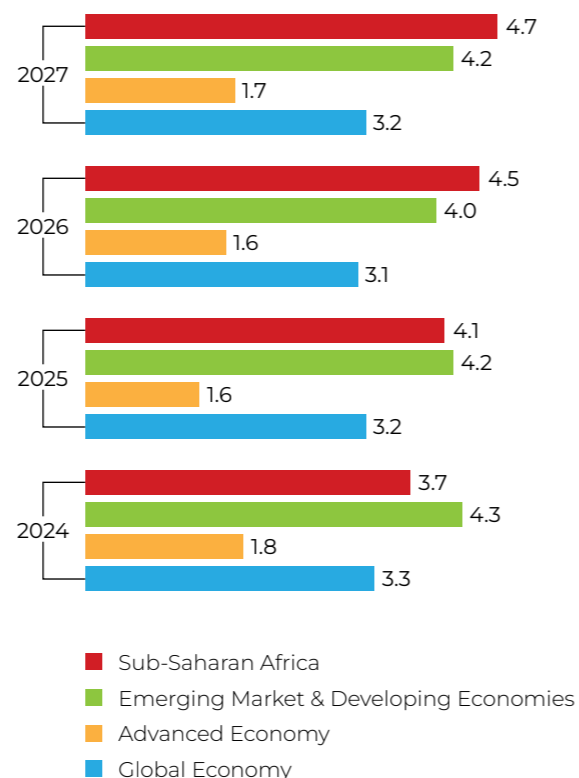


# Management Discussion and Analysis



Global Economic Growth (%)



## Economic Overview

### Global Economy

Global economic growth remained resilient, moderating from 3.5% in CY 2022-23 to 3.3% in CY 2023-24, and is projected at 3.2% in 2025. Despite some volatility and rising sovereign yields, financial conditions remained broadly accommodative. Growth trends varied across regions, with strong performance in the United States supported by technology investments, while Europe and China witnessed slower momentum. Meanwhile, inflation remained largely stable, with both headline and core inflation showing mild firming sequentially but remaining contained on an annual basis, supporting overall macroeconomic stability.

## Outlook

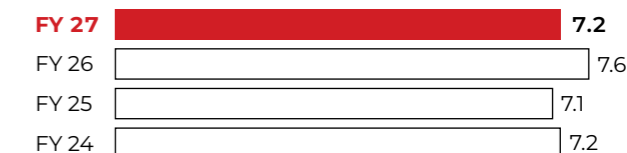
Global growth is projected to remain resilient at 3.3% in 2026 and 3.2% in 2027, broadly in line with 2025 levels, despite moderating momentum in high-tech sectors and lingering trade uncertainties. Inflation is expected to ease from 4.1% in 2025 to 3.4% by 2027. Advanced economies will witness steady but moderate growth, while emerging markets, including India, will continue to drive global expansion, supported by structural strengths and policy support. The situation in West Asia remains dynamic, set against an evolving global economic landscape. Encouragingly, the resilience demonstrated by global markets and economies provides confidence in their ability to adapt and navigate emerging challenges effectively.<sup>1</sup>

## Indian Economy

India continues to stand out as one of the world's fastest-growing major economies with GDP growth for FY 2025-26 was 7.6%, driven by the twin engines of consumption and investment. Strong domestic demand, supported by rising purchasing power, stable employment and healthy rural and urban consumption, remains the cornerstone of growth. Investment activity has also strengthened, reflecting improving business confidence and sustained public capital expenditure. While global uncertainties and trade-related challenges persist, India has demonstrated resilience by advancing structural reforms, enhancing ease of doing business and

strengthening economic fundamentals. Inflation remains largely contained, and balance sheets across households, corporates and banks are robust.<sup>2</sup>

### Indian GDP Growth Rate (%)



## Outlook

FY 2026-27 is expected to mark a phase of steady consolidation, supported by resilient domestic demand and strengthening investment momentum. While global uncertainties persist, moderating inflation and more accommodative monetary conditions provide a supportive backdrop. Continued policy reforms, improved ease of doing business and ongoing trade negotiations are likely to ease external pressures. With healthy balance sheets and sustained public investment, the Indian economy remains well-positioned to navigate global volatility, with GDP growth projected at ~7.2%, reflecting a stable and optimistic growth outlook.<sup>2</sup>

