ASHAPURA
MINECHEM LIMITED

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The Dy. General Manager,
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Scrip Code: 527001

The Dy. General Manager,
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Corporate Relations Dept.,
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Mumbai – 400 051

Scrip Code: ASHAPURMIN

Dear Sir/Madam,

Sub.: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Transcript of Earnings Conference Call.

This is in continuation to our letters dated 5th and 13th November, 2026 in respect of the captioned subject.

Pursuant to Regulations 30 read with Para A of Part A of Schedule III and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we attach herewith the transcript of "Ashapura Minechem Limited Q2 & FY2027 Earnings Conference Call" held on 13th November, 2026.

The transcript is also uploaded on the Company's website https://www.ashapura.com/investor-call.php

Kindly take the above information on record.

Thanking you,

Yours faithfully,
For **Ashapura Minechem Ltd.,**

SACHIN PRAKASH POLKE
Digitally signed by SACHIN PRAKASH POLKE
Date: 2026.11.16 18:06:14 +05'30'

Sachin Polke
Company Secretary &
President (Corporate Affairs)

“Ashapura Minechem Limited
Q2 FY27 Earning Conference Call”
November 13, 2026

MANAGEMENT: **MR. CHETAN SHAH – CHIEF STRATEGY & PLANNING**
MR. MANAN SHAH – WHOLE TIME DIRECTOR (BUSINESS DEVELOPMENT)
MR. ASHISH DESAI – GROUP CHIEF FINANCIAL OFFICER
ADFACTORS PR – INVESTOR RELATIONS

Moderator: Ladies and gentlemen, good day and welcome to Ashapura Minechem Limited Q2 FY27 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 star, then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Chetan Shah. Thank you, and over to you, sir.

Chetan Shah: Hello, friends. Good evening. A warm welcome to all the investors, analysts and the shareholders and thank you for joining us for the Ashapura Minechem Limited Q2 and H1 Earnings Conference call. Joining me on today's call are Manan Shah, Whole-Time Director, Mr. Ashish Desai, our Group CFO and our Investor Relations team from Adfactors PR.

The second quarter has been a challenging period for the mineral industries with the geopolitical uncertainties continuing to impact fuel prices, marine logistics and overall input costs. These challenges have also been compounded by seasonal factors in our Guinea operations, where Q2 is traditionally a weaker quarter due to monsoon conditions.

Let me begin with an update on our Guinea bauxite business. During Q2, we exported 1.21 million tons of bauxite compared with 2.34 million tons in Q1. This decline was primarily due to seasonal monsoon conditions, which typically affect mining and dispatches during Q2 and part of Q3. Given Guinea's equatorial climate, this is a recurring seasonal pattern in our operations. In addition to the lower volumes, the business also faced higher ocean freight and the fuel costs during the quarter.

Despite these challenges, we were able to maintain a positive EBITDA contribution of USD5.3 per metric ton. While this was slightly lower than USD6.3 per metric ton we achieved in Q1, we believe the performance demonstrates the resilience of our operations in a difficult operating environment.

Looking ahead, we expect a significant improvement in dispatch volume over the coming quarters. With the monsoon impact expected to ease, we are targeting the export of more than 5 million tons of bauxite over the next two quarters. We are focused on improving mining productivity, strengthening our logistics operations and making the best use of our available infrastructure to achieve this volume.

On the infrastructure front, our Boffa port is now fully operational with its handling capacity enhanced from 5 million tons to 8 million tons per annum. At GSM, construction of our new jetty is progressing and upon its completion, it is expected to increase capacity from 6 million tons to 10 million tons per annum.

We expect the port to be completed or the new jetty to be completed, by March '27. Together, these developments will strengthen our ability to support higher export volumes. While freight rates and geopolitical developments remain important external variables, our focus continues to be on operational efficiencies, cost optimizations and improving the overall economics of our Guinea business operations.

On the longer-term outlook, we remain confident in the growth potential of our Guinea operations. We are optimistic about our guidance of achieving 15 million tons bauxite exports by financial year '28. At the same time, I also like to mention that we are already in process of starting our iron ore operations and we expect to have some good results during the next financial year. We will continue to work towards increasing volumes, improving efficiencies and strengthening the profitability of the business.

With that, I would now request Manan Shah, who has joined as Whole-Time Director, to take you through the performance and development across our Indian business. Thank you very much for your patience and patience hearing. Thank you. Over to Manan.

Manan Shah: Thank you. Good evening Let me take you now through performance and key developments across our India businesses. Our India business has a diversified portfolio of value-added mineral-based products, catering to a wide range of industries, including metals and foundries, oil and gas, edible oils, petrochemicals, paints and coatings, construction, automobiles and several other industrial applications.

