INDUSTRIES LTD
PARTNERSHIPS IN PRACTICE

June 1, 2022

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

BSE Scrip Code: 543413

National Stock Exchange of India Limited
The Listing Department
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400 051

NSE Symbol: TEGA

Dear Sir/Madam,

Sub: Transcript of the Investors' Conference Call for the Quarter and Year ended March 31, 2022

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Transcript of the Investors' Conference Call of Tega Industries Limited ('the Company') held on May 26, 2022 at 2:00 PM IST for the quarter and year ended March 31, 2022. The same can also be accessed on the Company's website at https://www.tegaindustries.com/tega-investors/#qr.

Thanking You,

Yours faithfully,

For **Tega Industries Limited**

TEGA INDUSTRIES LTD. KOL-53

Manoj Kumar Agarwal
Chief Financial Officer, Company Secretary & Compliance Officer

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"Tega Industries Limited Q4 FY22 Results Conference Call"

May 26, 2022

MANAGEMENT: **MR. MEHUL MOHANKA – MANAGING DIRECTOR & GROUP CHIEF EXECUTIVE OFFICER – TEGA INDUSTRIES LIMITED**
MR. SYED YAVER IMAM– DIRECTOR OF GLOBAL PRODUCT GROUP – TEGA INDUSTRIES LIMITED
MR. MANOJ KUMAR AGARWAL – CHIEF FINANCIAL OFFICER, COMPANY SECRETARY & COMPLIANCE OFFICER – TEGA INDUSTRIES LIMITED
MR. NACHIKET KALE – ORIENT CAPITAL

Moderator: Ladies and gentlemen, good day, and welcome to Tega Industries Limited Q4 FY22 Results Conference Call organized by Orient Capital. As a reminder, all participant lines will be in the listen-only mode. 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. Nachiket Kale from Orient Capital. Thank you and over to you Sir!

Nachiket Kale: Thanks. Good afternoon everybody. Welcome to the Q4 and FY2022 earnings conference call of Tega Industries Limited. Today on this call we have Mr. Mehul Mohanka who is the Managing Director and Group CEO along with Mr. Syed Yaver Imam, he is the Director of Global Product Group and Mr. Manoj Kumar Agarwal, Chief Financial Officer ,Company Secretary and Compliance Officer.

Before we begin the call, just a small disclaimer this conference call may contain some forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as on date of this call. The actual results may defer materially. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. A detailed safe harbor statement is also given on page two of the company's investor presentation which has been uploaded on the stock exchange and company's website. Now I would like to hand over the call to the management Mr. Mehul Mohanka. Can you please take over?

Mehul Mohanka: Thank you Nachiket. Good afternoon and a warm welcome to all the participants. I am joined this afternoon by my colleagues, Yaver who is the Director, Global Product Group and Manoj the CFO of the company.

I hope by now everyone has had the opportunity to go through our financial results and the investor presentation which has been uploaded on the stock exchanges as well as the company's website. The financial year 2022 was an eventful one and marked a milestone in our history as the company listed itself on both the NSE and BSE in December 2021. As this is only our second earnings call, I would like to give a brief description about the company before we move on to our performance for the Q4 financial year FY2022.

Tega Industries Limited is the flagship company of the Tega Group of Companies. The company commenced its operations in 1978 in India. We are the leading manufacturer and distributor of specialized critical to operate and recurring consumable products catering to the global mineral beneficiation, mining, and bulk solids handling industry.

Tega is the second largest producer of polymer-based mill linings. We have more than 55 product portfolios spread across multiple geographies. Our products are installed in more than 450 customer sites in about 70 countries. We have close to 18 global and 14 domestic sales offices across the world. With about 88% of our revenues from operations generated outside of India.

In this fiscal despite being faced with multiple macro challenges, we have emerged stronger and are progressing as per our strategic plans. Ongoing supply chain disruptions, rising fuel and commodity costs have had an impact on our margins.

Uncertainties related to the geopolitical issues and COVID lockdowns across various countries have created a challenging external environment for us; however, we remain resilient in the underlying strength and performance of our business. We are happy to announce that despite these headwinds, we delivered continuing growth in the Q4 of this particular financial year across key financial parameters. We are encouraged by the opportunities in front of us and are committed to building a true homegrown global powerhouse in our industry. We aim to generate value and deliver as per our plans over the long-term for all our stakeholders.

