

Date: 08/05/2026

To,  
The Listing Department,  
The National Stock Exchange Limited,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai – 400051

Dear Sir/Madam,

**Sub: Submission of Transcript - Earnings Conference Call**

**Ref: NSE Symbol BAHETI; ISIN- INE029Q01017**

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 H2 FY26 financial results and the same has been uploaded on the website of the Company i.e. [www.bahetiindustries.com](http://www.bahetiindustries.com).

Kindly take note of the same in your records.

Thanking you

Yours faithfully,  
For, Baheti Recycling Industries Limited

**YASH SHANKERLAL SHAH**  
**JOINT MANAGING DIRECTOR**  
**DIN: 09527701**

Encl.: As Above



## **Baheti Recycling Industries Limited**

H2 and FY '26 Earnings Conference Call

May 5, 2026



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

**MODERATOR:** **MS. NATASHA SINGH – ARIHANT CAPITAL  
MR. AYUSH DIVECHA- INVESTOR RELATIONS-  
MERLIN CAPITAL ADVISORS**

**Natasha Singh:**

Good morning everyone. Welcome you all to Baheti Recycling's H2 FY26 Earnings Concall. On the behalf of Arihant Capital, I'd like to thank the management of Baheti Recycling for giving us the opportunity to host the concall. I'd like to hand it over to Ayush.

**Ayush Divecha:**

Good morning, participants. Today on the call, we have Mr. Yash Shah, who is the Joint Managing Director of the company, along with Mr. Manoj Shah, Chief Financial Officer of the company. As a part of Safe Harbor, I would like to inform you that this call may contain certain forward-looking statements and should view in conjunction with the risks and the uncertainties of the company's matters. Also, as a part of compliance, please note, this call is now being recorded. I now request Mr. Yash shah to start with the opening remarks of the call, followed by Mr. Manoj shah to provide the financial highlights Over to you, Mr. Yash.

**Yash Shah:**

Good morning, everyone. A very warm welcome to all of you, and a special thank you to Arihant Capital for hosting today's call. We truly appreciate your continued support in connecting us with the investor community. For those of you who are newer to our story, we are a 7-decade-old aluminum recycling business, headquartered based in Gujarat, and we are on a journey that I believe is only getting more exciting with every passing year.

Before we get into the numbers, I want to set the context. The recycling industry environment is favorable right now. Global primary aluminum supply has been disrupted, particularly from the geopolitical tension going on in the Middle East, and that is pushing customer everywhere towards reliable secondary sources. This lets the customer to start taking trial and bigger orders from us. After they are satisfied with the consistency and grade of order provided by us. We have been in the process of upgrading and modernizing our furnace infrastructure. As part of this, we are now ready to commence 5 new electrical furnaces in FY27. These are meaningfully better machines as they give us higher output and a greener machine, more fuel efficiency and that will be combined with our solar plant, which is on track, and which will be commenced by the end of May 2026. With this addition, our total installed capacity will stand to 38,000 tons annually.

Our current utilization is 60%. It is because of the fact that we have been repeatedly scaling ourselves yearly. Our plan is to ramp up utilization, full capacity utilization by FY28. Beyond our core alloy and deoxidant line, we are now entering into aluminum wire rod product, which is a higher margin product segment. We are investing somewhere around 25-odd crores to build this out in two phases on our existing freehold land in Dahegam We are targeting in Phase 1 around 12,500 metric ton per annum, with an annual revenue potential of 250-odd crores In phase 2, it will increase to 25,000 tons. That, that means the revenue will also increase by another 250 odd crores. So, total revenue from this plant will be somewhere around 500 odd crores. The government is also pushing, significantly EPI norms are, will be mandatory from FY28- 5% and, in FY29, it will be 10%. Initiatives like JNARDCC, that is Jawanal Nehru Aluminum Research Development Course Center, it is being raising industry standards, and the government focus on sustainability. We are preparing for this, infrastructure and cleaner and greener aluminum going forward. We have also added many automotive clients in the month of March in H2 directly to the OEMs like Bajaj Auto, TVS Motor, Royal Enfield.

