

Revenue for the quarter was INR1,146 crores, 13% higher than a year ago, and in line with the previous quarter, as former realizations helped offset the effect of the shutdowns on our volumes. Our margins, however, were affected by the shutdowns and by higher input cost. It was all one-time effect. They do not reflect any change in the underlying strength of our business. And as the new capacity comes on stream in Q3, we expect our performance to recover.

Our strategy continues to rest on three anchors: integration, scale, and capital discipline. Each of these moved forward this quarter. On integration, Gallantt was awarded a coal block in Singrauli in August 2026, as disclosed to the exchanges. Together with our iron ore blocks in Uttar Pradesh and Rajasthan, this means Gallantt now holds both of the key raw materials for steel making. Over time, this will give us security of supply and a structurally lower cost base. This is the most durable advantage a steel company can build.

On scale, our expansion from 1 to 1.23 million ton is now being integrated at Gorakhpur, and Mayank will take you through the through the progress. On capital discipline, we continue to carry no term loans for our projects, and our INR3,000 crores program remains funded through internal accruals.

I would also like to address our medium-term growth plan. In our previous calls, we said that we'd share it with you this quarter. Since then, coal block award has changed the scale of what is possible for Gallantt. With both iron ore and coal now in our portfolio, we are evaluating a larger greenfield opportunity built around our raw material base rather than only extending our existing sites.

A project of this nature depends on land acquisition and incentives from the state government, and we are working on that. We would rather come to you with a plan that is concrete and fully worked out, that's still taking shape. We therefore intend to present our growth plan in Quarter 4 '27.

What will not change is our focus on steel, our commitment to integrate, and our discipline on returns and on balance sheet. Gallantt has been built over two decades by staying focused and investing ahead of the opportunity. The steps we are taking this year in capacity, in raw material security, and in renewable energy are meant to position us for the next phase of India's growth. I am confident in the direction we have set.

With that, I hand over to Mayank to take you through our operating performance. Over to you, Mayank.

**Mayank Agarwal:**

Thank you, Sir, and good afternoon, everyone. Let me begin with a brief word on the market. And then, as on our previous calls, take you through the quarter across our four pillars, that is volume growth, cost efficiency, an integration depth, margin expansions, and capital discipline.

Domestic demand held up well through the first half. Finished steel consumption in India grew 7.5% to about 85 million tons, ahead of growth in domestic production, even as the country

remained a net importer of finished steel. As the monsoon receded, prices across the value chain firmed up from August, and TMT prices in September were about 21% higher than a year ago.

On the cost side, coal and freight stayed elevated. And prices of metallics, such as sponge iron and pig iron, rose sharply in the second half of the quarter. Demand is being driven by infrastructure, housing, and urbanization, and we expect activity in our market to pick up further as the construction season gets underway.

The first pillar of volume growth. This quarter, our volumes were shaped by a deliberate decision at Gorakhpur as part of our expansion to 1.3 million tons annually. We are adding capacity at every stage of the chain at Gorakhpur, except sponge iron, including 22-megawatt of additional generation at our existing 78-megawatt captive power plant.

Because Gorakhpur is a fully integrated plant from pellet through to TMT bars, new capacity cannot simply be added alongside running units. It has to be synchronized with them, and that requires a shutdown. We planned for this and used the same window to bring forward our maintenance of our existing units, so that we avoid a second interruption later in the year.

Reflecting this, TMT sales for the quarter were 1,65,000 tons, compared with about 1,92,000 tons in Q1 FY27. At Kutch, rolling mill utilization, which we identified as a focus area in the last quarter, was 68% in Quarter 2, compared with 66% in Quarter 1. The enhanced Gorakhpur capacity is expected to be operational in November '26.

And with Gallantt Advance endorsed by Ajay Devgn and Janhvi Kapoor, and our dealer network in Uttar Pradesh, where we hold more than 25% of the submersible market, we have a ready channel to place the additional volumes. Alongside the input cost pressure, our costs were affected by an extended shutdown at our Gorakhpur power plant.

