



KRITI INDUSTRIES (INDIA) LIMITED

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CIN : L25206MP1990PLC005732

KIIL/SE/2025-26

28th May, 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 23rd May, 2025.

Dear Sir / Madam,

We enclose herewith transcript of Earning Conference Call of Kriti Industries (India) Limited with the Investors and Analysts held on Friday, May 23, 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 Q4 & FY ‘25 Earnings Conference Call”

May 23, 2025



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

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



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Moderator: Ladies and gentlemen, good day and welcome to the Kriti Industries (India) Limited Q4 FY '25 Earnings Conference Call, hosted by Arihant Capital Markets Limited.

As a reminder, all participant lines will be in 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 touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Ronak Ostwal from Arihant Capital Markets Limited. Thank you, and over to you, sir.

Ronak Ostwal: Thank you. Hello, and good afternoon to everyone. On behalf of Arihant Capital Markets Limited, I thank you all for joining in to the Q4 FY '25 Earnings Conference Call of Kriti Industries (India) Limited.

Today, from the Management we have Mr. Shiv Singh Mehta – Managing Director and Chairman of the Company; and Mr. Rajesh Sisodia sir, CFO of the Company. So without any further delay, I will hand over the call to the management. Over to you, sir.

Shiv Singh Mehta: Thank you. Good afternoon. I would like to welcome all of you to the earnings conference call of Kriti Industries (India) Limited for the 4th Quarter and the Financial Year 2025. We had outlined anticipated challenges for Q4.

During the Q3 Earnings Call, the Company minimized its impact by balancing market share and price premium in the markets. Redeeming feature is that after a long time raw material prices look to be stable. Not only that, recently we have seen one incidence of marginal price increase by the raw material manufacturers.

In Q4 Financial Year '25, total sales volume were 13,337 metric tons as against 17,554 metric tons in Q4 Financial Year '24, which was a decrease of roughly 24% on a year-on-year basis.

Segmental performance for Q4 is as under:

Agri segment; 9,154 metric ton, a decline of 9% on a year-on-year basis. Building products; 2,513 metric ton, a growth of 18% on year-on-year basis. Industrial segment, which as a policy we are keeping our presence low, registered a sales volume of 1,671 metric ton, a decline of 68% year-on-year basis.

In Financial Year '25, on an annual basis, total sales volume were 67,543 metric tons as against 75,655 metric tons in the year 2024, which was a decrease of roughly 10.7% on year-on-year basis.



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Segment based annual performance for the Financial Year '25 is as under. Agri-segment; 53,696 metric ton, a growth of 5% year-on-year basis. BP segment; 9,185 metric ton growth of 30% on year-on-year basis. Industrial segment 4,662 metric ton, a decline of 73% on a year-on-year basis.

The Company has begun making new investments, which are taking shape. So far, out of Rs. 55 crores raised, approximately Rs. 10 crores have been spent on capital expenditures. The rest of the plans are in discussion and in final stages.

Now, 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 our Company on a consolidated basis. Your Company's revenue for the quarter was around 138 crores which was a decline by 29.3% on a year-on-year basis. The Company's EBITDA stood at about INR 0.2 crores. The Company reported a net loss of around INR 4 crores for the quarter.

Now, coming to the full-year performance, our revenue stood around 722 crores which indicates a de-growth of 16.7% on year-on-year basis. The EBITDA of the Company was about 28 crores with an EBITDA margin percentage of 3.93% which decreased 294 basis points on year-on-year basis. The net loss was reported at around INR 4 crores.

Thank you, gentlemen. I would like to open the floor for questions if any.

Moderator:

Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Praneeth, who is an individual investor. Please go ahead.

Praneeth:

Hello, good afternoon. Thank you for the opportunity. Sir, I was wondering about the overall agri market and industrial market. The management has mentioned that the industrial market, the management has intentionally steered away from. What are the reasons behind it? And do we also plan on just maintaining this at this level or do we plan on growing it going forward? Can you give the reasons behind tapering down and where do we see this particular segment going forward?

Shiv Singh Mehta:

Industrial segment market is generally dependent on MEP contractors, these contractors who are supplying to government or other projects. In this year, normally all these contractors were not getting payments in time, so payments were sluggish and that was where we wanted to control our business because we are not sure about the type of business, margins in business and timely payments. So we had very clearly decided to stay away as far as we are not sure that now industry



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has stabilized and government contracts and everything is streamlined. Thereafter, still we will be very cautious and careful in exposing ourselves to this segment.

