

Date: June 03, 2026

To, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001 Scrip Code: 532967	To, National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Scrip ID - KIRIINDUS
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Dear Sir/Madam,

Sub: Submission of Transcript for Q4-FY26/FY26 Earnings Conference call

In compliance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Transcript of Q4-FY26/FY26 Earnings Conference Call held on Monday, June 01, 2026.

The Transcript of Q4-FY26/FY26 Earnings Conference Call is also available on website of the Company at www.kiriindustries.com.

You are kindly requested to take note of the same.

Thanking You,

Yours faithfully,

For Kiri Industries Limited

Suresh Gondalia
Company Secretary
M No. : F7306
Encl: As stated

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Kiri Industries Limited
Q4 & FY'26 Earnings Conference Call
June 01, 2026

Moderator: Ladies and gentlemen, good day and welcome to the Kiri Industries Limited Q4 FY26 Earnings Conference Call.

As a reminder, all participant lines will remain 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 the operator by pressing “*” then “0” on your touchtone phone. Please note that this conference is being recorded.

I will now hand the conference over to Ms. Purvangi Jain from Valorem Advisors for opening remarks. Thank you and over to you.

Purvangi Jain: Thank you. Good morning, everyone and a warm welcome to you all. My name is Purvangi Jain from Valorem Advisors. We represent the investor relations of Kiri Industries Limited.

On behalf of the company, I would like to thank you all for participating in the company's Earnings Conference Call for the 4th Quarter and full Financial Year 2026. Before we begin, let me mention a short cautionary statement.

Some of the statements made in today's Earnings Call may be forward-looking in nature. Such forward-looking statements are subject to risk and uncertainties, which could cause actual results to differ from those anticipated. Such statements are based on management's belief as well as assumptions made by and information currently available to the management.

Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decision. The purpose of today's Earnings Conference Call is purely to educate and bring awareness about the company's fundamental business and financial quarter under review. I would now like to introduce you to the management participating with us in the conference call.

Mr. Manish Kiri - Chairman and Managing Director, Mr. Jayesh Hirani - Vice President, Accounts and Finance, Mr. Suresh Gondalia - Company Secretary, and Mr. Ranjit Singh Chugh – CEO, Indo Asia Copper Limited.

I would now request Mr. Manish Kiri to give us his opening remarks. Thank you and over to you, sir.

Manish Kiri:

Good morning, everyone, and welcome to the Earnings Conference Call for the 4th Quarter and full Financial Year 2026. I hope you are all keeping safe and well.

FY26 has been a very important year for Kiri Industries. The successful conclusion of DyStar matter marked the end of a journey that has been part of the company for many years. With that chapter now behind us, our focus is firmly on the opportunities ahead and on building the next phase of growth for the company. As all of you are aware, we are developing an integrated copper and fertilizer project, which will form an important part of the company's future growth.

During the quarter, the project continued to make steady progress across engineering, procurement, infrastructure development activities, while several important milestones were achieved. Engineering activities across the copper rod tube and refinery and associated utility facilities continue to progress under the supervision of Tata Consulting Engineers. We have completed key procurement milestones through the placement of orders for critical machinery and utility packages, while technical finalization and ordering activities for long-lead equipment continued as planned.

Construction and infrastructure development activities have gathered momentum across the project site. Progress was achieved across utilities infrastructure, including oxygen facility, sulfuric acid plant, associated facilities, while work continued on various civil and further infrastructure packages supporting overall project execution schedule. In parallel, we continue to strengthen the long-term operating framework of the project through the development of supporting facilities, including desalination plant, renewable energy integration, logistic systems, etc.

We are also progressing initiatives related to raw material sourcing, supply chain development, which will support the project as it moves towards the next stage of execution. Overall, the project continues to progress in line with our roadmap and our focus remains on achieving the next set of execution milestones. With that update on the project, let me now briefly touch upon the performance of our existing business and the financial performance for the quarter and financial year.

On a standalone basis, the company delivered a strong performance during Q4 FY26, with revenue from operations increasing by 29% year-on-year to Rs.241 crore, driven by improved business volumes, stronger realization in dye intermediate segment, as well as the lower legal cost. Reflecting the underlying strength of the operations, the company generated and adjusted EBITDA of approximately Rs.35 crore during the quarter, post year-end closing adjustments. However, as part of the annual financial closing and finalization process, certain non-cash closing period measurement adjustments aggregating to approximately Rs.114 crore were recognized during the quarter.

For the full year FY26, the company delivered good performance, with standalone revenue from operations increasing by 19% year-on-year, with Rs.778 crore of sales, supported by improved business volumes and favorable realizations across key product segments. The company generated an adjusted EBITDA of Rs.79 crore in FY26, post year-end closing adjustments. However, as part of the annual financial closing and finalization process, certain non-cash measurement transactions were recognized during the year, which impacted the reported EBITDA.

