

August 18, 2025

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 Q1-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 Q1-FY26 Earnings Conference Call held on Monday, August 11, 2025.

The Transcript of Q1-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
Q1 FY'26 Earnings Conference Call
August 11, 2025

Moderator: Ladies and gentlemen, good day, and welcome to Kiri Industries Limited Q1 FY'26 Earnings Conference Call hosted by Valorem Advisors.

As a reminder, all participants' 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 this conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Nupur Jainkunia from Valorem Advisors. Thank you and over to you ma'am.

Nupur Jainkunia: Thank you. Good evening, everyone, and a very warm welcome to you all. My name is Nupur Jainkunia from Valorem Advisors. We represent 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 2026.

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 beliefs, as well as assumptions made by the 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 the Management participating with us in the conference call. We have with us Mr. Manish Kiri – Chairman and Managing Director; Mr. Jayesh Hirani – Senior Manager, Accounts and Finance; Mr. Suresh Gondalia – Company Secretary.

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

Manish Kiri:

Good evening, everyone, and welcome to the Earnings Conference Call for the 1st Quarter of the Financial Year 2026.

I will begin with a brief overview of our Quarter 1 performance, followed by key operational highlights and strategic updates. On a standalone basis, in the 1st Quarter of Financial Year 2026, revenue from operations stood at Rs. 181 crores, reflecting an 8% year-on-year growth.

At the EBITDA level, the company recorded a profit of Rs. 17.3 crores EBITDA, compared to EBITDA of Rs. 13.6 crores in the same quarter of the previous year.

During the quarter, the company reported a profit after tax of Rs. 7.2 crores, a significant improvement from the loss of Rs. 1.7 crores in Quarter 1, FY25. This was primarily due to dividends received from Lonsen Kiri, contributing notably to its other income.

On a consolidated basis, the revenue from operations for the 1st Quarter stood at Rs. 202 crores, a growth of about 10% year-on-year basis. At the EBITDA level, the company recorded a profit of Rs. 18.6 crores, compared to EBITDA of Rs. 14.3 crores in the same quarter of the previous year.

Net loss for the quarter, before accounting for the share of profit from associates and joint venture, stood at Rs. 51.4 crores compared to the net loss of Rs. 1.1 crores in Quarter 1 FY'25. During the quarter, the share of profit of associates and joint venture was reported as Rs. 61.54 crores.

On the operational front, in Quarter 1, FY'26, the dyes and dyes intermediate industry continued to face headwinds, particularly in reactive dyes, vinyl sulfone, and H-Acid due to raw materials volatility, especially fluctuating in caustic soda, flakes, nitric acid, G-acid, Tobias acid and many other intermediate prices.

While export volumes of reactive dyes improved significantly, driven by recovering global textile demand and lower freight costs, vinyl sulfone and H-Acid remained under pressure.

Despite these industry challenges, Kiri Industries Limited demonstrated operational resilience by maintaining a strong focus on its core business segments, liquidity management and capital structure. The company continued its efforts in optimizing the product mix, rationalizing costs, and enhancing internal efficiencies, staying committed to long-term value creation, even amid ongoing macroeconomic pressures.

With regards to the DyStar case, following a February 23, 2024 order by the Singapore International Commercial Court for an en-bloc sale of DyStar shares held by Kiri Industries Limited and Senda International Capital Limited, Court-appointed receivers and Kiri Industries

have executed a share-purchase agreement with Zhejiang Longsheng Group Company Limited on May 29, 2025.

Under the SPA, the purchaser will acquire 26,23,354 shares held by Kiri in DyStar, representing 37.57% of its paid-up share capital, for a base consideration of \$676million. An additional \$20.29 million will be paid to cover any shortfall or obligations under the SPA. The final transaction value is subject to adjustments as per the agreement. The total amount is \$696 million to be paid to Kiri.

The deal is contingent on customary closing conditions and regulatory approvals. The long-stop date for meeting all conditions is October 2nd, 2025, extendable to November 3rd, 2025, if agreed by the parties.

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

Moderator: Thank you very much. We will now begin with the question-and-answer session. The first question comes from the line of Yash Dantewadia from Dante Equity. Please go ahead. As there is no response from the current participant, we will move towards the next question.

