21 August 2026

National Stock Exchange of India Ltd,
Exchange Plaza, C-1, Block-G
Bandra-Kurla Complex, Bandra (E),
Mumbai- 400 051
NSE Symbol: ZUARIIND

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
BSE Scrip Code: 500780

Sub: Transcript of Earnings Call conducted on 17 August 2026

Ref: Disclosure pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Dear Sir/ Madam,

In continuation of our earlier letters dated 04 August 2026 and 17 August 2026 related to Earnings Call and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed herewith Transcript of the Earnings call held on 17 August 2026.

This is for your information and record.

Thanking you,
For Zuari Industries Limited

Yadvinder Goyal Digitally signed by Yadvinder Goyal Date: 2026.08.21 14:34:02 +05'30'

Yadvinder Goyal
Company Secretary

Encl: As stated above

"Zuari Industries Limited
Q1 FY27 Earnings Conference Call"
August 17, 2026

MANAGEMENT: **MR. ATHAR SHAHAB – MANAGING DIRECTOR – ZUARI INDUSTRIES LIMITED**
MR. ALOK SAXENA – EXECUTIVE DIRECTOR – ZUARI INDUSTRIES LIMITED
MR. JATIN JAIN – CHIEF FINANCIAL OFFICER – ZUARI INDUSTRIES LIMITED
MR. YADVINDER GOYAL – COMPANY SECRETARY – ZUARI INDUSTRIES LIMITED
MR. ALOK BANERJEE – CHIEF EXECUTIVE OFFICER – ZUARI INFRAWORLD INDIA LIMITED

MODERATOR: **MR. ARYAN – MUFG INTIME**

Moderator: Ladies and gentlemen, good day and welcome to Q1 FY27 Earnings Conference Call of Zuari Industries 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 star then zero on a touchtone phone. Please note that this conference is being recorded.

I would now hand the conference over to Mr. Aryan from MUFG Intime. Thank you and over to you, sir.

Aryan: Thank you, Muskan. Good afternoon everyone and a very warm welcome to all participants on the Q1 FY27 Earnings Conference Call of Zuari Industries Limited. Today on this call we have Mr. Athar Shahab, Managing Director; Mr. Alok Saxena, Executive Director; Mr. Jatin Jain, Chief Financial Officer; Mr. Yadvinder Goyal, Company Secretary; and Mr. Alok Banerjee, CEO of Zuari Infraworld India Limited, a wholly owned subsidiary and the real estate arm of Zuari Industries Limited.

A disclaimer before we start this call. This call will contain some forward-looking statements which may be based upon our beliefs, opinions and expectations of the company. As of today, these statements are not a guarantee of future performance and will involve unforeseen risks and uncertainties.

With this I hand over the call to Mr. Athar Shahab. Over to you, sir. Thank you.

Athar Shahab: Thank you, friends. On behalf of Zuari Industries Limited, I would like to extend a very warm welcome to all the participants who have joined us today for the Q1 financial results discussion. We start with the performance of the Sugar, Power and Ethanol division. Our sugar sales stood at 4.7 lakh quintal compared to 3.6 lakh quintal in the last year the same quarter, which represents a 29% increase year-on-year, primarily supported by higher domestic quota allocation.

Average sugar realizations also improved to INR4,116 per quintal from INR4,036 per quintal last year. Despite the improvement in sugar volumes and realizations, margins remained somewhat under pressure, substantially due to about 8% increase in the SAP, which was INR30 per quintal for the last season, as well as somewhat lower recovery from ethanol, which was manufactured through the molasses route.

Sugar recovery for this first quarter stood at 11.7%. Last year we had not operated the mill, we produced so the numbers cannot be compared with last year. The performance of the current quarter included six operating days in April '26, whereas there was no crushing operation in the last year.

Our ethanol business remained on a steady momentum with production increasing by 1% to 10,138 KL and sales grew by 5% to 10,248 KL. Average realization stood at INR60.70 per liter. Power sales for the quarter stood at 62.8 lakh unit compared to 7.7 lakh units for the same quarter last year. R&M activities are currently in progress at the sugar unit as we prepare for the upcoming crushing season.

Moving on to our subsidiaries and joint ventures. The real estate subsidiary of the company, Zuari Infraworld, achieved a very important milestone this quarter with the 100% completion of the St. Regis Residences, Dubai.

We are expecting to commence handovers shortly, with all the preparatory activities currently underway, while the profit repatriation from the project has already commenced. This marquee project demonstrates our capability of successfully executing projects of similar size and scale in that region.

We also continue to make steady progress on our asset-light development management model. As you are aware, we are doing a project in Hyderabad called Gangothri Tribhuja Project, where the sales office and customer experience center are now complete and marketing activities are in full swing.