We are bullish on the sector and on our position in it. The demand is that the government policy tailwinds are there, the global industry dynamics are in favor of secondary recycling aluminium. We are heading into FY27 with an order of Minimum 200 crores with us. And there are a lot of excitement development. This is excluding order book or the plant of aluminum wire rod. Lastly, we are also working actively on avenues to make our working capital more efficient, which will be happen as we are now directly connected with the OEMs with better margins and better payment terms So, we look forward to sharing that progress with you as it unfolds. With that, I'll hand over to Mr. Manoj Shah, company CFO, to take over to the numbers.

**Manoj Shah:**

Good morning to all. Good morning to Arihant Capital. I am CFO of the company, working with the company from the last 14 years. I am pleased to share an update regarding the financials performance for the year 25-26. During this period, the company delivered, strong growth, with revenue rising to 725 crores almost, and with the profit reaching to 27 crores. This is significant increase. Compared to the previous year revenue of 520 crores and profit of 18 crores, especially our revenue grow by approximately 38% year-on-year, while profit increasing by the 50%. The result indicates improved operational efficiency and successful Margin expansion. This performance reflects Management's commitment to delivering sustainable growth enhancing value to all our stakeholders. Furthermore, company's actively focused on Reducing the debt and improving the key financial ratio. We expect this initiative to strengthen our balance sheet and position of the company, for a company performance in the coming years. Thank you. Thank you.

**Moderator:**

Thank you, Manoj ji. With this, we will now open the floor for question and answers.

We'll take the first question from Ms. Disha Chordia from Sapphire Capital.

**Disha Chordia:**

Hello Firstly, thank you so much for this opportunity. So, just a couple of questions. Firstly, on this aluminum wire rod division, This phase one, when do we expect this to commission?

**Yash Shah:**

By the end of October, you can say early November.

**Disha Chordia:**

Okay, okay, early November, right. And what sort of utilization we see for the so be for one quarter or so, I think we'll have the plant operational. So, initially, 20, 30.

**Yash Shah:**

So, if 12,500 tons, and practically will get 3-4 months, so 1200 on maybe 10-15 percentage of the entire 12,500 tons capacity utilization for 3 months.

**Disha Chordia:**

Okay, and how are we planning to scale this up? Where do we see the utilization reaching in FY28?

**Yash Shah:**

FY28 will be reaching somewhere around 70-odd percentage. See, I'm talking about 10% only on the basis of 3 months.

**Disha Chordia:**

Got it, got it, yeah. Right. And what sort of margins do we see? Because this is a more higher value-added product? What sort of EBITDA margins can we see here?

- Yash Shah:** The EBITDA margin will improve by 1 or 2% from the existing business.
- Disha Chordia:** So that major impact, so the major margin increase we'll see in FY28, because then we'll have the entire plant operation at a steady state. Is that correct?
- Yash Shah:** Yeah, yes, yes, yes.
- Disha Chordia:** Yeah, and you mentioned, sir, this 1200 CR revenue milestone for FY28, so can we expect a 30-40% sort of CAGR? In this year AND FY28 year as well?
- Yash Shah:** 100% you will see that, and I'm more than hopeful that we'll reach somewhere around 4-digit in this financial alone. I'm more than hopeful!
- Disha Chordia:** Oh, okay, okay, that's very good to hear. So, and where do we see EBITDA margins for the entire year?
- Yash Shah:** It will be in the same range. See, the EBITDA margin in our industry is a sustainable EBITDA margin which we are working on. So anywhere between 7 to 10% is very it's quite sustainable EBITDA margin in our kind of industry
- Disha Chordia:** So, so this year, I think we did around 8%, so we sort of expect that to continue, and then with the new wire rod division coming up, we can see that increase towards 10% in FY28.
- Yash Shah:** Exactly.
- Disha Chordia:** Yeah, is that a fair assumption?
- Yash Shah:** Yeah, yeah. FY28, you can see, improvement in the margins, yes.
- Disha Chordia:** So, closer to a 10. Closer to a 10th percent.
- Yash Shah:** Yeah, hopefully, yes.
- Disha Chordia:** And so this 20-25CR, this Capex that we're putting, is this only for Phase 1? What would be the additional amount for Phase 2?
- Yash Shah:** Phase 2 would be 5 crores maximum in putting up the furnace and all. Other apart from it, the major cost consists that of infrastructure, so we are developing infrastructure on the basis of the entire phases.
- Disha Chordia:** For the entire two-phase?
- Yash Shah:** yes, absolutely.
- Disha Chordia:** Okay, okay. And when do we so the moment so, FY28, I think this Phase 1 will stabilize, and then that at that time, we'll begin with the Phase 2, right?

