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An ISO 9001, ISO 14001 & ISO 45001
Certified Company

SARDA ENERGY & MINERALS LTD.

7th November 2026

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Dalal Street – Mumbai 400 001

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Security Code No. :**504614**

Symbol: **SARDAEN**

Series: **EQ**

Dear Sir,

Sub: Transcript of the earnings call conducted on 2nd November 2026

Please find enclosed herewith the transcript of the Q2 & H1 FY 27 Earnings Conference Call conducted on 2nd November 2026. This is for your information and records.

This information is being hosted on the Company's website - www.seml.co.in.

Thanking you,

Yours faithfully,
For Sarda Energy & Minerals Ltd.

MANISH SETHI Digitally signed by MANISH SETHI
Authorised Signatory

Encl: As above

"Sarda Energy & Minerals Limited

Q2 FY27 Earnings Call"

November 02, 2026

MANAGEMENT: **MR. PANKAJ SARDA –MANAGING DIRECTOR – SARDA ENERGY & MINERALS LIMITED**

MR. PADAM KUMAR JAIN – DIRECTOR AND CHIEF FINANCIAL OFFICER – SARDA ENERGY & MINERALS LIMITED

MR. MANISH SARDA – DEPUTY CHAIRMAN – SARDA METALS & ALLOYS LIMITED

MR. NILAY JOSHI – EXECUTIVE DIRECTOR – SARDA ENERGY & MINERALS LIMITED

MODERATOR: **MR. RAVI SODAH – ELARA SECURITIES INDIA PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Sarda Energy & Minerals Limited Q2 FY27 Earnings Call hosted by Elara Securities India Private Limited. 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 "*", then "0" on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Ravi Sodah. Thank you, and over to you, sir.

Ravi Sodah: Yes. Good evening. On behalf of Elara Capital, I welcome you to the Q2 FY27 results call for Sarda Energy & Minerals Limited. From Sarda Energy, we have with us Mr. Pankaj Sarda, Managing Director; Manish Sarda, Deputy Managing Director; Padam Kumar Jain, Director and CFO; and Nilay Joshi, Executive Director. I now hand over the conference to Mr. Pankaj Sarda for his opening remarks. Thank you.

Pankaj Sarda: Thank you, Mr. Ravi. Good evening, friends, and thank you for joining us on our Q2 and H1 FY27 earnings call. I hope you have had an opportunity to review the financial results and investor presentation available on the stock exchanges and our company website. H1 FY27 marked the milestone for SEML, with the highest ever half yearly EBITDA of INR1,326 crores, up approximately 4% year-on-year and PAT of INR799 crores, up approximately 5%.

Total income stood at INR3,221 crores, while cash profit increased to INR1,225 crores. During Q2 FY27, we recalibrated captive power operations in line with market conditions, enabling us to optimize our portfolio mix. The flexibility supported EBITDA of INR564 crores and PAT of INR320 crores, on total income of INR1,505 crores.

The performance despite planned maintenance shutdowns and operational outages reflects the strength of our underlying businesses and the benefits of our integrated operating model.

Let me now take you through our operational highlights. A key operational highlight this quarter was our entry into manganese ore mining, securing preferred bidder status for the Avagudem manganese block in Andhra Pradesh.

Operations are expected to commence in approximately 12 to 14 months. Once operational, the mine will strengthen backward integration, enhance raw material security, and improve cost competitiveness, supporting higher profitability in our ferro alloys business. We are now focused on securing the necessary approvals to restart mining operations.

On the production front, we achieved our highest ever half yearly pellet output of 4,29,059 tons at Raipur. At Raipur, the replaced 3-megawatt turbogenerator commenced operations in August 2026 and is operating smoothly at full capacity, supporting captive power generation and steel production.