<sup>1</sup>World Economic Outlook

<sup>2</sup>Press Information Bureau

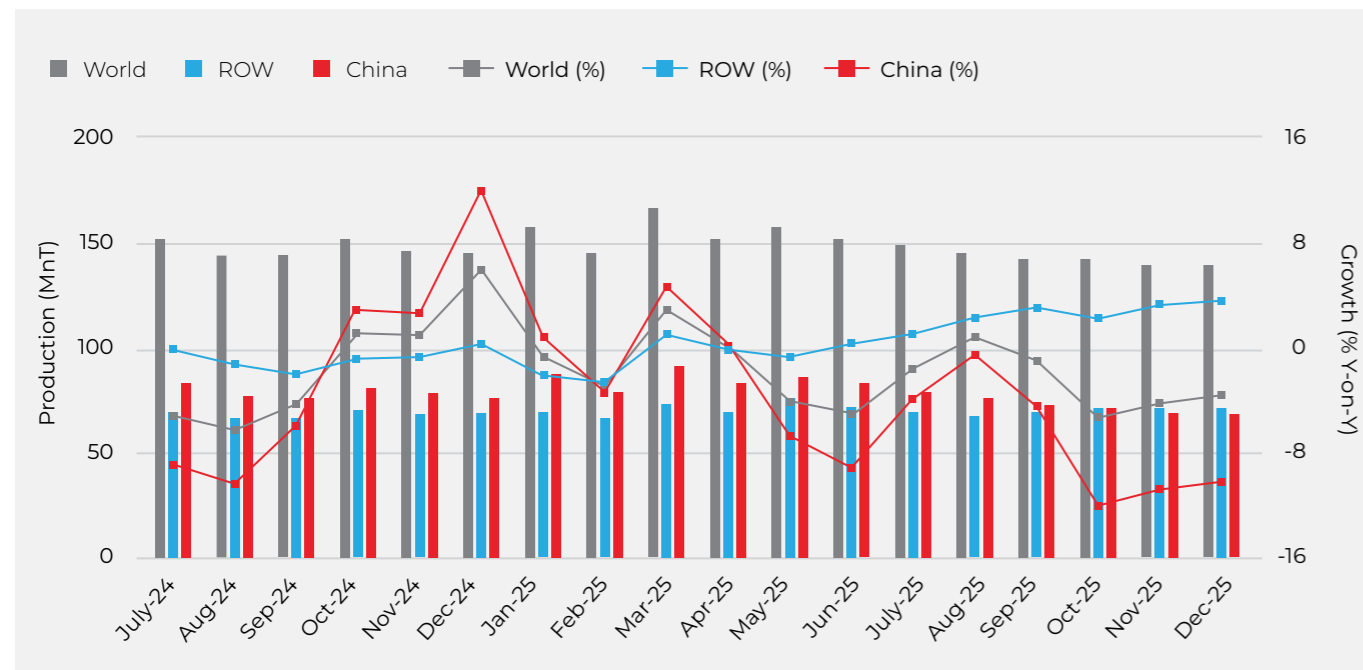
## Industry Overview

### Global Steel Industry

Total global crude steel production stood at 1,849.4 MnT in 2025. During 2025, China produced 960.8 MnT, reflecting a decline of around 4% compared to 2024. India recorded production of 164.9 MnT, marking a growth of around 10.1%, while the United States produced 82 MnT, up by approximately 3%. Japan's output stood at 80.7 MnT, down by around 4%, and Russia is estimated to have produced 67.8 MnT, a decline of around 5%. South Korea produced 61.9 MnT, down by around 3%, whereas Türkiye and Iran reported strong growth, producing 38.1 MnT and 31.8 MnT, respectively. Germany and Brazil produced 34.1 MnT and 33.3 MnT.



Crude Steel Production by Region



Outlook

Fitch Ratings maintains a 'neutral' outlook for the global steel sector in 2026, anticipating a modest recovery in demand as markets stabilise following trade-related disruptions. Growth in global steel production is expected to remain in low single digits, supported by easing monetary policy, infrastructure investments and a revival in construction activity. While China's output may decline slightly due to production controls, recoveries in other regions are likely to offset this trend. India is expected to sustain strong consumption growth, while policy measures in Europe and the US will support domestic producers' margins. However, geopolitical uncertainties and trade tensions remain key risks to the outlook.<sup>4</sup>

Indian Steel Industry

India's steel industry sustained a strong growth trajectory in FY 2025-26, supported by infrastructure-led demand and ongoing capacity additions by major producers. However, demand growth moderated during the year, even as production expanded steadily, resulting in emerging imbalances in the domestic market. Pricing remained under pressure despite improved trade dynamics, with the India Steel Composite Index averaging 132 in FY 2025-26 compared to 135 in

FY 2024-25, reflecting limited absorption of incremental supply. While global conditions continued to influence pricing trends, domestic factors remained the primary driver. Overall, FY 2025-26 marked a phase where growth persisted, but the divergence between production, demand and pricing became more evident, alongside a rising dependence on imported raw materials.

Crude steel production in India grew by 10.5% year-on-year to 168 MnT in FY 2025-26, reflecting continued capacity-led expansion, albeit at a more measured pace than the previous year. This growth was supported by capacity additions and stable utilisation levels across primary producers. However, the gap between production and relatively slower demand growth suggests that part of the incremental output was either exported or absorbed into inventories. In terms of production routes, the BF-BOF segment continued to account for a significant share, supported by integrated steelmakers operating at steady utilisation levels. The induction furnace (IF) route remained a key contributor to incremental volumes due to its flexibility and cost competitiveness, particularly in long products, while the electric arc furnace (EAF) route maintained a stable share, supported by improved domestic scrap availability.

India's finished steel trade dynamics improved notably during FY 2025-26, with exports rising by 28.7% year-

on-year to 8.24 MnT. Imports declined by 22.8% to 7.8 MnT, driven by the imposition of a 12% safeguard duty on flat steel and a narrowing price differential between imported and domestic products. As a result, India moved closer to a net exporter position, marking a shift from earlier import dependence. This rebalancing supported market stability by absorbing part of the excess supply and reducing competitive pressure from imports. However, despite improved trade flows, broader supply-demand imbalances and weak global pricing trends continued to weigh on domestic steel prices.<sup>5</sup>

**168 MnT**  
Crude Steel Production  
**10.5% Y-o-Y growth**

**8.24 MnT**  
Finished Steel Exports  
**28.7% Y-o-Y growth**

Outlook

Domestic steel prices are expected to find some support in the near term, supported by lower finished steel imports and continued policy oversight, although any sharp recovery will depend on the pace of demand absorption. Export prospects are likely to remain stable, backed by competitive pricing, even as weak global demand conditions limit upside potential. On the domestic front, infrastructure-led demand is expected to underpin consumption; however, sustaining utilisation levels amid expanding capacity will depend on the pace of growth. At the same time, ongoing US-Iran tensions pose risks to energy markets, with potential volatility in crude prices likely to increase input and freight costs for the steel sector. The Government of India has outlined an ambitious vision to achieve 300 million tonnes of steel capacity by 2030 and 500 million tonnes by 2047.

**2030**  
**300 Million tonnes**

**2047**  
**500 Million tonnes**



<sup>5</sup>BigMint

### Global Iron Ore Industry

Iron ore remains a fundamental raw material in the production of steel, underpinning the global iron and steel industry. The global iron ore market was valued at \$301.56 billion in 2025 and is projected to grow from \$313.33 billion in 2026 to \$425.52 billion by 2034, reflecting a CAGR of 3.90% over the forecast period.<sup>6</sup> Global iron ore exports reached 1.760 billion tonnes in 2025, marking a 2.6% increase from 1.715 billion tonnes in 2024. According to SteelRadar, these figures highlight evolving production dynamics and trade flows across key geographies.