On a consolidated basis, the company delivered strong performance during Q4 FY26, with revenue from operations increasing by 22% year-on-year to Rs.251 crore, supported by improved business volumes across key segments. The company generated and adjusted consolidated EBITDA of Rs.33 crore during the quarter, post year-end closing adjustments. Finance cost declined sharply to Rs.8 crore during the quarter, from Rs.54 crore in Q4 FY25, reflecting improving underlying operating performance.

For the full year FY26, the company delivered resilient consolidated performance, with revenue from operations increasing 14% year-on-year to Rs.840 crore, supported by improved business volumes and steady business momentum across key segments. The company generated and adjusted consolidated EBITDA, which includes the joint venture in India, to Rs.127 crore during FY26, post year-end closing adjustments. The share of profit from associate and joint ventures for FY26 stood at Rs.188 crore, comprising Rs.58 crore from our 40% stake in Lonsen Kiri Chemical Industries and Rs.129 crore from DyStar, recognizing up to Q2 FY26. The significant increase in profitability during FY26 was primarily driven by the successful monetization of DyStar investment, which was recognized as an exceptional item during the year. Based on an independent expert legal opinion obtained by the management, only a portion of the award amount has been considered taxable, while the balance has been treated as a judicial capital receipt based on the judgment award. Accordingly, the company has recognized tax provision on the taxable portion of the award.

On the operational front, the Dye and Dyes Intermediates business saw a meaningful recovery during Q4 FY26, supported by improved business volumes and stronger operational activities across key segments. Dyes Intermediates remained the largest revenue contributor at 52%, followed by Dyes at 33% and Basic Chemicals at 15%. While raw material cost pressures continue to weigh on margins during the year, the strong volume recovery witnessed in Q4 is an encouraging sign as we move into FY27.

We continue to focus on operational efficiency, cost optimization and pricing discipline to improve profitability and strengthen the business over the long term. The outlook for Dyes Intermediates is becoming more constructive. China's supply of key intermediates has tightened due to environmental compliance measures and production containments, which is expected to support industry dynamics and improve realizations for Indian producers going forward.

For joint ventures, Lonsen Kiri continued to deliver a steady performance during the year and remains an important contributor to the group's overall performance. Looking ahead, FY26 marks the beginning of a new chapter for the Kiri Industries. DyStar matter is resolved. The balance sheet is transformed, execution of copper and fertilizer project is well underway, core chemical business is showing encouraging volume recovery and the external environment for Dyes Intermediates segment is turning more favorable.

We remain focused on discipline execution, prudent capital allocation and building a strong foundation for the company's next phase of growth. With that, we can now begin the question-and-answer session. Thank you very much.

Moderator: Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. Ladies and gentlemen, you will wait for a moment while the question queue assembles. We take the first question from the line of Harshit Khadka from Robo Capital. Please go ahead. Thank you for the opportunity.

Harshit Gada: Yes, sir. Thank you. Sir, we had earlier commented that the phase one of our plant will start in April 2027 and we will do revenue of, say, 20000-25000 crores in that year. So, are we still on track? Are we maintaining those comments?

Manish Kiri: From 27-28 financial year, we will be operational. The first part of the project will be operational, but it would be operational unit by unit.

So, it would be downstream products, then the refinery would be operational, secondary product line operation. All will be operational in 2027-28 and we continue to have, based on the pricing, somewhere around 40,000 crores plus revenue in this year as well.

Harshit Gada: Understood, sir. I just wanted to understand what is the debt outlook for FY 27 and 28?

Manish Kiri: Depending on how much drawdown we take on the CAPEX debt, there is no other debt right now. The prior debt has already been paid. So, even if we withdraw half of the debt, it would still be somewhere close to 4,000 to 5,000 crores of debt on the CAPEX.

Harshit Gada: In FY 27?

Manish Kiri: FY 27-28. FY26-27 will have very minimum debt, maybe less than a Rs. 1000 crores.

Harshit Gada: Alright, understood. And what will be the working capital debt?

Manish Kiri: The debt will keep increasing year-on-year. Working capital debt will not be there on FY 26-27, but yes on FY 27-28, working capital debt will also be availed and will be used

Harshit Gada: Understood, sir. One of our peer company CEO said that the import dependency for copper products will be reduced this year or will mostly be over this year. So, what are your comments on that?

Manish Kiri: Well, based on the current increasing requirements of copper in the country with increasing use of and the sale of EV vehicles, electric vehicles and also the increasing requirements for AI data centers, our assessment is that the country is going to remain, for copper processing, still import dependent, not to the extent we have been earlier, but till 2030 to 2035, irrespective of the increasing capacities and production facilities coming up in India, still we will continue to be import dependent. We would not be completely self-reliant before 2035. We would still continue to import.

Harshit Gada: Okay, sir. Understood. Thank you. All the best.

Moderator: Thank you. We take the next question from the line of Suryanarayan Nayak from Sunidhi Securities and Finance Limited. Please go ahead.

Suryanarayan Nayak: Yes, thank you on opportunities. So, just wanted to know that now we were telling that from the legacy business, we would not be taking a hit because all the legal expenses are behind. Still look at the last results the other expense is swelled so what is the reason for that which has led to the losses.