At our 600-megawatt thermal power plant, planned maintenance of one 300-megawatt unit was completed following a 47-day shutdown during the quarter. We had to take multiple maintenance shutdowns over the last 2 years since the takeover of this thermal power project asset, as this was a distressed asset and had not undergone proper maintenance care, which was restricting it from achieving optimum performance level. With the maintenance cycles of the last 2 years, we are now confident about the efficient functioning of the plant and expect both cost savings in the operation and higher generation going forward.

Our hydropower operations recorded strong performance during the quarter despite lower rainfall in certain catchment areas and an 18-day shutdown of the 113-megawatt Sikkim plant from 18th June to 5th July following a transmission tower collapse. Alongside thermal power, hydropower remains an important part of our long-term energy strategy.

Let me now update you on our expansion plans. On the 600-megawatt thermal power project, the Ministry of Environment, Forest, and Climate Changes has approved the terms of reference for expanding capacity from 600 megawatts to 1,200 megawatts. We expect to receive environmental clearance within the current financial year.

This brownfield expansion remains one of our most capital-efficient growth opportunities, supported by existing land, water availability, material handling systems, and power evacuation infrastructure.

The approval process for our 3 small hydropower projects in Chhattisgarh with an aggregate capacity of 74 megawatts is progressing as scheduled. Our 50-megawatt captive solar project is expected to be commissioned in the next quarter, subject to resolution of right-of-way issues affecting the transmission line. The project will add to our captive renewable energy capacity.

For our recently acquired 66-megawatt hydropower project in Arunachal Pradesh, most key statutory approvals are in place and critical land acquisition has been completed. Work on the approach road has commenced, and we remain confident of meeting the planned project timelines.

On mining, development of the Shahpur West high-grade coal mine remains on schedule with commissioning targeted before the end of the current financial year. The Bartunga Hill coal mine also remains on schedule and is expected to be opened by the end of the next financial year. Regulatory approvals for the Gare Palma IV/5 and Senduri coal blocks continue to progress as planned.

We remain prudent in managing our balance sheet with all ongoing expansion projects funded through internal accruals. We remain net debt-free on both a standalone and a consolidated basis with liquidity exceeding INR2,600 crores as of 30th September 2026. Our financial strength was further reflected in an upgrade of SEML's credit rating by one notch, from AA- to AA and a two notch upgrade in Sarda Metals & Alloys Limited rating, from A to AA- by CRISIL. This strong financial position gives us the flexibility to execute our growth plans while maintaining financial discipline.

Looking ahead, our priorities remain timely project execution and deeper integration across mining, energy, and metals. Our greater emphasis on energy reflects its earning potential, while our integrated operations allow us to respond to market conditions and allocate resources towards better returns. We believe this approach

will strengthen earnings visibility, and support sustainable value creation.

With that, I'll hand over to Mr. Manish Sarda to take you through the industry environment and outlook.

Manish Sarda: Good afternoon, everyone, and thank you for joining us.

India's expanding energy requirements continue to create opportunities for businesses with reliable generation assets and access to domestic resources. During the quarter, the country's power generation grew 11% year-on-year to around 536 billion units. Peak power demand increased 18% to 270 GW, a new high for the second quarter.

As India adds renewable capacity, the requirement for dependable power across different hours of the day remains important. Solar generation increased 39% year-on-year during the quarter, reflecting the pace of renewable energy development. We believe a diversified generation portfolio, supported by fuel security and efficient operations, is well placed to serve the country's evolving energy requirements.

The government's continued focus on domestic resource development strengthens the opportunity for integrated mining and energy businesses. For SEML, expanding our mining capabilities alongside our power portfolio will deepen this integration and strengthen the operating foundation for future growth. Our entry into manganese ore mining adds a further opportunity to improve raw material security and cost competitiveness in ferro alloys.

Domestic steel consumption also continued to grow, supported by the country's industrial and infrastructure requirements. We remain focused on the contribution of our metals and ferro alloys businesses within the integrated portfolio, with operating decisions guided by profitability and efficient use of resources.

