Date: 07/11/2026

To, The Corporate Relationship Department, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001 **Scrip Code: 545019**	**To,** **The Listing Department,** **The National Stock Exchange Limited,** Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400051 **NSE Symbol: BAHETI**

Dear Sir/Madam,

Sub: Submission of Transcript - Earnings Conference Call

This has reference to Regulation 30(6) read with Para-A of Part-A of Schedule-III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"). In accordance with the Listing Regulations, we hereby enclose a copy of Transcript of Earnings Call pertaining to H1 FY27 financial results and the same has been uploaded on the website of the Company i.e. www.bahetiindustries.com.

Kindly take note of the same in your records.

Thanking you

Yours faithfully,
For, Baheti Recycling Industries Limited

BALKISHAN SHANKERLAL SHAH

Digitally signed by BALKISHAN SHANKERLAL SHAH
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Baheti Recycling Industries Limited

H1FY27 Earnings Conference Call

November 4, 2026

MANAGEMENT: **MR. YASH SHAH – JOINT MANAGING DIRECTOR – BAHETI RECYCLING INDUSTRIES LIMITED**
MR. MANOJ SHAH – CHIEF FINANCIAL OFFICER – BAHETI RECYCLING INDUSTRIES LIMITED

MODERATOR: **MR. AYUSH DIVECHA- INVESTOR RELATIONS- MERLIN CAPITAL ADVISORS**

Ayush Divecha: Good afternoon, everyone, and a warm welcome to the H1 FY27 Earnings Conference Call of Baheti Recycling Industries Limited. The Company's financial results and investor presentation have been published on the NSE and the Company's website. Before we begin, please note that certain statements made during this call may be forward-looking in nature and are subject to uncertainties. Actual results may differ materially from those expressed or implied during the call.

Joining us today from the management are Mr. Yash Shah, Joint Managing Director, and Mr. Manoj Shah, Chief Financial Officer. We will begin with management's opening remarks, followed by an interactive question-and-answer session with the participants. With this introduction, I'd like to take the opportunity and hand over the call to Mr. Yash for opening remarks. Over to you, sir. .

Yash Shah: Good evening, everyone. Thank you for joining Baheti Recycling Industries Limited's H1 FY27 earnings conference call. I welcome our shareholders, investors and analysts, and thank you for your continued interest and confidence in our Company.

We have begun FY27 on a very strong note, delivering healthy growth in both revenue and profitability. During the first half, our revenue grew by approximately 68% year-on-year to ₹528 crore, while EBITDA nearly doubled to ₹42 crore and PAT increased by approximately 106% to ₹19 crore.

What is particularly encouraging is the improvement in the quality of our earnings. In the recycling business, where metal prices can influence revenue and percentage margins, we use EBITDA per tonne as an important benchmark of operating performance. During H1 FY27, our EBITDA per tonne stood at approximately ₹32,000, reflecting a significant improvement over the previous financial year.

Looking ahead, our strategy remains focused on three priorities: increasing volumes, improving value addition and strengthening bottom line ie profitability. Our upcoming aluminium wire rod division is an important part of this strategy. We are expanding on our existing owned land, with a planned scale-up to 25,000 tonnes.

We also intend to reach peak utilisation levels of our total capacity by the end of the next financial year. Given improving business visibility, we have revised our FY28 revenue guidance upwards to over ₹1,300 crore. We are also pleased to have received in-principle approval for migration to the Mainboard from both NSE and BSE, making another important milestone in our corporate journey.

On the operational front, we continue to focus on building a capital-efficient manufacturing model. Our facilities now operate entirely on electric furnaces and TRFs, without conventional pit furnaces, which we were using earlier. This supports operating efficiency while allowing us to expand capacity with disciplined capital investment. We intend to continuously enhance manufacturing capacity to meet growing demand and increase the contribution of value-added products to our overall product mix.