Manish Kiri: I think that is what I have explained in my speech earlier. There were certain non-cash year-end adjustments. So, the EBITDA for the year ended is 79 crores on a standalone basis and 127 crores on the consolidated basis.

So, operational performance has significantly improved. What you saw and what we had to account for was the year-end impact of certain adjustable items. Otherwise, operational performance has drastically improved.

Suryanarayan Nayak: So, shall we mean that now going forward on the standalone business, the other expenses component will be significantly lower?

Manish Kiri: Yes, it will not be there. It's only year-end adjustments. So, if you look at 778 crores of sales and 79 crores of adjusted EBITDA, which is 10% EBITDA in line with our earlier projections.

Suryanarayan Nayak: Any guidance for the standalone business EBITDA margin?

Manish Kiri: I think we would target somewhere between 10% to 15%. So, if we are at 12% during this year, we will be happy.

Suryanarayan Nayak: Okay, 12%. And sir, in this year, we will be taking some thousand crores of debt, you said? And next year, term debt and working capital debt both put together will be 5000.

Manish Kiri: Minimum 5000, it could be even more than that. So, it depends on how we are able to expedite and speedily execute the project as well as the commercial operations of the plants which are getting established. So, it could be even higher than that also.

Suryanarayan Nayak: If that is the case, what would be the minimum or maximum, we can say, working capital debt out of 5000 crores plus debt in FY27-28?

Manish Kiri: The 5000 debt what we are projecting is the CAPEX debt. It's only the debt which goes from the hard CAPEX. Working capital, which we would be able to withdraw, would also be around 3000-4000, if not 5000 crores.

So, you are looking at total debt increasing to 8000-9000 crores in 2027-28, not 26-27. So, not the coming financial year, the year after. That is the year in which the debt is going to be maximized.

Suryanarayan Nayak: Okay. So, in that case, will you be seeking any kind of moratorium for that?

Manish Kiri: Yes, there would be moratorium, correct. So, debt serviceability is not going to be an issue, let me address your question.

Suryanarayan Nayak: Debt serviceability will be from the day one, but the repayment of the principal will be starting from two years after the debt taken?

Manish Kiri: Correct. Three years after the debt taken.

Suryanarayan Nayak: So, three years moratorium is seeking. Okay. So, what kind of interest rate we can presume for 5000 or 6000 crores of debt?

Manish Kiri: 8.5% to 9% in that condition. 8.5% to 9%.

Moderator: Thank you. Ladies and gentlemen, in the interest of time and fairness to others, we request you to restrict to two questions per participant and rejoin the question queue. We take the next question from the line of Suresh Baramshetty from Baram Financials. Please go ahead.

Suresh Baramshetty: Good morning, Sir Manish. . Sir, don't misunderstand. I am asking investors have been waiting for 10 years, so they deserve at least some returns. You are generating funds and doing well, but you must also remember your responsibility to take care of the investors who supported you.

Manish Kiri: The promoters, the management team of the company, everyone is working hard to improve the performance of the company, which you have seen, operational performance of the Dyes Chemical business, as well as to transform the company to the new level. And we all strongly believe that that is what is going to create immense value for the shareholders. All the activities

and all the progress that we are trying to achieve here and it's all for the benefit of the shareholders and to enhance the value of the shareholders.

Suresh Baramshetty: Actually, before the conference call, you told after winning the case, you do some benefit in dividend or any buyback. Shareholders have received amounts, but shareholders are not creating any wealth after 10 years of case winning. You can consider my request. Shareholders are not creating wealth. You can understand. Don't misunderstand.

Manish Kiri: I fully understand. And currently, the company is going through a significant growth execution phase right now. And that is why the board and the company decided to reserve and to keep the cash in the company to support the initiatives of growth that we have embarked upon. And it's a long-term commitment from the shareholders, as you rightly said, and long-term commitment from the promoters, long-term commitment for the management of the company as well to continue the journey after almost 10 years of no growth to a very high and significant vertical growth that we are trying to achieve in the next three to five years. So, I think that journey would create a lot more value. And based on the prudent use of cash for the growth of the company, that is what the board and the company has decided to focus on right now. Correct. So, that was mentioned in the last board meeting as well. And it was already conveyed in certain terms to the market and to the investors as well.

So, we request you to please keep patience to see where the company is going in terms of performance. The objective of all of us is to give you results and give you performance. And as long as you see that performance it up to the market, then what value that everyone is able to give in terms of the capitalization of the company in the market.

Suresh Baramshetty: Actually, investors are already waiting for 10 years. You can consider any dividend in this year.

Manish Kiri: As conveyed earlier, we will further deliberate it during the course of the year. But this year, the dividend has not been declared and is not going to be declared. I would be certain and clear for that. o, that's the decision of the board and that has been already conveyed earlier as well.

Suresh Baramshetty: Any buybacks?

Manish Kiri: Well, there is no decision as of yet. During the course of the year, there could be further deliberation on various options that the company has on everything on the platform. But nothing has been decided yet to be conveyed.