The project envisages a saleable area of 2.8 million square feet. We have also executed a DM agreement for a 14.8-acre plotted development in Bangalore. RERA approval is in place for this project. We continue to evaluate further DM mandates across Bangalore, Kolkata and Hyderabad.

In our subsidiary Simon India, during the quarter we executed projects worth about INR30 crores with approximately INR70 crores worth of orders currently under execution. The ongoing crisis in West Asia has resulted in deferred capex across sectors, affecting the engineering and construction industry as a whole.

The company is exploring opportunities actively both within the country and outside to strengthen its order book while working on digitalization and AI-led initiatives. Our ethanol joint venture, Zuari Envien Bioenergy Private Limited, stabilized its plant operations during the current quarter and has secured orders until the month of October 2026.

As regards our investment portfolio, we continue to maintain strategic investments across our core portfolio that comprises, as you are aware, Chambal Fertilisers, Zuari Agro Chemicals, Paradeep Phosphates, Texmaco Rail & Engineering, and Texmaco Infrastructure and Holdings.

The value of our listed strategic investments as on 30th June was INR4,223 crores, which was up 15% quarter on quarter due to market movement.

Friends, we are making decent progress on our deleveraging exercise, excluding working capital, the aggregate external debt of the company and its subsidiaries was INR1,888 crores as against INR1,909 crores at the end of the fourth quarter.

Profit repatriation from our St. Regis project in Dubai has commenced with part of the proceeds received in July and August and the balance expected during the current fiscal year. We also expect that the loan that was given to an associate company, Zuari Agro Chemicals Limited, will also be repaid to the company in the current quarter.

Looking ahead, I think on the sugar prices and inventory, just to give you a recap, in the previous season, the sugar production was estimated to be 31.1 million metric tons after accounting for ethanol diversion of 3.1 million tons and domestic consumption of 28.3 million metric tons and exports of 0.7 million tons.

Closing sugar stocks are expected to decline to around 4.3 million metric tons compared with 5.3 million metric tons in the previous year. Probably this is what has led to the recent spike in sugar prices that you may be observing.

The opening inventory for the next sugar season will be lower and the tighter supply position is probably dictating the higher prices of sugar. Indian sugar prices have risen 10% over the past month to record highs.

Prices in Uttar Pradesh are currently at INR4,860 to INR4,920 per quintal, with Maharashtra also registering reasonably high prices. With festival demand expected to gather pace, the pricing environment is expected to support sugar realizations.

The global sugar market has also remained supportive with prices at around 16.6 cents per pound, close to their highest levels in over a year. This reflects expectations of tighter global availability, particularly following lower production in Brazil and increased diversion of cane towards ethanol.

As regards our ethanol business, the realization, the prices continue to be static and therefore they weigh on the margins. However, we remain optimistic about the sector's outlook and expect the government to consider a price revision in the near term.

As I have been mentioning in the previous calls, we continue to evaluate inorganic growth opportunities across our businesses. We also continue to adopt digital solutions across businesses to improve efficiency and streamline our work processes.

So which brings me to the end of my address for the current quarter, and I now invite my CFO, Jatin Jain, to take you through the financial results of the company. Over to you, Jatin.

Jatin Jain: Thank you, sir. Good evening everyone. I will begin by providing a review of Zuari Industries performance. On a standalone basis, the company reported total income of INR283.9 crores in

Q1 Financial Year '27, registering a 26% year-on-year increase, primarily driven by higher sugar sales volumes supported by increased domestic quota allocation and improved realization.

EBITDA stood at INR31.3 crores compared to INR36.9 crores in Q1 financial year '26. Profit before tax, before exceptional items, stood at a loss of INR4.4 crores for the quarter compared with a profit of INR0.9 crores in Q1 financial year '26, and profit after tax stood at a loss of INR9.5 crores compared with a loss of INR3.9 crores in the corresponding quarter of the previous year.

The average cost of borrowings declined by 56 basis points year-on-year to 9.73% in Q1 financial year '27 from 10.29% in Q1 financial year '26. On the consolidated basis, total income stood at INR327.5 crores in Q1 financial year '27, registering a 22% year-on-year increase from INR267.6 crores in Q1 financial year '26.

Consolidated EBITDA stood at INR29.8 crores during the quarter. Profit before tax, before exceptional items, stood at a loss of INR5.4 crores compared to a loss of INR0.4 crores in the corresponding quarter of the previous year.

And consolidated profit after tax stood at a marginal profit of INR0.05 crores compared with a loss of INR0.48 crores in Q1 financial year '26. Finance cost has declined by INR1.46 crores year-on-year to INR61.5 crores from INR63 crores in Q1 financial year '26.

The company continued to benefit from improved operational efficiencies, disciplined financial management and reduction in borrowing costs during the quarter.