What began as scheduled maintenance took longer than planned, as a turbine issue required specialist support. That work is now complete, and the plant is set to resume operations within a week. During this period, lower captive power availability raised our power cost, which is one of the main reasons margins were compressed this quarter.

Our structural cost levers continue to build. Our 18-megawatt solar plant at Siddhpur in Gujarat is completed and set to resume operations by November 2026, and the 60-megawatt plant at Prayagraj, UP, which will serve to our Gorakhpur unit, remains on track for Q4 2027. Together, these are expected to save INR30 to INR40 crores annually in power cost.

Upstream bottlenecks at our Gujarat unit remains on track for completion this financial year. And with the coal block that sir mentioned, alongside our iron blocks, our integration now extends to both key raw materials. At the iron ore blocks, exploration is progressing, and the environment and forest clearances processes are underway. And FY28 remained our target for them to become operational.

Margins were compressed this quarter by the 2 shutdowns at Gorakhpur and by higher input costs, partly offset by better realization. Our CFO, Mr. Amit Jalan, will take you through the numbers. Looking ahead, the drivers of recovery are clear. In the near term, the expanded

Gorakhpur capacity, the restart of the power plant, and the firmer steel prices, as construction picks up after the monsoon, should all support the second half.

Over the medium term, solar, the Gujarat debottlenecking, and captive mines, which we expect to add about INR2,000 per ton to EBITDA once operational, will lift our margins structurally. Our INR3,000 crores capex program continues to be funded entirely through internal accruals, and we carry no term loans for our projects.

Capex in the first half was INR278 crores, as our projects at Gorakhpur and in renewable energy move towards completion. We remain watchful of input cost, but we enter the second half with a larger and more integrated asset base than before, and with the disruptions of this quarter largely behind us.

With that, I hand over to Amit to take you through the financial highlights.

**Amit Jalan:**

Thank you, Sir. Good afternoon, everyone. Let me take you through our financial performance for the second quarter and the first half of FY27. Revenue from operation for the quarter was INR1,146 crores, an increase of 13% from INR1,013 crores in Q2 FY26, and in line with INR1,146 crores in the previous quarter. Other income for the quarter was INR18 crores.

EBITDA for the quarter was INR111 crores, with an EBITDA margin of 9.64%, compared with the INR185 crores and 16.19% in Q1 FY27, and INR135 crores and 12.91% in Q2 FY26. EBITDA per ton was INR6,150, against INR8,010 in the previous quarter. The decline was driven by the planned and unplanned shutdowns at Gorakhpur and by higher input costs, partly offset by better realization.

Employee costs were INR42 crores, against INR39 crores in Q1, and the finance cost was stable at INR9 crores. Profit before tax was INR83 crores, compared with the INR165 crores in Q1 FY27, and INR103 crores in Q2 FY26. Profit after tax was INR61 crores, with the PAT margin of 5.3%, compared with INR124 crores and 10.8% in the previous quarter, and INR89 crores and 8.8% in the same quarter last year, earnings per share for the quarter is INR2.51.

For the first half, revenue from operation grew 7% to INR2,292 crores, compared with INR2,141 crores in H1 FY26. EBITDA was INR296 crores, with a margin of 12.91%, compared with INR382 crores and 17.85% a year earlier. Profit after tax was INR184 crores, compared with INR263 crores in H1 FY26, and earnings per share for the half year INR7.63 per share.

Turning to the balance sheet. As of 30th September 2026, our net worth stood at INR3,487 crores, up from INR3,316 crores in March. Borrowings were INR592 crores, mostly working capital facilities, and we continue to carry no term loan for our project. Against this, we held about INR426 crores in bank balances and liquid investments, along with INR266 crores in short-term treasury deployment, so we remains net cash positive.

Inventory rose to INR669 crores from INR551 crores in the March. Capital work-in-progress increased to INR598 crores from INR349 crores in March, reflecting the project underway. Capex during the first half was INR278 crores, of which about INR141 crores was spent in

quarter 2, all funded through internal accruals. Up to September 2026, we have spent INR650 crores of the INR3,000 crores capex program.