The business operates across three verticals: Bentonite and Allied Minerals and White Performance Materials, which are our wholly owned businesses; Specialty Absorbent Solutions or our bleaching clay business, operating through our 50% joint venture, Ashapura Perfoclay Limited and advanced ceramic materials, through our 32% investment in Orient Ceratech Limited.

During Q2, our India businesses continued to demonstrate a steady operating performance, despite the quarter traditionally being relatively slower for some of our markets. However, profitability remained under pressure due to prevailing geopolitical environment, which resulted in higher freight costs, therefore higher logistics costs and higher raw material costs.

We are working towards passing on a portion of these increased costs to customers. It is also important to note that some of the revenue growth reported by our India business this quarter is attributed to higher logistics costs reflected in customer billings. Our customer base, particularly in the Middle Eastern Europe has been impacted over the last two quarters due to elevated ocean freight rates.

However, we have started witnessing some moderation in freight costs and we expect business volumes in these markets to gradually improve. In the interim, as highlighted in our previous earnings call, we continue to strengthen our focus on domestic, Asian and African markets, where supply chain conditions remain relatively more manageable.

Let me brief you upon the performance of our key verticals. Bentonite, Allied Minerals and White Performance Materials continue to serve a wide customer base across domestic and international markets. We are focused on strengthening our product mix, expanding our presence in higher-value applications and improving operational efficiency.

Our emphasis remains on increasing the share of value-added products in this portfolio. Our bleaching clay business continues to face cost pressures during the quarter, primarily due to higher input costs, particularly sulfuric acid. This has impacted profitability. We are focused on optimizing costs, improving efficiencies and strengthening our engagement with customers to address these changes.

We feel that sulfuric acid prices may reduce, and they have already corrected from the peak. This should contribute to improving margins in times to come. Our Advanced Ceramic Materials business has delivered encouraging growth in revenue during this quarter. However, profitability was impacted by higher freight and logistics costs.

We continue to focus on optimizing our sales mix with an emphasis on increasing the share of premium and value-added products to improve overall profitability. Despite these near-term challenges in all our businesses, we remain focused on strengthening our product portfolio and value addition.

As highlighted in previous calls, a key area of focus is the development and commercialization of new products in the India business, particularly within Bentonite and white performance materials. We continue to work on expanding our product offerings in higher-value applications. As stated previously, we are also planning capex of INR150 crores to INR170 crores across various projects and business verticals across the India portfolio.

These investments are aimed at strengthening our manufacturing capabilities, expanding our product portfolio and supporting the next phase of growth across our India operations. Going forward, our strategy remains clear to increase the share of value-added products and expand into new applications and markets and build a sustainable growth platform for the future.

While the current operating environment presents some near-term challenges, we remain very optimistic about the long-term potential of our India business. Our diversified portfolio, technical

capabilities and ongoing product development initiatives provide a strong foundation for sustainable growth.

With that, I now hand the call to Ashish Desai for a detailed overview of our financial performance. Thank you.

Ashish Desai: Thank you, Manan. Good evening, everyone. I will briefly take you through the financial performance for the quarter and the half year. For quarter 2 '27, consolidated income from operations stood at INR1,063 crores as compared to INR953 crores in quarter 2 '26, registering a year-on-year growth of 12% and EBITDA stood at INR138 crores compared to INR132 crores in the corresponding quarter last year.

Profit before tax was INR78 crores as compared to INR81 crores. For H1 '27, consolidated income from operations increased to INR2,680 crores from INR2,308 crores in H1 of '26, representing a growth of 16%. EBITDA increased to INR327 crores from INR320 crores, while profit before tax stood at INR208 crores compared to INR213 crores in the corresponding period last year.

On a standalone basis, income from operations for H1 '27 stood at INR188 crores compared to INR193 crores in H1 of '26. Profit before tax was INR49 crores compared to INR69 crores in the corresponding period. Looking at the business verticals for quarter2 '27, Guinea business recorded a turnover of INR783 crores with EBITDA of INR109 crores.

Bentonite and Allied Minerals, white performance material and other India businesses recorded a turnover of INR280 crores with an EBITDA of INR29 crores. Specialty absorbent solutions recorded a turnover of INR115 crores and EBITDA of INR13 crores, while advanced ceramic materials recorded a turnover of INR127 crores with EBITDA of INR13 crores.

For clarity, specialty absorbent solution is a 50% joint venture, and advanced ceramic material is an associate in which the company holds 32%. Accordingly, only the company's proportionate share of their bottom-line results is being included in the consolidated accounts.

With that, we conclude our opening remarks and would like to open the floor for questions and answers. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Kriti Tripathi from NVS Corporate. Please proceed.