Now I would like hand over to my colleague, Manoj to take you through the financial performance of the company for the period under review.

Manoj Kumar Agarwal: Thank you Mr. Mohanka. A very good afternoon to all the participants. I hope all of you and your families are in good health.

I will share the highlights of our performance for the quarter and year following which will be happy to respond to queries. For the Q4 performance on a consolidated basis the company's operating net revenue has gone up to Rs.290 Crores in Q4 FY2022 as against Rs.250 Crores in FY2021 Q4, delivering a growth of 16.6%.

Operating EBITDA stood at Rs.69 Crores which is a jump of 25.2% against Q4 FY2022 same period. Operating EBITDA margins stood at 23.8%. Operating PAT increased to Rs.48.9 Crores in Q4 FY2022 as against Rs.41.1 Crores in Q4 FY2021.

On a full year basis, your company reported a revenue of Rs.952 Crores against Rs.805 Crores in FY2021 delivering a growth of 18.5%. Operating EBITDA stood at Rs.183 Crores for FY2022 which is 19.2% of revenue. Operating PAT stood at Rs.117 Crores against Rs.136 Crores in FY2021. If I had to normalize the PAT by adjusting non-operating income the PAT stood at Rs.92.7 Crores against Rs.85.2 Crores FY2021.

Now we can open for the question and answer from the participants. Thank you.

Moderator: Thank you very much. We will now begin the question and answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Abhishek Jain from Arihant Capital. Please go ahead.

Abhishek Jain: Thank you for taking my question. I have a few questions. First thing in terms of growth what kind of growth we are seeing from DynaPrime and what kind of growth we are seeing in other segments?

Manoj Kumar Agarwal: Thank you for the question. So DynaPrime we have growth grown about 33% Y-o-Y from Rs.172 Crores to Rs.229 Crores in FY2022 and on the non- DynaPrime section we had grown at about 16% from Rs.409 Crores to Rs.475 Crores.

Abhishek Jain: Sir because we have just started looking the company if you can throw some light on what kind of in terms of our product portfolio which are the products that are going to be used even if there is a slowdown is there the capex related and maintenance related if you could highlight on something on this also would be really helpful?

Mehul Mohanka: As we mentioned that all our products are consumables in nature and are opex related so irrespective of any slowdown our products are used as spares in the plant so as long as the plant is operating they would need our products and that is across all our product segments.

Abhishek Jain: The third is what kind apart from DynaPrime any products which we are talking about right now going forward will do very well and on the margin side are you facing any pressure on the raw material side?

Manoj Kumar Agarwal: In your company basically we talked about 75% of the volume comes from the mill liner which consists of both DynaPrime and non-DynaPrime and 25% consist of non mill liner, which consist of different product segment requiring mill processing which talks about ware product, screen, clumbers, hydrocyclones so the growth will be coming from there as well but the growth will be driven from the DynaPrime going forward because we are basically disrupting the steel market and the idea is to take over the steel market to the extent possible through the disruption of hybrid liner which is DynaPrime. As our MD said it is more of a critical spares so we have been able to pass on the prices to the customers gradually and you will be seeing that on a year-on-year basis we have been able to maintain close to 60% of RMC margin. This year we are short of around 2% of our expected 60% ROCE margin but the fact that increased was abnormally stiff in the entire year so the journey takes one to two quarters, which is taking two to three quarters now so we are lagging about 2% from our target of 60% ROCE margin.

Abhishek Jain: Thank you Sir.

Moderator: Thank you. The next question is from the line of Amit Shah from AT Capital. Please go ahead.

Amit Shah: Thank you for giving me this opportunity. Sir my question is more around the volatility that we are seeing in currency and the commodity prices? I would like to understand how does that impact both our topline and EBITDA and are we taking any proactive measures is terms of hedging?

Manoj Kumar Agarwal: Let me come to the forex part first. As a company there is a policy of hedging the currencies so we do hedge the currency on a real time basis. Now as far as our impact on the accounts is concerned on the consolidated basis of forex the topline has gone up by Rs.20 Crores on the forex translation and EBITDA will be close to Rs.3 Crores on a forex translation so on the topline Rs.20 Crores and on the bottomline Rs.3 Crores as the forex transaction is concerned.