Praneeth: Understood. So in terms of the agri-market, I understand we have had marginal degrowth in terms of value more than volume because of the prices stabilizing and all of it. So going forward, like can you give me some more market dynamics about the agri-industry on what type of pipes and what is the overall market size and our market share in terms of that? And I understand we also took some market share during the quarter and year, so I was wondering which markets will be able to grow in terms of the overall business, can you give some perspective on that?

Shiv Singh Mehta: Agri-market is growing. Last year was a difficult year in the sense there was a continuous decline of material prices. That's why the supply chain and even the customer was finding new prices every new day. And this is where there was a little resistance in the overall material flow. However, now as we look at agriculture as a segment, we are certain that industry will grow and this segment will grow. And your Company has definitely worked on even improving its market share wherever we are present by extensive efforts and to retain not only market share, our price premium as well, which is where the Company is very clearly focused.

Praneeth: I understand. But see, what are our key markets at the moment and how are we planning on expanding? Are we going to expand in our already key markets or are we going to include our geographical expansion? And in terms of market share also, how do we cater in terms of let's say our primary markets? What's our market share in those? And what is our market share on the overall basis of the market in the country?

Shiv Singh Mehta: You see, we are strong in MP, Rajasthan, and we have established reasonable presence in Maharashtra over the last couple of years. In the areas where we are strong, we hold over 40% market share single-handedly. I mean, there are no specific numbers, but this is a general estimated number. And in the new areas where we have begun, we have been able to make reasonably good inroads and have gained market share. In the very far areas, because of the transportation cost, the cost would be very difficult to afford beyond a distance. That's why we are clear that our plans, as we have been working on, we will have to get to regional areas where we want to grow our agri business by establishing a facility around those markets.

Praneeth: Understood. So is that in the pipeline as establishing new facilities in newer markets at this moment or are you going to concentrate on existing?

Shiv Singh Mehta: Yes, that's very much on cards and that's where we are planning some initiatives. As soon as they are finalized, we will keep you updated on that.

Praneeth: Understood. So I am sorry if I am asking, well like I am curious about the agricultural industry a little bit more, like how do we see this market growing in terms of the key markets? Because right now there is a lot of muted demand over the last few quarters because of the slow situation



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in the market, how do we see this picking up? And how long do we expect this new cycle to start? Like, can you give some business cycle analysis on like how do we see the market going forward?

Shiv Singh Mehta: We are already seeing that there is definitely a positive movement as far as the agriculture market is concerned and there is a clearly visible opportunity of growth. So the agricultural market will keep growing at about 8% to 10% range, which is very clear because still there is a lot of area to be brought under, I mean, planned irrigation.

Praneeth: Understood. And in the agri products, most of our products in the agri industry which we cater to, most of our pipes are PVC, right, not PE or HDPE, right? How is the product split in terms of agri?

Shiv Singh Mehta: We are into PVC, yes, but we are also into sprinklers and coils, which are HDPE made.

Praneeth: Understood. So what would be the split between both in the agri segment?

Shiv Singh Mehta: Exact numbers I will not have it now, but predominantly still PVC is a major market, and HDPE is a comparatively smaller market in total proportions.

Praneeth: Okay. But like in the agri segment which you reported 70% of your agri sum, HDPE is also included in it?

Shiv Singh Mehta: Right.

Praneeth: Okay. Like can you just give me a broad-based split on what PVC can account for in the 70% and like what the other pipes might account for? As a percentage, I do not need exact figures.

Shiv Singh Mehta: Exact numbers I would not have, but majority of portion, about 80% will be there. But majority is PVC. And HDPE is gaining traction, but it takes a long time to come to equivalent to PVC.

Praneeth: But you see some tailwinds for the HDPE product also?

Shiv Singh Mehta: Can you repeat?

Praneeth: I was asking do you see like tailwinds for the HDPE product also, like PE, like HDPE product, like which markets do you see the tailwinds for, this product HDPE.

Shiv Singh Mehta: All the markets will accept HDPE because applications are different. PVC is generally brought, used for bringing water from source to the point of use. And HDPE in many ways is used for sprinklers which are, post bringing water it is for irrigating farmland in a certain way.