2025

**\$301.56 billion**

2026

**\$313.33 billion**

Notably, Russia recorded one of the highest growth rates, increasing exports from 9.6 million tonnes to 13.6 million tonnes, representing growth of over 40%. Sierra Leone also emerged as a notable contributor, rising to 14<sup>th</sup> position globally with exports of 12.3 million tonnes. In contrast, the United States experienced a sharp decline in exports, falling from 10.2 million tonnes to 5.2 million tonnes. Overall, the global iron ore landscape continues to be shaped by shifting demand patterns, regional supply dynamics, and evolving geopolitical influences.<sup>7</sup>

### Indian Iron Ore Industry

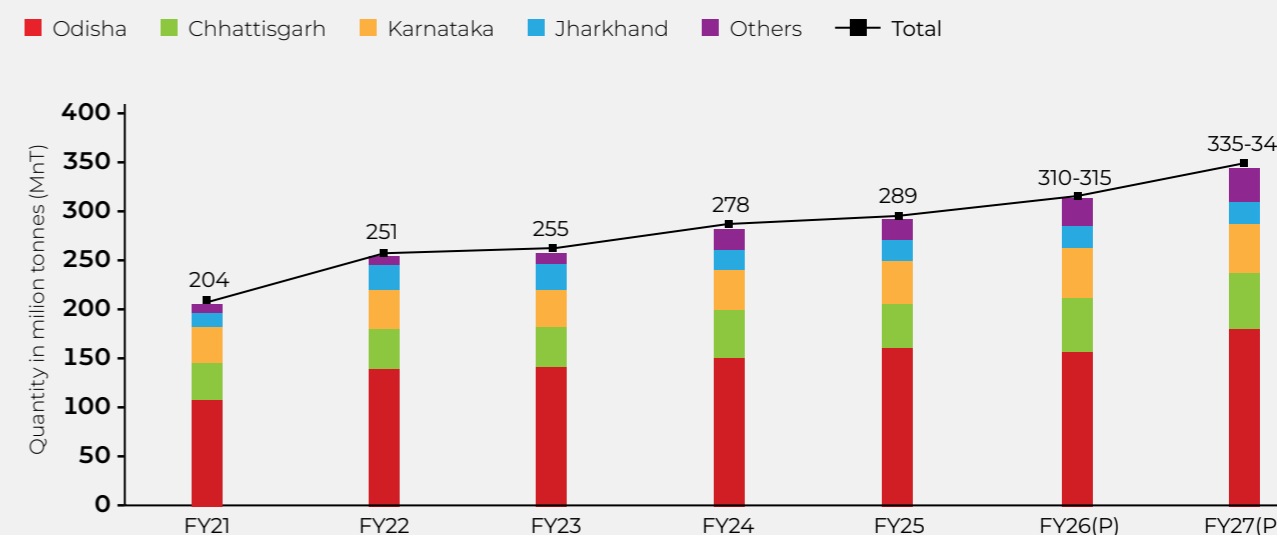
India remains a significant global producer of iron ore, consistently ranked among the top three to four producers worldwide. Production is expected to reach approximately 310 million tonnes (MnT) in FY 2025-26, up from around 289 MnT in the previous year, reflecting steady growth in mining activity. The country possesses substantial iron ore reserves spread across multiple geological regions, with Odisha emerging as the leading producing state. Contributing over 50% of India's total output and holding more than 30% of its reserves, Odisha continues to anchor the nation's iron ore supply.

Iron ore production grew by 6.2% year-on-year to 307 MnT in FY 2025-26; however, this increase trailed the pace of expansion in steel output. As a result, exports declined by 13.3% year-on-year to 26 MnT, while imports rose sharply by 92.3% year-on-year to 12.5 MnT, indicating a growing reliance on imported ore to bridge the gap between domestic availability and steelmaking demand.

<sup>6</sup>Fortune Business Insights

<sup>7</sup>SteelRadar

### India's iron ore production (FY'21-FY'27)



f: Forecast | All above figures are rounded off | Note A Financial Year (FY) Starts from April 1, 2025 and ends on March 31, 2026 Quantity in million tonnes (MnT) | % change in year-on-year (Y-o-Y) | Source: BigMint

### Regulatory Reforms Accelerating Mine Operationalisation

The Ministry of Mines has amended the Mineral (Auction) Rules, 2015 to expedite the operationalisation of auctioned mineral blocks through the introduction of defined intermediary milestones between the issuance of the Letter of Intent (LoI) and execution of the mining lease. Since 2015, 585 blocks have been auctioned, with momentum accelerating to over 100 blocks annually in recent years, including 112 blocks in the first seven months of the current year.

The revised framework establishes clear timelines, monitoring mechanisms, and balanced incentives and penalties to ensure timely project execution. Key measures include milestone-based approvals, early production incentives through reduced auction premiums, mandatory upfront performance security, and stricter accountability for both bidders and state authorities. These reforms are designed to discourage delays, enhance transparency, and boost mineral production by enabling faster mine development.<sup>8</sup>

Year	Avg. auction premium (% of IBM notified prices)
2016	86.14
2017	93.62
2018	98.98
2019	85.92
2020	115.15
2021	116.58
2022	114.62
2023	178.61
2024	108.95
2025	160.67
2026	126.00

Source: Ministry of Mines, only mining leases with iron ore as the primary mineral considered; extreme outliers (above 20096 duty are removed).

<sup>8</sup>Press Information Bureau

<sup>9</sup>BigMint

### Expiry of Existing Iron Ore Mining Leases (2026 to 2030)

As a significant number of iron ore mining leases in India approach expiry in the lead-up to 2030, the sector stands at a critical inflection point, presenting both challenges and opportunities. The impending expiries raise concerns regarding continuity of supply, particularly given India's position as a leading global producer and consumer of iron ore.

A key risk lies in potential disruptions to production if leases are not renewed or auctioned in a timely manner, which could create supply constraints and impact downstream industries, including steel manufacturing and end-use sectors. Conversely, the transition also offers a strategic opportunity for miners and end users to participate in auctions, acquire new assets, and strengthen their market position.

### Year-wise Expiry of Iron Ore Mining Leases in India

Year	Number of mines	Estimated total production capacity (MTPA)
2026	6	5
2027	3	2
2029	2	17
2030	8	59

### Indian Iron ore Pelletisation Capacities

India's iron ore pellet production continued its upward trajectory, reaching approximately 55.6 million tonnes (MnT) in H1 FY 2025-26 (April–September), reflecting a year-on-year growth of over 5% from around 53 MnT in H1 FY 2024-25. On an annual basis, pellet production exceeded 105 MnT in FY 2024-25, marking a 5% increase over FY 2023-24. This sustained growth has been driven by rising crude steel output and an increasing focus on material and energy efficiency in steelmaking processes.