In respect of our updates on our subsidiaries, one of our major subsidiaries, Zuari Infra World India Limited, Q1 financial year total income grew by 25% year-on-year to INR33.9 crores versus INR27.1 crores in Q1 financial year '26.

Q1 financial year '27, EBITDA improved to INR24.6 crores from INR21.7 crores in Q1 financial year '26, and profit before tax stood at a loss of INR0.7 crores as against a loss of INR1.5 crores in the corresponding quarter of the previous year.

For Simon India Limited, our total income stood at INR11.7 crores compared to INR15.9 crores in the corresponding quarter of the previous year. For Zuari Finserv Limited, our total income stood at INR4.1 crores as compared to INR5.9 crores in the corresponding quarter of the previous year due to decline in the market.

Similarly, for our broking business, Zuari Insurance Broker Limited, gross return premium for Q1 financial year '27 reached to INR20.8 crores from INR33.3 crores in Q1 financial year '26. Brokerage income for Q1 financial year '27 stood at INR3 crores compared to INR3.8 crores in Q1 financial year '26, and EBITDA stood at INR2.2 crores in Q1 financial year '27 versus INR3.2 crores in Q1 financial year '26.

Thank you, Aryan.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Saumil Shah from Paras Investments. Please go ahead.

Saumil Shah: Thanks for the opportunity. Sir, as we mentioned, repatriation of profits have started to come from our Dubai project, so can we have some rough estimates, how much are we expecting in the current quarter and how much in December quarter?

Athar Shahab: Yes. So we have in the current quarter received AED55 million, which in Indian rupee terms translates to INR142.58 crores. And we had projected that we will receive up to INR900 crores in the current financial year. And I should say that we are on track to receive the balance amount.

Saumil Shah: Okay. And everything should be completed by December quarter, or you feel that there might be some delays?

Athar Shahab: I think we have always given a guidance that we should expect to complete a repatriation of about INR900 crores in the current financial year.

Saumil Shah: Okay. And are we facing any, I mean, just to understand, are we facing any challenges with respect to this project? I mean buyers backing out or asking for discounts, considering the current geopolitical issues?

Athar Shahab: No, we are not facing any challenges whatsoever so far.

Saumil Shah: Okay. And sir, once we pay off this INR1,100-odd crores of debt, so how much reduction in interest cost we can have in FY28?

Athar Shahab: So you can calculate it actually. What is our average cost of borrowing?

Jatin Jain: Average cost of borrowing is 9.73%. So considering a reduction of INR1,100 crores in our overall borrowing, we can see an decline in our finance cost.

Saumil Shah: Okay. So at least INR100 to INR110 crores we can see reduction. Okay. And sir, if I may ask one more question.

Jatin Jain: Yes.

Saumil Shah: Yes. Sir, what is the idea behind buying shares of Zuari International and paying them INR150 crores? And by when we can complete this transaction?

Jatin Jain: This transaction, like it will be completed in one or more tranches. So we have taken an ICD approval and the strategy behind this transaction is that we want to consolidate the investments which are there in our different companies at the holding group level.

Saumil Shah: Okay.

Athar Shahab: It's very simple and straightforward. We are consolidating all the investments into the main holding company, which is Zuari Industries. Historically, this investment was lying, some of it was lying in Zuari International, some of it is lying in Zuari Management Services. So the idea is to bring everything in Zuari Industries, which is the main listed entity. And it will also help, these transactions deleverage those entities whatever debt they may be carrying, they will use this proceeds to settle their external debt.

Saumil Shah: Okay. And sir, just to confirm on your opening remarks, you mentioned we will be receiving this INR250 odd crores from Zuari Agro in the current quarter?

Athar Shahab: That's what we are expecting.

Saumil Shah: Okay. That's it from my side. Thank you and all the best.

Athar Shahab: Thank you.

Moderator: Thank you. The next question is from the line of Gunjan Modi, an Individual Investor. Please go ahead.

Gunjan Modi: Good afternoon, sir. So the first question was regarding the recent sugar price spike which you just mentioned. So also we heard some rumors about government bringing some policies regarding transferring back to ethanol sector, tightening some rules around that. So any comments on that? How are we foreseeing that impact our financials?

Athar Shahab: As a policy, we do not comment on rumors. And it's a question of serious government policy. As and when a formal policy is announced, we will take a stand, Gunjan.

Gunjan Modi: Okay. So the second question was regarding the previous participant mentioned about Zuari Agro. We heard of a filing from Zuari Agro that they are looking for six month extension on INR95 crores ICD. Are we planning to approve that and do we foresee that to come up?

Athar Shahab: So we are expecting, as I mentioned earlier, the entire INR258 crores outstanding debt to be repaid to us in the current quarter.

Gunjan Modi: So there is no extension as per the filing which was made by Zuari Agro.

