



KRITI INDUSTRIES (INDIA) LIMITED

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CIN : L25206MP1990PLC005732

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Date: 21st August, 2025

Online filing at: www.listing.bseindia.com and
<https://neaps.nseindia.com/NEWLISTINGCORP/login.jsp>

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai – 400001(M.H.)
BSE Script ID: KRITIIND, BSE CODE: 526423

To,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051(M.H.)
Symbol: KRITI

Subject: Transcript of Earning Conference Call held on 14th August, 2025.

Dear Sir / Ma'am,

We enclose herewith transcript of Earning Conference Call of Kriti Industries (India) Limited with the Investors and Analysts held on Thursday, August 14, 2025.

The aforesaid information is also being hosted on the website of the Company www.kritiindustries.com.

Please take note of the same in your records.

Thanking You,

Yours faithfully,

For, KRITI INDUSTRIES (INDIA) LIMITED

ADITI RANDHAR

COMPANY SECRETARY & COMPLIANCE OFFICER

Encl: As above



“Kriti Industries India Limited Q1 FY '26 Earnings Conference Call”

August 14, 2025



MANAGEMENT: **MR. SHIV SINGH MEHTA – CHAIRMAN AND
MANAGING DIRECTOR, KRITI INDUSTRIES INDIA
LIMITED**
**MR. RAJESH SISODIA – CHIEF FINANCIAL OFFICER,
KRITI INDUSTRIES INDIA LIMITED**

MODERATOR: **MR. RONAK OTHWAL – ARIHANT CAPITAL MARKETS**



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Moderator: Ladies and gentlemen, good day and welcome to Kriti Industries Limited Q1 FY '26 Earnings Conference Call.

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 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 Mr. Ronak Osthwai from Arihant Capital Markets. Thank you and over to you, sir.

Ronak Osthwai: Hello and good afternoon to everyone. On behalf of Arihant Capital Markets Limited, I thank you all for joining into the Q1 FY '26 Earnings Conference Call of Kriti Industries India Limited.

Today, from the management, we have Mr. Shiv Singh Mehta sir - Chairman and Managing Director of the company; Mr. Rajesh Sisodia sir - CFO of the company.

So without any further delay, I will now hand over the call to Mr. Shiv Singh Mehta sir for his opening remarks. Over to you, sir.

Shiv Singh Mehta: Good afternoon, everyone and welcome to the Earnings Conference Call of Kriti Industries India Limited for the First Quarter of the Financial Year 2026.

Early onset of monsoon and unprecedented rains as early as the beginning of month of May impacted business prospects. This impacted sales of both agri and building product segments.

In Quarter 1 Financial Year 2026, total sales volume were 23,714 metric tons as against 24,468 metric tons in Quarter 1 of Financial Year '25. On segmental front, in agri segment, we barely achieved last year quantities while in building product segment, company registered a degrowth of 29% in volume as compared to Quarter 1 Financial Year '25.

With these details, I will hand over the call to our CFO, Mr. Rajesh Sisodia to give you the financial highlights.

Rajesh Sisodia: Thank you very much, sir. Good afternoon, everyone.

Let me take you through the financial performance of your company on consolidated basis for the quarter ended 30th June 2025.

The Q1 FY '26 revenue is around INR 224 crores which segmentally reflects Rs. 187 crores in agri, Rs. 22 crores in building products and Rs. 15 crores in institutional business. The



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disproportionate low turnover is due to low prices by 13% as compared to last year. EBITDA of the company reported during this quarter is about INR 15 crores which is being 6.7%.

Thank you and I would like to open the floor for questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Anita Raj from Money Matters. Please go ahead.

Anita Raj: Yes, hello. Thank you for the opportunity. I just have some questions, like you mentioned plan for regional manufacturing facility for short distance agriculture market. Can you share the timeline, investment requirements and target locations for this facility?

Shiv Singh Mehta: Can you repeat the question? I could not hear you.

Anita Raj: Sir, you mentioned plan for regional manufacturing facility to short distance agriculture market. So can you share the timeline and investment requirements and target locations for the facility, that regional facility you have mentioned?