Capacity expansion has also been notable, with total pellet production capacity increasing to approximately 165 MnT in FY 2024-25 from 140 MnT in FY 2023-24. Odisha retained its position as the leading pellet-producing state, with production remaining stable at 19 MnT in H1 FY 2025-26, while Karnataka recorded a growth of over 7% to around 9 MnT. West Bengal emerged as a key growth driver, having become the third-largest producer in FY 2024-25 with a near 30% year-on-year increase to over 11 MnT, followed by a further 21% rise in H1 FY 2025-26. Maharashtra and Jharkhand also remained significant

contributors, reporting production of 5.3 MnT and 5.7 MnT respectively during the period.<sup>9</sup>

### Global Coal Industry

Coal continues to play a pivotal role in global energy systems, particularly in power generation, while remaining central to ongoing energy transition discussions. In 2025, global coal demand is projected to reach a record 8.85 billion tonnes, reflecting a modest growth of 0.5%, supported by rising electricity demand and policy support in key markets. Despite regional fluctuations driven by weather patterns, fuel prices, and policy shifts, coal demand has demonstrated resilience. Notably, growth is expected to be led by India and Southeast Asia, with India's demand projected to expand at approximately 3% annually through 2030, underpinned by sustained economic and energy needs.

Looking ahead, global coal consumption is anticipated to stabilise, with only a gradual decline of around 3% by 2030. While increasing renewable capacity, nuclear expansion, and greater availability of LNG are likely to intensify competition, strong electricity demand and slow substitution in industrial applications are expected to support continued coal usage. China will remain a key market driver, with demand trends closely linked to economic growth, policy direction, and energy mix evolution. Overall, the sector is expected to maintain stability in the medium term, supported by emerging market demand and evolving energy requirements.<sup>10</sup>

### Indian Coal Industry

India's coal sector has demonstrated strong and sustained growth, with domestic production surpassing the 1,000 million tonnes (MnT) milestone in FY 2024-25, reaching a record 1,047.6 MnT. This reflects a robust compound annual growth rate (CAGR) of approximately 10% over the past five years, driven by a series of structural reforms and enhanced operational efficiencies. Key policy initiatives including Single Window Clearance, the Mine Developer and Operator (MDO) model, 100% FDI allowance, accelerated mine auctions, and amendments to the Mines and Minerals (Development and Regulation) Act — have played a pivotal role in unlocking sectoral potential.

Production growth has been broad-based, with Coal India Limited contributing approximately 74% of total output, alongside increased participation from private players and captive mines. Since FY 2020-21, domestic output has expanded by over 330 MnT, underscoring a decisive shift towards energy security and reduced



import dependence. While growth has moderated in recent years due to a higher base, the long-term trajectory remains firmly positive.

Coal consumption has also risen in line with increasing power demand, with total dispatches reaching 1,270 MnT in FY 2024-25, of which 82% was accounted for by the power sector. Notably, the share of domestic coal in total consumption improved from 77.7% in FY 2020-21 to 82.5% in FY 2024-25, supported by the allocation of 184 coal mines. Improved supply conditions and supportive government policies have contributed to a steady decline in coal prices, a trend expected to continue into FY 2025-26. Looking ahead, India is on track to further strengthen self-sufficiency, with domestic production projected to reach 1.15 billion tonnes and meet approximately 83% of total demand, reinforcing the country's commitment to reliable and resilient energy supply.<sup>11</sup>

### Global Copper Industry

Copper markets have witnessed a strong upward trajectory, with prices reaching record highs and reflecting both short-term supply disruptions and robust long-term demand fundamentals. Growing requirements from electrification, renewable energy, electric vehicles and data centres, alongside advancements in artificial intelligence, continue to underpin a structurally strong demand outlook for copper.

While supply-side constraints such as declining ore grades, rising capital intensity and extended project timelines pose challenges, they also reinforce the long-term value proposition of copper as a critical resource in the global energy transition. The anticipated supply-demand imbalance over the coming decade highlights significant opportunities for investment, innovation and strategic positioning across the value chain. Although the midstream segment is currently experiencing margin pressures due to rapid capacity additions, particularly in China, this phase is expected to drive consolidation, efficiency improvements and better alignment between upstream and downstream capacities.

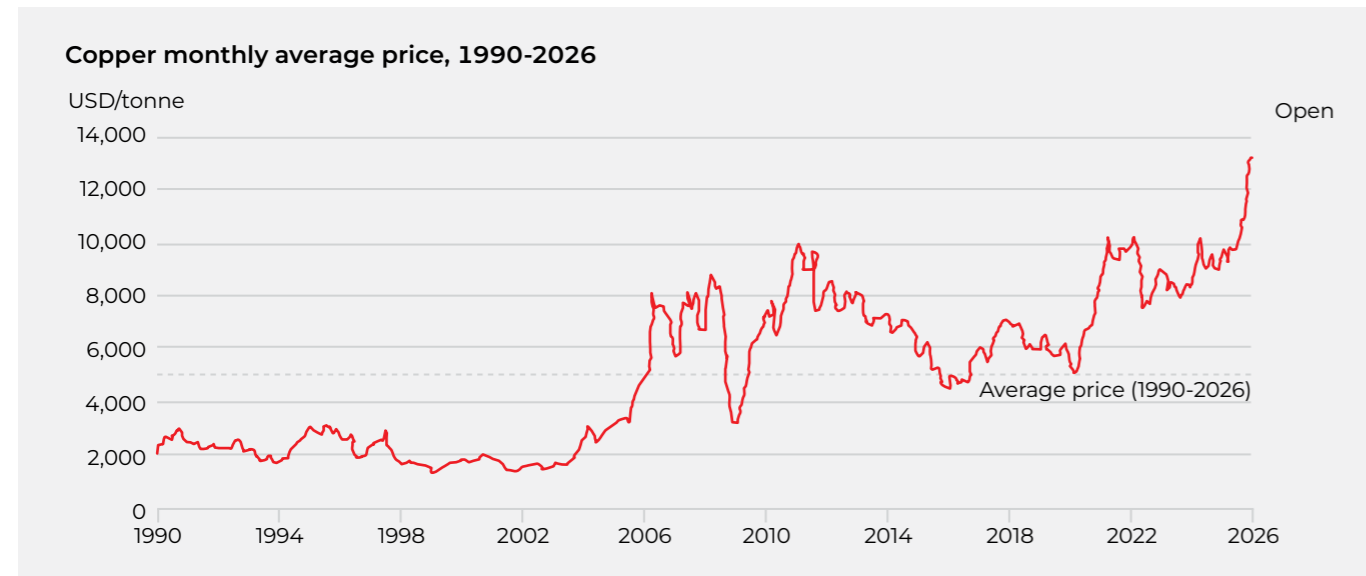
Overall, the copper sector is entering a phase of structural tightness, supported by strong demand visibility and evolving market dynamics. This creates a favourable environment for well-positioned players to capitalise on emerging opportunities, enhance operational efficiencies and contribute meaningfully to the global transition towards a more electrified and sustainable future.<sup>12</sup>