Athar Shahab: I think what really matters is that we expect to get repaid and that is what is absolutely important for Zuari Industries investors.

Gunjan Modi: Got it. Any plans further to increase our ethanol production given the books we have till October and order book we have? Do we see anything or are we filing for any tenders right now from OMCs?

Athar Shahab: Can you repeat the question again, please? And which entity are you talking about?

Gunjan Modi: I am talking about Envien and the ethanol business in our SPE sector. This is regarding the order book which we have till October. Do we foresee any tenders coming up from OMCs and are we planning to participate in those?

Athar Shahab: Absolutely. We are expecting the next round of tenders to come sometime in October and the company will be certainly participating in that round, OMCs round.

Gunjan Modi: That's all from my side.

Athar Shahab: Thank you.

Moderator: The next question is from the line of Suhani Singh from ROS Capital. Please go ahead.

Suhani Singh: Hi, sir. Good afternoon. So I had a few questions. If management were to run its business by expected value creation over the next five years, how would you prioritize sugar and ethanol, real estate, engineering services and strategic investments such as ZACL and TIHL? And what KPI should investors track for each segment?

Athar Shahab: So, as we have been mentioning in our previous calls, these strategic investments are going to continue in our portfolio. You notice that they are in strategically important sectors of the Indian economy, primarily our investments are in fertilizer and railways. And as prudent analysts you must be seeing the performance of these companies and participating in their investment calls as well. So we will continue to hold our strategic investments for sure.

As far as Zuari Industries is concerned, we certainly are quite long on real estate as well as engineering and construction. But I think in terms of the growth opportunity we definitely see opportunities in real estate much more than engineering and construction. Engineering and construction is still a fledgling business. My sense is that in the longer term that will also grow, but it's the real estate which will provide the momentum.

On the sugar side, we are now operating a facility at 100% capacity utilization. It has demonstrated robust performance. And while we hope to continue our performance in the ensuing season, we remain open to the idea of acquisitions, should they present themselves. So tomorrow let's say if an opportunity comes and we find it worthwhile, there could be some additions to capacity. Otherwise the growth vectors will come from real estate and engineering construction.

I have mentioned in the past as well that ethanol used to be a stated objective, and we have placed on record that our objective is to grow that ethanol business to 1000 KLPD. We had to take a pause because of the substantial overcapacity that came to light during the last tenders against the INR1050 crores of tenders, INR1800 crores worth of offers were received. So obviously we have put our capex plans on hold.

But tomorrow if the country decides to roll up the policies and increase the ethanol blending and we have flex fuel vehicles and whatnot, I think we again can see whether we want to grow our business both organically and inorganically.

Suhani Singh: Okay, sir, that helps. So the standalone revenue grew 27% year on year to INR266.5 crores, but the operating EBITDA declined from INR22.4 crores to INR13.9 crores. So if you could help me what were the key drivers of margin compression despite this strong revenue growth?

Jatin Jain: Yes, in terms of the major hit in terms of our margin is the 8% increase in the SAP sugarcane prices. So government of UP in the last financial sugar season, they have increased the prices of sugarcane from INR370 per quintal to INR400 per quintal, which has impacted our margin profitability.

Suhani Singh: Okay. And the sugar segment revenue increased 34% year on year to INR236.8 crores, yet the segment profit declined to INR8.4 crores from INR12.3 crores. So if you could explain the factors impacting profitability including cane costs, recovery rates or inventory movements?

Jatin Jain: So as you can see in terms of our increase in our revenue, if you see on a year on year basis, our revenue has jumped from INR176 crores to INR236 crores. So the major driver is that we have got a higher quota allocation from government of India. In this current quarter we have sold additional one lakh quintals of sugar which has brought in an additional revenue of 45 crores to the company.

And on account of our segment results, our segment results have fallen from INR12.29 crores in the last financial year to INR8.36 crores. The major driver which is impacting our profitability for the sugar business is the increase in our cane cost that has happened in the last sugar season.

Suhani Singh: One last question, the consolidated PAT was also INR0.05 crores despite high revenue and excluding associate income and exceptional items. What is the sustainable earning profile of the core businesses over the next 12 to 18 months?

Jatin Jain: Sustainable like in terms of sustainability if we say, like as we have highlighted earlier that there will be repatriation of INR1100 crores in this current quarter...

Athar Shahab: No, she is talking about the operating performance of the three segments, which is sugar, power and ethanol. So her question is about sustainability. Will you be able to sustain these numbers, etcetera., etcetera.

Suhani Singh: Yes, sir.

Athar Shahab: So my let me let me respond to it. As I mentioned earlier, the segments that you see will again come back into action as we start the next season. Our operating performance has been very robust in the previous season and there is no reason why we should not repeat that performance, if not better it.