- Yash Shah:** Yes, yes, yes. Once we reach 75-80-odd percentage in the phase in the 12,500 tons, and we'll immediately, order, and in next 3 months, we can set up phase plant.
- Disha Chordia:** Got it, got it. Okay, okay. That's it from my side. Thank you so much, sir, and all the best.
- Yash Shah:** Thank you, thank you so much.
- Moderator:** Thank you. We'll take the next question from Mr. Darshan.
- Darshan Gala:** Hi, sir. Good morning. Good set of results, congratulations. Sir, I just wanted to ask What is the reason behind getting into wire rods division? As far as I understand, we don't have any backward integration.
- Yash Shah:** Backward integration in terms of what? See, wire rod project will make from that will make wire rod also from scrap.
- Manoj Shah:** It's a forward integration instead of backward integration.
- Darshan Gala:** Got it, got it. Thank you.
- Moderator:** Our next question is from Mr. Jigar Jani.
- Jigar Jani:** Yeah, hi, thanks for taking my question. so couple first, with data keeping, could you give me what is the full year's revenues for ingots and Deox? The split out of 725.
- Yash Shah:** In the splitting in what manner?
- Jigar Jani:** So, out of revenue, yeah.
- Manoj Shah:** I'm not getting your question properly.
- Jigar Jani:** what is the revenue split between alloy ingots and Diox?
- Manoj Shah:** Okay, okay, in percentage term, it's an year around 64-36. 64 would be ingots and 36 would be for the alloy.
- Jigar Jani:** Okay, okay, okay. And sir, if I look at your numbers more from a historical perspective, we have seen a lot of increase in aluminum prices as of now, over the last couple of years, '25, '26. And we have also seen a proportionate increase in your margin profile, be it EBITDA or gross margin profile. so, just wanted to understand how much of this increase that you are seeing is more product mix-led, and how much is it more pricing increases in the core aluminum product that has helped us increase this margin. and also, how do we look at your business? Should we look at your business in percentage terms, EBITDA margin, or should we look at it from a EBITDA per ton kind of a business? How do you actually price it across?

**Yash Shah:** I'll tell you, I'll tell you one thing. I'll tell you one thing, good question. And, you have to see business in terms of percentage basis. See, the percentage, this is why it is more relevant as it is metal industry, so the price is not in our hands, it's not in anybody's hand. So maybe aluminum, somewhere aluminum would be 200, somewhere aluminum would be 400. So in terms of quantity, the volume growth should be there, and the percentage of EBITDA should be there. What we are committing. In terms of that, you have to look in that direction.

**Jigar Jani:** So, the pricing also is on the percentage basis, right? It's what I understand. I mean, when you price your product, it is based on your raw material, plus certain percentage, is what I'm trying to understand.

**Yash Shah:** Yes. Yeah, there's some delta, plus some delta. So delta depends delta would be same. Our sales price is on the basis of LME into dollar factor, and that delta would be fixed in INR. Say, for example, 58,000 rupees a ton 75,000 rupees a ton, that would be fixed. So, the first part of my formula, that is LME into dollar, it is changing. So that delta would remain same. So ultimately, we are hedging ourselves in terms of Purchasing and in terms of sales.