At the same time, cost optimisation remains another key priority. Our recently commissioned 1.56 MW captive solar plant is expected to generate annual savings of approximately ₹1.8 crore, helping us reduce energy costs and more importantly, carbon emissions.

Our focus is not merely on increasing volumes but on building a more efficient, diversified and profitable recycling business, with higher value addition and better earnings per share. We remain confident about opportunities in India's aluminium recycling industry and will continue to focus on profitable growth, efficient capital allocation and long-term value creation for all stakeholders. With that I'd like to hand over to our CFO to take you through the financial performance in greater detail. Thank you everyone.

Manoj Shah: Thank you, sir. Good evening, everyone. I will briefly take you through the financial performance of Baheti Recycling Industries for the half-year ended September 30, 2026.

During H1 FY27, revenue from operations stood at ₹528.47 crore, compared with ₹315.14 crore in H1 FY26, registering year-on-year growth of 67.69%. EBITDA increased by 99.48% to ₹42.37 crore, compared with ₹21.24 crore in the corresponding period last year.

Our EBITDA margin improved to approximately 8.02%, compared with 6.74% in H1 FY26, representing an expansion of approximately 128 basis points. During the first half, total production stood at 13,081 metric tonnes, translating into EBITDA per metric tonne of approximately ₹32,400, compared with approximately ₹26,536 per metric tonne in the previous financial year. This reflects our focus on operating efficiency, cost optimisation and improving profitability per tonne.

Profit before tax grew by approximately 114% to ₹25.71 crore, while profit after tax increased by over 105% to ₹19.08 crore, compared with ₹9.27 crore in the corresponding period last year. Our PAT margin expanded from 2.94% to 3.61%, an improvement of approximately 67 basis points. Diluted earnings per share stood at ₹18.26, compared with ₹8.94 in the corresponding previous-year period.

As we move into H2 FY27, our financial priorities remain focused on maintaining healthy profitability, optimising working capital and supporting upcoming capacity expansion through disciplined capital allocation. With that, we can open the floor for questions. Thank you.

Moderator: Thank you, Mr. Yash and Mr. Manoj, for the overview of H1 FY27 performance. We will now open the floor for questions and answers. Participants wishing to ask a question are requested to use the Raise Hand feature on Zoom. We will invite participants to unmute themselves one at a time. Kindly introduce yourself and your organisation before asking a question.

We will take the first question from Mr. Ayush Dwivedi.

Ayush Dwivedi: Hi, Mr. Manoj and Mr. Yash. Thank you for taking my question. I wanted to put emphasis on reasons behind increasing FY28 revenue guidance from ₹1,100 crore to ₹1,300 crore. Could you highlight reasons for that?

Yash Shah: There are multiple reasons, but one of the biggest reason is that we have received an approval from the many of the OEMs. So we are more than hopeful and what we are forecasting the orders from OEMs have made us realize that the figure of 1100 Crores would be achieved in this financial year. And that is why accordingly we have revised our next financial year to 1300 odd crores. Looking to the onboarding of the OEMs.

Ayush Dwivedi: I also saw in your presentation, you know, that expected utilization levels that we are looking at is around 80%. Are we on track to achieve those levels?

Yash Shah: This, this year we are targeting to close somewhere around 75% on 40,800 tons, and next year we are targeting somewhere close to 80-85%. Yes, we are on completely on track.

Ayush Dwivedi: I just wanted to ask about the wire rod facility that you know, we are, we are coming up with.Sorry, I am new to the company, but is it, is it something that you know, will be a value add, will have higher margins? And I see there are many players entering this segments. So how, how do we- Yeah.

Yash Shah: Earlier it was completely dominated by the primary players like Hindalco, Nalco, Balco, as wire rod was, the wire and cable manufacturer was buying wire rod only from these kind of companies, the primary wire rods.

