Kiri Industries Limited

Future Full of Colours.....

Date: August 18, 2026

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

Dear Sir/Madam,

Sub: Submission of Transcript for Q1-FY27 Earnings Conference call

In compliance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Transcript of Q1-FY27 Earnings Conference Call held on **Thursday, August 13, 2026 at 10:30 A.M.**

The Transcript of Q1-FY27 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

GONDALIA
SURESH
SAVAJIBHAI

Digitally signed by GONDALIA SURESH SAVAJIBHAI
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Suresh Gondalia
Company Secretary
M No. : F7306
Encl: As stated

Kiri Industries Limited
Q1 FY '27 Earnings Conference Call
August 13, 2026

Moderator: Ladies and gentlemen, good day and welcome to the Kiri Industries Limited Q1 FY 2027 Earnings Conference Call hosted by Valorem Advisors.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing "*" then "0" on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Purvangi Jain from Valorem Advisors. Thank you and over to you, ma'am.

Purvangi Jain: Thank you. Good morning, everyone, and a very 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 1st Quarter of the Financial Year 2027.

Before we begin, I would like to 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 risks 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 decisions. 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. We have with us 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 his opening remarks. Thank you and over to you, sir.

Manish Kiri: Good morning, everyone, and welcome to the Earnings Conference Call for the 1st Quarter of the Financial Year 2027. I hope you are all keeping safe and well.

Let me begin with an update on our integrated copper and fertilizer project first, which continues to remain at the core of our long-term growth strategy. In the quarter, the project progressed from the design stage into a structured construction phase, supported by timely deployment of capital from the group's strengthened financial position. Orders have been placed for several long-lead mechanical, electrical, and utility packages for the project, with finalization of remaining major packages on stage.

In parallel, key enabling perspectives continue to advance in the captive jetty desalination facility, dedicated raw material conveying system, and project's long-term power infrastructure. The downstream of copper facilities are planned to be commissioned in phases, with the copper tube targeted by Quarter 1 FY '28, followed by copper rod plant FY '28 and copper refinery in Quarter 3 FY '29.

We are also progressing on our engagement with the international mining companies and global trading houses to establish long-term sourcing arrangements for the copper concentrate and rock phosphate, the key raw materials for the project, while continuing to evaluate opportunities across our downstream value-added product portfolio.

Overall, the integrated complex remains aligned with our long-term strategic roadmap, and our focus remains on disciplined execution and timely achievement of the next project milestones.

With that update on our new platform, let me now turn to the performance of our existing dyes, dyes intermediates, and basic chemical business:

The operating environment for the Dyes and Dyes Intermediates industry improved during Q1 FY27. Pricing across Reactive Dyes, Vinyl Sulphone, H-Acid, and certain basic chemicals strengthened during the quarter, supported by tighter global supply, higher efficiency, and continuing impact of environmental compliance measures on manufacturing activities in China. Demand trends, however, remain mixed across product categories, while input cost pressures persisted.

Our major raw materials are linked to crude oil prices, which increased during the quarter, resulting in higher input and operating costs. However, improved average selling realizations across our product portfolio, together with effective pass-through of higher raw material costs, supported our material margins and helped sustain profitability.

We continued to see improving business conditions across our Dyes, Dyes Intermediates and Basic Chemicals operations. The improvement in realizations was a key driver of revenue growth during the quarter, while our diversified product portfolio and customer base continue to support the business.

During the quarter, our standalone material margin improved to 31.9%, compared with 23.5% in Q1 FY26 and 20.4% in Q4 FY26. The improvement was primarily driven by a favourable pricing differential, with average selling prices rising faster than average raw material prices. We remain focused on maintaining pricing discipline, improving capacity utilization wherever opportunities exist and sustaining operational efficiency. Now, coming to the financial performance for the quarter:

On a standalone basis, revenue from operations for Quarter 1 FY '27 stood at INR 295 crore, registering a growth of 63% year-on-year. The growth was primarily realization-led, supported by improved average selling realizations across dyes, dyes intermediates, and basic chemicals.

Standalone EBITDA stood at INR 17 crore with an EBITDA margin of 5.86%. Further, other incomes earned during the quarter amounted to INR 284 crores, which mainly included earnings from the treasury management. Hence, the profit after tax stood at INR 270 crores.

On a consolidated basis, revenue from operations from Quarter 1 FY 2027 stood at INR 312 crores, registering a growth of 55% year-on-year. The growth was led principally by improved price realizations across the product portfolio rather than by volume.