Shareholders approved a final dividend of INR2 per share for financial year 2026 at the AGM held on 30th September 2026. We expect our balance sheet to remain strong through FY27, with internal accruals as our primary source of funding for the current program.

With that, I hand the call back to the moderator to open the floor for questions. Thank you.

**Moderator:** Thank you, Sir. We will now begin with a question-and-answer session. We have the first question from the line of Vini Jain from Jain Investments. Please go ahead.

**Vini Jain:** Hi. Congratulations on the Coal Block Award. So, my question to you is, could you explain what it means strategically now for Gallantt? You have both iron ore and coal resources. How does it change your cost position over the next few years?

**Mayank Agarwal:** So, we have recently been allocated the coal blocks, and we are currently exploring and doing the due diligence to move forward with it. And iron ore blocks, as we mentioned, is under exploration. So, definitely, as I mentioned during my briefing, both these minerals are the key drivers for any steel industry.

And once these blocks are operational in couple of years, the iron ore blocks are targeted for FY28, and definitely, once these 2 raw material are secured, it can be a very good next phase of growth for Gallantt.

**Vini Jain:** Got it. I have one additional question to you. So, you now indicated the medium-term growth plan will be shared in about Q4 of FY27. How are you thinking about funding? Will internal accruals remain the primary source, or should we expect a mix of debt and equity in this?

**Dindayal Jalan:** We are still working out, depending on what is the size of the project, what is the capacity, what are the opportunities. I think we will decide the capital restructuring. But I think as you have seen from our track record, we largely rely on internal accruals, and we rely less on the external borrowings. So, depending on the philosophy of the group and the requirement of the project, we'll decide the mix of the funding.

**Vini Jain:** Makes sense. Got it. Thank you.

**Moderator:** Thank you. We have the next question from the line of Preeti Sharma from Invest First Advisors. Please go ahead.

**Preeti Sharma:** Thank you. Sir, firstly, congratulations on a good set of numbers. I had a couple of questions, so I'll say them one by one. So, my question is, since the TMT prices have risen sharply since August, how sustainable do you think this is as we move into the construction season? And what are you seeing in your markets in October?

**Mayank Agarwal:** Okay. So, yes, steel prices, as we mentioned, has significantly risen. And what is exciting is that this price increase comes at a time where the lean period, the monsoon period was ongoing, and it is broadly based on the domestic demand cycle.

So, once the monsoon is now over, and we enter the month of November, where the construction activities pick up, and they peak in December onwards, we feel that the prices would remain strong in future, leading to good margins. Some bit of it is obviously being passed on to the energy prices due to geopolitical situations, but largely it is exciting, and it would add a bit to EBITDA going forward.

**Preeti Sharma:** Okay, noted. Sir, my second question would be on the margin. Since margins were under pressure this quarter, how much of the decline would you attribute to the one-time shutdown versus the input costs? And what level of margins should we expect on these as these normalize in the second half?

**Mayank Agarwal:** So, there are a couple of factors, actually besides the shutdown, while one bit of it was shutdown, the second bit of it is that the price increase has happened only in the last one month, in September. So, ideally, the effect of the risen prices will come into Q3. So, in Q2, while the coal prices increased, the realization increased much later, not making any impact in Q2 broadly, majorly.

And the shutdowns, both had effect. So, if we talk about the coal pricing, the coal prices has affected to the tune of about 4.5% to 5% on the raw material cost, on the total sales revenue. That is the impact of the coal prices. So, if we say 5%, it's around INR2,500 per ton on the TMT prices.

And there has been a 1% price increase on the iron ore front also. So, all put together, it's about INR3,000 a ton of price increase that we have seen in Q2 in the raw material side, whereas the prices of the finished product have increased by 20%. So, if the prices continue to remain strong, as we expect, then definitely it will result into much better EBITDAs.