The good news is that the prevailing prices of sugar are quite high and it's easy for anybody to do some math around what would it do to the numbers of sugar companies. We also hear that the sugarcane crop particularly in Uttar Pradesh is doing quite well. So we look forward to a fairly decent quarters ahead.

Suhani Singh: Okay, sir. That really helps. Thank you so much and all the best.

Athar Shahab: Thank you. Thank you.

Moderator: Thank you. The next question is from the line of Satish Sharma from Privhuvan. Please go ahead.

Satish Sharma: Yes, good evening, sir. Can you hear me?

Athar Shahab: Yes, please.

Satish Sharma: Sir, I was going through the circular you came out with at the time of results whereby you mentioned that you're going to buy the shares of Texmaco Infra and Zuari Agro. Last time when you did the same from Zuari International for Texmaco Rail, you bought the share at INR190 and the share has gone to INR105 now.

So what is the logic of doing all these things when you are losing money and diverting our money, shareholder's money to other companies? it doesn't go with the proper ethics of the company. Can you clarify what you are doing exactly?

Athar Shahab: See, the last transaction did not go through. It was an enabling approval that was taken, but there was no actual transaction that took place.

Satish Sharma: Okay.

Athar Shahab: As I mentioned earlier, it is part of a strategy to consolidate all listed equity investments in the main holding company. And as it happens under the laws of the land, these transactions will be at market price.

Jatin Jain: Market price.

Athar Shahab: And the share prices then, of course, post acquisition would depend on the performance of those companies. So just to reiterate, that old transaction that you mentioned, there was an enabling resolution, but no transaction actually took place. And this time, as and when we do the transactions, I think you will get to know, again formally we will notify everybody and we will consolidate everything in the holding company.

Satish Sharma: But what was the benefit to the shareholder of the Zuari Industries? What is the logic, already there is its holding is there in Zuari International, which is again our subsidiary only. So what is the logic to the shareholder of our company [inaudible 0:27:27]?

Athar Shahab: The logic is that it should be in the main listed company. And there is unlisted, listed, unlisted company may have some external debt that can be repaid as a result.

Satish Sharma: But when I brought my main question was when we try to do the same with Texmaco Rail, the share price went down from INR190 to INR105.

Athar Shahab: That, as I explained earlier, the transaction has not gone through. Therefore, there's no point talking about it.

Satish Sharma: Okay. Thanks a lot. That's it.

Moderator: Thank you. The next question is from the line of Saumil Shah from Paras Investments. Please go ahead.

Saumil Shah: Yes, hi. Thanks for allowing me a follow-up. My question is on our furniture division. So I think we are still having losses in this division. So are we looking to dispose it off? Any value we can generate through that?

Athar Shahab: I think right now, whatever you see, the losses coming from that division are on account of the small little expenditure on a handful of people that have been deployed, some expenditure on maintenance, and some ICDs that they have got to service those ICDs. Other than that, there's no other expenditure that one is incurring in the furniture division.

We have been talking to people who could potentially revive that business. If something works out as part of the revival plans, we will revive it. But otherwise, we will make some decisions about this business by the end of this financial year.

Saumil Shah: Correct. That's it from my side. And sir, just a feedback. Sir, really appreciate, since last few quarters we have been doing quarterly con-calls. And we can see management's intent towards shareholder value creation. So really appreciate that.

Athar Shahab: Absolutely. And you will see that in coming quarters as well. You will see that in coming quarters.

Saumil Shah: Because sir, we have enormous, I mean, value sitting inside industries and all our group companies. But still we are not able to fully value it. So thanks for doing all the quarterly calls and all. And we look forward for them. Thank you. Thank you.

Athar Shahab: Thank you.

Moderator: Thank you. The next question is from the line of Somya Raghuvanshi from Nirva Securities. Please go ahead.

Somya Raghuvanshi: Good evening. Thank you so much for the opportunity. I just have a few questions from my end. Firstly, sugar realization improved to 4,116 per quintal and sales volume rose to 4.7 lakhs quintal. What is your outlook on domestic sugar pricing and exports for FY27 and how sensitive are earnings to changes in sugar prices?

Athar Shahab: I would, I have already dealt with the pricing issue in my opening comments and I mentioned that while the prices have been somewhat muted in the first quarter, and they were not commensurate with the rise in input prices, the current prices are significantly higher and I also outlined the reasons for that.

Of course, the financials of the company are very sensitive to prices. As far as exports are concerned, currently the exports are not allowed, so we don't foresee that in the current situation exports will be permitted. And I think we are looking forward to a decent quarter on the back of the current prices.

Somya Raghuvanshi: Okay, sir, got it. Sir, ethanol sales increased only marginally, despite capacity availability. Are there any constraints related to feedstock allocation, government blending policies or procurement by OMCs?