Moderator: Thank you. We take the next question from the line of Shivam Joshi from Motilal Oswal, Principal Investment. Please go ahead.

Shivam Joshi: Sir, you mentioned in your opening comments that you took some expert opinion and the tax that you had to pay, the recognized tax provision that you have done is only one part of the concentration that you have received. Can you quantify if it is possible how much exactly is the

tax provision and what is the net proceeds after taking care of the legal expenses and tax provision that we have accounted for? Thank you for the opportunity.

Manish Kiri: The tax provision has reached to around Rs.160 crores, which has already been paid by the company. That was the initial assessment. However, based on the legal opinions that we have received, the award that the company has received is a judicial award, which is the judgment receipt. The judgment receipt is exempted from the taxes, and that is the stand that the company has taken on the larger portion of the receipt from the part. So, it is called awarded judgment receipt, judicial award as per the laws which can be excluded from the obligation of the taxes. So, I think based on that, Rs.150 crores has already been paid by the company till date

Shivam Joshi: So, the net is only Rs.150 crores?

Manish Kiri: Yes.

Shivam Joshi: Secondly, on your copper, I mean the entire copper integrated complex, if you can give me what will be the phase-wise CAPEX? I mean, what are you planning for the CAPEX in this year, next year? And I believe your plant will be operational by the end of next calendar year.

Sorry, in calendar year 2028, that is what you have mentioned, even in your presentation. In the interim, what is your plan? I mean, till the time you start making primary copper and fertilizers, how will be the ramp-up in the interim? Or you will see the numbers only from next year for some guidance? And additionally, because of copper scenario globally, what is the current situation of your raw material tie-up, your concentrate tie-up?

Manish Kiri: So, let me take one by one the questions that you have raised. Number one, from 2027 April onwards, you will see quarter-on-quarter, the facilities keep getting operated, getting in operations, and you will see the numbers start coming. So, from April 2027 onwards till March 2028 and March 2029, over a period of two years, you will see first the secondary production line to be operational, and then the primary production line will be operational. So, both the lines will be commercially operational during these two years. And the capital investment this year, by end of March 2027, will be at least close to Rs.4,500 to Rs.5,000 crores. Again, in the next year, as per the current plan, will be almost equivalent, another Rs.5,000 crores. And then we have another Rs.2,000 to Rs.3,000 crores by March 2029. So, just to give you a high-level number, you can say Rs.5000 crores, Rs.5000 crores, Rs.2000 crores to Rs.3000 crores finally in March 2029. So, that is the overall investment to Rs.13,000 crores to be infused in. So, that's the first part. And the numbers you will start seeing from April 2027 onwards to the next financial year. So, that's the overall project. Now, when you talk about copper concentrate, as of today, we have for the primary line, our requirement is about 1.5 million tons. And we already have visibility of more than 1 million ton of copper concentrate tie-ups.

So, we still have more than a year. And we are fully confident to have it completely organized up to 1.5 million tons by next year for sure. So, that is where we are on. But that is the most difficult part that the company has been working on.

Shivam Joshi: So, just confirming, in the current year, FY26-27, there will not be any secondary transaction. The copper being integrated complex will not have any revenue accretion in this year?

Manish Kiri: No, not in this year. Not in this year.

Shivam Joshi: And what would be a rough expense run rate that you would have already started from an OPEX point of view in that division? Obviously, part of which will be capitalized, but what can hit P&L? Just trying to understand that.

Manish Kiri: So, Indo Asia Copper Limited for FY26 has been capitalized. So, still, it's basically EBITDA neutral or PAT neutral, let me put it this way. And going forward also, this year, there will be some expenses, but not to a large extent, because a lot of investments would need to be capitalized in this year as well, because the commercial operations would not get established before 31st March 2027. So, FY27, you would not see any large number on the loss side. It may be some expense nature that could have limited negative earnings, but not much. It could be insignificant.

Moderator: Thank you. Thank you. We take the next question from the line of Manoj Kumar Bura from Adinath Financial Services Pvt. Ltd. Please go ahead.

Manoj Kumar Bura: Good Morning Manish bhai, Yes, my question was regarding, can you throw some highlights on the government incentives which are receivable in both our units, Indo-Asia Copper as well as the fertilizer plant? Say, Interest Subsidy, GST Subsidy or GST Reimbursement, PF Reimbursement, and Electricity Duty, all those things are available under the government incentive schemes. Can you please give light?

Manish Kiri: So, the company has already applied for all these incentives which Gujarat State has been providing as per the current industrial policy, the Atmanirbhar incentive schemes, and both the legal entities, Copper as well as Fertilizer, have been in the process of receiving the final confirmation and the approval from the state government. But we would receive roughly 30, somewhere between 30 to 35% of eligible CAPEX over a period of 10 years, right? And in absolute number, would be in the range of Rs.3,000 crores to Rs.3,500 crores to be received yearly within a period of 10 years from the date of commercial and operation beginning for both the plants. So, that is the rough estimate which the company would get.