Kriti Tripathi: Yes. So my first question is on the bauxite export volume. Sir with H1 exports at 3.55 million tons and another 5 million tons targeted in H2, our original FY27 target of 12 million tons has now been

revised down to around 8.5 million tons, so almost similar to FY26 levels. Sir given this, can we expect FY27 revenue and profitability to be better than FY26, or somewhat similar? That is one.

Second is on the freight and fuel costs. So we are already midway through Q3. So how are these costs trending currently? And are we seeing any meaningful relief compared to Q2? And my last question is, sir, looking beyond the near-term recovery in bauxite exports, what are the key strategic initiatives that could drive a significant jump in revenue and profitability over the next 2 to 3 years? Thank you, sir.

Manan Shah: Yeah, hello. So first question is regarding your query, we are still confident to achieve 15 million tons in FY28, and our expansion in port capacity, which has remained a continuous project despite all these challenges, and the completion of one of our ports and the subsequent completion of the GSM port by the end of this financial year, are kind of attesting to the fact that we remain confident in our ability to achieve our guidance.

While we also accept that this quarter has been, or this year has been slower than our anticipated expectations. The major reasons for this were a sharp increase in freight costs, which made a lot of the buyers and a lot of the business cargos become less viable. So our company has done very well to find good opportunities in this difficult market.

Our reading is that we feel the freight market has topped out and it is now declining, as we can see even the crude oil prices have started to decline recently. They have declined quite meaningfully from their recent highs. We are in touch with the shipping companies, and we can see that freight levels are normalizing. We are also in touch with a lot of customers and a lot of new customers, which can help us to improve our realizations and our business sustainability.

So, we feel confident that a couple of things, achieving the volume in the next financial year and the freight markets supporting us perhaps in the near future, maybe even some impact can come as early as Q4 on that matter. So, for next year we are confident of achieving our target. Even though at this point the target seems almost double of what we have achieved this year, we remain confident to achieve that.

And regarding profitability, we at least can say that we feel that we are closer to the lower range of the EBITDA levels, and some positive support from the macro environment should improve the EBITDA, particularly for Q4 and the next financial year. So that would be the broad commentary, yeah.

Kriti Tripathi: Okay.

Moderator: Thank you. The next question is from the line of Harshit Khadka from RoboCapital. Please go ahead.

Harshit Khadka: Hello, am I audible?

Manan Shah: Yes.

Harshit Khadka: Yes, sir, thank you for the opportunity. I just wanted to understand what kind of volumes are you targeting for Q3 and Q4 FY27?

Manan Shah: So I think we will not be giving a separate quarter-by-quarter bifurcation, but as mentioned in the call, we are targeting at least 5 million over the next 2 quarters.

Harshit Khadka: 5 million for the next two quarters. All right. Understood. And sir, for FY28, we are still on track to do 15 million metric tons, right? Just wanted to understand like what, okay, sorry.

Manan Shah: Yeah, no, continue please.

Harshit Khadka: Yeah, so just wanted to understand like what kind of run rate can we see in Q1 and Q2 of FY28? Like, will it be spread out evenly all quarters, or will it increase gradually?

Manan Shah: Traditionally, as we know, Q2 remains a weak quarter. I think that trend will continue, but we should see a healthy increase for all our quarters compared to this quarter. And as of now, despite these conditions, we can see that conditions are improving in the near future.

One example of this is that the forward rates for shipping vessels are significantly lower than spot rates, what we can understand in the market. Which means that there is a sense across the industry that freight rates will come down.

And buyers are also sending inquiries despite the elevated freight prices and all these things. So, we have the operational mining capacity, we have the infrastructure, we have the relevant port capacities, we also see an improving freight market from our perspective, and we think that customer sentiment is still pretty good despite the headwinds faced in the alumina industry. So, as of now, we remain optimistic that we will achieve our target of 15 million for FY28.

Harshit Khadka: And sir, like what needs to happen so that the volume can increase from 8 to 15?

Manan Shah: It is quite simply put that -- we need the freight conditions to be a little bit better. Right now, freight conditions in the spot market are still pretty elevated to achieve good volume. And therefore, even buyers are purchasing with a lot of caution. We think that once the freight conditions will improve, so things should normalize. We are optimistic over the medium term, or you can say a couple of quarters ahead, that freight will come into a more controllable position from where it is now.

Harshit Khadka: Right, all right, sir. Understood. And I can see that our EBITDA per ton has fallen from 6, 8 level to 5.3 right now. So, how do you see that going forward in Q3 and Q4?

Manan Shah: I think EBITDA in the near term may remain similar because of the environment being quite challenging. You know, in the earlier quarters, I would like to highlight that when our EBITDA was USD9 or USD10, somewhere closer to that level, freight levels were much lower compared to the total bauxite cost.