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- Praneeth:** Got it. So as, first, so it is likely to grow slower than compared to PVC then because the use is also a lot lower than PVC then, is that a right understanding?
- Shiv Singh Mehta:** Yes.
- Praneeth:** Understood. And in terms of the overall micro-irrigation part, like, how do we plan on growing this part of the business? I understand it's meaningfully very little in terms of the overall contribution. But do we plan on scaling this business or how is the market dynamics for this particular product?
- Shiv Singh Mehta:** Most of business is related to government because this is all subsidy-based business and we as a Company have chosen to stay away from such businesses.
- Praneeth:** Understood. So that's why the contribution is very less. So then if you have made an intentional choice of staying away from the business, like, why does the contribution still exist? Like, why does a Company plant just close that particular product line down? Is there any specific reason for it?
- Shiv Singh Mehta:** When we started and over a period of time it became totally subsidy-based government initiated development of business, so we stayed away mostly from that.
- Praneeth:** Understood. So we do not plan on scaling it going forward rapidly?
- Shiv Singh Mehta:** No, we do not plan to scale it up.
- Praneeth:** But industrial segment, like, I understand that because of the lack of central government inflows and all of that it has slowed down, but you said that it's stabilizing, right? So as it stabilizes, we plan on participating in incremental orders, right?
- Shiv Singh Mehta:** Very limited. As I said, we are always maintaining, we will not go coerced. I mean increasing much of the business here, we will be limiting it to some few percentages of total business. Because this business will keep having cyclical changes and we want a stable, regular, brand-based business where our brand which is commanding premium is encashed.
- Praneeth:** Understood. So we are not going to probably see the growth levels we saw in, like, the previous years or previous quarters of this particular segment?
- Shiv Singh Mehta:** Yes, from building material, from the institutional business. Our focus will be agriculture and building material. Building material is a major focus at the moment.
- Praneeth:** I understand. Building material is expected to be a major focus for you going forward. So what incremental growth do we expect from this particular segment?



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- Shiv Singh Mehta:** Because we have a very low base, this building material will grow fairly fast and major percentages in terms of total quarter-on-quarter.
- Praneeth:** So, again, we are planning on going and building in existing key markets like Maharashtra, Madhya Pradesh and Gujarat or is it going to be new markets?
- Shiv Singh Mehta:** And then we are spreading out also because building material freight costs or transport costs are within limits of costing budgets.
- Praneeth:** Understood. So you are saying that it is the cost of transport is better priced in for the building segment, right? So till what markets do you think you can expand from your existing facilities? Let's say we have three key markets as you mentioned, right, so which markets are in the --
- Shiv Singh Mehta:** Yes, we have already gone to other markets beyond MP, Rajasthan, Maharashtra, and we have already done some marketing which we are stabilizing.
- Praneeth:** Understood. So, like this growth is going to be in the mid-teens levels or how is it going to go forward?
- Shiv Singh Mehta:** It should be, yes, fairly good growth.
- Praneeth:** So but like buildings, are we using the existing distribution we have for agri or are we going in building of new distribution network for this?
- Shiv Singh Mehta:** It's a combination of two, existing plus new, because it's a different type of a distribution approach. So all the people who are doing agriculture may not be tuned to do a BP business.
- Praneeth:** But how is the working capital in this business? It's going to be same like cash and carry, right, or is it going to be any different?
- Shiv Singh Mehta:** No, building material, cash and carry is always, I mean, the credit payers are involved in the building material, but we are very careful and restrictive towards credits.
- Praneeth:** Understood. So, Company will keep eye on the amount of credit they might give good for the building materials distribution, right?
- Shiv Singh Mehta:** Right.
- Praneeth:** So how is the credit cycle in terms of the agri business, it has gotten fairly better, right? Like how is it going to remain the same, what have been the changes over the last two, three years and where do we see in terms of the --
- Shiv Singh Mehta:** These are very firm and clear on agri side, and they do not change.



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Praneeth: Okay. But the business right now is agri is also very limited credit or no credit?

Shiv Singh Mehta: Yes.

Praneeth: I am so sorry, I was not able to hear you. No credit or limited credit?

Shiv Singh Mehta: Agri is a cash and carry. BP is a credit which is controlled.

Praneeth: Okay. And industrial is credit again?

Shiv Singh Mehta: Industrial is against letter of credit.