Against this backdrop, we believe SEML is well placed through its integrated presence across mining, energy and metals. Energy's contribution of more than 75% of H1 EBITDA demonstrates its importance to our earnings profile. Our emphasis on this business is

supported by our existing generation assets, mining capabilities and expansion pipeline. At the same time, our diversified operations allow us to capture synergies and respond to changes in relative profitability.

Over the longer term, government initiatives under Viksit Bharat 2047, Make in India and Atmanirbhar Bharat continue to support investment across manufacturing and industrial infrastructure. Our plans to quadruple mining capacity and double energy generation capacity are aligned with these opportunities. Our priority is to convert these investments into dependable operations, stronger earnings and sustainable returns.

We remain confident that our integrated model and continued execution focus will create enduring value for all stakeholders.

With that, we would be happy to take your questions. Thank you.

Moderator: Thank you very much. The first question is from the line of Malika from Agarwal Investment.

Malika: Hi sir, this is Malika. Thank you for the opportunity. My question is that, how will the Avagudem manganese mine strengthen raw material integration? And what proportion of captive requirements can it meet? And when should its cost benefits start reflecting in ferro alloy profitability?

Manish Sarda Okay. So, the Avagudem mines we have recently won, and it will take some time for it to start as we are filing all the paperwork that is required. And we expect that we will be able to save INR200 to INR300 per ton. The total mine is 4,50,000 tons extractable reserves. So, we typically require very low amount of low-grade ore to economize our high-grade ore, which we import from Australia, from Gabon, and from South Africa.

So, we expect that in the next few months, we'll be having a clearer idea as to when we can start, with the paperwork being filed and everything done and it will roughly save around INR200 to INR400 per ton. The exact numbers will come out when we actually start mining. But it gives us the raw material security for our low-grade ores for the next four to five years.

Malika: Okay, got it, sir. I just had another question. What is the investment like?

Manish Sarda: So, it was already operating mine. Somebody was already operating it. The lease has expired, and we have acquired it through the auction route. And we will be ascertaining all the costs. We know the rough estimates. On that basis, we did the auction, and we participated in the auction. But it would not be prudent to comment right now until and unless we ascertain the realities on ground.

Malika: Are you looking for more such things?

Manish Sarda: Yes, we are continuously looking for mines which can add raw material security to our entire operation because we have our ferro alloys plants in Raipur and in Visakhapatnam, both. So, we are actively looking in Maharashtra, which is logistically closer to Raipur. Madhya Pradesh, Maharashtra, all these regions which are closer to Raipur, and in Andhra, Orissa, the regions which are closer to our Andhra plant. So, we are continuously on the lookout. And if there is an international opportunity for manganese as well, we are looking out for that.

Malika: Okay, got it, sir. Thank you so much for that and congrats on this quarter.

Manish Sarda: Thank you.

Moderator: Thank you very much. The next question is from the line of Deepak Kumar an individual investor.

Deepak Kumar: My question is, what is the difference between two shutdowns? One you had taken in December and January for 300 megawatts, and just now you have completed for 300 megawatts. So, what is the difference, and what is impact in top line?

Padam Jain: So, we have two power generating units of 300 megawatts each. And in alternate years, generally shutdown has to be taken for every unit. Last year, we had taken for one unit. This year we have taken for another unit.

Deepak Kumar: Then impacting top line, you have said it was a very stressed unit, and we have developed, so it will impact our top line?

Padam Jain: No, it will not. We will exceed last year's generation. It will further improve our generation capacity. Yes, for the quarter, it has impacted, but for the year as a whole, we will exceed last year's generation.

Deepak Kumar: Then this quarter, there is no need of any shutdown?

Padam Jain: No, there is no need for any shutdown. Now, this quarter and next quarter, we won't require any shutdown in normal course.

Deepak Kumar: Now, my second question is, you have taken 47 days shutdown for 600 megawatts, even though you have generated almost good unit, power unit. Only 200 million unit you have differed from actual. So why this happened? This is a half shutdown?

Pankaj Sarda: No, this is shutdown of only 1 unit of 300 megawatt. One unit was operating at full capacity.