Now, secondary wire rod, because of the EPR norms and everything, the secondary wire rod has come into place, and many people will start buying secondary wire rod without deviating the tensile strength or the, or the conductivity of the wire without deteriorating that. So that is why secondary wire rod has found its place. And going forward you'll see this, the cable manufacturer will buy more of secondary aluminum wire rod.

Ayush Dwivedi: Just wanted an industry perspective on, you know, how, how the government policies are shaping up. You know I met some of the players in the industry and, you know, they have been emphasizing that government support has been very high.

And there are very regulatory actions that have taken to support the industry. So you- if you can just share some industry, I mean, the policy highlights if some- something has come up or something like that.

Yash Shah: See, government is coming up with EPR. Government focusing on circular economy, so they are, they are treating aluminium or any metal for in case recycling is the, is the next big thing in the…by looking to the perspective of government, they want more and more recycling to be happened in India. That is why government has developed one platform named JNARDCC, Jawaharlal Nehru Aluminum Research Development and Design Center, particularly for aluminum. If we need to develop something regarding alumin we have the best, we have the hands of the best of the people from the government that will help us to develop some product to to help us in research development.

Ayush Dwivedi: Okay, okay.

So just my last questions and then I'll get back in the queue. Sir so you know our cash flow from operations have been negative. so you know our working capital requirements have been quite high, and we have increased our inventory also. so you know, how are we looking to manage manage that going ahead as we scale up our new facilities come in, we grow?

Yash Shah: Sir, if you compare cash flow from previous financial year, it is getting better day by day. As we are maintaining the inventory, the days of inventory has reduced. The cash flow has no doubt it is negative, but over the period of two to three years, the cash flow will also get positive. because we are, we are getting many OEMs onboard, so we have to keep an additional stock for them just to get through that.

That was a blessing in disguise for us in the month of March, April, when the situation was not that good, the geopolitical region was not that good. So in terms of looking to get OEMs on board, it takes usually two years. So because of that we were having inventory. So because of that reason, we were able to get OEMs on board immediately.

So particularly for us, the situation, the geopolitical situation was a blessing in disguise. And now we know that we want that kind of stock only for Bajaj. We want that kind of stock for TVS. We want that kind of stock for Royal Enfield.

So we'll eventually in a year or two when we'll be holding the chunk in the OEMs, in the OEM industry, then, particularly our inventory will come down. If the inventory will come down eventually operating cash flow will become positive. But we are on track. We are on track.

Ayush Dwivedi: Okay, sir. That's, that's really great to hear. And just, just wanted to congratulate to you on, you know, in the approval for NSE, BSE main board. congrats to the whole management entity. Thank you so much.

Yash Shah: Thank you so much.

Ayush Divecha: We'll take the next question from Jiya Solanki.

Jiya Solanki: Yes. I had one question. I can see that your debtor days and all, they're all improving. However, your cash conversion cycle has been deteriorating over the period. It's increasing over each year. So, what's the main reason behind this?

Manoj Shah: Actually, main reason of increasing the working capital cycle is the increasing in the inventory as well as the debtors. So, in our industry, the-- once the-- one cycle of the debtors, when we are introducing the new clienteles.So first cycle will be remain the constantly engaged into the, into them for the routine, getting the regular routine orders.

Yash Shah: Evetually I'll tell you, Jia, the... If you'll see, if you'll compare it with the previous financial year, the cash conversion cycle is also get improved.

So eventually in down the line, in couple of years, you'll see everything will come into place as inventory days it has reduced. So if inventory days will reduce, ultimately the operating cash flow will become positive. As operating cash flow will become or... It is a entire chain.

So we are working on it and ultimately in one or two years, maximum two years, you'll see that it will get in a reasonable days.

Manoj Shah: Ma'am, one other thing. With the increasing of the top line with the same inventory, it will be going to be improving into the next couple of years.

Ayush Divecha: We'll take the next question from Harsh Patel.

Harsh Patel: Yeah good evening Yash, and congratulations on a fabulous set of numbers. Just one key question actually a couple of key questions from our end. One is the EBITDA margin, which you mentioned has increased to around 32000 odd this year compared to around 26000 odd last year.