Now freight levels have increased, and due to some of the sluggishness in the alumina market, the bauxite prices have not increased as much, which has resulted in a compression of EBITDA. A reason for this was also a lot of geopolitical risk, which was hindering economic growth, particularly into China.

Now we can see that these risks are slowly reducing, so we expect customer sentiment should improve. And importantly, there is no limitation in the resource quality, in our capability to produce, transport, and load even 15 million tons or more in our infrastructure. The question is of the market opportunity and we feel that we are close to the bottom of the cycle, based on the data in front of us; then the rest we have to see how it pans out.

Harshit Khadka: Right. Sir, are the prices on the Shanghai Metal Market a fair reflection of the bauxite price that we get from customers?

Manan Shah: More or less. It's an index price acceptable, and what is on the internet is the Shanghai Metal Market gives the reasonably correct index price which is available in China.

Harshit Khadka: Okay, sir. That was very helpful. Thank you, all the best.

Manan Shah: Thank you.

Moderator: Thank you. The next question is from the line of Krish from AG Ventures. Please proceed.

Krish: Good afternoon, sir. I just wanted to understand on the quota that was going to get applied -- export quota that was going to apply in Guinea, or that was discussed earlier. What is the status of that policy? Has it been implemented or is it going to be implemented, and how will it affect the competitive environment there? We are understanding that lower volume producers like Ashapura could benefit from that. So how are we looking at that environment right now?

Manan Shah: So, currently as of now, there is no formal quota system which has come out yet. We are expecting to get some update from the government by the end of this quarter, but looking at currently the

alumina market and all this, so government is currently having a clear thought on how, and when they want to implement this kind of system.

As of now, while there is a lot of speculation on this matter, there is yet no official comment from the government, and we will keep the market updated as and when we have some formal or concrete update on the same. But as of now, there is no change in the status of the expectation of the quota policy from the previous quarter to this quarter. So, we will keep you updated, and yes, it is true, a quota policy can improve the overall situation for bauxite producers, but we have to wait and watch that finally how the government of Guinea is taking this matter.

Krish: Okay. And we also wanted to understand, if the quota system is applied, can we see the realization that we have seen last year, which went up to around USD75, and our EBITDA per kg went up close to USD8.90 per metric ton? Can we see that if the situation also normalizes?

Manan Shah: Yeah. So if the quota system is to come in, we do expect that EBITDA should improve significantly due to the reduced supply on the market. So, that is our expectation, that if the quota system is applied, the EBITDA level should improve to previous levels. Yeah, we do expect that.

Krish: Understood. And also one more thing, as you mentioned that freight has reduced, I had an understanding that before the war, a certain container was priced at USD1,000, which had increased to around USD3,000. What kind of situation on those numbers are we seeing right now, and up till where it has normalized?

Manan Shah: So freight is -- I can explain in an easier way. So what you mentioned is containers for us. This is not the relevant metric. For us, the metric is the C3 index, which basically is the index which is followed for bulk shipments in large commodities for Capesize vessels, okay. Now, in this C3 index, we have seen a correction of almost 15% to 18% from the highs which were hit about a few months ago.

I can say a couple of months ago, we have seen a 15% to 20% correction. What is more encouraging is that the forward contract prices seem to be even lower than the spot contract, which means that the vessel owners or vessel-owning companies are expecting that freight will reduce.

So, the important part is that there has been some correction from the top, which is very encouraging for us, because you can see that the index prices have not corrected while the route prices have corrected to some degree. And as we are in the market for vessels, we can understand that forward prices are even lower than current levels.

So, in absolute terms, I don't have the information, but for our bulk shipment-related business, we can see that there is some reduction in cost and some anticipated further reduction in cost, which is encouraging for us.

Krish: So, that's why we can see our EBITDA per kg still moving towards 6.5, at least to our Q2, Q1 level?

Manan Shah: I would not be able to comment on the specific EBITDA increase, but I do believe that a reduction in freight helps us to greatly improve our volume performance, because having a lower freight would allow us to bid for larger businesses and contract more business also. So, we have to look at things both from a volume standpoint as well as an EBITDA standpoint. However, we are optimistic that overall, it will be good for the business. Some part of it may translate to EBITDA, and a larger part of it may translate to increased volumes.

Krish: Understood. And just one last question on the India business. You're talking about value-added for more than a year now that you tried to. So, what has been the mix right now? Has the value-added on a year-on-year basis increased, and where does the mix stand right now?

Manan Shah: No, the reason we offer a general comment is because our structure has got three, four verticals across three categorizations and all that. But the general direction is that we are as a management, totally focused on pushing our value-added products across various industries, such as oil and gas is a particular industry we are focusing on, foundry industry we are focusing on. And this is part of our 100% owned businesses, and we are getting great traction. However, the turnovers accrued in this financial year are still a small part of the total company's business.