Deepak Kumar: You have written in pamphlet is 600 megawatts to mention. That's why I...

Padam Jain: No. Actually, one 300-megawatt unit was closed. As I told, every year we have to take shutdown of 1 unit for 30 days to 40 days, depending upon the condition of the unit. Generally, it is in the range of 30 days.

Moderator: The next question is from the line of Tina Maheshwari from OP Equity Advisor. Please go ahead.

Tina Maheshwari: Congratulations on your result. My question is, with energy contributing over 75% of H1 EBITDA, how do you see thermal and hydropower earnings scaling up? And what generation and profitability levels are achievable in H2 FY27?

Padam Jain: In case of hydro, definitely in H2 profitability will be on lower side because of the seasonal conditionalities. And in thermal, it will be substantially higher because of the improved market conditions as well as higher generation in the second half.

Tina Maheshwari: Okay. Thank you very much.

Moderator: The next question is from the line of Atharv an Individual Investor. Please go ahead.

Atharv: My question to you is, following record H1 FY27 pellet production, what scope exists to increase capacity utilization further? And how do you see pellet demand, realizations and margins evolving in H2 FY27?

Padam Jain: So far as capacity utilization is concerned, in thermal power plant, IPP thermal power plant, it will improve in the second half, as already stated. Because in the first half, capacity utilization was on lower side. In rest of the other plants, it depends, in case of steel plants. Iron ore pellet, it will remain more or less in the same line.

Sponge iron also, it should remain in the same line. In case of billets and wire, it will depend upon the market conditions, at what price we are able to sell the power. If we are selling power at remunerative prices, there may be a lower production. If we are getting normal price of power realization, then we may have a higher production in the steel billet and wire.

Atharv: Also, I had another question. My second question is, how are the realization in steel and what do you expect in few quarters?

Manish Sarda: So, steel, if you look at it, overall is buoyant right now, and especially the flat section is more buoyant compared to the long sections. And we are hoping that in the coming quarter also, steel will remain strong and realizations will be also decent. But we are facing a severe issue in terms of the logistics cost, because of high crude prices. So, next quarter is a little unpredictable, but the demand remains strong.

Atharv: Can you quantify the logistic cost?

Manish Sarda: How do I quantify the logistics cost? Because different, like, all the imported coal that is coming from South Africa, the usual freights are normally around USD18 to USD22, for a 50,000 ton vessel. And currently, the freights are close to USD36, USD38 in terms of bulk freight. So, you can imagine the increase. So, coal has become a little more expensive in terms of production of steel.

Coking coal has become very, very high from Australia. During this season, there is a lot of flooding that happens in Australia due to which coking coal mines get impacted, and the prices typically in December are normally high, December-Jan period. So, there will be a little bit of a squeeze on the raw material side because of the logistics issues. But otherwise, I think the steel cycle looks to be good.

Pankaj Sarda: Also, I just want to add here that the mining facilities in India as well are flooded because of the heavy monsoons that we got. So, because of that also, the production capacities of most of the mines are at the lowest of their phases. So, that's why the raw material prices have really gone high in the country because of that. This should ease out in the coming 2 months to 3 months.

Manish Sarda: If you looked at the prices of flat steel, they are close to INR75,000, INR77,000. And if you look at the long product pricing in Mumbai, in some places, they are even close to INR54,000. So, we have seen a significant increase in terms of pricing, but we all have to assess in the next quarters how much the squeeze will be, whether the West Asia tensions would ease, because that will ease a lot of pressure in terms of logistics.

Padam Jain: But we are meeting part of our coal requirement from our captive coal mines.

Manish Sarda: Yes, we do. We do have our own coal mines and we do meet our own requirements, so we are somewhat insulated.

Atharv: Thank you so much, sir. And congratulations on the success of H1 FY27.

Manish Sarda: Thank you.

Moderator: Thank you very much. The next question is from the line of Kamlesh Bagmar from Lotus Asset Managers. Please go ahead.