So which is a decent around twenty, twenty-five percent jump. So how much of this is going to be sustainable is what we would like to understand.

Yash Shah: See, any, any that is I have, I have been repeating this answer on every con call. Any EBITDA margin between 7-10% is sustainable. So we, we will be in that range, 7% of bare minimum EBITDA to 10%.

If you'll see that maybe quarterly, quarterly it will lag. Why? Because our formula is such that it is on a M-1 formula basis, month minus one formula basis. So some-somewhere it will come on an inventory gain, sometimes it will come, it will come down from nine percentage to seven percentage because of the inventory.

So anywhere between 7-10% is sustainable EBITDA margin.

Harsh Patel: Right. And one other question that you know, keeps popping up is the how are we doing our... I mean, have we thought about realigning our sourcing requirements considering that a lot of the-- I mean, the bulk of the sourcing comes from Europe? So I mean there are some talks about you know, restrictions being imposed by Europe for export of scrap and all that.

So how does that you know, affect us going ahead?

Yash Shah: So our bulk is been coming from UK. Majorly it is coming from UK. And for every region we have different kind of sourcing. Europe it is going on since two years. It was earlier was, it was in May. Now it has been extended to December. So we are not that much on dependent on Europe and all.

We have our hold in USA, South America, UK, Australia, New Zealand. So I don't think so there will be any problem in terms of sourcing.

Harsh Patel: How much, how much of the proportion would be from Europe, if you can share that?

Yash Shah: 12-15%, the proportionate it's, is from Europe.

Ayush Divecha: Thank you. We'll take the next question from Dhaval Pandya

Dhaval Pandya: Hi, good. Good afternoon. congratulations, good set of numbers, and congratulations on, you know, you know, getting an in-principle approval for, you know, moving to main board.

Yash Shah: Thank you, sir.

Dhaval Pandya: Yeah. So I had a couple of questions. so first of all, since I'm new to the company, can you explain a bit about how-- what, what exactly are we doing in aerospace segment?

Yash Shah: So we, we are making aluminum alloy which is being used in aerospace segment, by, by the die-casters who making a part of... who is making the part for aerospace. So that is how we'll like to put forward, in the aerospace department to the many of, to the, to many of the companies. So we are developing on that part, the aerospace ISO.

Dhaval Pandya: Okay. So have you started the..?

Yash Shah: Yeah, we have started. We have given the trial lot to one of the, one of the clients also.

Dhaval Pandya: Can you bit explain it, more, more in detail in a bit simpler, sim-simplified way?

Yash Shah: Sorry?

Dhaval Pandya: Can you explain this in a bit simplified way?

Yash Shah: Aerospace, there is, there is a requirement for aluminum.So we are making aluminum alloy ingots, which is being used to make that part. That part is being made by one of our die-casters. So we have given the trial lot to our die-caster.

Yash Shah: When it is approved by the, by Boeing or, any of the aerospace aero- aeroplane manufacturer, so then we can get that certificate, and then we can proudly say that our material is going and it has been passed, and it is going in the aerospace industry.

Dhaval Pandya: Understood. So another question is, what are our hedging strategy?

Yash Shah: Our purchasing is completely based on percentage of LME, depending upon the scrap quality and the scrap what we are buying. It is on the percentage of LME. And our sales is on, again, our sales is on LME basis. [(LME X USD) M-1 factor]. So average LME of October into average dollar of October plus delta, what we are working on, would be applicable for November.

So the... It will be a month lag, but over the period, over 12 months, if you'll see, then we are naturally hedge our purchases, naturally hedge and backed by our sales. It is, it is a price

variation clause. Whether it will escalate, it, it will escalate. Whether it will de-escalate, it will de-escalate .

Dhaval Pandya: Understood.And you know, one more question. in one of your meets, you have mentioned about the aluminum billets as well. So something which CMR Green is doing at this moment. Any light on this thing, sir?