**Jigar Jani:** Okay, and also, in terms of the overall aluminum wire rod project, who would be our customers, and what would be the timeline for approval of these products? Are there any approvals needed, testing needed? From the customer end whom we will be selling these products to, if you could just give us some insight to that.

**Yash Shah:** See, that would be two wire rods. One is alloy wire rod, and one is aluminum primary wire rod. Aluminum primary wire rod, which is close to our secondary product, it will be sellable to our existing client like Arcelor Mittal, tata steel, Jindal steel. So, we are doing business with them since long, so we don't need any approval. We just we just want to pass our product in that company, and we are a vendor development partner with them. So immediately, we can we can target that kind of Philip Rod which is used in steel plant, we can immediately target that kind of industry. Secondly, we are in talks with many companies, like Apar, Polycab, RR cable, KEI to once we establish our plant and we just want to pass our product consistently on a 3-month basis with low quantity, and after that consistency on a 3-month basis to this kind of companies. We can easily scale up our production. So, second aluminum wire rod, that is aluminum alloy wire rod and EC grade wire rod, which will be sellable to conductor manufacturer, cable conductor manufacturer like Polycab, APAR, KEI, RR cable.

**Jigar Jani:** So, but that these guys will require a testing phase?

**Yash Shah:** That would be for 3 months, that is what I have told. That would be for 3 months, that testing phase.

**Jigar Jani:** Okay, okay. And, lastly, because we are on this topic, this EPR mandate of 5% and then 10%, uh, just is it applicable on everybody using aluminum, or specific industries?

**Yash Shah:** Yeah, you have I'll clarify your doubt. See, aluminum in such kind of industry, like, automobile and all, there is maximum of secondary aluminum, but industry like aerospace Industry, like, yeah, you can say target this, the primary wire, the cable conductor wire rod, which was not

earlier, they were using NALCO's and HINDALCO's aluminum primary wire rod. So, in this kind of industry where there is no compulsion of aluminum secondary market will be able to enter into that kind of market also. Aerospace, you can say this EPR is making mandatory for the cable conductor industry to take secondary aluminum wire on also.

**Jigar Jani:** Okay, understood. And last, just data-giving question is, how much of your raw material is imported? In FY26?

**Manoj Shah:** Near around 80%.

**Jigar Jani:** 80%, and any disruptions you are seeing because of this war or everything is fine in terms of imports

**Manoj Shah:** Nothing, nothing as such.

**Jigar Jani:** Okay, thank you so much. I'll come back in the queue.

**Moderator:** Thank you, Mr. We'll take the next question from Mr. Manan Vandur.

**Manan Vandur:** Yes, thank you for the opportunity. I'm from Wallfort Fund Management LLP. So, my first question was regarding our cash flows. So, we see that our revenues have increased, which is great. Our EBITDA has increased, which is great. And, because with that, our debt has also increased substantially, so we are funding our operations using debt, because our cash flows are negative for the past 4 years. So, can you explain something around that? Like, how are we looking so that we won't be continuously dependent on debt and that we would, you know, generate sustainable cash flows.