Shiv Singh Mehta: We are incurring capital expenditure for the expansion of capacities and adding new lines for manufacturing, which we are doing already. We have invested during our last year and the Quarter 1 and we will continue to do so going forward in the times to come. We are quite careful about analysis and seeing what kind of market scenario emerges as current scenario in the world market has many headwinds and we would like that we are able to be on right side of the curve. So we are careful in our expenditure. We are clear about the quantum and where we have to invest. So all details are in the work in process.

Anita Raj: And sir, with the anti-dumping duty on PVC steel under judicial review and your current mix is of 72% in domestic and 28% in import, how are you managing procurement risk?

Shiv Singh Mehta: Can you repeat again? The voice is not clear. Can you repeat, please?

Anita Raj: Sir, this is regarding raw material sourcing. With the anti-dumping duty on PVC steel under judicial review and your current mix is of 72% domestic and 28% of import, how are you managing procurement risk? What is your optimal sourcing mix?

Shiv Singh Mehta: See, presently, the international scenario is quite unpredictable. So any forecasting will have to be on a closed period basis, how things have evolved. Like ADD is hanging in balance for over a year and still it has not been implemented by Government of India. And similarly, the restrictions imposed by international community on various countries is quite uncertain. We would not like to predict any long-term situation as of today. But yes, hopefully in next couple of months, things should streamline and clarity should emerge.



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- Anita Raj:** Sir, and now on the CAPEX side, like you have raised Rs. 55 crores, can you bifurcate all the CAPEX?
- Shiv Singh Mehta:** We are already incurring CAPEX as per plan and we are on course of our plan. We have already invested even in 1st quarter money and going forward the investments will continue.
- Anita Raj:** Thank you so much.
- Moderator:** Thank you. The next question is from the line of Praneeth, an Individual Investor. Please go ahead.
- Praneeth:** Hi. Yes. Thank you for the opportunity. So in terms of agri, I understand the weakness is there, but last time we mentioned that we are expanding into other segments. Has there been any mitigation as a result of our expansion geographically beyond the three primary states of Maharashtra, Rajasthan and Bihar? And like, how is that particular venture progressing at this point of time? Or is that venture not has been as successful as you thought because of the slowdown in the market?
- Shiv Singh Mehta:** You see, our major focus other than agri is building material where we are continuously making our efforts to expand our markets and our product range. So as far as product range is concerned, we have really augmented reasonably to the requirements of the market in last 2 or 3 quarters. And going forward, our now major focus is to extend and expand our market reach. So the works are in process and some markets are maturing and some market take time to mature. So we will be focusing on building material as we have stated earlier.
- Praneeth:** Understood. In terms of CPBC, that particular segment has remained relatively strong in the market despite the headwinds in the agri space, is it because of pricing? Have we been able to gain more volumes in CPBC or has it remained stable for the last week in this quarter?
- Shiv Singh Mehta:** Our volumes in CPBC are growing. But for a month where there is a major impact due to rains where markets were impacted because some of our dealers still are from agri background. And when their attention shifted due to the change in market conditions, we could see a challenge in a month. But otherwise, overall month to month we are growing and we are in the right direction.
- Praneeth:** So right now, what is the gross margin like in different segments? I understand the lowest will be agri side of it and the highest will be CPBC. But can you give a perspective on how each segment is contributing to the overall gross margin and how it is going to contribute to EBITDA also? Because we expect going on a building segment, right? But I understand the margin might expand. But if you can give a perspective on what type of contribution the margin will have a change?