Athar Shahab: No, there is no constraint from the government side. And whatever ethanol we, whatever molasses we produced, we have consumed to making ethanol. Historically, we have bought molasses also from outside opportunistically, but this year the prices of outsourced molasses was not economical and therefore we decided not to pursue those purchases and make ethanol. And that's why you see the numbers as they are.

But tomorrow or in the next season, if we find that we have an opportunity to buy and produce, we will do that. And we have also be mindful of the fact that before that there will be a tender process and there will be an allocation, etcetera.

Somya Raghuvanshi: Okay, sir. Sir my next question is on sugar division. Sugar division operated for only six days during the quarter. What are your expectations for cane availability and crushing days in the upcoming season, particularly in Uttar Pradesh?

Athar Shahab: We can't speak about Uttar Pradesh as a whole, as I mentioned a short while ago, in our command area the sugar cane crop seems to be maturing quite well. And we are expecting a very healthy cane production, subject to weather holding up and not creating any difficulties weather or disease, these two factors always bother us. So if there are no unusual weather events or a disease outbreak, we expect a robust cane production in our command area.

Somya Raghuvanshi: All right, sir. Sir, last question from my end. The company disclosed a potential Uttar Pradesh ethanol import export pass fee exposure of about INR507 lakhs, but has not made a provision.

Can you discuss the legal position and potential downside risk if the case is not resolved favorably?

Jatin Jain: So this is the case which has been there for all the sugar mills are being against this case with the court. So we have not created the provisions, but we have given an indemnity and the court cannot make a retrospective change in the law bringing in an effective adjustment that you pay an export fees for the ethanol that you export out of Uttar Pradesh. So we are very hopeful that it will not come as a provision in my books of accounts going forward. Because law cannot be made retrospectively, it has to be made prospectively.

Somya Raghuvanshi: Okay sir. All right, all right. That's it from my side. Thank you so much.

Jatin Jain: Thank you.

Moderator: Thank you. The next question is from the line of Jayendra Kumar, an individual investor. Please go ahead.

Jayendra Kumar: Hello.

Athar Shahab: Yes please.

Jayendra Kumar: Thank you for giving me, yes thank you for giving me an opportunity to talk in this forum. My first question is on the monetization of land holding by Zuari Industries and Zuari Agrochemicals in Goa. And second question is on the mining sector, like Zuari Industries and its subsidiaries, mainly Zuari Agrochemicals and Texmaco. So we want to enter into mining business. So can you throw some light on these two items?

Athar Shahab: I can only speak about Zuari Industries and I can only speak about the land monetization matter of Zuari Industries. Let me clarify that Zuari Industries has no intention or has had no intention in the past and has no current intention of getting into mining. So coming back to the land monetization, yes, it was a part of our strategy for deleveraging the company.

But the Goa Assembly passed a law which came in the way and the circle rates were also enhanced very, very substantially making these kind of deals very, very complex and challenging. So for the time being, I think all land monetization plans as far as Goa is concerned is put on hold. While we are using all other avenues to deleverage ourselves, primarily through the repatriation of profits from Dubai as well as repayment of loans from the associate company, Zuari Agro.

Jayendra Kumar: Okay. Thank you, sir. One more question regarding the reverse merger or consolidation among the subsidiaries. So when can we expect this to happen?

Jatin Jain: Currently we are not thinking of consolidating any of our subsidiaries in Zuari Industries Limited. We are managing, majorly our focus is on our real estate business and the ethanol business that we do it through Zuari Envien. And some little other subsidiaries which provide us a marginal profit to the holding company. Currently we don't have any plans to consolidate our subsidiaries in the main holding company.

Jayendra Kumar: Okay, sir. Thank you.

Moderator: Thank you. The next question is from the line of Yash Mehta from Escape Capital. Please go ahead.

Yash Mehta: Good afternoon, sir. Thank you for the opportunity. So I have got a few set of questions. So firstly, like the company highlighted digitalizations and AI-led initiatives within Simon India. So can you quantify the expected impact on project execution timelines, manpower productivity or the bidding efficiency over the next few years?

Athar Shahab: These are too early to be quantified. Honestly, if you ask this question to any CEO, they will find it very difficult to answer. I think these are early days, we are experimenting and implementing various tools. I think we still have to implement quite a few of these tools, only then we will have a sense of how much is the impact and quantification of impact would be possible. So that's the short answer that I can give.

Philosophically speaking, what are we trying to do in Simon India? The engineering work is very, very labor intensive. You deploy so many thousands or hundreds of engineering hours to let's say produce a drawing. We are wondering whether by using digital tools or artificial intelligence we can compress that time.

Now at this stage I can't quantify and tell you that in this project we did this etcetera, etcetera. So a number of experiments are currently underway and the initial results appear to be quite encouraging and hopefully in the next few quarters or maybe next year sometime I'll be able to happily share with you some very good use cases of how we saved so many engineering hours on a particular project.