Yash Shah: Sorry, sorry, sorry, sir?

Dhaval Pandya: So in one of your meets, you mentioned that, you know, about aluminum billets as well.

Currently, you know, CMR Green is doing at this moment. So any lights on this?

Yash Shah: Yeah. Sir, we are coming up with aluminum wire rod project, which is more, a profitable or, business. So, we'll be coming up with wire rod in the month of Jan, and after that, we'll... That is in pipeline, but, we have shifted to wire rod first.

Ayush Divecha: We'll take the next question from Priyansh Miri.

Priyansh Miri: Yeah. Um, sir, great set of number. Um, it great following you for, almost one and a half year now. Quarter after quarter your numbers are mind-blowing, sir. Yeah. Thank you.

Sir, just a few quick question. Electric furnace, sir, that we have also mentioned, right? that will go live on, fourth quarter. So that is also accounted in our, capex, right?

Yash Shah: Electric, electric furnace has gone live. Electric furnace has gone live.

Priyansh Miri: Okay.

Yash Shah: So that is why the utilization is less in H1 because of the electric furnace quantity has already been installed and it has been added to the total quantity.

Priyansh Miri: Okay. So, understanding-wise then, capacity should, already be doubled, right?

Yash Shah: It is. The capacity is 40,800 tons, with 12,500 tons capacity will be added by the end of Q4 for aluminum wire rod.

Priyansh Miri: Are we also-- Now because as we, grow in our size, sir, also are we also looking to any secure large orders from any of fabricator, be it in value-added in terms of aerospace or any other client?

Yash Shah: Yeah. For aerospace, we have just, sent a sample. If the trial all, if all things will, be into place, then we'll get that, approved, and we'll get that aerospace ISO also.

Priyansh Miri: Okay. So, volume-wise, sir, which industry apart from, aerospace?

Yash Shah: We are, we are associated with the steel plants. We are associated with the automobile industry, the electrical component industry, the transmission industry, the piston industry, and, we are associated with the wire rod will come into place, then we'll be associated with the cable and conductor manufacturers.

So there is huge number of industry where we are associated with. As aluminum is the most versatile metal, it can be used anywhere. So the use of wide range of aluminum help us, to diversify our products into many industries.

Priyansh Miri: Not yet any, big customer we have panelled right?

Yash Shah: See, we are associate-- In steel plants, we are associated with ArcelorMittal, Tata Steel. In automobile, we are associated with Bajaj, TVS, Royal Enfield, and, and their die-casters like Minda, AST Automotive, Endurance Technologies, CIE Automotive, Ashley Allteams, Motherson, Minda Industries, Shriram Piston.

In electrical appliances, we are associated with Siemens, Phillips, and their die-caster again, Sigma Electrical, ESCO Casting, *(inaudible)*, and so on. In transmission industry, we are associated with International Transmission Limited. Most of our, it is a Canadian company, most of our India Private Limited.

In piston industry, we are associated with Shriram Piston, India Piston Limited, Federal Mogul, and so on.

Ayush Divecha: We'll take the next question from Kamal Jeswani.

Kamal Jeswani: Yeah, thank you for the opportunity. Congratulations on, good set of numbers and, on the NSE, BSE main board migration. I have one question regarding the receivables.

What is the debtor aging and, have there been any significant overdue balances or extended credit arrangements?

Manoj Shah: Yes. 135 crores debtors is due to the increasing of the added of the new clienteles. And, top line growth, already as I stated earlier, that every new clienteles, the one of the cycle is every time is held with the clienteles as the getting the regular routine orders from them.

So debtors is increasing at the level of 135 crores.

Kamal Jeswani: Okay. And, borrowings have also increased to 310 crores approximately. For the further expansion, are we planning to take further debt or, this is enough for that moment? How much, what is the guidance for debt going forward to this year and next year?

