Vedanta Iron And Steel Limited's H1 EBITDA Surges54%; Margins Expand 275 bps

H1 Revenue Rises 8% to ₹6,450 Crore| Steel Production Grows 4% | CRISIL Assigns AA/Stable Rating

Panjim, Goa: Vedanta Iron And Steel Limited (VISL), an integrated iron ore and steel company with operations across India & Africa, reported a strong year-on-year improvement in operating earnings for the first half of FY27 with EBITDA increasing 54% to ₹598 crore and revenue by 8% to ₹6,450 crore. EBITDA margin expanded by 275 basis points YoY to 9%, reflecting improved operating performance over the corresponding period last year.
The Company reported a loss after tax of ₹203 crore for H1FY27, significantly lower than the ₹622 crore loss recorded in H1FY26. The performance reflects improvement in operating earnings and financial discipline over the half-year, even as the business continues to navigate a cyclical industry environment.

H1 Performance Reflects Operating Improvement
VISL's integrated mining and steel operations continued to support production growth in steel, with output increasing 4% year-on-year to 1.114 million tonnes in H1FY27. Recorded highest ever half yearly Pig Iron production at 568 kt, up 4% YoY basis. Iron ore production stood at 4.2 million tonnes, reflecting the seasonal and operational conditions affecting mining activity during the period. Iron Ore Production at Odisha increased 34% YoY to 0.9 Mn DMT and at Goa by 22% YoY to 0.1Mn DMT in Q2'27.

For Q2FY27, EBITDA stood at ₹83 crore, up 56% YoY, while EBITDA margin improved by 112 bps YoY to 3%. Revenue from operations was ₹2,788 crore. The Company reported a loss after tax of ₹324 crore, compared to a loss of ₹477 crore in Q2FY26. Quarterly performance was affected by seasonal disruptions in iron ore production, planned plant shutdowns and higher input and conversion costs. These factors weighed on operating profitability during the quarter. The half-year results, however, reflect a substantial year-on-year improvement in EBITDA and margins.

Integrated Business Model: Linking Resources, Production and Performance
VISL's integrated mining and steel business model brings together resource access, mining operations and steel production. The model provides a strategic platform for managing operational interdependencies and strengthening the Company's ability to respond to changing industry conditions. The focus remains on improving operational efficiency, managing costs and strengthening the consistency with which production performance translates into financial outcomes.

Financial Resilience and Credit Rating
CRISIL assigned VISL an AA/Stable credit rating during Q2FY27 and H1FY27. The rating adds an independent assessment of the Company's financial profile. H1 EBITDA growth of 54%, margin expansion of 275 bps and a substantial reduction in the half-year loss demonstrate progress in operating performance. The Company's priorities remain prudent liquidity management, disciplined capital allocation, robust financial controls and adherence to governance and compliance standards as it builds its position as an independent listed company.

VEDANTA IRON AND STEEL LIMITED
Sesa Ghor, 20 EDC Complex, Patto, Panjim, Goa – 403 001, India
T +91 0832 6713601 | Website: www.vedantaironandsteel.com
Email- ContactUs.VISL@vedanta.co.in

Registered Office: C-103, Atul Projects, Corporate Avenue New Link, Chakala MIDC, Mumbai, Maharashtra-400093
CIN: L24109MH2023PLC411777

CEO's Comment: Mr Pankaj Kumar Sharma, CEO, VISL, said:

"VISL delivered a stronger year-on-year operating performance in H1 FY27, supported by improved steel realisations, higher steel volumes and continued efficiency initiatives. During the quarter, we completed planned shutdowns at our Bokaro and Goa operations to strengthen asset reliability for the second half. We also continued to advance our growth projects and renewable energy initiatives, while maintaining a sharp focus on safety, operational discipline and long-term value creation.

CFO's Comment: Mr Navin Jaju, CFO, VISL, said:

" H1 FY27 EBITDA increased 54% year-on-year to ₹598 crore, with margin expanding by 275 basis points to 9%. Profitability improved materially compared with the corresponding period, while net debt to EBITDA reflects a healthy balance sheets position. We remain focused on disciplined capital allocation, working capital management and cash generation as we progress our strategic growth investments."

Q2'27 ESG Highlights

ESG continued to be a key pillar of VISL's growth strategy during the quarter and H1. We have secured 21 MW of solar power through open access at ESL Bokaro, with potential annual emission reduction of approximately 50,000 tCO_2. Q2 FY27 LTIFR improved to 0.41 from 0.64 in Q1 FY27, while TRIFR improved to 0.71 from 1.59. CSR programmes reached more than 57k beneficiaries across 69 villages in five states spanning across healthcare, education, skilling, livelihoods, women empowerment, sports, environment and community infrastructure. 21 MW Open Access solar power secured at ESL Bokaro resulting in annual reduction potential of 50,000 tons of CO2

Flagship initiatives including Nand Ghars, TACO-supported Animal Birth Control Centre, Vedanta Computer Centres & Labs, the Sesa Football Academy and the ESL Archery Academy continued to deliver measurable social impact by strengthening access to education, community services, livelihoods and sporting opportunities across multiple states.

Awards and Recognition:

- Received the Gold Export Excellence Award from New Mangalore Port Authority for achieving the highest iron ore exports in FY 2025-26.
- Iron Ore Karnataka received the Hindalco–Aditya Birla Award for Sustainable Mining 2025-26 at the 60th AGM of the Federation of Indian Mineral Industries.
- ESL Bokaro received the GreenPro Certified Steel Portfolio Award 2026 for its steel products.
- ESL Bokaro was recognised at the CII National Kaizen Competition 2026 and the CII National Digitech Competition 2026.
- ESL Bokaro Awarded with Excellence in Talent Management Award at India HR Summit Awards 2026

Outlook

India's infrastructure development, manufacturing expansion and growing demand for steel provide a long-term opportunity for the sector. VISL's integrated business model and operating capabilities positions it to participate in this opportunity.

The Company's focus remains on strengthening operational efficiency, managing costs, improving consistency in production and financial performance, and maintaining financial discipline. These priorities will be central in building resilience through industry cycles and creating sustainable long-term value for stakeholders.