Yash Mehta: Understood, sir. And also, like the given government continued push for ethanol blending, so are there any plans to expand your distillery capacity or shift to some feedstock mix or increase participation in higher margins ethanol categories?

Athar Shahab: See, right now you have a situation where there is significant overcapacity. As I mentioned earlier, the last tender that came against an order of 1,050 crore liters, the offers that the government received or OMCs received was 1,800 crore liters. We understand that the actual capacity may have gone up a little higher and maybe it's 2,000 crore liters. So you really don't want to increase capacity in that environment unless there is a significant increase in blending percentage.

And we are waiting for the government, they have announced higher blends at 85% and even 100% and there have been couple of vehicle launches also. But there is no real increase in the demand for ethanol as far as OMCs are concerned. And it will all be tested and proven when they come up with the new tenders in the month of October.

So I think it's just a couple of months away and when we will see the tenders coming in and we will know the numbers and then we can plan accordingly. If we see that the government is keen and the demand for ethanol is increasing very substantially and there is an under capacity, then we will invest of course we are now people with reasonable experience in the sector and we can set up distilleries, we can buy distilleries, but we will have to wait until we see clarity on the demand side.

Yash Mehta: Got it, got it. And also your other expenses declined substantially on a Q-o-Q basis. So was this primarily seasonal and like what is the normalized quarterly run rate investors should model in going forward?

Athar Shahab: Jatin?

Jatin Jain: Yes sir. So our other expenses remain in the range of INR14 crores to INR15 crores every quarter because this is a period during which we do repair and maintenance for our sugar division.

Athar Shahab: No, no. Is there a difference between Q4 and Q1?

Jatin Jain: Sir, Q4, the other expenses are on higher side.

Athar Shahab: That's what, that's what you want to mention.

Jatin Jain: Q4 other expenses are on a higher side because it is a pure operating period during that sugar has operated for full 90 days. And during this Q1, our other expenses are in the range of INR14 crores, during this period we majorly do the repair and maintenance for our sugar mill and power division.

Yash Mehta: Understood, sir.

Athar Shahab: And on a year-on-year basis, if you see last year this number was INR14.46 crores for the same quarter Q1. This year it is INR14.36 crores, so it's practically the same.

Yash Mehta: Understood, sir. And just the last question from my end, so the unallocated income also increased to INR13.7 crores from around INR8.1 crores year-on-year. So like what are the major contributors and are these levels likely to continue in upcoming quarters?

Jatin Jain: The income which has increased on account of unallocated is the ICD's income that we have given to our group companies. So ICDs that we have given to our group companies. And also the difference is that our expenditure on our other divisions for our other divisions for our

Finserv business and investment businesses have reduced. So net of our un-allocable income has increased net of un-allocable expenses.

Yash Mehta: Okay, sir. Got it, got it. Thank you so much.

Moderator: Thank you. The next question is from the line of Payal Sharma from DD Capital. Please go ahead.

Payal Sharma: Hi, sir. Thanks for the opportunity. I have some couple of questions with me. Sir my first question is like associate and JV income contributed INR343.7 crores during the quarter, which largely offset the operating level losses. So could you please help us understand the key contributors to this income and also how sustainable do you believe these earning are going forward?

Jatin Jain: So the key contributor in our share of profit from associates is from Zuari Agro Chemicals Limited. So Zuari Agro has contributed around INR39 crores in the share of profit of loss from JV and associates. And that profit in the Zuari Agro chemicals has majorly come from Paradeep Phosphates, they have given a profit of INR393 crores during the first quarter. So of that 100% has come in ZMPPL and of that 24% has come in Zuari Agro chemicals.

Athar Shahab: Let me, let me try to rephrase what Jatin has said. The bulk of this item is coming from the performance of Zuari Agro Chemicals Limited. Zuari Agro Chemicals has a joint venture with OCP Morocco called ZMPPL. And ZMPPL holds equity in Paradeep Phosphates. So the underlying asset is really Paradeep Phosphates, its reported performance for the previous quarter was INR392.5 crores of PAT which has been consolidated in ZMPPL and it has flowed back to Zuari Agro Chemicals.

Payal Sharma: Understood, sir. And the next question is like, with handovers now underway at St. Regis Residences Dubai, what proportion of the project receivable is still outstanding? And also how much cash like repatriation should investor expect over the next four to six quarters?

Athar Shahab: So let me answer the second question first, which I have already answered. Our guidance for the current financial year is INR900 crores of repatriation of profits. And of which we have received INR142 crores. The balance amount which is a little over INR750 crores is on track. And that guidance still holds and we just provided that earlier in response to another question. As far as the balance payments to be made by unit holders, I would request Alok Banerjee to just clarify. Alok, if you are there on the call, can you please provide this answer?