Manoj Kumar Bura: My second question was regarding this revenue guidance of the current business, that is our dyes business. And further, you elaborated in one of the last call calls that we will start some trading in Copper and we have to familiarize with the process and to establish the network. What is the status on that?

Manish Kiri: So, just to address your second question first, the trading has not been commenced yet. We have not been in the process of commencing trading soon as well. Even though we have contemplated several possibilities, we explored several opportunities in the past. But to avoid any market risk, and we are glad that we didn't start trading two, three, four months ago. So, we haven't done that yet. But during the course of the year, we will have few opportunities which is secured for profiting for the company. When we see that, we will do so. And the company would start trading fertilizers during this year, this financial year. So, fertilizer distribution would start probably from next quarter onwards within this year as well for the trading part of the company.

Manoj Kumar Bura: In the current liability in the balancing side, I see a huge figure of Rs.332 crores trade payable on a purchase of around 80 which is almost six months of purchase. Why we are paying very late to our creditors?

Manish Kiri: The average credit paying cycle is 90 to 120 days. But sometimes it gets extended because we also get paid late from the customers as well. So, it is all linked with each other. So, sometimes almost for dyes and chemical business, more than 95% of customers are textile customers which are in textile sector. And you might have observed in the market that the payables from textile units have been getting extended. And that is the reason that our linked payable from our side to the vendors also get linked and extended to the extent. So, that's passed through.

Manoj Kumar Bura: That increases our costs, sir. Don't you think so? If we buy our creditors, we have the money. If we can pay our creditors, we can get a substantial discount in our purchases.

Manish Kiri: Well, it depends on both the sides. So, if we keep infusing more and more working capital in existing business, those purchases again are linked with the sales in terms of how much we charge to the customers as well. So, when we purchase a little more, we sell also a little more pricing.

But if we keep infusing more working capital, whether that more funds and more working capital would attract and would be able to earn enough returns or not, that is the question, right? If it is not going to earn the discount significant enough to have an incremental return, then why do that? Correct?

So, that is where we continuously keep measuring, Right. If I am getting 3% discount and I need to invest Rs.100 crore on the working capital, we rather not do it. If we are getting 10% discount, okay, no problem.

Tomorrow morning, we will infuse Rs.100 crore. So, we are trying to be conservative here.

Manoj Kumar Bura: Sir, is there any guidance you have not given for the current year for the dyes business?

Manish Kiri: So, the target is to cross Rs.1000 crore. So, we are expecting (+20%) growth this year. So, hopefully, we will cross Rs.1000 crore in this financial year. On a standalone basis. And the joint

venture is also expected to cross Rs.1300 crore, which has already done Rs.1100 crore this year. So, that is how the revenue should look like in 2026-2027.

Manoj Kumar Bura: Any proposal to take over Lonsen kiri? Yes, this is my question. Yes. No discussion yet.

Manish Kiri: Yes, nothing yet. It is operating.

Manoj Kumar Bura: Thank you, Manish. Thank you. Thank you.

Moderator: We take the next question from the line of Sandeep Raj from Oculus Capital Growth Fund. Please go ahead.

Sandeep Raj: Good morning, Sir, I just wanted to check, what is the update of the MCB Mine regarding the Celsius arrangement that we had?

Manish Kiri: Right. So, as we announced earlier, the company has already entered by financing and by making arrangements of taking over certain loans pertaining in Philippines at MMCI. And we are in the process of negotiating offtake agreement right now. So, the entry of the company has already taken place. We are now involved with MMCI and our objective is to conclude the offtake agreement as soon as possible.

Sandeep Raj: Okay. So, nothing, the percentage is not yet finalized, how much you are going to take?

Manish Kiri: No, nothing, not finalized. So, we want to first ensure that we lock in the offtake. That's the sole purpose. I hope I am clear on that.

Sandeep Raj: Yes, absolutely. Thank you.

Moderator: Thank you. We take the next question from the line of Shivang Joshi from Motilal Oswal Principal Investments. Please go ahead.

Shivang Joshi: Thank you Manish Ji.

Manish Kiri: Welcome back.

Shivang Joshi: I know you have mentioned a couple of times, the closing period measurement transaction that you have recorded for quarter impact of 114 crores. What exactly is the nature, sir? Here you go, rolling main, and whether any, every quarter end or year end, this will be a repeat phenomena? What exactly are these non-cash, sir?

Manish Kiri: No, these are non-cash items, which are mark to mark related. Right. And they would not be coming in closing every year or every quarter.

Shivang Joshi: Mark to market investments are these FOREX hedging transactions or any some nature here because the amount is pretty large in context to your overall.

Manish Kiri: It relates to the temporary, you know, parking of the funds that the company has, which are significantly larger, you know. Obviously. Yes.

Shivang Joshi: Okay. So, we are just trying to understand the funds that you park temporarily. They are parked in debt instruments, equity instruments, within India, outside India.