The next question comes from the line of Vignesh Iyer from Sequent Investments. Please go ahead.

Vignesh Iyer: Thank you for the opportunity, sir. Wanted to understand what is the amount of legal fees that we paid in this quarter?

Manish Kiri: You are referring to the legal cost for the Singapore case?

Vignesh Iyer: Yes.

Manish Kiri: So, all put together, including cost and expenses, is somewhere around Rs. 7 crores.

Vignesh Iyer: So, we paid around Rs. 7 crores this quarter, right?

Manish Kiri: Right, in the quarter, correct, which is relatively lesser than the average quarter. So, it is going down now.

Vignesh Iyer: I mean, all these legal costs would be recoverable as part of the deal, right?

Manish Kiri: No, the legal cost which has been awarded to us already will be paid to us, which is part of the recovery that we are getting, part of the amount which has been crystallized. But the cost which we are incurring for the receiver because this also includes the cost that we are paying to the receiver right now in addition to the legal cost, and these numbers include the receiver's

payment cost, and all that receiver's cost is going to come back to us, along with interest at 5.33%. So, all the receiver's cost is going to come back to us, paid back to us.

Vignesh Iyer: And currently, you know, the interest, has increased to Rs. 60 crores in this quarter vis-à-vis Rs. 54 crores that we paid last quarter. So, what is the exact cost of borrowing that we are incurring behind this advance that we have received? I mean, the borrowing that we have taken?

Manish Kiri: See, the interest which you see in the consolidated numbers, right, is the interest which has not been paid but which is accrued on the account of the project loan and the advances that we have taken against the judgment order. So, the judgment funding which we took, about \$130 million which is being infused in the project, that interest is being accrued.

And the interest along with the principal would be paid as and when the DyStar sales proceeds is realized, So, it is mainly on the account of the advance that we have received for the new project and which is not to do with the operations of the current business, which is for the copper project that we are implementing right now.

Vignesh Iyer: But, I mean, it would be payable, right? It has accrued, just as the cash outflow has not happened. But once DyStar money comes in, we have to pay this interest, right?

Manish Kiri: Yes, yes, correct. Yes, correct. So, it will be paid when DyStar proceeds are received.

Vignesh Iyer: And sir, could you give a brief about what is the status of copper project, about the team that has been put in for the operation and management of the project to make it ready for operations? And if you also could share a timeline, like when would be, you know, the same team can be also part of the call where we can interact with the team?

Manish Kiri: Right. See, there are significant progresses which has happened. And I will just briefly highlight to you without going into much detail. Number one, the project implementation is on the track. You know, the technology supply agreements have been executed. The project work has already commenced at the site. Orders are being placed to the vendors, to various vendors. And various vendors are being now scrutinized and screened and selected.

In addition to that, we have significantly also strengthened the team of the project. So, there are many heads have joined in a senior team. And the total team has now increased to almost 25 people. And I think by this quarter, there would be further addition. So, the team will increase to at least 40 to 50 people. And this is the project execution team. So, it is strengthening quarter-on-quarter.

At some point in time, yes, as we mentioned earlier, there will be senior management team who would come to answer your questions. And in 2026 onwards, we will implement that. When we see a significant headway, when we see that the majority orders are placed, and we

are in a full phase of having proper and executed timeline, definitely will be updated by the responsible people of copper project.

Vignesh Iyer:

That's all from my end.

Moderator:

The next question comes from the line of Vivek Joshi from Bandarpooch Capital. Please go ahead.

Vivek Joshi:

I have two questions. One, on the balance sheet, we have Rs. 192 crores that we have given to somebody which was not there in '23 and '24. So, whom has that loan been given to?

Manish Kiri:

There is no such loan given to any external party.

Vivek Joshi:

No, but it is on the consolidated balance sheet. So, it has to be an external party only.

Manish Kiri:

So, it is within the group company. So IndoAsia Copper, Kiri Industries Limited, between the two entities. It is inter-corporate loan.

Vivek Joshi:

No, but it won't come on the consolidated if it was inter-company, sir. There is a loan lying on the consolidated balance sheet in the presentation.

Manish Kiri:

Loans. You mean the advances given, the loan given to someone or you are talking about the borrowings of the company?