Kamlesh Bagmar: Yes. Thanks for the opportunity, sir. Sir, just one book-keeping question. So, what was the realization in the hydropower sales and the thermal power sales for SKS we booked in this particular quarter?

And going forward, where do we see our realizations? What realizations we can factor in for our assumptions?

Padam Jain: The thermal power realization was about INR5.30 in this quarter.

Kamlesh Bagmar: Okay. And with regard to hydropower, sir?

Padam Jain: And in case of hydropower, it was above INR6.

Kamlesh Bagmar: Okay. And going forward, the way, like we are signing up our or doing the PPA bilateral or all those things, we are going next year or in the second half, what realizations we can factor in there? Because there is so much guidance in the market.

Padam Jain: In the second half, prices should be much better than what we have achieved in the first Half because the power demand scenario is much different.

Kamlesh Bagmar: And sir, in thermal, what percentage of capacity we have tied up now?

Padam Jain: We have tied up 60% of our saleable power capacity.

Kamlesh Bagmar: In hydro, like, say, I believe Sikkim and other part is still untied there.

Pankaj Sarda: Yes. Sikkim is untied, but apart from Sikkim, all the other hydro projects are tied up.

Kamlesh Bagmar: Okay. Great.

Nilay Joshi: Sikkim, as a strategy, we haven't.

Kamlesh Bagmar: Okay. Great, sir. Thanks, sir.

Moderator: Thank you very much. The next question is from the line of Deepak Kumar, an Individual Investor. Please go ahead.

Deepak Kumar: Sir, my question is that why did we need to take a shutdown in the peak season, without intimation? When people were making a lot of money in the peak season, we were taking a shutdown. Is there a reason for this?

Padam Jain: No, that is not the case. In fact, the price of power has increased even further since then, so, it is not just because of 'peak' demand. As for the need of a shutdown, it is scheduled at an appropriate time based on the condition of the unit. Furthermore, current market conditions are better than what we were seeing in the months of July and August.

Padam Jain: There is no peak in the rainy season, we have taken shutdown in the rainy season when prices are not at the peak.

Deepak Kumar: No, this time you have not intimated also.

Padam Jain: It was a routine periodical shutdown. Routine shutdown

Nilay Joshi: No, No. It was intimated. Even in the last investor call It was mentioned that we will be taking the shutdown.

Deepak Kumar: Okay. No problem. Okay. Thank you.

Moderator: Thank you. The next question is from the line of Vivek Sharma from K&M Advisor. Please go ahead.

Vivek Sharma: Hi. Good evening. First of all, congratulations on the results and you have now achieved the highest H1 EBITDA figure of north of INR1,300 crores. I wanted to ask something on the line of what are the key growth drivers that could sustain this momentum? That is one. And what would be the revenue and EBITDA growth target that you expect for entire FY27? Thank you.

Padam Jain: So, the improved realization, particularly from the hydropower and thermal power, have been contributing factor in the improved profitability. And we expect the same to continue in the second half also. Quantification will be very difficult because situation is very dynamic on the pricing side in all the segments.

Vivek Sharma: Okay, sir. And can you do over INR2,500 crores in FY27 then?

Padam Jain: We don't give any forward guidance.

Vivek Sharma: Sure, sir. Noted.

Manish Sarda: That's very speculative actually, so we do not do any forward guidance on numbers.

Vivek Sharma: All right. That was it from my side. Thanks so much.

Moderator: Thank you very much. The next question is from the line of Priyansh Lakhotia, an Individual Investor. Please go ahead.

Priyansh Lakhotia: Okay. So my first question is, if we compare quarter-on-quarter segment-wise revenue, then revenue from steel is down by approximately INR49 crores and power sales is down by INR138 crores. So, to make apple-to-apple comparison of actual performance across these segments, I think it is necessary to exclude the impact of shutdown of the 300 megawatt power unit and 30-megawatt turbine replacement in steel.