Consolidated EBITDA, including share of profit of associates and joint ventures, stood at INR 37 crores, with an EBITDA margin of 7.84%, with profit after tax stood at INR 270 crores. The significant increase in profit after tax during the quarter was primarily driven by strong contribution from other income. Other income stood at INR 286 crores, primarily comprising interest income on inter-corporate loans and realized and unrealized gains on treasury transactions undertaken by the company. This was further supported by improvement in the underlying operating performance, driven by better realizations and better margins.

Finance costs reduced sharply following the repayment of borrowings at Claronex Holdings Pte. Ltd., leaving the group substantially free of external debt. The share of profit from associates for Quarter 1 FY 2027 stood at INR 21 crores, representing a 30% increase over the preceding quarter. The contribution was primarily from Lonsen Kiri, in which the company holds 40% equity interest and management control.

Looking ahead, medium to long-term output for our dyes, dyes intermediate and basic chemical business remains positive, supported by steady textile demand, tighter global availability and sourcing trends for favoring non-China supplies.

As one of the largest global producers of H-acid, we believe our existing capacity provides headroom to participate in rising demand without significant additional capital expenditures.

Sustaining margins, however, will remain dependent on our ability to pass through input cost movements.

The fertilizer opportunity is also supported by India's continued dependence on imports, particularly in DAP, and key intermediates such as phosphoric acid and ammonia. Against this backdrop, the phased commissioning of our integrated complex is aligned with the widening supply gap of both refined copper and phosphoric fertilizers.

Our focus remains on sustaining the improvement in our existing chemical business, maintaining a prudent capital structure and executing the copper and fertilizer projects in a disciplined and timely manner as we build the next phase of growth for Kiri Industries Limited.

With that, we can now begin the question-and-answer session. Thank you.

Moderator: Thank you, sir. We will now begin the question-and-answer session. Our first question comes from the line of Suresh with Barhams Financial. Please go ahead.

Suresh: Good Morning sir, I am Suresh. Sir, imagine if you are also a partner of shareholders in a firm and you did not receive any capital returns or dividends even after 10 years investment. As a fellow partner, as a shareholder, please think about this scenario and make a decision. Please don't take this the wrong way. But ultimately, what a shareholder truly wants and desires is a return on investment. You try to give me dividends. Take my suggestion and request. Don't think the wrong way. Please try to understand.

Manish Kiri: Yes, see, a few points to address your question and very well put forward. Number one, as you have seen, we have reported one of the strongest quarters in the history of the company in terms of performance. So, the performance is what the company is promising and we promise to you. And the performance has, I think, met with the expectations in terms of our growing requirements of capital.

Now, number two, with that, as you have already seen that the company has embarked on executing one of the largest greenfield projects in the history of the company. And looking at the requirements of the capital going forward, looking at the new growth trajectory, which we have already highlighted earlier and executing right now, the Board of the Company and we all decided to keep the capital to fuel this growth.

So, whatever company has been waiting on achieving certain performance due to the legal and litigation problem that we faced for a period of 11 years. Now, having that behind us, the growth part has started, and first quarter has shown that growth, and we will continue to improve the performance of the company.

So, my humble request to you is to look at how the performance is changing, how we are building new businesses and how the capital is prudently deployed in the growth of the company. So, that is what we would like to focus on.

Suresh: Actually, I am asking…

Manish Kiri: So, just to answer, the dividend is not being declared and there is no decision of the Board to declare any dividend yet. If that changes in the coming quarters, we will be very pleased to inform the shareholders and to you.

Suresh: Actually, okay, sir. You invest in growth side in new projects, but in long battle, wait for investors also in the case. You are winning the case, at least you invest a major amount in expansion, but little bit amount you will give the dividend. Shareholders also happy investors and the stock price will not give the dividend. So many investors in the Moneycontrol rumors. You don't think otherwise. Some rumors in management is not conservative. That is wrong. But you will give the little bit dividend, almost investors also happy. That is what you think. You think you have taken the Board of Directors' decision.

Manish Kiri: Yes. And we have taken your point, your individual point positively. We, company is not making a decision based on the rumors or cannot make a decision on rumors. There are equal number of shareholders who have also contacted the company and informed company that they are aligned with the company's decision to grow the capital, to grow the return and to grow the equity return for the shareholders in coming years, utilizing the funds prudently and properly. Correct?