Vivek Joshi:

No, the advances given. That you have loaned somebody.

Manish Kiri:

It is not there, I think. Can you please send an email clarifying this because it is not there. The advances and the loans are within the group companies. There is nothing beyond group companies.

Vivek Joshi:

Okay, I will send an email. My second question is, can you give the capital allocated in the copper project in debt and equity currently? Because there is no mention, so it is quite disturbing to not have any mention of copper project in your press release, in your presentation. It is as if it just vanished. So, I mean, if you can just keep updating on what is happening in the copper project, it will be good.

Manish Kiri:

Sure. We will be pleased to do so. We will be pleased to do so. And if that is your suggestion, we will add at least one or two pages in our quarterly management note. We will be pleased to do so. Right now, whatever we are infusing in the copper project is only equity. Right? And equity is being infused in IndoAsia Copper Limited which has been received from Singapore borrowings, correct?

So, right now the equity which has been infused, there is no debt which has been infused as of yet. And equity that we are infusing to the extent of \$130 million, which is close to Rs. 1,100 crore, has not been fully exhausted yet.

We still continue to deploy that funds. And that deployment would continue till the end of the year till we receive Singapore sales proceeds, the final sales proceeds of DyStar. So, everything is being infused as equity. But point well taken, and we will give you the numbers and we will give you how much has been infused as an equity till date.

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

Manoj Kumar Bhura: Good afternoon, Manishji. My question was regarding the various visits you have undertaken. You have gone to Odisha, signed an MoU with the Odisha Chief Minister. You have gone to Brazil with the Prime Minister's business delegation. You have incorporated a new company in China. You have incorporated a new company in the Cayman Islands. We have a subsidiary company in Singapore. So many actions have been taken. Can you throw some light on all these things?

Manish Kiri: You should be happy about.

Manoj Kumar Bhura: I absolutely feel that Manish bhai is moving around the world.

Manish Kiri: Right. So, see, the Brazil visit was part of the BRICS delegation where I was participating, along with our official delegation, which went to Brazil. And it was more of representing the country. But as you are aware, our team also had a lot of meetings and visits in addition to Brazil with Chile and Peru where the copper ore and copper concentrate sourcing activities are going on.

So, the visit was part of the representing country along with the team of our Prime Minister. At the same time, the team was also busy exploring the sourcing activities in South America. So, that was that visit about.

Odisha has been quite a good opportunity, which the company has been exploring. Nothing has been finalized yet. But looking at several opportunities and the Odisha government's incentive schemes, it appears that there might be some viable project in another three to five years which may be able to explore there. So, we are trying to explore certain opportunities in Odisha, again, which is part of the Invest Odisha or Utkarsh Odisha, which they have started the campaign for, number two.

Number three, you know, recently I was also part of the delegates for the visit of the President.

Manoj Kumar Bhura: Right. Philippines. Philippines.

Manish Kiri: The Philippines President who visited here, and we had a very high-level meeting with them. And we have signed an MoU with Philippines, in presence of the Philippines President, participating in investing into a mine, a copper mine, along with the government, and to sign an off-take agreement to purchase copper ore for our copper plant in India. Right? So, again, it is part of our entering into and securing our feedstock.

Philippines is the world's fourth-largest copper reserve. And we are making our efforts to secure certain quantity of feedstock from Philippines. So, it was part of the discussion with the president. And we were fortunate and lucky enough to have a one-on-one meeting with the president and his team. And we could conclude certain future interests with them.

Again, once the definitive agreements are signed, once we are able to execute the intentions that we have agreed upon, we will make the announcement when the things become concrete and the official agreements are signed. So, these are the part of activities which includes representing the country, which includes our interest in the copper project, and the feedstock, and which also includes the future opportunities.

Manoj Kumar Bhura: And Manish bhai, regarding this, the money which we will be receiving very shortly, do you plan to hire some Chief Investment Officer for your company to take care of the money? It is a very highly specialized job.

Manish Kiri: Right. So, we don't need to have a chief investment officer, but we have formed a committee, which is the investment committee at the Board level, correct? And we have recently hired a Chief Financial Controller, correct? Because certain investments and the decisions will be taken by the Board. And out of these funds, which we are receiving, post-tax, half of it is going to go as an equity into the copper project.