<sup>10</sup>IEA

<sup>11</sup>CareEdge Advisory

Copper Average Price



<sup>12</sup>IEA

**Opportunities and Threats**

**Opportunities**

**India's Growing Steel Demand**

India stands at an inflection point in its steel consumption trajectory. Driven by large-scale government investment in infrastructure development, urban housing, transportation networks, defence manufacturing and the buildout of renewable energy capacity, domestic demand for steel for both long and flat products is expected to grow at a sustained pace through the end of this decade and well into the next. Maharashtra, the country's largest steel-consuming state, represents a particularly significant and proximate demand base, one that our Company is uniquely positioned to serve given its geographic footprint.

This macro tailwind creates a durable foundation for growth across all of our Company's business segments, from iron ore supply to downstream steel manufacturing and reinforces the strategic rationale for our forward integration programme.

**Industry-wide Mining Lease Expiry — A Competitive Advantage**

The regulatory framework governing iron ore mining in India, as established by the Mines and Minerals (Development and Regulation) Act, 2015, in lines with

that a significant volume of iron ore reserve capacity is expected to change hands through the auction route in the coming years. As these mines come to auction, the winning bidders bear substantial auction premiums and higher royalty costs that structurally inflate raw material expenditure for competing steel producers.

Our Company does not bear any auction premium on its existing iron ore reserves, having received its mining allocation prior to the enactment of MMDRA 2015. This translates into a materially lower cost of mining versus competitors and positions our Company to widen our cost advantage as the industry-wide lease expiry cycle unfolds. We are among the best-placed iron ore miners in the country to benefit from this structural reshaping of the competitive landscape.

**Entry into Critical Metals**

Through our international subsidiaries, we have established a presence in the copper mining and processing sector in the Democratic Republic of Congo. Copper and associated multi-mineral assets are closely aligned with the global energy transition and decarbonisation themes, which are expected to drive sustained demand for critical metals over the coming decades. This diversification into copper extends our revenue streams beyond the ferrous value chain, improves overall portfolio resilience and positions us to capture long-term upside from the global clean energy transition.



**MDO Business — Scalable, Contract-Based Revenue stream**

The Mine Development and Operations segment offers a structurally differentiated opportunity for earnings stability. Long-tenure, fee-based contracts with large integrated steel companies and government-linked mining entities provide a predictable and recurring revenue base that is largely insulated from commodity price volatility. As India's mining sector expands to meet growing steel production aspirations, demand for professional MDO services across iron ore, coal, copper, bauxite and other minerals is expected to grow offering our Company meaningful opportunity to scale this business both within the country and internationally.

**Threats**

**Project Execution Risk**

We are in the midst of the most ambitious capital programme in our history, encompassing beneficiation plants, pellet units, slurry pipelines, a wire rod mill and a flat steel facility, all being executed concurrently across multiple sites. Greenfield capital projects of this scale, particularly in sectors such as steelmaking where technical and civil complexity is high, are inherently exposed to risks of schedule delays, cost overruns, contractor dependencies and supply chain disruptions. Any material delay in key project milestones could defer revenue and earnings contribution accordingly.

**Geopolitical and Sovereign Risk**

Our Company's entry into copper mining in the Democratic Republic of Congo exposes it to a geopolitical risk environment meaningfully different from its domestic operations. While our mine is situated in the Katanga Copper Belt, which is geographically removed from active conflict zones, the broader DRC faces elevated risks of political instability, civil unrest, changes in mining royalty and fiscal regimes and disruptions to transportation and export infrastructure. These risks are characteristic of emerging market mining jurisdictions and could affect operational continuity, ramp-up timelines and the profitability of the copper business.

**Regulatory and Policy Change Risk**

Mining is a heavily regulated sector and changes to the regulatory framework including revisions to royalty structures, environmental clearance requirements, district mineral foundation levies, or the treatment of pre-2015 allocations under any future amendment to the MMDR Act could materially alter our Company's cost structure and competitive positioning. We continue to engage proactively with regulatory authorities at both the state and central levels to manage this risk.

## Company Overview

As a fully integrated player in the metals and mining sector, we are strengthening our presence across the value chain from iron ore mining and beneficiation to sponge iron production, power generation, and strategic forward integration into steel. With advanced steel assets nearing completion, it is well-positioned to emerge as one of India's most cost-efficient steel producers.

Our Company has played a pioneering role in unlocking mineral potential in Maharashtra, being the first to commence iron ore mining in the Gadchiroli district, establish a Direct Reduced Iron (DRI) facility, and export iron ore from the state. Building on this strong foundation, it is progressing towards the beneficiation of Banded Hematite Quartzite (BHQ), supported by technology partnerships with leading Chinese firms, with operations set to begin upon receipt of requisite approvals.

Through sustained investments in infrastructure, technology, and operational capabilities, we continue to enhance our contribution to India's steel ecosystem. Our operations are also driving regional development, generating employment and supporting economic growth in Chandrapur and Gadchiroli. Key business segments include Iron Ore, DRI & Power, Pellets, and Mine Developer and Operator (MDO) services.

## Key Business Strengths and Strategies

### Strengths

#### India's Lowest-Cost Producer

We occupy the first quartile of India's iron ore cost curve, supported by a combination of advantages that are structural in nature and not easily replicable by competitors. The absence of auction premiums, a favourable royalty incidence relative to state-owned and auction-acquired mines, captive logistics infrastructure and access to high-grade reserves with low silica and alumina content collectively produce a raw material cost that is competitive in framework of Industry benchmarks.

#### Visibility to 2057

Our Company's mining lease for the Surjagarh Iron Ore Mine, allocated in 2007, was automatically extended to a 50-year term under the provisions of MMDRA 2015, providing operational certainty through 2057. With 157 million tonnes of extractable direct-shipping-grade reserves and approximately 701 million tonnes of BHQ reserves, the mine holds a multi-generational resource base.