Manoj Shah: No, no. As such, we have no plan to be increasing any more debts. With the same debt level, we are trying to be achieving a good growth. As in this financial year, as we received the top line of 528 crores, and as stated by our joint MD that we are hoping to getting order or even topline of the revenue more than 1000 crores.

And ongoing years, we are hoping for the 1300 crores. So we are with the same debt and with the same inventory, we are trying to getting the same top line. So ultimately, the all ratios and

Ayush Divecha: We'll take the next question from Ritin Sharma.

Ritin Sharma: Hi, congratulation on good sets of numbers. So, just wanted to understand, where does this, where does the order book stands as of now and.

Yash Shah: See, for H2, we have an order in hand of around 300 crores.

Ritin Sharma: Three hundred odd crores. And this will be executed in H2FY27?

Yash Shah: Correct.

Ritin Sharma: Okay. Thank you.

Ayush Divecha: We'll take a follow-up question from Ayush Dwivedi.

Ayush Dwivedi: Thanks again for giving me the opportunity. So, you know, I, I was going your industry tailwind slide from the presentation. You have mentioned about the European Union low carbe- low carbon market. So, you know, there have been various, regulations in the Europe around carbon mechanism. so, you know, what role are we going to play in it?

Yash Shah: So for regarding the carbon emissions, we are a proactive company rather than reactive company because of one of our client. I'll, I'll not like to name that client. It is a 100% EOU company, headquarter based in USA.

So we are, we are maintaining that carbon emission according to, according to the US standard, which is much more stricter than the Euro CBAM, which is being implemented by the European Unions. So we are maintaining that carbon emission data since 2020. So we are well aligned, according to the US standards.

So, according to the European Union standard, we are more than well aligned. So, we are having that kind of advantage. So that is why this carbon emissions and going forward this, the IATF certificate and the ISO and everything will get expensive and it- and to maintain that kind of certificate, it is much more, the cost of that is expensive.

So going forward and looking this kind of recycling industry, the industry as of now is much more fragmented. Going forward, the industry would be consolidated going forward because this kind of cost and everything cannot be handled by small companies.

So it will be much more like pharmaceutical company. It would be much more consolidated in few hands.

Dhaval Pandya: Hello, am I audible?

Dhaval Pandya: So just last question. Thank you for giving the opportunity of asking again. So, you know, have you thought about, you know, expanding our portfolio apart from aluminium you know, venturing into other metals like copper, iron, or other, any other metal?

Yash Shah: So as of now, we are focusing on aluminium diversification in aluminium because aluminium has, as I told, government has focused particularly more on aluminium and aluminium has that versatility, more margin, better margins, you can say better utilization. So as of now, aluminium wire rod, we are focusing on aluminium wire rod, then we are focusing on aluminium billet.

So we, we have good couple of years with us in aluminium. Simultaneously, we'll develop something if interesting comes up and all.

Yash Shah: So thank you everyone for your participation and, Q&A, thoughtful Q&A. We believe Baheti Recycling is entering an important phase of its growth journey. With our existing recycling operation providing a strong foundation, our focus is now on scaling volumes, expanding into value-added products, and improving profitability per ton.

Our upcoming capacity addition together with the growing demand for recycled aluminium as I've said earlier, provide us with a meaningful opportunity to strengthen our position in the industry. We remain committed to executing our plan responsibly, maintaining financial discipline, and creating sustainable value for all our stakeholders.

Thank you once again for your continued trust and support. We look forward to interacting with you in the coming quarters.

Ayush Divecha: Thank you. On the behalf of Baheti Recycling Industries and Merlin Capital, we thank all participants for joining us today, for their continued interest in the company. As we conclude, we wish everyone a very happy Diwali in advance and a prosperous year ahead. Thank you once again. We look forward to connecting with you in the upcoming quarters.

With that, we conclude the call.

Yash Shah: Happy Diwali, everyone. Bye.

Manoj Shah: Thank you. Thank you to all of you.

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