Mehul Mohanka: On the commodity prices yes we are seeing some volatility in terms of price movements on our input costs but as we had mentioned earlier we have always been successful in passing through those increases to our customers. We generally see a one to two quarter lag in passing on these increases to our customers.

Amit Shah: And the pass on is 100%?

Mehul Mohanka: Yes invariably it is 100%.

Amit Shah: Thank you. This is helpful. Good luck.

Moderator: Thank you. The next question is from the line of Pritesh Vora from Mission Holdings. Please go ahead.

Pritesh Vora: Sir I want to understand the working capital cycle has deteriorated and I have not joined from the beginning so I missed that call on the EBITDA margin? Why the EBITDA margin is declined this year and I want to understand why the deterioration of working capital cycle and our working capital is close to 165 days so is this is a norm in your company? I can understand from two to three years back it was around 120 to 130 days and now it has increased so what is the reason for this worsening capital cycle?

Manoj Kumar Agarwal: Thanks for the question. You are right by saying that the norms what we follow is 120 to 130 days. Even FY2021 we were at 130 days. Now if you see here that the inventory is mainly the reason for the working capital cycle goes up. It was a strategic decision by the management to ensure that we kept our inventory higher with the disruption in logistics supply chain globally and we do both export and import for our production purposes so the idea was to ensure production is not disturbed and our customer because it is a critical spares we will be able to feed them on time so that we do not lose them and hence this time we are at about 30 days higher than the normal which was kind of strategic decision and second is that you can also see that because of inventory what we have with us it also helps us to manage the margin because of the lower carrying cost of the inventory what we were having.

Pritesh Vora: But your EBITDA margin has declined what is the reason for the EBITDA decline?

Manoj Kumar Agarwal: Coming to that on EBITDA side there are two reasons. One is as I said that because of the abnormal increase in the prices in the entire last year, so as our MD said that generally we pass on the price in two quarters Q1 and Q2 kind of lag is there, but this time it is taking one more quarter so if you find there is a lag of about 1.5% on the margin side which we need to pass on and the second is that logistic cost. Now our logistic cost is again going very, very high, which is about 1.5% incremental logistic cost to revenue. Now as we said last time also that we cannot and we will not be able to pass on the entire logistic cost burden to the customers so that hit is coming to us and what we see also this entire H1 this year also this logistic cost will be challenging for us so if we talk about this normalization of 1.3% to 3% we are at about 22.5% EBITDA.

Pritesh Vora: I could see some of the previous year's for example your EBITDA was in 2019-2020 is around 16% and previous to that 2018 was around 13%. I think IPO year was abnormal and you operating margin has increased to 24% so are you confident that we were able to maintain such a high margin or you go back to your normal 2019-2020 16% margin?

Manoj Kumar Agarwal: Our normal EBITDA margin is 21% to 23% and in our IPO also we said the same thing. We are an operating leverage company so any increase in volume gives a good kind of EBITDA margin to us and even last year also normalized EBITDA was 22%, which we already said in our call to the investors so we are of the range of 21% to 23% kind of EBITDA margin which we believe that we should be in that range. Of course, there are certain kinds of headwinds this year as I said because of the abnormality in the commodity cost and logistic cost otherwise the range should be around 21% to 23% going forward.

Pritesh Vora: I understand our Chile plant is just starting right so how do you see the volume growth going forward and how do we assess the growth of the company going forward?

Mehul Mohanka: The new project in terms of the new Greenfield plant is not yet started so I just wanted to correct and make that factual correction, but in spite of that though that is planned for the subsequent years the traction for our product lines in Chile is very, very good. Most of the growth that you see in DynaPrime that we earlier spoke about the hybrid lining system has come from that jurisdiction and we remain buoyant with the fact that, that market is growing very well for us.

Moderator: Thank you. The next question is from the line of Abhishek Poddar from HDFC Mutual Fund. Please go ahead.

Abhishek Poddar: Thanks for taking my question Sir. Sir regarding the DynaPrime if you could share some plans regarding what internal targets you are looking at for growth in 2023-2024?