Manish Kiri: Yes, they are all within India and they are within India and they are all parked in various instruments, which includes debt, which includes equity, hybrid, you know, depending on the, financial instruments that, that we have taken. But, but we just, we just nothing which relates to the operations. Correct. So, that's all relates to the investment activities temporarily that we have, that we have done.

Shivang Joshi: Ok, my other question though was on trading, which I think you clarified that you will not do any copper trading per se in, during the year and only fertilizer will be commenced. Correct. So, this will be branded under Kiri or Indo-Asia Copper?

Manish Kiri: It would be branded under Indo-Asia Fertilizer. So, the approvals have taken place. All the licenses have been received. Arrangements have been made at the port. So, we will be buying bulk and then bagging it and distributing it.

Shivang Joshi: Okay. And how good is how would your distribution team? I mean, if you can give some color on how is the team setting up both on your copper and fertilizer?

Manish Kiri: Right. So, on both the sides, we are trying to now increase in our management team month-on-month basis. So, in all, in all categories of the requirements for all the business areas, we are recruiting both senior as well as junior level. And the distribution, sales and marketing, and the individuals, the commercial head, you know, the chief commercial officer is joining. Chief operational officer has already joined. And few other key management people are also joining in the next few months.

So, team is heavily strengthening. And see, let me divide our management team into two parts. One which leads to project and project execution.

And the other which would be involving operations. Right. So, the team which would be involved in operations, even post completion of the commercial date, those operational individuals are also being taken on board gradually one by one.

But the project team are not being increased to an extent, because the way we have worked out is given a large part of responsibility to TCE, Tata Consultancy Engineers, Correct, and over a period of time, TCE is going to deploy a large number of project team members from their side. Correct.

So, then the company doesn't need to employ 200, 300, 400 project people, and then relieve them after the project is completed. We don't want to do that. Correct.

So, we have then relied more on Tata to strengthen, and they have done fantastic job till now. And they keep strengthening, deploying more and more team members on the project side.

Shivang Joshi: Okay. So, on the project side. I think I missed one. I mean, I had a patchy line Someone did ask this question. How much is the incentive? I mean, you are eligible for PLI or any other kind of incentives for the rural complex?

Manish Kiri: Yes, Yes So, the copper and fertilizer both are qualified for large scale industries, large scale sector, which the incentive policies of the Government of Gujarat is providing a general policy, a standard policy, in which we will get almost 30, between 30 to 35% of our CAPEX back over a period of 10 years.

So, the expected the expected amount over a period of 10 years could be in the range of 3,000 to 3,500 crore.

Shivang Joshi: And you got the approval or the letters from all the relevant authorities already?

Manish Kiri: It is already in process right now. And it is in the final stage of approval. We may expect it anytime. Copper tube plant, copper tube facility has been qualified in PLI. That is in addition to that.

Moderator: Hello. Thank you. We take the next question from the line of Aniket Gada, an individual investor. Please go ahead.

Aniket Gada: Good morning, Manish bhai. Yes, I just wanted to ask, could you provide me the overall or physical completion percentage of the copper and fertilizer project separately? And what percentage of the total cost has already been spent? We already have a CAPEX of 5,000 crores this year and 5,000 crores next year. So, what is actually spent right now?

Manish Kiri: So, two and a half thousand is already mean, as we speak right now, in various forms, advances, machinery, and further is getting infused as we speak. So, the guidance which I have given, those are the numbers which will happen over a period of three years, FY27, FY28, and FY29, which I said earlier. So, that is the CAPEX which will be incurred. The operations of the plant will take place unit by unit. It will start becoming operational downstream first, from April 2027 onwards, and then going upstream on refinery, then furnaces, the smelter, and the fertilizer. So, by that time, everything would be operational. It would be two years from April 2027 to 31st March 2029. So, you will see phase-wise commercial operations getting established, phase-wise revenue getting started, phase-wise you will see numbers coming.

Aniket Gada: So, how much of the civil construction has already been completed in percentage terms, if you could just let me know?

Manish Kiri: The civil construction for the entire site, including all the units, would be till now close to 25% to 30%.

Aniket Gada: Got it. And so, you just said we have 1 million of visibility on the copper concentrate. So, is it already covered through agreements?

Manish Kiri: Yes, this is already through the non-binding agreements. Correct.

Aniket Gada: And rock phosphate included in that?

Manish Kiri: Yes, rock phosphate is additional. This is only copper concentrate.

Aniket Gada: And do you have agreements for that?

Manish Kiri: Rock phosphate is fully tied up, 100% secure.

Aniket Gada: Thank you

Moderator: Thank you. We take the next question from the line of Swaroop, an individual investor. Please go ahead.

Swaroop: My first question is with respect to recent judgment finance you had taken. During the span of five quarters, we have paid almost 300 crores as interest on a 1,100 crore loan.

Swaroop: So, the rate of interest approximately comes to around 22% plus. So, despite having the facility of withdrawing in times, why did we take it in one go?

Manish Kiri: Sorry, I couldn't understand. Can you repeat what exactly you are talking about?