So, there are equal number of shareholders who are differing the views presented by your individual view, but we take your inputs positively and we see how we are able to decide in the best interest of the company and its shareholders, and the larger pool of shareholders.

Suresh: You have their good decision, sir. You take feedback and you submit to your Board of Directors meeting. You have their decision.

Manish Kiri: Yes.

Moderator: Mr. Suresh, I would request you to please come back in the queue for further questions. The next question comes from the line of Veer Jain with Mahavir Fabric Family Office. Please go ahead.

Veer Jain: I would like to know if there is any update regarding the financial closure. And secondly, I also want to know the exact scope of Tata Consulting Engineers in the project, because when I was surfing their website, I couldn't find our project listed in their list of projects. So, like, I want to know what they are exactly doing as the project managers in our project.

Manish Kiri: So, your second question first. TCE has been deployed as an owner's engineers of the company since the end of last year, and they are involved in project management and control. They are overseeing all the technology transfer in terms of the checking and approving the drawings, the designs, and they are involved deeply in the detail engineering as well. So, there is a larger scope of TCE, and TCE has been on board from November 2025, right? So, that is number one.

Number two, financial closure. A complete financial closure has not been achieved yet. We are there on the debt raising. More than 50% commitments have been received. Rest is in process. And we hope that in the next few months, we should be able to reach the complete financial closure.

Moderator: The next question comes from the line of Ashit Kothari, an individual investor. Please go ahead.

Ashit Kothari: Thank you Manish bhai. I would just wish you a Happy Independence Day in advance. And I would want to understand how our copper project is progressing, and what is going to be our capital requirement, and by what time we will be cash surplus from the projects.

Manish Kiri: Well, Happy Independence Day to you as well. And the capital is continuously being deployed in the project. And the total capital requirement as per the current estimate would be around close to INR 12,000 crores on the project itself. And additional requirements would be related to the infrastructure, the supporting infrastructure that we have been building.

So, that is the outflow in Phase 1. This outflow is continuing to happen over a period of next two years, not immediate. So, monthly, on quarterly basis, as we have disclosed, the CapEx has been increasing and the funds have been deployed in CapEx. So, that is one area.

2027, part of the facilities will be operational, mainly related to the downstream products of consumer products of copper. And then 2028, beginning of 2029, the full facilities would become operational. Chugh sir is with me.

Ranjit Singh Chugh: I am Ranjit Singh Chugh, CEO of Indo Asia Copper and Fertilizer together. At the present, we are focusing on the downstream product so that the capital which has been deployed from our own kitty starts giving some returns. So, in that regard, a 35 KT plant of tube plant will be operational in June 27.

And in August-September 27, 2.25 lakh tons of CCR, Continuous Rod Plant of 8 mm will be operational. These will be operated from imported cathodes, primarily coming from Japan, because the cathodes which come from Japan do not come on premium. They are pure LME grade cathodes, costing wise.

And if you look into any such kind of plant startup, it does take some time to stabilize. So, by January 28, these two plants will be stable, fully operational, stable and running in nice things.

So, by that time, we will make our part refinery operational, which will convert anodes to cathode, LME grade cathode, which is part when we say part refinery means it will be 1.75 lakh tons.

To complement that, we will be utilizing scrap from various sources, whether ingot, bilge, blister, etc. Use our scrap melting furnace, which also will be commissioned by December- 2027 January - 2028. So, by 2028 January, we will have a scrap plant started for operation, which will produce anodes and that anode will get converted to LME grade cathode in refinery. So, this much portion of the downstream will be fully operational. Whatever will be the shortfall of cathode requirement, that we will anyway procure from the market.

At the same time, we envisage to start another value-added product in the same period, exactly the same period or let's say a small quantity, but they will add value to the, our value addition will be there, plus copper balls.

So, these two will be operational at the same time. Then the next phase of journey will start. In between, we will be in a position to start copper foil business of minimum 5,000K as first round of trial product, which is a highly value-added product, meaning that today if you look in India, the copper foil is imported with the LME grade copper plus 5,000 USD additional premium.

Of course, there will be OpEx to it, but irrespective of that OpEx, this is a very valuable product. We will be starting that with trial production for 5,000 KT, whereas the complete system will be built for 10 KT, which we call Phase 1. Our aim is to be Phase 1, 2 and 3, to make it 40 KT, for which we have already gone to the central government to be part of ECMS scheme.