Alok Banerjee: Yes, like hi good afternoon. So since we have received a 100% (inaudible 46:35) building completion certificate, we are now and we started to hand over the units to the residents who have purchased. And as Mr. Athar has said earlier, that we expect that in this financial year the balance about INR800 crores should come in by the end of the financial year.

Athar Shahab: No that clarity I have given already Alok. The total amount estimated in this year is INR900 crores, of which INR142 crores has come and INR758 crores let's say will come by the end of this year. That clarity everybody has got. What she is asking is a little different. What is your payment plan and how much more do you need to collect from the buyers, flat, apartment buyers? That's what she's asking.

Alok Banerjee: Yes, we need to, we need to collect roughly another about...

Athar Shahab: In terms of percentage?

Alok Banerjee: On percentage, we need to collect about 40% more. 40% of the top line

Jatin Jain: Yes. So we need to collect 40% to 45% of the customers collection. In terms of our payment plan, the payment plan is 50-50%. So now we have raised the demand notes to the customer post receipt of the completion certificate. So we expect to receive the money from the customers in this current quarter.

Payal Sharma: Understood sir, understood. And my last question is that the real estate segment has seen a significant increase in segment assets, like assuming INR77,000 crores. And like could management provide more visibility on the monetization timeline for these assets and the return that investors can expect from them?

Jatin Jain: So in terms of our segment assets, segment assets for our real estate division as on 30th June '26* stands at INR770 crores, which majorly comprise the receipts from our Dubai projects of INR400 crores. So in the next one to two quarters, majority of our segment assets for our real estate divisions will come and the actual realization of that cash will happen in this current financial year.

Payal Sharma: Understood, sir. Thank you so much, sir, and all the best.

Jatin Jain: Thank you.

Athar Shahab: Thank you.

Moderator: Thank you. The next follow-up question is from the line of Saumil Shah from Paras Investments. Please go ahead.

Saumil Shah: Yes, hi. Just one question, sir. Can you throw some light on Zuari Infra? So how are we looking to expand this business? Any more DM projects under pipeline? Because I think few quarters back we mentioned to increase this to INR10,000 crores. So can we have your views on the same?

* The management inadvertently mentioned 27 instead of 26.

Athar Shahab: Alok, you want to take this question?

Alok Banerjee: Yes. Okay, I'll do that. See, what we already have is an order book of about INR6,000 crores roughly. And we are now in the process of launching the project in Hyderabad and Bangalore in the next month. And once we launch and we see the success, we have we have quite a few deals in the pipeline which will then fructify. As of now we are focused on getting these projects off the ground and thereafter we would be able to close out on further projects in these two cities, which is our focus area.

Athar Shahab: If I may add, I think the gross development value of the projects Alok, that you have in hand is closer to INR4,900 crores.

Alok Banerjee: Right.

Athar Shahab: And we did mention that our aspiration is to have a GDV of INR10,000 crores. So one can say that we are halfway in that journey. You know 50% of the journey is covered. The route that we have taken, which is the asset light, investment light approach of DM model is a difficult and challenging route. One has to find the right kind of people with whom our brand can be associated and the project should also be bankable projects with good prospects.

So it is not easy to just grow it because we are not simply buying land and launching projects. So the bottom line is that we are halfway there, as Alok mentioned, we continue to scout for opportunities particularly in South India for DM projects. And our aspiration is to go to INR10,000 crores as I mentioned earlier.

Saumil Shah: Correct. And the Bengaluru project which you mentioned is the plotted development one?

Athar Shahab: Yes, yes. And that's a very interesting project. It's about 15 acre plotted development with RERA approvals in place and what Alok tells me that it should do reasonably well.

Saumil Shah: Okay. And generally this plotted development should complete faster, right?

Athar Shahab: Yes that's right.

Saumil Shah: Okay, so by when we can expect to complete that project?

Alok Banerjee: See, it takes a cycle time of about 15 months from the date of launch.

Saumil Shah: Okay.

Alok Banerjee: 15 months to 18 months. Unlike a regular apartment project will be three to four to five years.

Saumil Shah: Okay. Okay. Fine. That's it from my side. Thank you.

Moderator: Thank you. Ladies and gentlemen, as that was the last question for today, I would now hand the conference over to Mr. Aryan for closing comments. Over to you, sir.

Aryan Sabnani: Thank you everyone for joining this call. We really appreciate your participation. If you have any further queries, please reach out to us at MUFG Investor Relations. Thank you.

Athar Shahab: Thank you. On behalf of the management, I would like once again to thank all the investors, analysts and potential investors who have joined the call today. We really appreciate your questions and we look forward to interacting with you in the next quarter.

Moderator: Thank you. On behalf of Zuari Industries Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.