## From Mine to Market

Our Company is among a very select group in India building a genuinely end-to-end integrated ferrous value chain from captive iron ore mining through beneficiation, pelletisation, direct reduced iron (DRI) manufacturing, captive power generation, slurry pipeline logistics and downstream steel manufacturing. This integration eliminates external raw material dependencies at every step, enables our Company to capture value-add margins across the entire chain and significantly reduces exposure to intermediate product price cycles. As downstream assets are progressively commissioned, the share of value-added revenue in our Company's portfolio is expected to increase substantially.

### MDO — Annuity Earnings Providing Portfolio Stability

Our presence in the Mine Development and Operations segment through our subsidiary, a leading MDO operator with over three decades of experience, materially improves the quality and predictability of consolidated earnings. The MDO business operates on long-tenure, fee-based contracts with blue-chip clients, providing revenues that are largely insulated from underlying commodity price movements. This annuity-like earnings base acts as a stabiliser during periods of commodity price volatility and reduces the cyclical nature inherent in a pure-play mining portfolio.

### Proven Execution Capability

The transformation of the Surjagarh mine from a nascent operation into one of India's largest iron ore mines achieved in an operationally challenging region over a short period stands as a testament to the organisation's execution capability. This track record underpins investor and regulatory confidence in our Company's ability to deliver its downstream integration programme to schedule and within budget.

### Strong Balance Sheet and Financial Discipline

We have historically maintained a disciplined financial position, characterised by low leverage, strong operating cash conversion and a consistent emphasis on capital efficiency. Despite executing one of the largest private-sector capital programmes in Indian metals and mining, our Company's net debt to equity and net debt to EBITDA ratios are expected to remain at conservative levels. This financial prudence preserves strategic flexibility, supports access to capital markets and ensures our Company retains the capacity to respond to emerging opportunities without compromising the delivery of its core expansion programme.

## Strategies

### Transition from Miner to Integrated Steel Producer

The strategic objective of our Company is to transition from a merchant iron ore miner into a fully integrated, low-cost steel producer, capturing value across the entire ferrous value chain. This transformation is being executed through a phased programme of forward integration spanning BHQ beneficiation, large-scale pelletisation, expanded DRI manufacturing and the commissioning of both long and flat steel capacity. Each phase is designed to sequentially reduce our dependence on external market pricing and increase the proportion of value-added revenue in its consolidated portfolio.

### BHQ Beneficiation

BHQ beneficiation is the most strategically significant initiative in our Company's history. Pioneering this technology in the Indian context, in collaboration with globally experienced technology partners, will unlock access to the majority of our Company's reserve base enabling decades of additional production from a resource that currently cannot be directly used in steelmaking.

### Scaling of MDO Business

We will leverage the established capabilities, client relationships and operational track record of its MDO subsidiary to grow the MDO services business in a disciplined and profitable manner. The strategy involves deepening existing client relationships, expanding into new mineral categories such as coal, copper, bauxite and other bulk commodities and selectively pursuing international MDO contracts. The long-duration, fee-based nature of MDO contracts ensures that this segment provides a stable and growing earnings base that complements the cyclical nature of the mining and steel businesses.

### Copper

Our entry into copper mining represents the first step in a deliberate strategy of commodity diversification. The longer-term objective is to build the copper business into a meaningful contributor to consolidated earnings, reducing our Company's dependence on the iron ore-steel cycle.

### Community Engagement and Social Licence to Operate

We recognise that sustained operational success in the Gadchiroli and Chandrapur regions depends as much on the quality of its community relationships as

on the quality of its assets. We will continue to invest in education, healthcare, livelihood development and infrastructure in the communities surrounding its operations. These investments are not merely an ethical imperative; they are a strategic necessity for protecting the operational continuity upon which all other growth plans depend.

### Integrated Value Chain

We continue to strengthen our position as an integrated metals and mining platform by expanding across beneficiation, pelletisation, steel and copper. This diversified value chain presence enhances supply security, improves operational synergies and reduces dependence on a single revenue stream, creating a more resilient and sustainable business model.

### Strategic Scale-Up

Our phased expansion strategy is focused on increasing mining, beneficiation and pellet capacities while strengthening downstream steel and copper operations. Through disciplined execution and standardised project delivery, we are building a larger and more efficient operating base positioned to capture long-term growth opportunities.

### Efficient Logistics

We are redesigning our logistics infrastructure to improve supply chain efficiency, reduce freight costs and strengthen operational reliability. Investments in slurry pipeline networks will lower dependence on road transportation, improve environmental performance and support higher production volumes with lower operating risk.

### Resource Diversification

We are broadening our resource portfolio beyond iron ore through our growing presence in copper, cobalt and mining development operations. This diversification strengthens earnings resilience, reduces exposure to steel-linked cycles and positions the Company to benefit from global electrification and critical mineral demand trends.

### Prudent Capital Deployment

Our growth strategy is supported by a disciplined capital allocation framework focused on strategic alignment, execution readiness and long-term value creation. By balancing internal accruals with prudent leverage, we aim to maintain financial flexibility while supporting scalable and value-accretive expansion.



**Sustainable Growth**

Sustainability remains integrated into our operational and strategic decision-making, supporting long-term efficiency and resilience. Investments in renewable energy, equipment electrification, waste-to-energy systems, water recycling and resource optimisation initiatives are helping reduce environmental impact while strengthening operational performance and responsible growth.

**Operational Overview**

FY 2025-26 marked a transformational year for our Company, driven by significant scale-up across mining, pellet and DRI operations, alongside continued progress in downstream integration and strategic diversification. Total income for the year stood at ₹ 1,38,378 Mn, registering a robust year-on-year growth of 104%, while EBITDA increased by 133% to ₹ 46,731 Mn. EBITDA margins expanded to 33.77%, reflecting improved operating leverage, a richer product mix and stronger operational efficiencies. Growth during the year was supported by higher iron ore environmental clearance limits, rapid ramp-up of the pellet plant, improved sponge iron volumes and strong domestic demand for iron ore and pellets. The commissioning of the slurry pipeline further strengthened evacuation efficiency, throughput and overall asset utilisation across operations.