A longer-term target, I think, would be to say that at least the new value-added products should be maybe about 40% of our turnover in the India business over the next, you can say, four years or so. So, this is our -- I'm just giving a very headline kind of rough estimate. But even you can see that whatever capex we are doing in the India business is largely focused on the higher-value products than the traditional products.

So, while a detailed commentary unfortunately I'm not able to provide today, but the entire India business is focused on value-added products, which can be either products made by MNCs or import substitutes or entirely based on the new technology. So, it is a significant value addition, in my opinion, that we are looking at.

Krish: Understood. And for a year or so, the sulfuric acid prices have been at a higher end, and we are seeing pressure. How are we looking at our…

Manan Shah: I'm sorry, sir. Can you come back to the queue, because I think we have taken four questions…

Krish: Sure.

Manan Shah: So, I'll just request you to come back to the queue.

Krish: Sure.

Manan Shah: Thank you. Also…

Moderator: Thank you.

Manan Shah: Thank you.

Moderator: The next question is from the line of Nalin Shah from NVS Brokerage. Please proceed.

Nalin Shah: Yeah. Very good evening to everybody. I just wanted to understand, Manan bhai, you have already explained regarding the freight situation and, I would say, the fuel cost. Can you just give us some idea that compared to Q1, Q2, how the bauxite prices are now remaining? Are we getting better realizations, or what is the position on that front? That is one.

Secondly, specifically, last year, you had a PBT of about INR445 crores, and your PAT was around INR416 crores. So, that was hardly about 6%, 7% liability of income tax because of maybe export profit. So, can we expect that at least in the current year, second half, you will be able to make up for some shortage which occurred in the first half of the year, and you will be able to post at least the similar numbers or better numbers than last year on an overall basis?

And secondly, what is the guidance we should take on the income tax liability? Can we take that income tax liability will continue to be about, say, 7% or something of the PBT, that is the correct estimate to do, if you can just highlight something?

Manan Shah: Sure. Thank you, Nalin bhai. So, first point is bauxite prices between quarter 2 and quarter 3 have remained largely stable or slightly increased. That is a broad comment. And the question on the compared to the last year's profits, first, I'll take the income tax question. So, I think that we expect that because of past losses, we have been having a lower income tax liability.

However, we do expect that as the company's profitability improves gradually, maybe in the next two or three quarters, the income tax cost as a percentage of PBT will increase. So, it will happen. Maybe not in the immediate quarter, but gradually it will improve, as our lower income tax payments were based on previous accrued losses.

Exact numbers I don't have on hand with me, but yes, as the company makes more profit, the past losses will stop having relevance, and then we have to pay this income tax as per the law. So, that will happen. But it may not happen in the next quarter, but it will happen after that perhaps.

And regarding the question of overall profitability, we are very optimistic that the next two quarters should go well in terms of maintaining the Guinea business as well as the improvement in the India business. I will not be able to specifically comment on beating India numbers, but we are quite upbeat ,I mean beating previous year's numbers, but we are quite upbeat from now and particularly for FY28. So, we are quite optimistic that things should grow and improve from here.

In fact, I would like to say that the bauxite industry in Guinea suffered a very tough time, and it is my opinion that the EBITDA levels and the volume we have been able to achieve despite such a tough environment is kind of proof of the depth of our resources, our infrastructure, and our team, even though optically it may look like the numbers are similar or lower than last year. But we are very confident that even some small changes in the macroeconomic situation should give a large benefit to our company.

Nalin Shah: Perfect. I think this should be quite good, because the environment was really very challenging, and you having pulled up the Q2 performance also more or less, I would say that with hardly small decline in the PBT, you have done very well, I must say that. Thank you very much.

Manan Shah: Thank you, Nalin bhai.

Moderator: Thank you. The next question is from the line of Nikhil Kanodia from Patel Investments. Please proceed.

Nikhil Kanodia: Yeah. Hi. Good evening. Am I audible?

Manan Shah: Yes. Thank you.

Nikhil Kanodia: Yeah. So, first of all, congratulations on the numbers that you have posted. So, just wanted to check with you, there are some articles in the print media that Guinea is kind of capping or in the process of capping the bauxite exports, which is below the level of their annual export that is going on, maybe around 150 million tons or something on those lines.

So, what are your thoughts on the same? And is there any quota system that they have been talking about? And if there's a ceiling on those lines, so in that scenario, how are we placed versus the other players in the market?