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- Shiv Singh Mehta:** You see, in our case, our margins will improve once our volumes grow to larger numbers. Because the initial fixed cost towards developing a market is consistently at certain levels which have to be distributed on a larger base. So going forward, we certainly see margins to improve in building material and we should average it around industry.
- Praneeth:** So at what volumes, will we be able to mature in the existing markets we are at? What percentage do we need to grow in these new markets where we can get to a point where much expansion happens?
- Shiv Singh Mehta:** You see, there is a critical volume. It is not a question of percentages alone. So there are certain volumes which have critical numbers once achieved. You can say once we grow our business for building material beyond Rs. 200 crores, Rs. 220 crores per year that is about Rs. 20-Rs. 25 crores per month, our fixed costs will come down considerably.
- Praneeth:** Understood. Got it. So in terms of procurement, I understand the PVC prices have been falling. Have we been procuring mostly from the domestic side or have we been importing? Because I think domestic prices are slightly premium to the imported ones. So how have we been doing sourcing in terms of the resin at this point of time?
- Shiv Singh Mehta:** We are importing as well as domestic sourcing. But our imports in terms of overall percentages have come down in a falling market because the logistics supply chain time in import is much longer than the domestic supply chain time.
- Praneeth:** Understood. So basically, despite the price premium at the point of sale, the logistic cost will be enough to not make it viable to choose imports, right? Is that what you said?
- Shiv Singh Mehta:** We have to mitigate certain risks as well as we have to see the benefits. So risk-reward ratio has to be observed and a judicious judgment has to be taken.
- Praneeth:** Understood. So it is mostly domestic at this point of time, right. Understood. That is it from my side. Thank you.
- Moderator:** Thank you. The next question is from the line of Parth Patel, an Individual Investor. Please go ahead. Parth, are you there?
- Parth Patel:** Good afternoon, sir. Am I audible?
- Moderator:** Yes, you are.
- Parth Patel:** Sir, my first question is that you mentioned targeting 10% EBITDA margins going forward. But Q1 FY '26 margin is at 6.74%, still below the FY '25 levels of 6.87. Can you provide a quarterly



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timeline for achieving the 10% target and specific initiatives beyond raw materials price stabilization?

Shiv Singh Mehta: First quarter was certainly challenging, as I even said in my opening remarks, because of unprecedented rains right at the beginning of May, which is generally a peak time for sales. But going forward, we feel from quarter 3, this time is the time when the harvest is over, rain period, monsoon is over, and the market should be fairly comfortable as there is an overall growth, which is anticipated both agri and building material.

Parth Patel: And sir, secondly, capacity utilization is 49%. What is your strategy to optimize fixed cost absorption? Are you considering any temporary capacity rationalization or asset monetization to improve return ratios?

Shiv Singh Mehta: Can you repeat the question, sir?

Parth Patel: Sir, like the capacity utilization is at 49%. And what is your strategy to optimize the fixed cost absorption? Are you considering any temporary capacity rationalization or asset monetization to improve the return ratios?

Shiv Singh Mehta: No, our sales will grow. We are quite sure, and we will need these capacities, for sure. It is by increasing the topline that we will be able to rationalize our cost optimization per unit.

Parth Patel: And sir, lastly, in Q1 FY '26, agriculture volumes declined 1.7% Y-o-Y. So while building the products, fell 28% Q-o-Q. So how are you balancing market share retention with premium realization, especially in the competitive markets like this?

Shiv Singh Mehta: No, our downward is 0.2% reduction in the volume in agri segment, 0.2. And that is in spite of the market had shrunk because of the month of May rains, consistently rains, it rained throughout the month of beginning, right from beginning of month of May towards the end of May. So we must have improved our market share rather than any challenge on that side.

Parth Patel: That is from my side.

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

Praneeth: Thank you for the opportunity, again. So as the management has stated to the previous participant, you said the market has shrunk, but our volumes haven't as substantially. Could you give some perspective on how much the market has shrunk in overall agri space? Like, is it mostly state-wise, has it shrunk by a lot or like, or the overall market in terms of the state, there are a few states which are much more fluctuating than normal?