**Preeti Sharma:** Okay. Got it. Sir, my last question is, so basically on the captive iron ore mines, is that INR2,000 per ton EBITDA benefit still the right number, or how will it phase once the production starts in FY28?

**Mayank Agarwal:** Yes. So, INR2,000 is what we are expecting would be added with the iron ore mines on the EBITDA of the steel prices. And FY28 is what we plan to make it operational. And definitely, in the first 1 or 2 years, it would probably not make, I mean, it would not be completely feeding the steel plants to the tune of 100% from iron ore mines. But as and how, in a year or 2 post-FY28, the mining activity increases and the capacities are utilized at the mines, it would add that much to the EBITDA.

**Preeti Sharma:** Okay, noted. Thank you so much and all the best, sir.

**Mayank Agarwal:** Thank you.

**Moderator:** Thank you. We have the next question from the line of Anirudh Sharma from Ekaant Investments. Please go ahead.

- Anirudh Sharma:** Hi, sir. Good evening. Congratulations on a good set of numbers. I had a few questions from my side. So, firstly, I wanted to know that India remained a net importer of finished steel in the first half. Are the imports having any effect on rebar pricing or demand in Uttar Pradesh and Gujarat?
- Mayank Agarwal:** So, India, yes, remained a net importer, but construction activity, as we mentioned, has increased, and the demand of construction steel has increased by 7%. So, with the growing construction activities due to urbanization and infrastructure, the demand for construction steel is strong. And the price hike, as we mentioned, is already happened in September to the tune of about 21%.
- Anirudh Sharma:** Okay, understood, sir. So, sir, your inventories rose by about INR118 crores in the first half. What was the driver behind this? And when do you expect working capital to normalize?
- Mayank Agarwal:** So, it will normalize in Q3. It increased basically due to two reasons. One is due to planned and unplanned shutdown in the unit for hookup of the new capacities being added, which got prolonged. And the second is that since we are adding these new capacities, we have increased the stocks at the plant to suffice the added capacities. So, in Q3, it would normalize automatically once this plant is operational within the next 15-20 days.
- Anirudh Sharma:** Okay, Sir. One last question from my side. The capex was INR278 crores in the first half, and you have spent INR650 crores of the INR3,000 crores program so far. What is the expected spend for the full year, and how will the balance be phased?
- Mayank Agrawal:** Okay. So, for this year, the target, while in iron ore block, the exploration would continue. And the solar projects which we mentioned were two. One was 22 megawatts in Gujarat, which is completed within this capex. The capital investment is almost done, and it is in commissioning phase. And the steel expansion at Gorakhpur is almost completed and is in commissioning phase. Then the third part of it was the addition of downstream product, that is DRI in Gujarat unit, which will be commissioned in Q4. And yes, that is pretty much about it. So, for this year -- Amit ji, are you on the call?
- Amit Jalan:** Yes, Sir.
- Mayank Agrawal:** So, for this year, what is the capex balance? How is it planned? Can you give the numbers, is it possible?
- Amit Jalan:** Yes, Sir. This is this is before me. It is around INR500 crores.
- Mayank Agrawal:** Which has to be done in total?
- Amit Jalan:** Yes. The remaining balance, the balance amount to be spent during the year is around 500 crores. Out of that, INR400 crores is for Gorakhpur plant. INR 240 crores is planned for mines, approximately INR 170 crores are planned for solar projects and INR100 crores is planned for Kutch. That is as per approved ABP plan.
- Mayank Agrawal:** And it always has to be funded internally, right, from accruals?
- Amit Jalan:** Yes.