Manan Shah: Okay. As addressed previously on previous calls as on this call, the expected reduction in bauxite export from a quota system would be a positive move for suppliers such as Ashapura, who are smaller than the very very large Chinese companies. And this move has been conceptualized to put some control on the large companies and to give more benefit to smaller companies trying to independently set up a base in Guinea, such as Ashapura.

We expect that if quota system is materialized, it will benefit companies like us. And however, as of now, there is no formal update from the government on the status of the quota system. So, it remains similar as per the previous quarter. But if it were to come good, so it would benefit companies such as ourselves in terms of the lower freight costs due to lesser quantity of bauxite being shipped from Guinea, as well as better prices of the bauxite itself because of lesser quantities being shipped.

So, the lesser quantity would improve the selling price as well as reduce the input cost of freight. So, it would be a big benefit provided it comes. We are in touch with the Guinea government, and any formal update on this would be immediately communicated, as it would be material for us.

Nikhil Kanodia: Okay. So, sir, having said that, thanks for your thoughts, firstly, on that. So, say for example, what could be the worst-case scenario over here? That's number one. And number two, just in case if the things that you are planning, if it doesn't pan out in that sense, so at that point in time, what…

Manan Shah: Well, a short comment is that what we are witnessing in last couple of quarters is close to the worst-case scenario only, that alumina business is in a little bit difficult time. The freight costs are elevated, specially because of this war and other situations. And overall, the sentiment had been quite weak in the previous quarters. So, we are pretty much close to the worst-case scenario.

Personally like I mentioned earlier on this call, I feel we are close to the bottom as far as the bauxite export from the Guinea business is concerned in terms of sentiment or the macroeconomic situation. Even today, when there is no quota system, we at least remain confident that we will be able to improve our volumes. Of course, a quota system could give a bigger push on the EBITDA, etcetera. But the worst-case scenario is pretty close to where we are currently in our opinion.

Nikhil Kanodia: Okay, sir. Understood. And sir, on the -- like, previously, you have already scheduled your…

Moderator: Sorry to interrupt you, Mr. Nikhil, but can you please rejoin the queue? Thank you. The next question is from the line of Vardhman from AVS Group. Please proceed.

Vardhman: Yeah. First of all, many congratulations to the entire management team on delivering such a par volume despite being unprecedented challenges, and congratulations to Manan bhai on becoming Whole-Time Director. Sir, my question is that what is the prevailing freight rate as on date, and how much has it been corrected from the peak? And kindly, please give an outlook for the next quarter or maybe one to two…

Manan Shah: Sure. So, the highest it reached, maybe even for a couple of weeks, was close to USD43. Now the spot rates are around USD36 or maybe USD0.5 more or less. And we can see that the longer-term rates may be even more than 10% or 15% below this rate, so one or two quarters ahead. So, this is broadly what we can see on the freight market. And what was the second question?

Vardhman: And second question is that if the quota system is implemented today, example, so how much benefit can we quantify in terms of realization and volume?

Manan Shah: It really depends on what they come out with for the quota, right? If they come up with 200 million, so that is already being exported. What we heard was 150 million, which is about 15% or 20% lower than the current volume. So, that would definitely improve the bauxite prices. So, it really depends.

But like I said that if the quota system comes and it comes near 150 million, so at least we should expect couple of dollars improvement in EBITDA, even conservatively. At least couple of dollars should improve in that case, if not more.

Another possibility is that the freight costs can reduce significantly, and that can also be a support. So either the freight continues to come down, or the quota system comes up. So, maybe another quarter or so, I think we will have clarity on the longer-term trend for both these matters.

Vardhman: Okay. Sir, just last question. You have talked about INR150 crores capex plan for the India business. Can you please elaborate, sir?

Manan Shah: Yeah. So, this is across our businesses, particularly, as we give the ABCD results. So, this is across B, and some smaller part is across D. So, we are basically doing capex to develop new applications into oil and gas, pet-related products. We are doing some of the capex to improve our overall volumes also in the business.

We are also trying to develop some new products for coating industries, which we have had successful POCs, and the capex will help us to commercialize the same. So, across our white minerals business or white materials business, lot of capex is going into products which are traditionally imported.

And the same is true for our bentonite and related products business, where we are really developing products which are either being imported or offering a significant cost advantage compared to traditional products. All this capex is facing oil and gas industry, foundry industry, paint and coatings industry, to some extent paper industry.

So, this kind of industries, we are offering them some new materials, which give superior performance, or which they were importing traditionally, or a much better cost-benefit analysis. It's a broad comment. But again, there are multiple numbers of products, and so that's why it's difficult for me to offer specifics.

But inside the company, each of these applications has got a dedicated focus as far as research, sales, and production is concerned. And after doing a lot of effort on R&D and doing POC with customers, we have gone ahead with some of this capex. So…

Vardhman: In the annual report -- sorry to interrupt, sir, in the annual report I had heard that you are working on quartz purification, which finds application in semiconductor.