So, half of these sales proceeds is already committed as an equity for the future project. So, remaining half, we will have the Board to decide in time to come, but there is no hurry to make a decision for the deployment of those funds.

Manoj Kumar Bhura: And regarding financial closure for this copper project, how far have we gone? What is the status of that?

Manish Kiri: It is in process right now, and we have several in-principle approvals received, and we still hope that by December or before December we will have complete financial closure. By the time the equity is realized, the debt would also be tied up.

Manoj Kumar Bhura: And the current business of our dyes business, I have seen that Lonsen Kiri is doing wonderfully, but Kiri is just lagging behind. What is the reason? And how do we propose to alleviate all those things and correct these things?

Manish Kiri: See, you will have to look at the things in totality. Okay? In the sense, there are two factors that you must analyze when you look at our financials. One, Kiri produces not only dyes, but also intermediates and basic chemicals. Correct? And those intermediates and basic chemicals are supplied to Lonsen Kiri and where the JV Lonsen Kiri produces finished products and sells. So, the finished products margin is captured through the profit of Lonsen Kiri into Kiri.

So, you have two layers. So, one layer is going from Kiri to Lonsen Kiri. And when the finished products are sold from Lonsen Kiri to the external customers, that is where the part of margin is captured. And that is what you see in the consolidated numbers. So, when you look at the consolidated numbers, it is a correct picture where we capture the dyes margins of Kiri, integrated dyes margin, as well as integrated dyes margins for the sale of dyes of the intermediates of Kiri taking place through Lonsen Kiri.

Number two, there are certain chemistries and certain specialty products that is being produced and sold by Lonsen Kiri which is not being produced and sold at Kiri. So, there is a difference in product portfolio. For example, Lonsen Kiri has the only Indigo manufacturing facility in India, the only plant which produces Indigo in India. So, it has certain advantage.

Similarly, it produces products with Fluorochemistry, which Kiri doesn't. Again, that is a differentiated product. That is a high-end product. And that is where the higher margins are being captured. So, these are the two factors when you look at the differences between Kiri and Lonsen Kiri.

Manoj Kumar Bhura: Then going forward, what is our expectation of Kiri standalone?

Manish Kiri: Kiri standalone, the moment the legal and the receiver cost is going to go away, you will see profit after tax also. You will see positive on that side. And Kiri has been also facing challenges in terms of capacity utilization. Our capacity utilization has been almost 48% in this quarter. And that is the challenging part because we are having too much of capacities not being able to fill for almost three years now.

So, we are trying to change product mix. We are seeing what more products can be added. And the challenges on textile sector has been percolated into challenges for the dyes sector. And that is where we see the shrinkage and the reduction of margin, we are not able to earn enough.

The major factor is the lower capacity utilization and also the burden on legal cost. So, these are the two factors. Once we try to address one of them, you will see improvement in the margins.

Manoj Kumar Bhura: Thank you, Manish bhai, for answering all my questions.

Moderator: The next question comes from the line of Nandan Ganatra from Delta. Please go ahead.

Nandan Ganatra: My question is, sir, on the last quarter, we have given guidance in our existing dyes business as Rs. 1,500 crore top line this year. So, do we maintain this guidance?

Manish Kiri: No, I think it is currently we taper down. We reduce our forecast, in fact. Yes. And I will give you the revised forecast where we are trying to. So, we are not maintaining that currently because the headwind is still continuing, and we see the challenges continuing even the rest of the year. So, we would revise it on a standalone basis to be close to Rs. 800 crores to Rs. 900 crores and on a consolidated basis right around Rs. 1,200 crores to Rs. 1,300 crores. So, there is at least 20% reduction in the forecast that we were trying to achieve earlier.

Moderator: The next question comes from the line of Ankit from Fushion Capital. Please go ahead.

Ankit: My question is on our en-bloc sale for DyStar. So, as previously discussed, we were on track on 2nd of October, right? So, can you throw some light on where are we now and on track or not?