- Anirudh Sharma:** Okay, Sir. That's it from my side. Thank you for the opportunity.
- Moderator:** Thank you. We have the next question from the line of Vedat Trivedi from Vinayak Capital. Please go ahead.
- Vedat Trivedi:** Sir, thank you for the opportunity. My first question is that beyond the mines and solar, are there any other cost initiatives, such as digital or process improvement, that will show up in this year margins?
- Mayank Agrawal:** So, we have taken up a lot of initiatives in digitization, where broadly we are working on the plugging of the leakages, if at all they were happening. So, while it is difficult to quantify, there's a lot of activity in IT where in the current year, we have integrated multiple tools with our SAP, which is the backbone of our accounting system, such as the vendor tool management and various different portals of compliance tools, GST returns, etcetera, just to ensure that it is a seamless working.
- And besides that, we have also taken up some AI initiatives, where the main gate entry and exit systems and the weighing systems at the weighbridges are integrated with SAP through AI, wherein the human interference has been removed. So, a lot of initiatives are being done from the IT perspective.
- We have a full-fledged IT department, and it is difficult to comment on any number as to say that it would result to certain X number of savings. But yes, I mean, it is going to make the working very seamless, and leakages, if at all were there, which we were not aware of, would be plugged once and for all.
- Vedat Trivedi:** Understood, Sir. And, Sir, one more question. Can you throw some light on how large is our price premium over unbranded players today? And how do we see this holding up through price rises?
- Mayank Agrawal:** So, the premium is holding up very well due to our continued branding and marketing exercises, and we have recently added Janhvi Kapoor. We have Ajay Devgn for 4 years. We are advertising on national and regional platforms. And if I talk about UP, we broadly command about 5% to 6% premium compared to any unbranded TMT which is coming in the market. And in Gujarat also, we command about 3% to 4% premium. And it's holding up everywhere due to our very efficient dealer and distributor network.
- Vedat Trivedi:** Understood. Thank you, Sir. This was from my side.
- Mayank Agrawal:** Thank you.
- Moderator:** Thank you. We will take the next question from the line of Nimesh Pandya, an individual investor. Please go ahead.
- Nimesh Pandya:** So, I have a few questions on Gorakhpur capacity and its utilization, would like to have your view on it. So, Sir, with expanded Gorakhpur capacity going operational soon, how quickly do you expect it to ramp up, and what utilization should we expect in Q4 FY 27 and FY28?

- Mayank Agrawal:** Ramping up capacity would take around a month to a month and a half to make it reach to the range of 85% to 90% capacity utilization. So, if we start operations, it is proposed currently by 10th of November. So, maybe by December end, we would have the plant stable, running at 85% to 90%, provided there is no major issues that crop up, considering all the minor issues that we generally see during commissioning activities. Which means that we should be able to realize a full potential in Q4, and partly in Q3.
- Nimesh Pandya:** Okay, Sir. In regards to that, with additional 22 megawatt in the Gorakhpur power plant, how much of your power requirement will now still be outsourced?
- Mayank Agrawal:** The power requirement that would be outsourced is about 5 megawatts to 7 megawatts, which has to be finally compensated by the solar plant of 60 megawatt proposed at Prayagraj, which would feed to our Gorakhpur unit and is proposed to commission in Q4. So, by the time that comes into operations, 5 megawatts to 6 megawatts would be bought from power corporation and energy exchange based on whatever is feasible.
- Nimesh Pandya:** Okay. Got it, Sir.
- Mayank Agrawal:** Which is hardly, I would say, 5% to 6% of our total requirement.
- Nimesh Pandya:** Understood, Sir. I have one last question, Kutch utilization was flagged as a focus area last quarter.
- Mayank Agrawal:** Yes.
- Nimesh Pandya:** What has been done there, and where do you expect it to settle?
- Mayank Agrawal:** We have worked on it to enhance our distribution system. And not much result is seen in Q2. It's just a 2% upward trend in the utilization of rolling mill. Q3, because of lean monsoon season where the demand usually stay low, in Q3 and Q4, it should structurally further improve.
- Nimesh Pandya:** Understood. That's it from my side.
- Moderator:** Thank you. We have the next question from the line of Jimit Mehta from Mehta Investments. Please go ahead.
- Jimit Mehta:** Yes. Thanks for this opportunity, and congrats for this good results. So, my first question was, with this coal block in Singrauli, what are the next steps and approvals before production can start? And roughly, what share of a coal needs could it meet?
- Mayank Agrawal:** So, as I said, the coal block was just allotted last month, as we informed through stock exchange. And we have another 1-month time to decide if to conclude our due diligence and move forward with it. And once we decide to move forward, ideally it would take about 2 to 3 years time to make it operational.
- Jimit Mehta:** Okay, Sir. Understood. And my second question was on the imports from South African coal. So, like we currently use imported South African coal for parts of your processes. So, how does new coal block change over that time?