Swaroop: The interest on judgment finance on 1,100 crores, you had paid almost 60 crores per quarter as interest. So, on a five-quarter form in the period of October 2024, we took the loan.

Manish Kiri: So, the loan was taken in dollars, if you remember. Correct. And this payment includes the – because the entire loan was paid at a one shot, at a one go. Right. It was not paid back in phases. It was one payment.

But by the time, till December, I mean, till end of 2024, till January 2026, rupee depreciated. Right. So, the effect which you see also includes the effect of foreign exchange costs.

I mean, in terms of rupee that we had to incur to pay, to make the repayment in US dollars. So, it includes the foreign exchange effect in the payment

Yes. So, 300 and something crores that you are seeing has two components. One is the interest factor, which was computed in dollar terms, and then the dollar difference.

Similarly, when we received dollar, we also received more rupee when it was converted into rupee.

Swaroop: Understood, sir. Thank you. But the second question is on the recycling facilities. So, you are starting. All of a sudden, you are starting with 1.5 lakh capacity. So, when a giant like Hindalco is setting up only 50,000 capacity and others are coming up recently, significant capacities are being coming up. So, do you have any thoughts on the raw material procurement?

Manish Kiri: I think what we have been seeing is a lot more, lot more scrap is coming in the country and also getting generated within the country. That is one area. Correct?

And secondary furnaces not only accept the scrap, but also ingots, blisters, and those kinds of actually copper semi-finished products. Correct? Now, the reason you see this capacity is coming because in global market, there are availabilities of ingots and blisters.

As certain countries which were earlier exporting copper concentrate, they banned exporting copper ore and copper concentrate. So, then in Africa, in Indonesia, they are getting converted into semi-finished, you know, copper products and that can also be fed into the secondary lines. Right? So, that is why the secondary line is increasing install capacities, which you are seeing.

Aniket Gada: One last question, sir 13,300 crores, does that include interest component or not, sir, during the moratorium period?

Manish Kiri: It does include interest during moratorium.

Moderator: Thank you, we take the next question from the line of Ajay, an individual investor. Please go ahead.

Ajay: So, my question is that, what about the funds you have received? So, where you have deployed all these funds right now in the form of FD or Debt?

Manish Kiri: They are in the form of various instruments, diversified instruments in debt, fixed deposit, equity, certain mutual funds. So, it's in a lot of things. And the average return is more than 10%. Okay.

Ajay: So, basically, whenever we require this fund, so we are deploying this fund in this new project, right?

Manish Kiri: Yes, Yes, So, whenever we need, we can withdraw within three days' notice.

Ajay: Okay. And the thing is that whatever the interest you are generating for the period, so can you able to provide that in the form of dividend to the investor where already you have marked

that fund to be utilized in the project? So, you have already considered that interest to be also deployed as a project funding?

Manish Kiri: So, right now, based on the current covenants and based on the financial commitments that we have for the next two years, whatever additional funds that the company is going to generate are going to be there in the reserve, which could then be used as a margin for working capital facilities. Because working capital facility margins would also be ranging close to 1,500 to 2,000 crores, which the company has to provide, right? So, currently, till any of our phases become operational, right, and the cash flow to the company starts generating, right, The decision from the board and the company is to be a little conservative and try to ensure that we fully succeed and don't face any lack of funds in the next two to three years. But of course, once any of the first phase or second phase start operational, cash generating takes place, extra cash remains in the company, you know, we will definitely consider your request as well.

Ajay: And one more question, what do you expect for the main line of business?

Manish Kiri: It's already a EBITDA positive as on 31st March.

Ajay: But Q4 itself shows that it is EBITDA minus 88 crores.

Manish Kiri: So, this is the third time I am explaining in this call. I already explained two times earlier. Now, I will explain again the third time. The EBITDA was positive. The entire year EBITDA was 69 crores. Consolidated EBITDA was 127 crores. I also explained the kind of year-end adjustments that we had to make. I also explained what those adjustments were pertaining to. Once you take that out, which are not operational item, non-cash item, when you put that, you know, the operational numbers are 69 crores of EBITDA out of 778 crores sales and 127 crores of consolidated EBITDA. Lonsen Kiri JV generated 1100 crores of sales. These are the numbers.

Ajay: What is the net profit you are generating for the main line of business? That fund also is deployed for the new project, right?

Manish Kiri: Right. So, what I have said is all from the main line of the project. There is nothing from copper, fertilizer, anything else. Whatever I just mentioned is from the main line of the business.

Moderator: Thank you. We take the next question from the line of Ankit Singhal, an individual investor. Please go ahead.

Ankit Singhal: What is the status of financial closures? First question is this and then second is, since you will be taking so much of debt, will you be able to service the interest or like this interest has to wait from the first year itself or from, you know, after three years, as you said earlier?

Manish Kiri: Correct. So, it would be a moratorium of three years. So, no need to pay from the earlier. Financial closure has not been taken place yet, but we are pretty near to that. So, once

everything, all the documents are executed, we will disclose the financial closure in the next few months.