Manish Kiri: So, that is still fully on track. And Longsheng is in the process of complying with the condition precedent before closing. And those conditions which they had mentioned in the share purchase agreement, what we have been informed, they are trying their best to get mainly the regulatory approvals from the Chinese government. And which is on track. As far as what we understand, the receiver has been closely following up. And there is a close communication and submission of a lot of information and data going on between the Longsheng and the receiver, which we are not privy to.

But as far as the message that we receive is that the approval process is on track. And October 2nd is a firm date which they should be honoring. And if not, then the next extendable long-stop date is November 3rd. And November 3rd would be the full and the final date. So, hopefully, between October 2nd and November 3rd, we should get this concluded.

Ankit: And, sir, this is the deal completion date, right? So, receiving the cash would need some additional days or is it the same?

Manish Kiri: No, no, no. It is the same date. The deal is not complete unless and until we receive money. Correct? So, it is the date on which the money is transferred to the escrow account of the receiver. So, the date, you know, and then the exchange of shares and the cash will take place. But it is the date on which Longsheng fully paid, 100% payment has been made. That is the date on which the completion date.

Ankit: And, sir, my small question on our copper plant. So, are we expecting some revenues in FY '26 or we are starting off in FY '27 somewhere?

Manish Kiri: FY'27, you will expect the revenue. Partial revenue we will start expecting from FY '27. And as I mentioned earlier, from next quarter onwards, we will also keep giving updates in our management note every quarter. So, you know the progress and the timeline and also key aspects of the project implementation we will try to highlight.

Moderator: The next question comes from the line of Vivek Joshi from Bandarpooch Capital. Please go ahead.

Vivek Joshi: Thank you for the opportunity again. So, one question I had is if the project money was needed in tranches only, then why was Rs. 1,100 crores raised in one go, and we are paying so much interest cost on that? That is my one question.

Manish Kiri: No, the entire 1,100 was raised at one go. It was all in one go.

Vivek Joshi: No, but as of now, how much is unutilized? So that we are paying high interest on that. That is what I want to know.

Manish Kiri: Yes, more than half is unutilized. Almost Rs. 600 crores is unutilized, actually.

Vivek Joshi: And how much is the accrued interest which has not yet been paid on the balance sheet? I could not find that figure.

Manish Kiri: Accrued interest? The interest has not been paid at all. So, whatever is accrued interest is not required to be paid because the debt is not required to be serviced till the DyStar proceeds are received.

Vivek Joshi: No, I understand, but accrued interest in the liabilities, under which head has it been added? I could not find it. Like, is it in the borrowings only it has been added?

Manish Kiri: One second. It is added to the borrowing.

Vivek Joshi: So, as of now, it is 1,143. Consolidated is outstanding.

Manish Kiri: Yes, correct. That is the outstanding. Exactly right.

Moderator: The next question comes from the line of Samir from Purecha Global. Please go ahead.

Samir: My question is, suppose Senda doesn't get the approval from the Chinese government, what happens finally then?

Manish Kiri: So, then, if Senda doesn't get approval from the Chinese government, and by October 2nd, if the receiver sees that there is no possibility or there is no certainty, let me put it this way, then this will go to the second bidder.

Samir: And is the second bidder, the valuation been disclosed in public knowledge?

Manish Kiri: No, that has not been disclosed. But what we understand from market knowledge, it should be around \$1.6 billion.

Samir: And my last question is, suppose it has to go to the second bidder, then it will probably take six months more?

Manish Kiri: No, then 31st of December is the long stop date. So, the next bidder needs to complete before 31st December 2025. So, I think the second bidder has also right now been kept into discussion by the receiver. It is not been deactivated.

Samir: But they will be able to arrange such a big amount of funds within a month, you mean to say?

Manish Kiri: No, the funds and the proof of funds has already been confirmed by the receiver. So, access to funds and proof of funds for the second bidder is supposed to be already in place.

Samir: Last question on this point.

Manish Kiri: It all depends on the second bidder's regulatory requirement, if there is any. And if it is a private equity investor, it becomes easier rather than a strategic investor.

Samir: Right. And the last question is, do you think by any chance Senda can object or not agree to have it sold to the second bidder?

Manish Kiri: No, no, it is not possible at all because they have been given enough chance. They have been chosen as a preferred bidder. They again defaulted, and then there is nothing can be done. There is nothing they can do. Nothing they can object about.