- Mayank Agrawal:** So, the new coal block, once operational, would we would definitely like to shift Gorakhpur unit totally on the said coal block, eliminating all the imports to make it more cost-efficient, the coal that would be available from this coal block seems to be much cheaper than what we are currently buying from the market. So, that will change the whole dynamics, wherein we do not see consuming any imported coal in our Gorakhpur unit once the coal block is operational.
- Jimit Mehta:** Okay, Sir. Understood. And, Sir, one more one last question. Any guidance that you can give on the coming years?
- Mayank Agrawal:** So, as we mentioned that iron ore block we are currently progressing and would be functional in FY28, would result into approximately INR2,000 per ton of EBITDA addition, and an amount of INR30 crores, INR40 crores once both the solar plants are operational in the current year. And besides that, the capacity in the current year is expanding from 1 million to 1.23 million. So, the capacity is also being added, while at the same time, the plant efficiency would also increase along with this capacity addition. So, I mean, all these three factors are going to drive the growth in the short to medium term.
- Jimit Mehta:** Sir, on the plant efficiency side, like how much efficiency, like on the capacity utilization side, how much increase are we seeing going forward?
- Mayank Agrawal:** So, capacity utilization once all these shutdowns and activities of the project are synced and completed one by one. Gorakhpur, we have already taken the shutdown and it is behind us. Whereas in Gujarat, once we synchronize our sponge unit in Q4, there would be a shutdown required to sync the capacities. So, with all these capacities synced this year, next year the utilization is expected to improve by 3% to 5%. While the capacity will also be adding to the quantities.
- Jimit Mehta:** Understood, Sir. Good to hear it, and all the best for the future, Sir. Thank you.
- Moderator:** Thank you. We will take the next question from the line of Dhanraj Tolani from Quber Advisors. Please go ahead. Mr. Dhanraj, please proceed with the question.
- Dhanraj Tolani:** So, I wanted to know on the Gujarat plant, recently completed a debottlenecking. So, by when can we expect to see the benefits from it in terms of EBITDA per ton?
- Mayank Agrawal:** So, there are two kinds of debottlenecking happening at Gujarat. One is from the captive power side, where efficiency improvement and shortfall in capacity is being added. We have completed that in the last month, and that would show results in Q3 itself. Whereas we are also setting up a sponge iron plant to integrate it backwards, and that is expected to commission in Q4. So, partial results due to power plant would be visible, some of it in Q3 and some of it in Q4, while the sponge iron plant would come into effect from the next financial year.
- Dhanraj Tolani:** Okay. Thank you, that's all from my side.
- Moderator:** Thank you very much. Ladies and gentlemen, that was the last question for today. I now hand the conference to Ms. Vanessa Fernandes from Adfactors for the closing comments. Thank you, and over to you, Ma'am.

**Vanessa Fernandes:** Thank you, Swapnali. And thank you, everyone, for joining us today. A special thanks to the management team for walking us through the quarter and the road ahead, from the Gorakhpur expansion to the growth plans coming up. If you have any further questions, please do reach out to us at Adfactors PR. We look forward to having you with us again next quarter. Have a great evening ahead, everyone. Thank you. Bye.

**Dindayal Jalan:** Thank you. Bye.

**Mayank Agrawal:** Thank you.

**Amit Jalan:** Thank you.

**Moderator:** Thank you, members of the management. On behalf of Gallantt Ispat Limited, we conclude this conference. Thank you everyone for joining with us today and you may now disconnect your line.