Manan Shah: Correct.

Vardhman: So, can you throw light on them?

Manan Shah: We are studying it, but as of now, it is an R&D level project, which is not very close to commercialization. So, that's what I can mention from a shareholder perspective. Yeah.

Vardhman: Okay. Thank you. Yeah.

Moderator: Thank you. The next question is from the line of Vinny Jain from Mehta Investments. Please proceed.

Vinny Jain: Hi. So, my question is, with now Boffa's capacity enhanced to 8 MTPA and then the GSM jetty expansion expected to increase the capacity to about 10 MTPA. How should we look at this utilization of the combined port infrastructure over the next, maybe say, 2 to 3 years?

Manan Shah: Well, we can say very easily that next year out of 18, 15 should be utilized. That's the expectation. See, Houda and Boffa have a different quality of materials, and they have different customer base or different dynamics. That will now really depend on how the bauxite prices and customer demand come.

But combined, next year if we have the 18 million tons capacity, and this is a kind of conservative capacity in the sense that we know that in monsoon we cannot utilize all this equipment. And despite that, annualized, we are expecting 18 million capacity.

So, point is, out of that, next year we should utilize 15 million as per our target. 2 to 3 years I cannot say, but next year is even closer to our expectation, so we will continue to expand the capacity at the port. See, brownfield expansions will be costing a lot lesser than the original greenfield expansions in which we had to set up these ports from scratch.

As you're aware, so Ashapura setup these ports almost from a zero basis, where it acquired the land, got the regulatory approvals, did the entire construction, and we reached this kind of capacity. And we know these ports are robust, since we are operating them for more than 2 or 3 years now. So, port capacity is at 18. Port capacity can be expanded further.

We are just seeing that how the next couple of quarters go, and perhaps maybe we may look at improving the port capacity also. But next year's utilization, as far as we are concerned, would be 15 million tons across these two ports, because these two ports are servicing the bauxite business.

Vinny Jain: Got it. So, what is then the expected timeline for translating all these expanded infrastructure, maybe into higher export volumes and operating leverage?

Manan Shah: I'm not sure what the question is. But we expect to complete the GSM port by March, by quarter 4 of this year. And regarding the utilization and operating margins and all that, see, these are expansions, so it allows us to increase the volume of the business which we do, but margins would not be much changed. It just helps us to do more business of bauxite by expanding these port capacities, because then we can load more vessels simultaneously or load them faster.

Vinny Jain: Got it. Thank you and all the best.

Manan Shah: Thank you.

Moderator: Thank you. The next question is from the line of Harshit Khadka from RoboCapital. Please go ahead.

Harshit Khadka: Thank you for taking my question again, sir. So, as you said that, [inaudible 00:44:18] normalized for us to go from 8 to 15. I just wanted to understand, apart from freight cost, do we see any other thing, like infrastructure-related things that we are doing on the port? I just wanted to understand what other variables are needed.

Manan Shah: Actually, simple answer is that everything else is more than sufficient. We have large number of mining equipments. We have developed entire road infrastructure long time back. We have developed our ports long time back, and the capacity expansions are also completing as per the more or less expected timelines.

Our entire infrastructure from resource quality to mining to transportation up to port and then barging, our entire infrastructure remains in place for us to execute the volumes which we are targeting. Now, unfortunately, while these all things were set together, we faced a lot of macroeconomic issues on freight side, crude oil prices side, and the demand from the alumina refineries.

So, from our point of view, we are just more focused on the external situation. But our internal situations, on the infrastructure, the resource quality, our ability to mine it, as per my opinion, is all geared up to achieve and even cross the targets which we set to achieve. So, it's just a question of the external situation to be a little better as per our own view.

Harshit Khadka: Right. So, the only headwind right now is the freight…

Moderator: Sorry to interrupt you, Mr. Harshit, but can you please rejoin the queue? The next question is from the line of Harshad Mehta from Safetech Technologies. Please proceed.

Harshad Mehta: Yeah. Hi. Thanks for the opportunity, and congratulations on a good performance, considering the challenging environment. My question is regarding the iron ore operations which we are likely to start from next financial year onwards.

I just wanted to get a sense of what kind of volumes, and what kind of contribution is this iron ore going to make, considering that currently we are only having bauxite from Guinea. So, what kind of revenue contribution and what kind of margins can we expect from these iron ore operations in the next financial year?

Manan Shah: Okay. So, first of all, over the long term, we are quite optimistic about our iron ore operations. That said, we have had some setbacks in terms of the timelines which the company had targeted to commercialize its iron ore operations for variety of reasons.