So, this also will be operational in, I mean, I am looking at 18 to 20 months from now. So, if you look at 20 months, March 2028. These are value-added products. Balance of the plant, which is primarily the smelter, the sulphuric acid plant and fertilizers will be operational in first quarter of 2029. So, these are the typical timelines. As of now, we have put ourselves into a set of targets based upon this, which in any such parlance is, I think, for 6 months faster. People take a medium 36 to 40 months. Whichever way we count, it will be around 5 to 6 months earlier.

Ashit Kothari: Sir, have you tied up with a raw material requirement for the next couple of years? Is it a long-term contract, fixed price?

Ranjit Singh Chugh: Normally, what happens in copper concentrate business, what we call as long-term contracts, are typically done for 2 to 3 years on an average. Last year, for copper, there are two big conferences that happened across the world. One is London LME Week, which happens typically in October, and another is CESCO in Chile.

So, we have participated in both of them, and we have been discussing and doing a lot of rounds with the miners and the trader stakeholders. So, today, as we speak, we have got a firm window of approximately 1 million ton of copper concentrate. I mean, it is only a window we get.

We get what we call MoUs, basically, and the MoUs get firm 3 to 4 months prior to our requirement. In our case, we firm up in terms of contract costing, bonded contracts in October 2028. That is the time in that LME year, these contracts are actually converted into, let's say, contracts. MoUs are converted to contracts.

So, as we speak, today, we are having MoUs of 1 million ton of copper concentrate, and if we go for our 100% production, we will be requiring around 1.5 million or 15 lakh. So, yes, this is the journey of only one year. Last year.

This year, again, when we go to October, I think the visibility will go up from today 1 million to 1.2 to 1.4 million. We are pretty confident because last year, we did not have much to showcase. This year, I think so, at site, like now, today, 1,000 people are working, civil and mechanical, and things have come over ground for tube and rod plant.

So, obviously, the things, as things have changed physically at site, so will be the thought process of the people who supply the copper concentrate or raw material to us. So, this is what we have done.

Moderator: Thank you, The next question comes from the line of Mehul Panjwani with 40 Cents. Please go ahead.

Mehul Panjwani: Thank you for the opportunity, Sir, when will we record the first revenue from the copper business, in which quarters of FY '27?

Manish Kiri: I think Chugh sir just mentioned it could be somewhere around first quarter, end of first quarter, May, June 2027. So, that would be 2027-2028 financial year. First quarter. Q2 you will get commercial. So, Quarter 1, Quarter 2, you are looking for next financial year.

Mehul Panjwani: And sir, when will the complete, overall total top line which we are expecting from the copper, when will that be targeted, and by what timeline we are expecting to achieve it?

Manish Kiri: Financial year 2029-30.

Mehul Panjwani: 2029-2030, that is Q4.

Manish Kiri: Yes, that financial year is the one which will capture majority of the operational revenues.

Mehul Panjwani: And sir, how are we placed to service the debt which we have taken for this project?

Manish Kiri: So, just addressed by Chugh sir, 2027-28 is a financial year where the cash flow will start coming and building. So, from 2027-28, 2028-2029 and 2029-2030, all three years, company will start moderately ramping up the cash flow from the stepwise operations that will start. So, there will be parallel cash flow coming as well.

Mehul Panjwani: And sir, where is the site for the copper? Are we having multiple locations or it is a one site?

Manish Kiri: One location near Pipavav Port.

Mehul Panjwani: Thank you, sir, and all the best!

Moderator: The next question comes from the line of Manoj Kumar with Adinath Financial Services. Please go ahead.

Manoj Kumar: My question was regarding our current business of dyes and chemicals. We have got almost 13-14 major products in our product line and with huge capacities. And most of the capacity is remaining unutilized, I think. Around 40% we are using, 60% is still unutilized. Right, sir?

Manish Kiri: No, the last quarter, we utilized the average capacity about 60%.

Manoj Kumar: 60%.

Manish Kiri: And yes, we still have 40% unutilized in various plants combined together.

Manoj Kumar: What can be our ideal situation with 100% capacity utilization? How much can be the turnover and how much can be the profit we can generate? Because around 31% margin is there, material margin is there.

Manish Kiri: Right. So, now the market has improved. We have seen the prices have also increased. And we started slowly ramping up the capacities provided demand support that. Correct? And we do not want to compromise the margins on account of just building volume.

So, it is a cautious approach where we are ramping up, but ramping up profitably. If you look at the consolidated EBITDA of the quarter, probably with now legal costs behind us well as the improvements in the industry situation, we got INR 37 crore of including the JVs operations.