Syed Yaver Imam: In the initial calls and even in the IPO we have said that the growth in DynaPrime will continue to be at a CAGR between 25% and 30%. We are delivering that this year also and for the next couple of years I think we will be on that same trajectory.

Abhishek Poddar: Understood and the product mix change meaning DynaPrime being higher contribution to the overall revenues what impact does it have on operating margins?

Syed Yaver Imam: I think as far as DynaPrime is concerned also the margins are similar to that of the other mills also so the difference will not be too much as far as the margins are concerned. Again as far as quarter to quarter this thing is there we will be looking at how we are passing on the cost increase if further cost increase is there in the next two quarters so I think margins will be as what it is there both for DynaPrime and for the non DynaPrime mill products.

Abhishek Poddar: Understood and Sir forex compact for the full year? Is it there in other expenses and what amount would it be for FY2022?

Manoj Kumar Agarwal: In other expenses it is about Rs.2 Crores impact on forex.

Abhishek Poddar: For the full year Sir?

Manoj Kumar Agarwal: For the full year.

Abhishek Poddar: And if you can give the number for FY2021 also Sir?

Manoj Kumar Agarwal: FY2021 will be around Rs.1.5 Crores.

Abhishek Poddar: Thank you Sir. All the best.

Moderator: Thank you. The next question is from the line of Bhavin Vithlani from SBI Mutual Fund. Please go ahead.

Bhavin Vithlani: Thank you for the opportunity. Could you help us with what has been the growth in the non mill liner business and if you could give us a flavor about what is the contribution of some of the critical segments in that which is like trommel and chutes, etc?

Syed Yaver Imam: In the non-mills section we have grown year-on-year by 6.2% and major contribution has come through the mill & trommel has also picked up over there. These are the two major component on which the growth has come from.hydrocyclone.

Bhavin Vithlani: What we have been given to understand these are actually these products have a pull factor like the customer who kind accepts the DynaPrime and there is a tendency to kind of accept some of our non miller liners like the hydrocyclone, formins, etc., do you see that this growth can actually accelerate in the years to come?

Syed Yaver Imam: I think this question we have taken up in the last call also. What is going to happen is that we are in the acquisition stage as far as DynaPrime sites are now so our consultation is there to get into the major mines and get a market share on the DynaPrime. Once the DynaPrime we establish over there and it will followup with the other product line and it is right to share that going forward we will get some tailwinds on non DynaPrime products once the DynaPrime products are fully established in the sites which we are excessive now.

Bhavin Vithlani: The second question is if you can just help us what has been the growth in the Chile and so what is the revenue and EBITDA current year versus last year in the Chilean subsidiary?

Manoj Kumar Agarwal: I can take this question so Chile has grown at around 25% this year on top line side and on the operating profit side that Chile has done about 19%.

Bhavin Vithlani: How do you see the growth going forward and what is the current capacity utilization? You did mention about a Greenfield expansion there?

Syed Yaver Imam: This quarter we are going to expand the capacity over there by an addition of another press and by the end of the year we also plan to add another couple of presses so based on the developments that are taking place we are taking action on the increase of the capacity in Chile.

Bhavin Vithlani: Sure and on the freight side last time we had mentioned that we are focusing and the endeavour is to actually move the contracts from CIF to FOB so that the freight impact does not come to us so where are we in that journey?

Manoj Kumar Agarwal: Well as I said last time also we are trying to kind of discuss with the customer whether it is possible to convert into FOB but not many of the customers have come to FOB because they keep the landed cost so though we have been able to move some of the customers but that not kind of help us to reduce the logistic cost per se because ultimately the customer talks about their landed cost so it is not kind of happening very, very fast in terms of changing their input terms, and as you know the business so we cannot press them to change the terms so we are doing kind of multiple action in terms of either trying to convert into FOB or asking them for request to share their kind of logistic cost to some extent so with that we are doing some kind of price rationalization but having said so the entire logistic cost pass on it should be difficult.

Bhavin Vithlani: Sure got it Sir. Last question what has been the revenue and margins for Australia and South Africa?