Ankit Singhal:

Okay. One more question. Since you are doing so much of CAPEX, why don't we acquire companies? Why don't we do the inorganic growth? I know there are companies who are transforming, who are just selling all their old businesses and then they are acquiring new businesses. They are going into data center or maybe for say, defense and aerospace. They already started reaping profits and even the market has started rerating them. So, they are like four times now. I can just name them also. The company name is like Megasoft. They now sold their IT business and acquired aerospace and defense. Now, they are like four times from 52 weeks low. Why don't we do such things? Why don't we acquire businesses? Or even if you want to get into copper business, why don't we start at a smaller level? Why are we so interested to take so much of debt?

Manish Kiri:

So, let me just explain to you. The fields which we have chosen, the investments which we are making in the greenfield projects, right, these CAPEX, this kind of facilities are global size facilities, number one. So, wherever new smelter or wherever new copper production is set up, now with economy of scale which has been there established, they are in the kind of a modular approach of 500,000 and copper each, right. So, it has become a benchmark whoever wants to enter here. Number two, there are no such companies either in copper or fertilizer which are up for sale in India at least. So, that limits us from the acquisition opportunity. Now, our focus is on something which we have already embarked upon and we are right now proceeding. But at the same time, on a smaller size, we keep looking at the acquisition opportunities, correct. We keep evaluating them. We have a separate team which looks at the M&A availability in the market as well in various chemical areas and other areas. If any such good opportunity comes and company decides to do it, we will be pleased to go and to do such acquisitions. So, please be assured. We are working on this kind of opportunities available in the market as well.

Ankit Singhal:

Sir, at least we can do CAPEX with the capital that we have right now. So, the concern is the Adani, they already are into copper but then they are not able to generate that much of copper because of the concentrate quality or maybe the concentrate is not available, what they require. So, that's what I am saying. Even if after 3 years, you will have to pay the interest. In that case, if you are not able to generate the copper output, if you are not able to sell that much, how will you survive? So, in that case, can we start at a small level with the capital that we already have from the DyStar?

Manish Kiri:

So, here for the copper sector, there is nothing like a small level. Yes. And that is why you have seen, we are taking 2 years' time, from April 2027 to 31st March 2029 to have step-by-step our various units getting established, stabilized and become operational.

So, with that in mind, this time which we have just provided to you, it is what internally we have decided to ensure that we have a total output. Now, as far as copper concentrate is

concerned, today, 5 years from now, even 10 years from now, it is going to remain a challenge. As a country, it is going to remain a challenge.

As a critical metal required for the country, it is going to remain a challenge because we are dependent on import, right? And the mining has not been increasing with the speed at which the demand of copper has been increasing, including AI, including electric vehicles, renewable energy. Look at the global requirements increasing sharply and mining has not gone and increased to the extent it has been required.

So, because of that, we have to do processing in India. We have to serve the requirement of the country. We have to build those facilities here and try to secure, go upstream and secure those sources.

Now, if we are not in processing, then we would not attempt to even secure those sources. But securing those sources, reliable sources, good quality sources, to have, you know, long-term connectivity with mining, that is the need for the country as well. It has to be done by whether Adani does it or other players do it. We do it. But if we want to have this kind of requirement of copper with the emerging sectors in the country, we ourselves need to go and secure these natural resources anyhow, whether it is difficult or whether it is easy.

So, we are going to do the difficult job. We are going to succeed in that. We are confident that we will be able to secure what the plant needs by 2027.

Ankit Singhal: Sir, one last question. I understand you are really confident, but any backup plan, like if in case if the plant does not work well or after all, you know, the plant is operational and you are not able to generate that much of copper and or you are not able to sell that much of copper. So, any plan to service the interest part at least? Because ultimately, you will be having EBITDA negative.

Manish Kiri: The backup plan is already there. OK. The sales is not a challenge, let me put it this way. Right. And if it doesn't happen, even if the plant operations remain below 50%, still we would be able to service the interest and service the debt.

Ankit Singhal: That helps.

Manish Kiri: But we have to touch 50%. Right. If I operate 30%, we cannot service the debt. So, that needs to be done. So, in that case, there is a problem. Then there is no solution. Then we all have to face the same problem if it happens.

Ankit Singhal: In that case, we can go at least low or at a small level. . Rather, we concentrate on copper than, you know, fertilizer and all other sectors.

Manish Kiri: All these options, we will see when the time comes. Thank you.

Moderator: Thank you. Ladies and gentlemen, with that, we conclude the question-and-answer session. I now hand the conference over to the management for their closing comments.

Manish Kiri: Thank you all for participating in this Earnings Conference Call. I hope we were able to answer your questions satisfactorily and at the same time offer insights into our business. If you have any further questions or would like to know more about the company, please reach out to our investor relations managers at Valorem Advisors. Thank you and wishing you all a great day ahead. Thank you.

Moderator: Thank you, sir. On behalf of Kiri Industries Ltd, that concludes this conference call. Thank you for joining us and you may now disconnect your line.