So, that is a good number if you ask me. And that is where we would continue to build upon that. So, if the market supports, then from 60% to 70%-75%, at least we want to achieve during this year as an average capacity utilization, Manoj ji.

Manoj Kumar: And these two products which you were referring to H-Acid and Vinyl Sulphone, we have got good capacity around 7,200 metric ton for H-Acid and around 12,000-13,000-15,000 for that.

Manish Kiri: Yes.

Manoj Kumar: And the prevailing prices, I was just calculating, the annual turnover from these two products only will be around INR 800-1000 crore.

Manish Kiri: Yes, true.

Manoj Kumar: And what about other products? Can we achieve a turnover of around INR 2,000 crore from our dyes business?

Manish Kiri: If we are able to achieve close to 75%-80% capacity utilization and if we are able to sustain the prices which are there currently, because today H-Acid prices is in the range of INR 800 to INR 900 which used to be INR 400 - INR 350 earlier. Correct, So, you are looking at the double the pricing than the average pricing earlier.

Similar situation with Vinyl Sulphone also. The prices are almost 70%-80% high. No doubt, the raw materials have also increased substantially. But if these prices continue for the next one year, then yes, we can have much higher revenue and the numbers could be even double than the average.

That means if you are looking at INR 1,200 crore of revenue, it will just from the price increase and the capacity utilization improvement, it could touch close to INR 2,000 crore. Yes.

Manoj Kumar: But why our profitability is so low? Because our own subsidiary, Lonsen Kiri, is having a fantastic result, fantastic EBITDA margin and fantastic PAT margin also. Around INR 368 crore, they have earned around INR 71 crore EBITDA and INR 51 crore PAT. What prevents us from repeating those figures in Kiri?

Manish Kiri: So, there are different products in JV and different products in Kiri, right? Kiri is selling raw materials to JV and JV captures the finished products margin. So, when you look at and compare the supplies of raw materials from Kiri to JV, the markup and the value-added profits and the margins are captured at the JV level on the finished products.

So, when you look at the totality of the picture, then you capture the entire value chain margin. So, to see the entire value chain margin, you have to look at combined operations of Kiri and JV. That’s one.

Number two, there are certain chemistries, certain product ranges which are prevalent and which are set up in JV are not in Kiri. So, even though dyes are produced at both the ends, the products are different as well. More than 50% of the products are different.

For example, JV produces Indigo while Kiri doesn't do it. Similarly, JV has certain advanced chemistry which standalone Kiri doesn't do. So, there are different products and value-added on the finished products. These are the two differentiating factors. So, when you look at the total picture, that gives you the correct picture.

Manoj Kumar: We are having 40% stake in Lonsen Kiri, whereas in Kiri, we have all the money with us. Can't you replicate those things in Kiri? Add those products in Kiri? Is there exclusivity, some clause is there?

Manish Kiri: I think based on the agreements between Kiri and Lonsen Kiri also, which are existing, and even though Lonsen Kiri continues to have JV operations, it is operated and run management by Kiri even today itself. Correct? So, there is no point in creating inter-company competition by replicating what they do to Kiri and destroy the margins in the market.

So, strategically, even though Kiri may consolidate 40% of Lonsen Kiri, the higher we strengthen on Lonsen Kiri, the better beneficiary Kiri is. And 60%-70% of JV's raw materials anyway go from Kiri.

So, there are very close linkages between two companies in terms of raw material supplies at a very high volume and also value-added 40%. And that has been structured since the beginning, and there is no disturbance in that.

And if you look at the overall supply chain globally, JV continues still to be, even after exit from DyStar, the largest single supplier to DyStar as well, even though we have exited from DyStar. So, from an operational point of view, from a strategic supply chain point of view, I think it is well established and we don't see any reason to deviate from whatever is working.

Moderator: The next question comes from the line of Anirudh Nair, an individual investor. Please go ahead.

Anirudh Nair: Good Morning Manish sir, Congratulations for the results, the question I had was, maybe this is a repeat or I missed this on Chugh sir’s commentary. So, given that tube and rod plants are commissioning a quarter apart, does the previously guided INR 20,000 crore to 25,000 crore FY '28 revenue still hold?

And the second part of that question was, what is the basis of making the projection? Do we already have an established sales channel, a customer base, etc.?