Manoj Kumar Agarwal: For South Africa the revenue jump was about close to 35% Y-o-Y and EBITDA was 17.5%. Again as I said for us the EBITDA looking at subsidiary wise will not be the correct way because there are many shipments happen from India also so volume wise they have grown up by 33% as far as EBITDA is concerned and Australia also grown up about 40% of the top line side and EBITDA they have come to now positive. Earlier they were break even. They are at about 3% EBITDA this year.

Bhavin Vithlani: Thank you so much for taking my questions.

Moderator: Thank you. The next question is from the line of Neeraj Prakash from White Oak Capital Management Consultants LLP. Please go ahead.

Neeraj Prakash: Thank you for taking my question. I just wanted to know if you can break up the volume and value growth for the Q4 as well as for the entire year?

Manoj Kumar Agarwal: For the entire year, if I break the volume growth, the volume growth is about 10% and the price is about 6% and exchange is about 2%.

Neeraj Prakash: And for the Q4?

Manoj Kumar Agarwal: Q4 volume growth is about 5%, price is about 10% and exchange is about 2% quarter-on-quarter.

Neeraj Prakash: Understood thank you and on the margin front I had a follow-up to maybe a previous participants question in terms of the gross margins what would the differential be between DynaPrime, the non DynaPrime and the rest of the portfolio and I think if I am not mistaken you mentioned that DynaPrime and the mill liner portfolio is going faster than the non-mill liner portfolio so as this mix improve? Should we see this gross margin in the longer term trend above the 60% number?

Manoj Kumar Agarwal: No so as Mr. Yaver said that that the mill liner margin both for DynaPrime and non DynaPrime will be more or less same because the idea is to just to go into the market and increase the market share and the non mill liner again it depends on the acceptance of data prime in all the mills where we are running now and that give attraction to increase the non mill product mix in those plants. As far as margins are concerned non mill generally carry the little higher margin than the mill segment but overall we talked about RMC margin 60% that is what we are aim for.

Mehul Mohanka: But you are correct that if the overall growth and non mill does happen as we have planned the margins will improve beyond the 60%.

Neeraj Prakash: Sorry the growth in the mill liners or the non mill liners?

Mehul Mohanka: The non mill.

Neeraj Prakash: Okay and in terms of the EBITDA margin translation for this we have seen in the Q4 you had a very strong EBITDA margin performance close to 24%? A lot of it was driven by the operating leverage on other expenses? Is this something that is sustainable going forward assuming you maintain this level of sort of revenue on maybe a run rate basis adjusting for maybe some seasonality? Is this sort of operating leverage sustainable and can this sort of 23% type of margin sustain assuming steady state gross margins and I am not taking account fluctuation raw material prices?

Mehul Mohanka: Yes so we have always maintained that in our business anywhere between 21% and 23% EBITDA is a sustainable range. Of course given where the operating leverage is Q4 is a good reflection of how operating leverage impacts our EBITDA positively, but we do have as we have earlier explained that the lumpiness in the business that you cannot take one quarter and multiply it by four. We tend to see the Q1 to be a bit slower than the rest of the quarters and we see the revenue and EBITDA trend up starting from Q2 onwards.

Neeraj Prakash: Sure thank you. Just a last clarification from mine is I did not catch? What is your normalized working capital cycle going forward?

Manoj Kumar Agarwal: 130 days.

Neeraj Prakash: Sure thank you so much.

Moderator: Thank you. The next question is from the line of Alisha Mahawla from Envision Capital Services Private Limited. Please go ahead.

Alisha Mahawla: Good afternoon. Thank you for taking my questions. Just wanted to understand the Greenfield capex that we were talking about what is the quantum we are looking to incur and by when is it expected to come on stream?

Manoj Kumar Agarwal: So we are looking at about $20 million of spend for this Greenfield and this will target to commission sometime last quarter of FY2024 or Q1 of FY2025.

Alisha Mahawla: What did we pay our contribution from DynaPrime to our overall revenue was?

Manoj Kumar Agarwal: It is about 25% mix of overall revenue.

Alisha Mahawla: Sure and we expect this to continue to grow at 25% to 30%? This is in volume terms that you were referring to?

Manoj Kumar Agarwal: Yes so that is what is our aim to grow about 25% CAGR for next few years.