So, could you please advise that how much was the loss of revenue in the power segment during Q2 that was attributed to the shutdown of this 300-megawatt plant? And how much loss of revenue during quarter 2 was attributed to turbine replacement?

Padam Jain: So, assuming that we generate 400 crores units in a year. 200 crores from one unit, one quarter, so 25 crores unit, maybe about INR130 crores, INR140 crores of the revenue we have lost because of shutdown of the unit.

Priyansh Lakhotia: This is for the 300 megawatts?

Pankaj Sarda: Yes, 300 megawatts.

Priyansh Lakhotia: Okay. So, approximately 120. And for the steel segment?

Padam Jain: Steel segment, we have not operated billet plant and wire rod plant because we were selling power in the market. That was the reason for shortfall in the revenue.

Priyansh Lakhotia: And then in continuation, do you foresee any more plant shutdown in the next 12 months? If yes, then which quarter and how much capacity should be considered for across these 3 segments?

Padam Jain: So far as the current year is concerned, next half year we do not foresee any shutdown in the thermal power plant. Next year,

definitely 1 unit will again be shut down for 30 days in normal, 30, 40 days, whatever, depending upon the condition of the unit. For the current financial year, there is no major shutdown.

Priyansh Lakhotia: My second question is, what was the average realization of power per unit in the spot market for the Sikkim hydropower project during Q1 and Q2? And what was the average realization per unit in spot market for the Sikkim hydropower during the October month?

Padam Jain: October figures may not be readily available. For 6 months we have earned more than INR6 a unit from Sikkim hydropower project.

Priyansh Lakhotia: More than INR6 per unit. This was for Q1 and Q2?

PK Jain: Yes. Put together 6 months.

Priyansh Lakhotia: Six 6 months. Okay. And what was the same average realization of power per unit in spot market for SKS Power Thermal Plant, similarly for Q1, Q2 and October?

PK Jain: For SKS Power, we had earned INR5.42 in the second quarter.

Priyansh Lakhotia: No, for the SKS Power Thermal Plant.

PK Jain: Yes.

Priyansh Lakhotia: It was also INR5, you said?

PK Jain: More than INR5. In the range of INR5.20 to INR5.50

Priyansh Lakhotia: INR5.20 to INR5.50. And my final question is, what was the average realization of iron ore pellets during Q1, Q2, and during the October month?

Padam Jain: In Quarter 1, it was above INR10,000, and in the second quarter, it was slightly below, about INR9,800 a ton.

Priyansh Lakhotia: Got it. That's it from my side. Thank you.

Moderator: The next question is from the line of Hina Parekh from Starklume Investments. Please go ahead.

Hina Parekh: Hi, thank you for the opportunity. My question was on the SKS plant. So with the maintenance program completed at SKS, what utilization levels and incremental generation can the 600 megawatt thermal power plant achieve in the coming H2 FY27?

Padam Jain: In the first half, we have achieved 202 crores units. And for the whole year, we expect to cross 420 crores.

Hina Parekh: And I had one more question. What is the update on the SKS environment clearance?

Pankaj Sarda: Ma'am, as mentioned in my opening remarks as well, we have received TOR, (terms of reference) from the MoEF and we are expecting to get the Environmental Clearance in this financial year.

Hina Parekh: I think that's all. I mean, most of them is covered. Thanks a lot and all the very best.

Moderator: As there are no further questions, I would now like to hand the conference over to Mr. Jain for closing comments.

Padam Jain: Thank you, everyone, for participating in today's call.

We closed the first half with record EBITDA, higher profitability and progress across our strategic priorities. Energy continues to anchor our earnings, record pellet production reflects the capabilities of our operating assets, and our entry into manganese ore mining strengthens the opportunity for further integration. We remain focused on executing our expansion plans while maintaining financial discipline and a strong balance sheet.

Thank you for your continued support. If you have any further questions, please reach out to us or our Investor Relations team.

We look forward to speaking with you again next quarter. Have a great evening.

Moderator: Thank you very much. On behalf of Sarda Energy & Minerals, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.