Praneeth: Okay. But most of the orders were mostly driven for industrial equipment and the last two years for Jal Jeevan Mission right or was there any other institutional business that you are participating in?

Shiv Singh Mehta: No, the majority is these major contractors who are buying products.

Praneeth: Okay. So, despite whatever mission they are, it could be driven by Jal Jeevan or anything else. They are just contractors buying from you.

Shiv Singh Mehta: They may have contracts with other government businesses.

Praneeth: Understood. So, I will just get back in line and I will just join the queue again. Thank you.

Moderator: Thank you. The next question is from the line of Tanish Jhaveri from Omkara Capital. Please go ahead.

Tanish Jhaveri: Hi. Yeah, I would like to know where the CAPEX amount has been spent. Like on which segment the Company spent the 10 crores of CAPEX that we have done recently?

Shiv Singh Mehta: You see, we have already spent. I mean, major focus is on building material where our maximum CAPEX is going. And along with that, the column pipes, which is where we have spent majority of our investments. These are all value-added products for us.

Tanish Jhaveri: Okay. And how do we see the margins moving forward? Like once the raw material price stabilizes or starts moving up, like what kind of margin can we expect from the business?

Shiv Singh Mehta: We certainly see improvement in margins going forward. And we must be able to improve them towards, I mean, 10% around going forward.

Tanish Jhaveri: Okay. That's all that I had to ask. Thank you.



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- Shiv Singh Mehta:** Thank you.
- Moderator:** Thank you. The next follow-up question is from the line of Praneeth, who is an individual investor. Please go ahead.
- Praneeth:** Yes, thank you for the opportunity again. So, in terms of margins of selling, we can expect in the range of 10% rate. Can it not go higher? Or how is it? In terms of margin, it's a drop.
- Shiv Singh Mehta:** As we have done in last year, one has to be very cautious and careful.
- Praneeth:** Okay. In terms of raising the price and increasing the margin. So, I was wondering, so let's say despite the brand premiums are making only 10%, let's say the unbranded players, how much margin would they be making?
- Shiv Singh Mehta:** See, the world over you are seeing the kind of challenges and kind of economic cycles we are going through. So, I mean, with all the predictions, we may go right or wrong in terms of volatility as we have witnessed in last year. So, that's why you have to be very careful in making projections. And it's always better to be a little conservative than being over-optimistic.
- Praneeth:** Understood. But like a reasonable stable margin can be 10% for the agriculture business or the overall business?
- Shiv Singh Mehta:** BP will offer better margins; agriculture will offer around 10%
- Praneeth:** Okay. Understood. What can BP be, around like 12% to 15% or would it be lower than that?
- Shiv Singh Mehta:** Our margin is comparatively lower than the industry average because our expenses base will be higher on a smaller top-line because we are growing in the industry, so we have to invest into the whole effort.
- Praneeth:** Understood. But we see the recent tapering down of like prices to be a good sign in terms of growing our demand rate.
- Shiv Singh Mehta:** Sure, we are all optimistic about that.
- Praneeth:** Okay. But do we see any incremental consumption that started back again like in terms of the rural markets and all of that or is it still going to take a little bit of time to --
- Shiv Singh Mehta:** It is in terms of sales.
- Praneeth:** Okay. Can you tell me like which month, like is it during the end of December season or when did this growth start back again?