Alisha Mahawla: Sure and while we have done about a 10% kind of volume growth in FY2022 what is the kind of volume growth we are targeting for FY2023?

Manoj Kumar Agarwal: So again we cannot give any forward looking statement here in this call but the aspiration is to grow overall in the company in a double digit growth.

Alisha Mahawla: Okay thank you.

Moderator: Thank you. The next question is from the line of Pritesh Chheda from Lucky Investments Managers Private Limited. Please go ahead.

Pritesh Chheda: Sir just a clarification so in case of DynaPrime our sector dependence will largely be mining right? It will be the side mills and largely related to gold and copper and iron ore right?

Syed Yaver Imam: Yes largely dependent on gold and copper and you are right it will be major sag mill larger operation where the sag mills are very high in the diameter. We have also ball mill of similar sizes of 18 feet and above so we are looking at both ball mill and sag mill combination for DynaPrime for large copper and gold operations.

Pritesh Chheda: And what will be your sector dependence be in case of non DynaPrime and non mill liners?

Syed Yaver Imam: For non mill liners again there are non DynaPrime prime again copper and gold which we said because of the volume that copper and gold has so mill lining business is close to around 75% to 78% concentrated in copper and gold okay. We have other sectors but platinum or zinc or lead or uranium and iron ore. Iron ore because of the nature of available liner of iron ore grinding is quite limited to only a few territories. So dependence on copper and gold will continue to be very high because today 75% lining business is concentrated in copper and gold. For non mill, we have a range of this thing. It is iron ore, steel plants, aggregate, power and cement.

Pritesh Chheda: Okay so what will be your growth expectation in case of a non DynaPrime prime and growth expectations in case of non mill liner?

Manoj Kumar Agarwal: So as I said that as a combination we are looking at double digit growth and maybe we do not intend to give any forward looking statement in this call, but the idea is to carry over with the growth in all the segment with a kind of this proposition goes from DynaPrime.

Pritesh Chheda: My last question is Sir in case of DynaPrime where are we in the sales in terms of the sales cycle with our customers? Or at what stage are we with the customer because my understanding is that globally are fairly strong larger customers in the 75% of the area which you mentioned which is copper and gold? Where are we in terms of product trials, product acceptance, and product in these larger or more significant customers and I think they also would have mine wise approval so if let us say if it is a billet and BHP bulletin and if it is a BHP bulletin in Australia or a BHP bulletin in Latin America both of these have to give separate approvals to you so where are we in the whole sales cycle?

Syed Yaver Imam: As far as DynaPrime is concerned if you see for the past three to four years from zero business in 2018 we have come too close to now $32 million. Today the number of sites in which this is working a lot of traction is happening globally on this so customers have started looking at this as a product which has delivered in the last couple of years so going forward this will accelerate and we have also increased the concentration of marketing effort in non Latin American area so that our base as far as the trial and other discussions are is on now on a wider base and that is the reason we are continuously looking at that the growth in the next three to four years will continue at the 25% to 30% percent CAGR rate.

Pritesh Chheda: Okay and when it comes to this Greenfield expansion at Chile or let us say any expansion that you do these would be facilities which could do both right? They could do DynaPrime and non DynaPrime mill liners right?

Mehul Mohanka: That is correct.

Pritesh Chheda: Okay thank you and all the best to you Sir.

Moderator: Thank you. The next question is from the line of Balasubramanian from Arihant Capital. Please go ahead.

Balasubramanian: Good afternoon Sir. Thank you so much for taking my question? Sir additional larger plant in Chile like what kind of capex and what kind of timeline can you?

Manoj Kumar Agarwal: Can you speak a little louder. We are unable to hear you.

Balasubramanian: Sir in the larger plant in Chile additional larger plant in Chile what kind of gross estimations and what kind of timelines you have and what kind of demand you are experiencing in Latin American markets and what could have revenue potential from that additional asset plant for next three years?

Manoj Kumar Agarwal: So as I said for Chile we are talking about close to $20 million of spend for the new capex critical project and that we are targeting to commission sometime in Q4 FY2024 or Q1 FY2025 as a target and that will take up our capacity when we are today to three fold from there itself. It will take up the capacity to close to about $70 million and I could not take your second if you can repeat that.