Manish Kiri: Number one, that number is dynamically moving numbers. So, that INR 20,000 crore-INR 25,000 crore of revenue in 2027-2028 doesn't hold. Let me first clarify that.

And a lot of installation and delivery of the machinery depends on the vendor's timeline. And that also keeps moving. And that is precisely the reason that every quarter we keep updated on the progress. And that is how we will also keep informing you as and when the revenue projections become clearer and clearer. So, that is one.

On the other side, the clientele base, which you refer to, today, as a country, we are highly import dependent. So, whatever we sell would be all import replacement. And to the extent, if we look at the market survey and the numbers that are prevailing for the last year consumption of copper in India at 1.8 million tons, almost two-thirds of that requirement has been met by imports.

So, when we are talking about selling the entire output of the facility only to substitute imports, sales is not a challenge. But of course, we need to have the quality approved. We need to go through the approval process from the customers. But selling is not a challenge.

Selling is basically having the established current channels to be filled up with domestic production replacing the import which is happening today. So, that is not a challenge. As long as we are able to produce and as long as we are able to secure the raw materials, we don't see sales is a constraint to generate revenue.

Anirudh Nair: So, just one follow-up question is, I just want to understand what is the role of the marine jetty? Because if I am not mistaken, our plant is slightly inland, still close to the port. So, I just want to understand what is the role of the marine jetty?

Manish Kiri: So, near the port, a separate jetty, dedicated jetty, we realize is very important because of our bulk imports and continuous imports of products like copper concentrate, phosphate, ammonia. And bulk handling at the port is currently a challenge because it is mainly a container port and containerized cargo is being handled there.

So, we are almost near the port, not too far away. But separate jetty provides us in terms of operational cost optimization and plus the dedicated unloading of the bulk vessels that we will be getting. So, from logistics point of view, from operational point of view, as well as long-term operational cost point of view, it was necessary to have this kind of infrastructure to support the project.

Anirudh Nair: That gives a lot of clarity. Those are my questions. Thank you.

Moderator: The next question comes from the line of Kaushal Kedia with Wollfort Investment. Please go ahead.

Kaushal Kedia: Sir, just wanted to know what is the update on the MCB Copper-Gold project where we sort of acquired the mine?

Manish Kiri: So, we are already now a part of MCB Copper-Gold project and the development of that mine has not started yet. The design has already been completed.

Currently, if you look at various announcements in the public domain, there has been a shareholder disagreement in certain areas which are currently being addressed. And good part is that there are many financing offers received by the project. And we got regular updates on the project as well that the development of the project and the participation in the development for financing the project is also quite positive.

So, we hope that before the end of the year, we get good news of project completing their financial closure and start the development of the project. But it is quite positive, and they are on it.

We are not actively involved in terms of the management or operations there. We are more of a passive player in terms of providing our inputs there. But we continue to monitor and watch the development.

Kaushal Kedia: So, right now, what should we assume, that will we get access to the off-take out there?

Manish Kiri: No, we have already structured 70% of the off-take to come to us. That was the key.

Kaushal Kedia: So, there is no chance of the thing not coming to us because I think Celsius is still sort of litigating.

Manish Kiri: Yes, there are several disputes and litigations ongoing right now. And Celsius is objecting Kiri's off-take. But I think based on the overall assessment of the situation and looking at Celsius' continuous attack on the other shareholders there, it seems that the matter has been now put to the court and we should have some clarity on that as well.

But as far as the majority shareholders are concerned and our earlier discussions are concerned, which still hold and we are hopeful that Celsius, who is trying to derail the development of the project, doesn't put barriers to stop the development. So, let's hope so.

Kaushal Kedia: The matter is still sort of in process. We don't have access to either 40% or 60%. What is the worst-case scenario in this? Because this is very important. If this is in place, then we have access to copper concentrate, which is everyone's doubt. So, what is like, if you are comfortable to answer that, sir, right now at this juncture.

Manish Kiri: So, as you know, the matter is subjudiced. And because the matter is subjudiced and Celsius is in the court, we would not comment something that the court is looking into because it would be rather speculation from our side. Correct?

And as you are aware, once the court decides on the matters involved, then we will have more clarity. I would not speculate something before the judiciary makes the decision on the shareholder situation first. And let that be sorted out and Kiri continues to remain a lender.

The position of Kiri is still a lender today. Correct? And we continue to remain a lender till things are sorted out so that if our money needs to be returned, it's to be returned if the benefit is not secure. That is the way we are looking at it.