Samir: So, by 31st December, you are hopeful, whoever first bidder, second bidder, whoever takes it, the deal should be done with by 31st December.

Manish Kiri: Exactly.

Moderator: The next question comes from the line of Ansh from Tenek Ventures. Please go ahead.

Ansh: So, I just wanted to say that why is it that other mutual funds have not entered Kiri Industries, specifically from India? And secondly, do you see it with the copper project in place, do you see this company becoming a three or four time bigger in a few years? Even though you cannot specifically talk about how the share itself will go, but considering what you think will happen with the business in the future. And why haven't other mutual funds, et cetera, entered? What do you have to say on that?

Manish Kiri: Well, if you do a little bit of research on the future projects and the revenue and the profits it can generate, where we are today and five years from now, the numbers would be changed by multiple times, right? So, the performance of the company, assuming that the project is implemented successfully, assuming that we are becoming operational by 2027-28, which are the targets of the company, assuming that this happens, you will see a vast change in terms of its performance and numbers. So, that can correlate with the multiple times the valuation it can reach compared to where it is today. That is the valuation part.

Now, why the mutual funds are not entering? We don't have an answer, to be honest with you. Neither do we have any knowledge or information given by any mutual fund that why they are not investing in Kiri. So, it would be difficult for us to speculate on that unless we have some information from any mutual fund, which we don't at the moment.

We do have inquiries from mutual funds. Time to time, they ask us for a call or a meeting. And we continue to make our efforts in that direction. So, probably, whenever the time comes and whenever their criteria and their investment interest matures, they might invest, but it is up to them.

Ansh: And this is the last question. You said the guidance, you were making it 20% lower, but do you expect this to change coming forward, or is it for the next 12 months you see certain difficulties in the market? Because other chemical companies have, yes, sorry.

Manish Kiri: Sorry, the reason we have given a lower forecast is because, you know, we have taken into consideration several factors. One is, I say, the challenges in the demand and the challenges of textile sectors are continuing.

Number two, with the recent tariffs, which we have now faced from the U.S., we see that there will be some realignment in terms of exports of dyes from India. Certain countries will become more prominent, where the duties and the tariffs are lower, and the business will shift from some countries to the others. And that realignment is also going to take at least a couple of quarters. And eventually the quantum and the size of requirements, because the U.S. is not processing any textiles, leather, or, to a large extent, much paper also.

So, usage of dyes is vastly in other countries. It is only a matter of realignment of where the export is increasing and where the export is reducing. That realignment might take another six months time. So, the realignment as well as the lower demand, both put together, we have given a 20% lower forecast, but we don't see it would be changed for the rest of the year.

Ansh: And just one final thing. There was talk of a fertilizer plant as well. Is this along with the copper plant or could that begin earlier?

Manish Kiri: It is along with the copper plant. It is a by-product of copper production. So, copper smelting produces Sulphuric acid, which is converted into Phosphoric acid and then from Phosphoric acid to Phosphatic fertilizers. So, it is part of the integrated facility for manufacturing copper and fertilizer both.

Ansh: And just a final thing. Even though the long stop date is the end of the year, but as far as from market knowledge, the deal should be done by October, right?

Manish Kiri: Yes, it should be done by October. We all expect that, and looking at the things which are going on track, we haven't seen any hiccup yet. And we have been given repeated confidence by the receiver that the deal is going to get concluded by October 2nd. So, let's hope so.

Ansh: And there was some news in this thing about a prior CEO of the copper unit who had made some drastic claims against Kiri. Could you shed some light on that?

Manish Kiri: Yes, so, I think if you look at the filings of the company to ROC, and certain legal notices issued to him, and the reason we had to fire him, his name was Sanjay Sarkar, and terminate him was the integrity issue, number one. Number two, mismanagement and misconduct. Number three, misguiding the core management team and not being able to handle the complex situations related to the project.

So, these are the factors, and integrity was one of the main factors. And there were certain incidents which happened, which were discussed at the Board of IndoAsia Copper Limited. And the Board unanimously decided to terminate him.