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- Shiv Singh Mehta:** No, I mean, the prices were declining till end of April. It's only towards after April that we are seeing prices stabilizing, and we are seeing positive traction in the business.
- Praneeth:** Understood. Since till April it was mostly consumers are resisting buying it because of the declining prices. But as it stabilizes we expect it going up as we are approaching more stable prices going forward.
- Shiv Singh Mehta:** Right.
- Praneeth:** Okay. Thank you so much for your patient answers.
- Moderator:** Thank you. The next question is from the line of Rohan from Arihant Capital. Please go ahead.
- Rohan Baranwal:** Hi, good afternoon sir. So my question is regarding, with 72% of PVC sourced domestically primarily from Reliance and 20% is imported, how do you plan to balance this mix sir, if ADD is implemented or delayed?
- Shiv Singh Mehta:** ADD still no clarity because it's been through courts and courts had intervened. So till courts resolve the subject nothing clearly can be known. And since it has gone to High Court and Supreme Court and still decisions are awaited. And as far as raw material planning is concerned we are keeping a very careful balance between local sourcing and imports, because ADD and all these things, unless they play out, we cannot be very sure which way we will have to plan our procurement cycle.
- Rohan Baranwal:** Okay, sir. Okay. So my next question is sir, how much margin uplift do you expect from shifting to value-added product and what is the timeline of the transition?
- Shiv Singh Mehta:** You see, as I was mentioning to our earlier question, the agriculture business is a stable business where we have a clear margin, we can foresee that. And building material, our volumes will bring better margins as they grow up. So we are confident that they will offer better margins than agriculture going forward.
- Rohan Baranwal:** Okay, sir. And sir, sorry if I have missed this part, but can you please explain the CAPEX you are addressing for molding bottleneck, sorry?
- Shiv Singh Mehta:** No, we have already invested in, I mean, the last few months. And more than, I mean, we have invested, put together about 38 crore, 39 crore of CAPEX. And we are further going to invest for augmenting not only our capacity, but improving our range and our offerings.
- Rohan Baranwal:** Okay, sir. And, sir one last question is, like how do you plan to differentiate yourself from this, from the crowded PVC market, especially into underpenetrated regions, sir? And are pricing or branding, like, you have any investment plan for this pricing and branding?



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- Shiv Singh Mehta:** You see, already our product is well recognized for its quality and premiumness in the markets we operate. So with all branding and marketing and services, product quality, we have differentiated ourselves from the competition. And that's why we hold majority of market share. So we will continue doing what we have been doing, whatever successful we are doing for us. And you will see that we will establish ourselves not only as a premium brand, but a brand which is appreciated by customers.
- Rohan Baranwal:** Thank you very much, sir. That answers my question and clarity on these parts. Thank you.
- Shiv Singh Mehta:** Thank you.
- Moderator:** Thank you. The next follow-up question is from the line of Praneeth, who is an individual investor. Please go ahead.
- Praneeth:** Hello, yeah. So I was wondering about the competitive intensity in terms of, let's say, the bigger players in the newer markets. Recently, Supreme and Finolex have been gaining some market shift, gaining the market in agriculture pipes. So I was wondering how the Company has been able to steer clear from that competitive intensiveness. So how do we see them interfering in our competitive landscape? Like how does the Company see their position?
- Shiv Singh Mehta:** See, all these companies were in this market for all these decades or maybe more, so that is something not new happening. And we have always retained our market share. Rather our data suggests that in this area we are now working towards improving our market share which is already at a higher side as compared to anyone else.
- Praneeth:** But I understand, since we are already so dominant, how does the Company plan on acquiring more from the existing bigger players? Like what would be the right to win for you in terms of gaining? I understand that Kriti has one of the best qualities and a great price. But like what would be the distinguishing factors from the bigger players for you, like in terms of acquiring more market?
- Shiv Singh Mehta:** You see, one is your distribution strength. Number two is your services, that is timely supplies, adequate supplies, right pricing, bringing in a new range of products. Whatever markets are changing, we have to change along with them. So these are the initiatives which you keep doing along with the ATL and BTL efforts which we are continuously making.
- Praneeth:** Got it. And I had like a few questions regarding the PVC pass-through, the price pass-through. Like in what intervals do we usually pass through the price to the customers and distributors? Like is there a lag or like how does this pass-through of raw material price increment or decrement pass-through? Or does it not at all?



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- Shiv Singh Mehta:** No, we generally pass-through immediately on the changes in raw material prices. Because ultimately you will see that in an industry where raw material is a major component of the total cost, we cannot afford to delay.
- Praneeth:** So will it be like, if the price changes in the morning, will it change by the evening to our distributors or like what is the lag like?
- Shiv Singh Mehta:** Normally within 24 hours it is communicated to everyone about the changes.
- Praneeth:** So it is a daily thing, so there is not going to be much lag in between this?
- Shiv Singh Mehta:** Because normally the prices change towards the evening, so you will have to work out the details because such a large project range, you will have to work out product-wise prices, corrections and everything.
- Praneeth:** Okay sir, I understand. Like the thing goes like by the evening you decide the price and by next day's morning or something you inform the distributors of the price?
- Shiv Singh Mehta:** Prices are known only towards the evening. So next day everyone will work out, by the next day evening it is announced.
- Praneeth:** Understood. And one more question, thank you for that answer, but I had a question regarding in terms of the CAPEX needed. I am pretty sure we got extrusion machines for everything, right, do you usually source these from like Indian manufacturers or we import them like because of the price difference or anything? How is it usually?
- Shiv Singh Mehta:** Can you repeat your question? I couldn't get it clearly.
- Praneeth:** So I was asking about the CAPEX needed, so we did CAPEX for the overall business, right? So I am assuming there is an extrusion machine that is involved in terms of capacity expansion of our pipes. So I was wondering where do we source this machinery from, is it from like the European nations or China or do we source it locally?
- Shiv Singh Mehta:** No, today fortunately in extrusion side India has few good manufacturers. All the multinationals have their plant here, the recognized internationally good extrusion manufacturers. So we are normally buying from them.
- Praneeth:** Okay. So you do not need to import from some other country at this point of time?
- Shiv Singh Mehta:** No, we are not importing. Earlier we had imported but not now. Now India has very good manufacturers. All the big manufacturers have established their own facilities in India.
- Praneeth:** So, even the international MNCs have established their facilities in India?