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- Shiv Singh Mehta:** You see, our main market is in Western and Northern India. This entire market was impacted because of rains.
- Praneeth:** But like, by what percentage do you think the agri market has shrunk during this quarter and like last?
- Shiv Singh Mehta:** This month has shrunk by at least 15%-20%.
- Praneeth:** And you expect all this 15%-20% volume degrowth that might have happened. You mentioned 15%-20%. Would it be just based on the price or would it be the volume?
- Shiv Singh Mehta:** I am talking metric ton basis.
- Praneeth:** I am sorry, could you repeat it?
- Shiv Singh Mehta:** On a weight basis, metric tons.
- Praneeth:** Metric tons. So volumes have reduced by that much. Understood. So do you expect once the prices start stabilizing and going up, do you expect these volumes to pick up beyond a point and where do you see the volumes growing in the next few years, because if the prices?
- Shiv Singh Mehta:** In agri space, we certainly see about 5%-6% around that growth because there is an overhang which will be reflected in quarter 3 and 4. Similarly, in building material, we clearly see a growth of about 10%.
- Praneeth:** And this is metric tonnage basis, not the overall value realization?
- Shiv Singh Mehta:** Metric ton basis. Because prices are fluctuating. So it is difficult to assess exact numbers in rupees.
- Praneeth:** Understood. So one question regarding the margin basically, do we sell the final product based on a percentage margin or an absolute value? Like when we are going to think about, let us say, metric ton basis, will we see, let us say, X to be the value will be realized and whatever the prices, you just add that value and sell it or will it be a margin basis?
- Shiv Singh Mehta:** You see, this is a competitive open market where all the products compete. So there is certainly a costing plus EBITDA margin is one criteria, plus market reality in terms of what kind of prices and competitive intensity is prevalent. So all these factors put together, a rational decision is arrived at.
- Praneeth:** So if you mention a competitive, that means it is mostly likely to be a margin, instead of an absolute value because costing might change across players?



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- Shiv Singh Mehta:** But the costing wise, there will be a marginal difference, but everyone has to look at the business in terms of a profitable business. So there is a rationality overall in decision making by the industry.
- Praneeth:** Understood. Got it. And one more thing, when we are going to these distributors to put like our building products material and we are also, last time you mentioned that we are using both channels, we are using existing channels to stock up the building products and also approaching new channels. When you are approaching the new channels, how does the company displays market or add on to itself to the new market? Like what is the strategy it has been using with the distributors to stock company's product?
- Shiv Singh Mehta:** You see, you do appoint exclusive distributors and you also compete in market. So your brand, your customer appeal, your product and services, all put together makes a bouquet of offering and that is what decides where you are able to convince the distributor about the value proposition you offer and we see the long-term benefit in terms of relationship and emerging business model that makes all difference.
- Praneeth:** Understood. A combination of factors and the exclusive distribution also marketing can also help in terms of onboarding more retail or wholesale distributors, right.
- Shiv Singh Mehta:** Yes.
- Praneeth:** That is it from my side. Thank you.
- Moderator:** Thank you. The next question is from the line of Riya Sharma, an Individual Investor. Please go ahead.
- Riya Sharma:** Good afternoon, sir. Thank you for giving me this opportunity. My first question is on the product mix evolution. Your presentation shows focus on value-added products like PVC pipes and column pipes. So what percentage of revenue do these higher margin products constitute and what is the target mix by FY '26?
- Shiv Singh Mehta:** You see, I have a figure of whole agri as a segment. Individual product by segment sales is not available here with me. Any such details, you can ask our company and we will provide the details to you.
- Riya Sharma:** Thank you, sir. My second question is on distribution network expansion. You have currently 490 dealers. So what is your expansion plan for dealer network? And are you seeing any general conflicts between agriculture and building product distributors?
- Shiv Singh Mehta:** You see, as I have said earlier, we are not looking at expanding distributor base. We want to consolidate in the areas we are operating and also looking at distributor development. So



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obviously, we do find that some of the distributors are doing very well and some may not be doing that well. So we have to do a continuous screening and development work for the areas and territories where we first want to strengthen our presence.

Riya Sharma: Thank you, sir. And my last question is that in a fragmented PVC pipe market, how are you differentiating beyond the Kasta brand premium? Are you investing in digital marketing or direct-to-consumer channels?

Shiv Singh Mehta: You see, there are stages and there is nothing like this happens and that. All the efforts have to be synchronized as per the business strategy and marketing strategy. So all these efforts go on, which is ATL, BTL and various development initiatives.

Riya Sharma: Thank you. That is it from my side.

Moderator: Thank you. Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to the management for closing comments.

Shiv Singh Mehta: Thank you for participating and giving your precious time. We look forward to your patronage and continued support to develop our future with the support of all of you. Thank you so much.

Moderator: Thank you. On behalf of Arihant Capital Markets, that concludes this conference. Thank you for joining us and you may now disconnect your lines.