So, he was also a Board member as well as the CEO. So, not only he was fired as a CEO, but he was immediately terminated by calling a Board meeting. And then we had to relieve him. So, whatever he must have written or he has written is coming from a disgruntled employee who got caught on certain activities, and then the actions were taken by the management in the interest of the company and the project both.

So, we need to ensure that we remain on track. We need to ensure that we remain in full budget, within the budget. And we need to ensure that the top team and the CEO, COO, all the high C-level team, they have to be having full integrity and trust of the shareholders and the management. So, we have taken that decision in the interest of the company.

Moderator: The next question comes from the line of Yash Dantewadia from Dante Equity. Please go ahead.

Yash Dantewadia: So, sir, I just had a couple of very important questions. One is, your budget is Rs. 8,000 crores for the copper plant, as you have stated before. And after tax, I think, last con call, you have clarified to me that you are going to receive post-tax, maybe Rs. 5,500 crores to Rs. 5,600 crores. So, where is the rest of the funding going to come from?

Manish Kiri: It is coming from debt. So, out of Rs. 5,500 crores that we will have post-tax, we are going to invest about Rs. 3,000 crores as an equity in the project. And the remaining Rs. 5,000 crores is going to come as debt in the company.

Yash Dantewadia: Have you already secured the debt?

Manish Kiri: Part has already been secured in terms of in-principle sanction letters. Parts are awaited. So, we are expecting that by the time the equity is fully in, by October, November, full debt is also going to get tied up, syndicated.

Yash Dantewadia: And my next question is regarding the location of your copper plant. And basically, if you could just give us some insights on Stage 1, Stage 2, Stage 3, Stage 4 or whatever, how have you planned it? You said revenue will come by FY '27. What kind of revenue are you expecting by FY '27?

Manish Kiri: So, the location of the plant, which was your first question, is at Pipavav Port, which is in Amreli district in Gujarat. And the site is pretty close to the port. It is only about 8 kilometers distance from the port. And that is a strategic location which is required for any smelter. Most of the smelters globally are at the port, and we are also at the port. So, that is a strategic location. It has facilities connected to highways, connected to railways. And there are other large industries in neighboring areas, too. So, it is a strategic location, and that is how the location was selected. Right?

Then the second part of your question, you know, in what phase manner, and how the revenue is going to start. Correct? So, FY 2027 in which we would be expecting part of the facility to start, which would include our downstream products, which would include our refinery, and certain part of the plant will start. And that would generate, at least we are expecting, close to Rs. 12,000 crores of revenue in the first year.

Yash Dantewadia: And as far as your capacity utilization scale-up is concerned, when you say FY'27, you will do Rs. 12,000 crores, what capacity utilization are you factoring in, in the FY'27?

Manish Kiri: Because at that time, full capacity might not be installed. The full capacity would be installed in 2028. But the part capacity would be installed and part capacity would be operational. Correct?

Yash Dantewadia: Yes, sir. What number have you factored in, in your Rs. 12,000 crore guidance? What number have you factored in?

Manish Kiri: So, that is somewhere close to 25% of our capacity. Let me give you a rough number. Correct? So, 25% of the capacity would be operational at that time out of the total capacity. Then 2028, another 50% capacity would be operational. And then 2029-30, another 25% capacity. All

capacity would be installed by 2028. Correct? So, technically by 2029-2030, we should have the entire capacity operational and that would generate more than Rs. 40,000 crore-Rs. 45,000 crore of revenue based on the current prices of copper.

Yash Dantewadia: And I am pretty sure you have been following the current copper prices volatility, right, especially in the COMEX market. How do you see this volatility? And how do you think you are going to be able to navigate yourself in this kind of a market where copper prices are falling intraday by 10%-15% and then going up the same way because of Trump and these kinds of global issues, if I may? Do you have a plan? Just throw any light, anything on it.

Manish Kiri: Sorry, the line got disconnected.

Yash Dantewadia: No problem. No problem, sir. I hope you got my question.

Manish Kiri: Yes, yes, I got your question. And your question was pertaining to the volatility in the market. So, number one, you know, there would be, and you have seen the short-term volatility has been there and has been there since a few years. Some of the U.S. uncertainties have increased that volatility. Correct?