However, I think that we are in the process of evaluating the correct business model, and we have got 300 square kilometers of resources there. So, some amount of effort is also being put into the exploration and developing the relevant infrastructure to improve and export this bauxite. So, I think that we would have first of all a reasonable update in terms of guidance by the next financial year.

And we are also optimistic that it could be a fairly large business for Ashapura in the proportion of its total volumes. I would not say in revenue, because if it's an ex-mines deal, so the pricing may be less than USD8 or USD9. But then most of it would be largely contributing to the bottom line as the company would be only incurring the mining costs.

So, it could be a less capital-intensive and low-volatility model. We are very optimistic about achieving this model. However, the timelines have been, obviously, stretched, because we have been talking about this for a while.

Harshad Mehta: No, that's understood. I understand. I'm just trying…

Manan Shah: Yeah. So…

Harshad Mehta: What kind of contribution, in terms of EBITDA? Yeah.

Manan Shah: Yeah. I think, at least, perhaps, it can be -- we are thinking in excess of few million tons. So, maybe definitely more than -- over a longer term, once we commercialize, 3 million or 4 million tons can be something we can easily think that should happen. However, this is, at this point, still a little bit speculative, since we have yet not reached that stage. But once we reach a commercialization, at least that should be the minimum volume which we can do.

Regarding the margins, I don't want to comment, but it would be an ex-works business. As of now, it seems likely to be an ex-works business, which would have, at least, a few dollars of margin. But I would like to comment on that probably at the end of Q4.

Harshad Mehta: Okay. Thanks a lot. Thanks for the opportunity. All the best. Thank you.

Manan Shah: Thank you.

Moderator: Thank you. The next question is from the line of Daisy from Sanghvi Family Office. Please go ahead.

Daisy: Thank you so much, sir, for giving me the opportunity. Sir, my first question is that there is growing negativity about the company across various groups. So, what steps the management is taking to address the underlying concerns and restore the confidence in the organization?

Manan Shah: Sorry. Can you -- just say the question louder, or slower, or clearer? Sorry.

Daisy: Sure, sir. Yeah. So, regarding the industry, we have heard that there is negativity about the company across various groups. So, what steps the management is taking to address the underlying concerns and restore the confidence in the organization?

Manan Shah: If you have a specific point, I can answer that. As of now, I have not heard of any negativity in the organization or something like this. So, if you have any specific issue, you can definitely ask that, and I'll be happy to address it.

Daisy: Okay. So, it's about internal stakeholders or something. If you want to answer, then also, then only, otherwise, I can move to the next question.

Manan Shah: I'm happy to take all questions, but you would have to be specific as this is too general. So, I suggest you can move on to your next question.

Daisy: Okay. Thank you. So, the company has reportedly awarded around six bentonite mines in Gujarat. So, could you elaborate on estimated reserves or resource potential and what the development plans are for these mines?

Manan Shah: Okay. So yeah, company has received these six mines, and it is a good development for the company, as developing these mines and utilizing the bentonite for our own factories and value-added operations will help us to contribute to our volume and margin.

However, this is also a part of our ongoing efforts. In minor minerals in Gujarat, it is a continuous process, so every year we have to acquire the new resources and replenish the old resources. And, so essentially, while these are positive developments for us, it is some activity where we have to continuously keep acquiring the new resources.

Unlike major minerals, minor minerals are smaller parcels. So ever year, we would be trying to acquire some or other mines. However, any mine we acquire or we convert successfully to the lease supports our operations in terms of the resource quality, lower resource cost as compared to, let's say, the purchase cost, etcetera, and gives more confidence to the long-term sustainability of the organization.

So, while these are six deposits, these are very small deposits in terms of the size, and we continue to expect that we should be acquiring more deposits or converting more private land to deposits over

time to come. So, specifically, it may not be very visible, but it definitely contribute to the long-term sustainability of our value-added products.

Daisy: Okay. Thank you so much. That's all from my side. Thank you.

Manan Shah: Thank you.

Moderator: Thank you. Ladies and gentlemen, due to time constraints, that was the last question for today. For further questions, please get in touch with the company's Investor Relations team. I now hand the conference over to Mr. Manan Shah for closing comments. Over to you, sir.

Manan Shah: Okay. Thank you everyone for joining us today and your continued interest in Ashapura. We appreciate your time, engagement, and valuable questions. We hope that we have been able to address your queries and provide a better understanding of the company's performance.

We remain very optimistic about the long-term potential of both our mining business in Guinea and our value-added products business in India. And the company is taking all efforts to grow in both the business lines to the best of our capability.

Should you have any further questions or require additional information, please feel free to reach out to Adfactors. Thank you again for your continued support. We wish you all a good day.

Moderator: Thank you very much. On behalf of Ashapura Minechem Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you, everyone.