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- Shiv Singh Mehta:** Yes.
- Praneeth:** So there is no lack of good quality of product?
- Shiv Singh Mehta:** Right. I mean the multinationals who are recognized worldwide have their own manufacturing facilities here.
- Praneeth:** Interesting. Got it. And since they have been established, like how do you see the price, have they been declining or have they been increasing? I understand there is more complexity in the new machines, but in terms of value per production you can produce, has it been declining in terms of price or has it been stable?
- Shiv Singh Mehta:** No, prices are more or less within region. Only the technological changes which are coming with the automation and other, I mean, electronic equipment's that is an additional cost one has to be ready to pay.
- Praneeth:** Understood. But it is sourced locally, can you disclose like where we get the extrusion machines from or is that not possible?
- Shiv Singh Mehta:** There are four or five manufacturers. It is not that you only buy from one. And everybody knows there are major international players who are here in India.
- Praneeth:** Okay. So we usually use a combination of suppliers for the machinery?
- Shiv Singh Mehta:** Yes, always, because when you have so many machines, you have to have a fair balance of all the manufacturers.
- Praneeth:** Understood. But did the Company face any bottlenecks in terms of getting it because most of the PVC manufacturers have started their CAPEX drives in the last two years, did we face any bottlenecks? And did the price increase as a result? Or we were able to get our supply on time and there were no issues with it?
- Shiv Singh Mehta:** See, we were able to get them because we have such long relations with them that they give preference and they are able to support us wherever there is a requirement.
- Praneeth:** Understood. Because of your relationship for a long duration, you managed to get access?
- Shiv Singh Mehta:** Right.
- Praneeth:** So, what is the typical life span of these usually machines or like the CAPEX we do? Let's say we invested CAPEX this year, right, like how long do we think this CAPEX can last like in terms of life cycle value, like is it going to be for 10 years, 15 years, or how is it going to be?



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- Shiv Singh Mehta:** Qualitative maintenance and management at the shop floor. But still there is a clear life cycle for components which wear out. So, this is part of the warranty you get from a manufacturer.
- Praneeth:** Okay. So basic incremental technology companies, your automation, you will need to end up purchasing a new product. But the thing is, despite that the quality on the shop floor level matters the most?
- Shiv Singh Mehta:** Yes, quality of shop floor and the equipment you choose. Because what kind of a material was used in manufacturing that particular, metallurgy part particularly is very important to know and understand.
- Praneeth:** Okay. So, but it's like each machine lasts about 15 years or something like that or it is usually much lower than that?
- Shiv Singh Mehta:** There are parts which have limited life cycle which even a manufacturer will define. Any manufacturer supplying you will tell you what kind of a screw barrel life you can expect or a gearbox life you can expect. So, they will give you that information.
- Praneeth:** Understood. So with regular maintenance and regular spare parts, the machine can last for a long duration?
- Shiv Singh Mehta:** Certainly, it will give you a much better life.
- Praneeth:** Understood. Sir, thank you so much for your insightful answers. It's been great having conversation with the management.
- Moderator:** Thank you. As there are no further questions from the participants, I would now like to hand the conference over to the management for closing comments.
- Shiv Singh Mehta:** Thank you all of you for joining this earnings call today. We wish to have your good wishes so that we can continue to improve on the performance of the Company. Thank you so much.
- Moderator:** Thank you. On behalf of Arihant Capital Markets Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.