Our Company incurred capital expenditure of ₹ 81,310 Mn during FY 2025-26 as part of our ongoing expansion and integration strategy. Iron ore production for the year stood at 21.96 MnT, while sales volumes reached 16.18 MnT, supported by a strong monthly run-rate of approximately 2 MnT. In the DRI segment, sales volumes increased to 479.69 KT, supported by stable realisations and improved operational performance. FY 2025-26 also marked the successful ramp-up of the pellet business with pellet production reaching 3.03 MnT following commercial production commencing towards the end of Q2 FY 2025-26. The pellet plant achieved 100% capacity utilisation within four months of commissioning, supported by strong product quality, captive ore availability and the slurry pipeline network, contributing to robust realisations and margins.

During the year, our Company also strengthened its strategic diversification into critical minerals through international acquisitions in the Democratic Republic of Congo. We acquired a 50% stake in the operational Surya Mines platform and a 49% stake in the Chemaf Group, establishing an integrated copper-cobalt platform supported by high-grade resources, established infrastructure and long-term scale-up potential. Together, these platforms provide a pathway towards approximately 100,000 TPA copper capacity and around 20,000 TPA cobalt capacity, positioning our Company to participate in the growing global demand for critical minerals linked to electrification and energy transition trends.

**Production Overview**

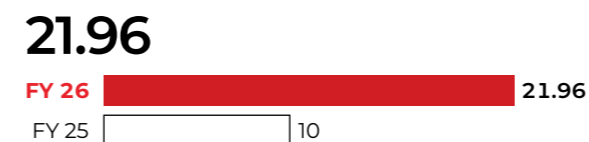
Product Category	FY26	FY 27 Guidance
Iron Ore Production	21.96 MnT	26 MnT
Pellet Production	3.03 MnT	7.75-8 MnT
DRI Production	484 KT	825 KT
Steel (WRM) Production	-	0.15-0.2 MnT
Copper	Nil	10-12kt

**Capacity Overview**

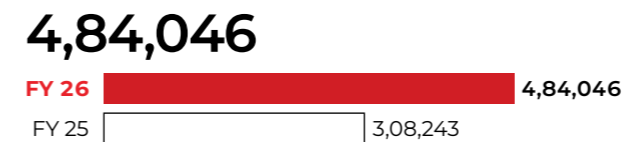
<b>55 MnT</b> Iron Ore (Incl. BHQ)	<b>700 Kt</b> DRI	<b>8 MnT</b> Pellet (4 MnT installed in May, 2026)
<b>1.2 MnT</b> Upcoming steel plant	<b>Surya Mines 12kt</b> (Expanding to 30kt)	<b>Chemaf 24kt</b> (Expanding to 74kt)

**Cobalt 4kt**  
(expanding to 20kt)

**Iron ore production**  
(MnT)



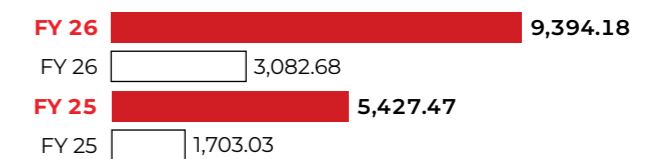
**DRI (Sponge Iron) production**  
(Tonnes)



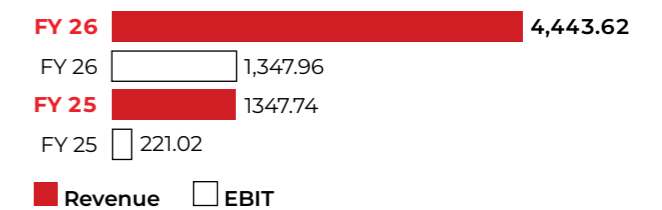
**Pellets production**  
(MnT)



**Iron Ore**  
(₹ crore)



**Value added products**  
(₹ crore)



## Financial Highlights

### Consolidated Financial Performance and FY 2025-26

As a fully integrated player in the metals and mining sector, we are strengthening our presence across the value chain from iron ore mining and beneficiation to sponge iron production, power generation, and strategic forward integration into steel. With advanced steel assets nearing completion, it is well-positioned to emerge as one of India's most cost-efficient steel producers.

Our Company has played a pioneering role in unlocking mineral potential in Maharashtra, being the first to commence iron ore mining in the Gadchiroli district, establish a Direct Reduced Iron (DRI) facility, and export iron ore from the state. Building on this strong foundation, it is progressing towards the beneficiation of Banded Hematite Quartzite (BHQ), supported by technology partnerships with leading Chinese firms, with operations set to begin upon receipt of requisite approvals.

Through sustained investments in infrastructure, technology, and operational capabilities, we continue to enhance our contribution to India's steel ecosystem. Our operations are also driving regional development, generating employment and supporting economic growth in Chandrapur and Gadchiroli. Key business segments include Iron Ore, DRI & Power, Pellets, and Mine Developer and Operator (MDO) services.



### Standalone Financial Performance and FY 2025-26

Sl. No.	Particulars	₹ crore)	
		Year ended 31 March 2026 (Audited)	Year ended 31 March 2025 (Audited)
1	Income		
	Total Income	13,837.80	6,775.21
2	EBITDA	4,673.15	2004.55
	EBITDA Margin	33.77%	29.60%
3	Profit/(Loss) from Before Tax (3-4)	4,298.33	1,896.99
4	Tax Expense		
	a) Current Tax	(1,104.03)	(446.03)
5	Profit After Tax (3-4)	3,194.30	1,450.95
6	Other Comprehensive Income	0.02	(0.70)
	Total Comprehensive Income (5+6)	<b>3,194.32</b>	<b>1,450.26</b>
	Diluted – In ₹	58.03	26.12

## Key Financial Ratios

The Ratios as per latest amendment to Schedule III are as below:

Sr. No.	Particulars	Numerator	Denominator	2025-26	2024-25	Varinace	Numerator
1	Current Ratio (in times)	Current Assets	Current Liabilities	0.87	1.62	-46.45%	Current Ratio has reduced on account of increase in Current liabilities.
2	Debt-Equity Ratio (in times)	Total Debt (Non-Current & Current -Borrowing and Lease liability)	Shareholders' Equity	0.47	0.16	201.05%	Debt-Equity Ratio has increased on account of increase in Borrowing
3	Debt-Service Coverage Ratio (in times)	Earnings available for debt service	Debt Service	1.35	8.37	-83.90%	Debt-Service Coverage ratio has reduced on account of increased in current borrowings
4	Return on Equity (%)	Profit after taxes (PAT) excluding Exceptional items	Average Shareholder's equity	35.13%	31.49%	11.55%	N.A
5	Inventory Turnover ratio (in days)	Revenue from operations	Average inventory	19.95	20.28	-1.61%	N.A
6	Trade Receivables turnover ratio (in days)	Revenue from operations	Average Trade Receivables	69.61	53.45	30%	Trade Receivable ratio has increase due to increase in trade receivables.
7	Trade payables turnover ratio (in days)	Purchase of goods	Average trade payables	2.81	3.58	-21%	N.A
8	Net capital turnover ratio (in days)	Revenue from operations	Net Working capital	(17.4)	7.5	-331%	Ratio has reduced due to increase in current borrowings
9	Net profit ratio (%)	Net Profit After Tax and Exceptional Items	Revenue from operations	23.35%	21.59%	8.16%	N.A
10	Return on Capital employed (%)	Earnings before interest and taxes	Capital employed	25.76%	26.15%	-1%	N.A
11	Return on Investment (%)	Other Income	Average Investment	4.86%	5.65%	-14.1%	N.A

## Business Outlook

Our Company enters the medium and long term with a degree of clarity and operational confidence uncommon for a business of its age and scale. Foundational investments in beneficiation, pellets, integrated steelmaking, logistics infrastructure and global mineral diversification represent a deliberate and irreversible repositioning from a merchant iron ore miner into a fully integrated, low-cost metals producer with a diversified and increasingly resilient earnings base. Our captive resource base supported by a mining lease valid through 2057 and a reserve profile spanning both direct-shipping and beneficiation-grade ore, ensures access to raw materials at structurally advantaged costs across every phase of this journey.

As downstream assets are progressively commissioned and the value chain deepens, an increasing share of the value embedded in each tonne of iron ore extracted will be captured. This margin curve progression is supported by our own infrastructure, power and logistics, rather than by market conditions alone. The Mine Development and Operations business further adds a layer of earnings predictability, reducing the overall cyclicity of the portfolio. In parallel, our Company's entry into copper and other critical minerals positions us to participate in the global energy transition as a resource provider rather than merely as an observer. Conscious of the execution demands this ambition places on its people, systems and capital discipline, our Company remains committed to delivering our programme in a manner that creates enduring value for all stakeholders such as shareholders, employees, communities and the nation it serves.

## Risk Management

Our Company has established a robust Risk Management Framework that enables the timely and effective identification, assessment and mitigation of key business risks. This framework plays a critical role in supporting the achievement of our Company's corporate objectives.

## Risk and Concerns

The key risks faced by our Company include global steel demand dynamics, economic slowdown, market volatility, rising finance costs and potential constraints or significant increases in raw material prices. While no material long-term risks are anticipated, the following specific challenges have been identified:

- Our Company's operations, ongoing projects and profitability may be impacted by delays in approvals and procedural processes, as well as any unfavourable changes in government policies relating to mining, allocations and tariffs.
- The mining and steel industries operate under stringent labour laws and health and safety regulations. Any lapse in safety could lead to damage to property, assets and human capital. In addition, labour shortages may adversely impact our Company's operations and ongoing projects.
- Rising environmental concerns and regulatory requirements relating to carbon emissions and water availability may impose operational constraints, potentially impacting our Company's growth trajectory.
- Operating in a socio-economically sensitive region, any unrest could adversely affect mining operations.

## Risk Mitigation and Management

Our Company has clearly defined the roles and responsibilities of the Board of Directors and the Risk Management Committee in overseeing and administering our risk management procedures. These responsibilities ensure that corrective actions are implemented promptly and consistently when required. The Board identifies and categorises risks across key areas, including operations, finance, marketing, regulatory compliance and corporate affairs.

Our Company undertakes biannual reviews of "List of Risk Areas" to identify emerging risks and implement appropriate mitigation measures. We also obtain compliance confirmations from relevant units and divisions on statutory requirements. The Internal Auditor assesses risk levels during audits and reports findings to the Audit Committee. Overall, our Company's risk management framework is robust and comprehensive, safeguarding operations while ensuring preparedness for potential contingencies.

## Internal Control Systems

We adopt a structured approach and prioritises the implementation of effective checks to ensure operational efficiency and accuracy. We maintain an appropriate and comprehensive system of internal controls that align with our size and the nature of our operations. Our Company's internal control system provides reasonable assurance for safeguarding assets and ensuring proper authorisation, recording and reporting of transactions.

Our Company's internal auditors conduct audits across various departments and areas. We report the findings and observations from the Internal Audit Department to the Audit Committee, which meets regularly to review the audit issues and oversees the implementation of corrective actions. Additionally, the statutory auditors provide assurance regarding the adequacy of our Company's internal control systems. Overall, these strong auditing and oversight mechanisms help ensure that our Company's internal controls remain effective and aligned with best practices, promoting transparency and accountability within our operations.

## Human Resources and Industrial Relations

Our Company's Human Resources Department (HRD) is committed to fostering a safe, collaborative and positive work environment that promotes strong relationships between workers and staff. We firmly believe that employees at all levels are integral to achieving organisational objectives. Our Company encourages a culture of continuous improvement and adaptability through regular training programmes that enhance skills, knowledge and productivity while keeping employees updated on the latest practices. Senior management remains accessible to provide guidance and address grievances effectively. The HRD consistently works to strengthen harmony and coordination across the organisation, while prioritising employee safety through strict adherence to safe working practices. As of March 31, 2026, our Company had 4,866 employees, with industrial relations remaining peaceful and cordial throughout the year.



## Cautionary Statement

A cautionary statement is a disclaimer commonly included in corporate reports, presentations, or public communications to notify stakeholders of potential risks and uncertainties that could influence future outcomes. It underscores that certain forward-looking statements, projections, or expectations are based on assumptions and may be subject to change due to various factors, including market conditions, regulatory developments, economic fluctuations, or unforeseen events. The primary purpose of such a statement is to ensure that investors, analysts and other stakeholders are aware of the inherent risks and uncertainties related to the provided information, thereby safeguarding the organisation from liability if actual results differ from anticipated outcomes. Focusing on self-reliance, adaptability and global trends, the country is strategically positioned for sustained long-term growth and economic stability. Key government initiatives, including 'Make in India', infrastructure development and continuous policy reforms, remain central to driving economic progress.