But we continue to provide our commitment to the project. We continue to support the project. And we continue to make sure that whatever needs to be done on the ground to support the project, to develop the mine, we are fully supporting.

While Celsius has not been supporting as a shareholder what they should be doing, so actually we are fulfilling the mine's commitment and we hope that it is being looked at positively by the stakeholders as well as by the court.

Moderator: The next question comes from the line of Vivek Joshi, an individual investor. Please go ahead.

Vivek Joshi: I just want to get some more idea on the copper project. We had requested earlier also that if you can give us the update as to the capital employed and stuff on the copper side, it would be very useful. Can you give us an update as to how much capital is there, and how much is equity and how much is debt among the current balance sheet?

Manish Kiri: You mean on the total project or currently it is all equity inclusion.

Vivek Joshi: Currently as in the corporate project, in the copper project, how much of the capital is allocated to the copper project?

Manish Kiri: Yes, today the total capital deployed in the project is INR 1,400 crore right till now.

Vivek Joshi: And all is equity or is it like half equity, half debt?

Manish Kiri: No, that is all equity right now.

Vivek Joshi: On the balance sheet, you still have some loans. Whom are we lending money now?

Manish Kiri: We still have loans. You mean the borrowings?

Vivek Joshi: No, we have given loans to people.

Manish Kiri: These are all part of the treasury activities that we do. And some of the loans are inter-company loans.

Moderator: The next question comes from the line of Swaroop BV, an individual investor. Please go ahead.

Swaroop BV: Just a follow-up question on earlier question. The thing is, you are saying that all the margins have been passed on to Lonsen Kiri. But what is actually, have you considered the tax impact, sir?

So what happens is, now since you are passing on the margin to Lonsen Kiri, suppose they are earning INR 100 and 25% is paid as tax, then later on Lonsen Kiri pays, no, again their EBITDA would be INR 100. Then later on, they pay some tax. Then net profit of Lonsen Kiri would be INR 75. Then later on, Lonsen Kiri declares dividend and that INR 75 we receive. Then again later on, Kiri again pays 25% tax on this other income. And don't you think there will be a 40% tax effectively, sir, on whatever net that we are?

Manish Kiri: If you look at the transactions between the companies, they are all arm's length transactions, number one. And we have to be conducting arm's length transaction complying the law, correct? So, whatever raw materials are supplied from Kiri to JV, those are again arm's length transaction. And then whatever earnings that happen at the JV, that happens at JV.

If you look at the last, I mean the quarter's number, INR 16 crore is the EBITDA generated by Kiri and INR 21 crore is 40% of Kiri's EBITDA generated at JV. Right? So, whatever are the profits, are the profits. They are part wherever these profits are generated.

So, if they are generated at JV level, they are at the JV level. If they are generated at Kiri level, they are at the Kiri level. And then whatever tax applicable at each level, we pay that tax. That is how we should be working, correct?

Swaroop BV: So, is there any update on stake sale, sir, regarding 40% stake sale? There were talks earlier.

Manish Kiri: No, there is no talk. There is no such discussions currently.

Swaroop BV: Understood Sir, my second question is with respect to earlier you had guided INR 1,000 crore INR 1,200 crore EBITDA for FY '27-'28. So, basically, sir, on what basis is the assumption made, sir?

For example, in FY '27-'28, if we process 1 lakh, rods and tubes hardly have a EBITDA margin of 15,000 to 20,000 per ton. Even if we process 1 lakh ton, our EBITDA would be hardly INR 200 crore to INR 250 crore. But what you are projecting is close to INR 1,000 crore-INR 1,200 crore. On what basis is this projection made, sir? Such a huge gap variation. On what basis is this made, sir?

Manish Kiri: Right, So if you do a simple math, it all depends on when the facilities become operational. And there is no hard line here. And I just mentioned earlier as well. The projections are changing. They will keep changing based on the timelines to make the facilities operational.

So, as I referred earlier, these numbers will change. And these numbers are not the numbers which are numbers on the existing established commercial operations. So, we are projecting something where there is a moving target on starting and establishing commercial operations. So, you need to take that variation into consideration. Number one.

Number two, even if you do 1 lakh ton in today's prices, that comes to INR 15,000 crore of revenue just from 1 lakh ton. Correct? And if you make 6% on it…

Swaroop BV: How will 6% be made, sir? When you are purchasing cathode from outside, how can 6% be captured on only standalone rod and tube plants?