Balasubramanian: Yes sir so like this plant majorly focused on which markets?

Manoj Kumar Agarwal: So this plant will take care of entire latter region South America which consists of Brazil, Chile, Peru, and Argentina so those entire Latin they will cater.

Balasubramanian: Sir what kind of demands you are experiencing right now?

Manoj Kumar Agarwal: So as we said that demand is absolutely in line whatever expectation and we are dissecting the steel market so we are pretty sure that demand will be in our favor going forward.

Balasubramanian: Thank you.

Moderator: Thank you. The next question is from the line of Roshan Paunikar from JM Financial. Please go ahead.

Roshan Paunikar: Can you give the ore wise breakup for the last year in terms of revenue?

Manoj Kumar Agarwal: What do you want sorry?

Roshan Paunikar: The ore wise breakup yes?

Manoj Kumar Agarwal: What breakup you are talking about the ore wise breakup revenue or what?

Roshan Paunikar: Revenue?

Manoj Kumar Agarwal: So ore wise as Mr. Yaver said that about 72% we are supplying to copper and gold together and there is 28 mix of many, many of the minerals, talk about iron ore, platinum, titanium, diamond, and zinc so mix is in that range of 72% in gold and copper and about 28% in the rest of the commodities.

Roshan Paunikar: All right. My second question is in terms of DynaPrime Sir how many sites currently are using DynaPrime and how many new sites are under the prospect as in under the trials and other processes?

Syed Yaver Imam: So DynaPrime as far as the customer is concerned is also a journey where he is going through different process of trial and a larger portion of mill as an order and then it goes for the full. so as of now totally around 45 sites are there where we are working with DynaPrime in vaSyed Yaver Imamrious stages including trials and where we are getting orders also.

Roshan Paunikar: Okay so this includes this 45 number includes the sites where we are already supplying and which are?

Syed Yaver Imam: It includes that.

Roshan Paunikar: And the capex estimate for FY2023 and FY2024 that will be my last question?

Manoj Kumar Agarwal: So capex estimate for FY2023 we are targeting about close to Rs.70 Crores in our capex majorly in Chile, which includes land also and about Rs.30 Crores of sustaining capex and the same will be for FY2024.

Roshan Paunikar: Thank you so much for answering my questions.

Moderator: Thank you. The next question is from the line of Bhavin Vithlani from SBI Mutual Fund. Please go ahead.

Bhavin Vithlani: Thank you for the opportunity. Just one question so Mitsu in its earnings call mentioned that they are exiting Russia and Russia is about €500 million of revenues out of €5 billion euro of revenues they do? Are we actually taking any actions to see that we can capture some of the market that these large multinationals will vacate in Russia? Any trial runs and any customer discussions underway at that because this is a substantial opportunity that can come our way as some of these multinationals like Mitsu and Sandvik are exiting Russia?

Mehul Mohanka: That is correct though we see also ourselves as a multinational but Russia and the entire erstwhile CIS region is a very lucrative territory for us and as we continuously watch the geopolitical situation in that geography, we do have plans to grow and that growth plan is irrespective of whether any of our competitors or peers stay or exit but as you have rightly mentioned I mean with what is happening in that region it has created a larger opportunity for us.

Bhavin Vithlani: Any discussions that, are underway because these companies will be exiting over the next four quarters so any opportunity that you see and will that result in an accelerated growth maybe a year a year and a half down the line?

Mehul Mohanka: We already are in that territory for over a decade now and we have existing relationships with customers in that region. What we do anticipate overtime is for them to increase their spend with us.

Bhavin Vithlani: That is very helpful. Thank you so much for taking my questions.

Moderator: Thank you. In the interest of time, this will be the last question. I would now like to hand the conference over to Mr. Nachiket Kale for closing comments.

Nachiket Kale: Thank you everybody. Thanks for participating on the call and driving in that depth discussion with the management. We really appreciate all your questions. For any queries you can get in touch with us. We Orient Capital are Investor Relations Advisors to Tega Industries. Our details are available in the presentation. Again thanks a lot for the management for the time and thank you everybody. Please take care. Have a nice day.

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