Now, the way the business functions is purely linked with LME, right? And we would be hedging the LME, so there would be a separate team. And which is true with every major copper producer is that there is a permanent hedging team. So, we would be continuously hedging on a daily basis for our sourcing of copper as well as our sales of copper both.

So, hedging would neutralize the short-term volatility. And on the long-term trajectory, the copper is expected in the next two years to touch almost \$15,000 a ton. Now, if the long-term trajectory is going to be on a positive direction, that would allow us to have expansion in our margins, that would allow an increase in TC/RCs, treatment charges and refining charges, and that would give opportunities to expand margins in the future. But short-term volatility and short-term fluctuations have to be managed by hedging and will be capable to do so.

Moderator: The next question comes from the line of Jay Kataria from Goldman Sachs. Please go ahead.

Jay Kataria: I just wanted to understand, we are projecting such ambitious revenue numbers. Have you already identified the buyers? Is there a company that produce?

Manish Kiri: Yes, for example, see, today as a country, we are net importer of refined copper and consumer products of copper. So, for buyers, it is purely import replacements. And you don't need to be worried on the sales side.

The most challenging part is the feedstock side, is to secure the copper ore and copper concentrate. Selling in India till we reach 1.8 million tons of production in India, which is the current consumption, it is all going to be import replacements. And import replacement at

domestic sales, there are buyers who line up, in fact. So, there is no problem for sales. Everything is being sold at a spot market currently for copper.

We could do long-term contracts, but if we do long-term contracts, which are linked with the price, then we might be losing because people would then ask us to bind us in terms of prices, which we don't want to do. We would rather sell material at spot and realize better pricing when LME continues to increase gradually in the future.

Jay Kataria: I had another question. Since we are planning to only invest 50% of the proceeds from our sale of DyStar into the copper plant, have we given any thought about what we plan to do with the rest of the corpus? I know this question has been asked, I think, numerous times in the past three or four con calls. But have we arrived at any numbers or are we just going to sit on it and look for another sector or opportunity?

Manish Kiri: Yes, currently we are going to sit on it. And it is the common consensus of the Board that we will sit on it and we will look for good opportunities to invest in the future. So, there is no crystallized deployment plan yet. And we would like to have first the cash-in. And then look at what kind of opportunities come in the market in different sectors, this sector, other sectors. But nothing has been decided yet. We will wait.

Jay Kataria: So, just one last question. So, when are we planning to have that clarity? Sort of like, let's say, by October, we have the money. So, can we expect in Q3's con-call, we would have some sort of idea of what we do with the money?

Manish Kiri: I think post money is in, let us say by the end of the year, right? So, October to December quarter, when the funds are in, we should be able to give you clarity during that time.

Jay Kataria: That is it from my side.

Moderator: The next question comes from the line of Saket from Sagari. Please go ahead.

Saket: Just taking a cue from the earlier question. So, you know, there was also talk of rewarding the shareholders. So, any clarity on that, or that sitting part is both, or there is some like half goes to copper, some portion we have already decided to share with the shareholders who have been waiting for their turn. So, any clarity on that, or if any decision by when do we expect any decision on rewarding the shareholders to be made by the Board?

Manish Kiri: It would also be in the same quarter when the funds are received. First, the target is to get funds and ensuring that the sale proceeds come in a timely manner, it has been decided and confirmed by the receiver. But during the same quarter, we will also deliberate at the Board of Kiri to decide what could be the split of rewarding the shareholders and what could be the

portion that we can keep for the future investments. But as repeatedly mentioned in earlier calls that there would be an amount where the shareholders would be rewarded.

Saket: So, sir, based on, say, earliest possible date, which is, I think, coming as October, so can Q2 Board meeting be one of those timelines, the earliest possible? Of course, Q3 is always there.

Manish Kiri: Yes, yes, Q2. We can also make an attempt and try to give clarity in Q2.

Moderator: Thank you. Ladies and gentlemen, due to interest of time, that was the last question. I now hand the conference over to the management for closing comments. Thank you, and over to you, sir.

Manish Kiri: Thank you all for participating in this Earnings Conference Call. If you have any further questions or would like to know more about the matters related to the company, please reach out to our Investor Relations Managers at Valorem Advisors. Thank you. I am wishing you all a great day ahead. See you in the next quarter. Thank you.

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