Manish Kiri: I think you should study what are the price structures for the products such as copper, tubes, rods, wires. Correct? How this price range exists in the market? What LME markup each of the downstream products is prevailing in the market? When you look at the consolidated effect on the prices prevailing on LME plus operations in the downstream products, you will see these kinds of numbers.

Swaroop BV: But last question, sir. With respect to MMCI, would we be still interested in being a PDP partner or would we be attaining some stake in MMCI mine, sir?

Manish Kiri: We would. We would definitely be interested, 100% interested. It depends on how the overall situation resolves from the litigation perspective.

Moderator: The next question comes from the line of Arijit Malakar with Ashika Stock Services. Please go ahead.

Arijit Malakar: Thanks for the Opportunity Sir, I have two questions. My first question is that for your copper business, which mining companies you have tied up for your long-term sourcing?

Manish Kiri: Well, there are leading miners and traders. They are global companies. We would not be mentioning everyone's name here because there are confidentiality involved in the agreement executed. But they are the leading providers of the sources of copper.

Arijit Malakar: Ok Got it. My second question is that, sir, you have told that the maximum revenue from the copper business will be achieved in FY '30. So, when will your debt repayment process start?

Manish Kiri: Because today the company has not done any drawdown on the debt, and considering the moratorium which has been allowed, the debt repayment will start somewhere in 2029, not before that.

Arijit Malakar: That's all from my end.

Moderator: The next question comes from the line of Manoj Kumar from Adinath Financial Services. Please go ahead.

Manoj Kumar: My suggestion was, why don't we structure into Asia fund requirement from equity? Because the market is very good and our financial strength is very good. So that we don't have to take any loan whatsoever.

Manish Kiri: Well, then the return on equity will reduce if we do that, correct?

Manoj Kumar: No, no. Why it will, sir? When it is a huge project and the profitability will be very good. And we have already issued shares at the rate of 278. Last allotment was made from Indo Asia at the rate of 278. Then we can command a very good premium in the market. If you say, if we issue shares at around INR 500, INR 700, depending on the market demand, we can have enough money to fund our business.

Manish Kiri: You are right. That is definitely an option there.

Manoj Kumar: So that we are not at all burdened with any loan repayment, term loan, whatever it is. We are free from all those hassles.

Manish Kiri: Right. See, look at the numbers, and I agree with you from the angles that you have just mentioned. And actually, it would help the management also to have lesser stress, isn't it? On the debt side.

Manoj Kumar: And recently we have taken equity infusion in Indo Asia also from one roundabout at around INR 230 crore we have got. Why don't we tap all those persons who are interested to invest?

Manish Kiri: Right. So, we have…

Manoj Kumar: And we can have more than 50% reducing and diluting balance for financing of the project.

Manish Kiri: So, here is the answer to you. So, we definitely have that option, and we have tested water, as you have rightly said. So, we have tested water means there is an interest and that option still remains a valid option.

The trade-off happens here in a sense that if we are able to successfully execute the project without diluting today, right, and generating profit, building numbers and then dilute, right, there is a huge delta upside for the shareholders of Kiri, correct? That means that the value creation by deferred dilution post-execution of the project would be much, much higher. So, that value capturing for Kiri shareholders would provide more benefit to the shareholders.

And with that in mind, to look at the larger interest of the shareholders value creation, we are putting a capital structure what has been decided today. But again, as you have said, there is always an option to do that and complete the financial requirements if we need. And there is enough interest for that. We have tested, we have invited and we have seen the real infusion. So, that is there. That is there as a plan B. But we will see how we can progress from here.

Manoj Kumar: Regarding our Odisha foray, in one interview, the MD of IPICOL had stated that Kiri is participating in some agrochemical complex near Dhamra Port. What is the status of that?

Manish Kiri: There has been discussion on certain chemical projects, the large one, which we would not embark on right now till we make the existing projects operational. But it is part of our long-term vision. And you know, and approvals also take time.

So, there are certain chemicals, specialty chemicals that we have looked at. Again, those are part of the import substitute and import replacement requirements for the country. But it is quite far currently.

So, it is all preliminary stage and where we have serious interest to develop a large chemical complex somewhere near port there. And the government has given us quite a good support in terms of incentives, as well as in terms of the requirements which such project might attract to. So, we continue to explore these opportunities. But execution will be sequentially and not parallelly.

Moderator: Thank you, sir. Ladies and gentlemen, that was the last question for today. 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 I was 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. Happy Independence Day to all. Thank you.

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