**Yash Shah:** See, regarding the operating cash flow, you are talking about, we are also addressing that kind of concern, but ultimately, our business is like that. We are keeping an excess inventory of 30, 40 odd days, only because to cater to the OEMs. I'll tell you one example which has occurred with us. In March when people were facing many kind of issue regarding the raw material, we have been given an opportunity by the OEMs like Bajaj, TVS and Royal Enfield. We were in talks with them because of the IATF certificate, but it The 6-month process of this evaluation from the OEMs and all, it has been toned down and it has been come down to one month because of this war kind of situation, and we were having inventory, higher inventory in anticipation of getting orders from OEMs or the Tier 1 die-casters. So, we were able to cater to them, and now we are we are having we are having a vendor code with them directly with the OEMs. So number one, once it will get stabilized now we are now we know that these three OEMs will have a consistently so and so much of quantity with them. So we'll not keep excess quantity for them as of now, so you will be able to see during this during upcoming 2 years. We'll try to maintain this kind of inventory levels as we are getting many approvals from the OEMs. We are in talks with 5-7 different OEMs. So, once we get the clarity in within these OEMs, you'll be able to see a substantial change in coming two years, FY27 and FY28, regarding the inventory. Once we control that 30-40 inventory level, 30-40 days extra inventory level, once we control that, automatically every problem will get solved in terms of cash flow. Because debtors, we cannot control debtors. As our sales as our revenue will increase, debtors will, by default, will get

increased. And in terms of creditors, we are paying upfront to them, to our creditors. So in terms of creditors also, we don't have any control in terms of creditors. We are improving that cycle by utilizing in terms of operating cash flow will we are, we are taking facilities like build to ship to concept at a concessional interest rate, at a marginally higher interest rate as compared to working capital. We are using that product on build to ship to in terms of what we'll be able to get a credit of 90 days from the financing services, like, that will not increase our debt, that will increase our creditors, so it will also impact our positive cash flow.

**Manan Vandur:**

Okay, sir that was helpful to understand. So, what my follow-up on the same thing is that you are talking about the OEMs decreasing their approval time from 6 months to 1 month, correct?

**Yash Shah:**

Correct, that is only because the war was a blessing in disguise for people like us. That was only for time being. See, OEMs don't have any, to cater to OEMs, it is also a very difficult task. We were not able to cater to OEMs since last June, we are able to cater to OEMs or the Tier 1 die casters but it is not like that. It has come down from 6 months to 1 month.

**Manan Vandur:**

Correct, correct, I understand that. That is, that is a blessing for us. Yet, sir, what I wanted to understand was that we have been facing this negative cash flow thing for the past 4 years, so this one-month thing we can understand, but for the past 4 years, we are facing, which is why I was trying to understand this because then this would then continue for the business for a very long time, no, then, sir, because then we'll have to continually raising debt in order to fund our operations.

**Yash Shah:**

I'll tell you one thing. In last 4 years, we were into, an aggressive space because of aluminum alloy. We were earlier, the proportionate was different. Aluminum alloy was hardly 15-20%, and aluminum deoxidant was 80-90%. So we are increasing ourselves into aluminum alloy. We have catered to Minda Corporation. We have catered to Sigma Electrical, we have catered to Minda Industries. So in last four or five years, we are in a continuously, we are in you can say, developing stage. Now, the ultimate, ultimate goal is to reach to the OEMs. So now we have reached to the OEMs. Now, there is no point of keeping that extra inventory with us in two years, you'll be able to see in this year also a bit will not be able will not increase our inventory, but will maintain will sustain our inventory to such extent that, we'll target 4-digit sales with the same current level of inventories, because we are we are getting clear-cut picture from the majority of the three OEMs which we are targeting. The other OEMs are Maruti Suzuki India Limited, Hero Motors, Honda Motors, and Yamaha. These are the four big OEMs which we are targeting. So once it is once it will get settled down, then you'll be able to see drastically improve that 30, 40 odd days of inventory, it will drastically reduced by 30-40-odd days. So if the inventory is reduced by 30-40-odd days, you'll be able to see operating positive cash flow.

**Manan Vandur:**

Okay, so just a clarification. So, what you are saying, sir, this can happen in '29, correct? Like, '28-29.

- Yash Shah:** FY27, FY28, you will see some see, with same level of inventories, with same level of inventory, if I am if I am targeting somewhere around 1,000-odd roads of business, you'll automatically see the proportionality of it, the percentage of it.
- Manan Vandur:** Correct. Thank you so much.
- Moderator:** We'll take the next questions from Ms. Bhavika.
- Bhavika:** Yeah, so basically, I have the question regarding your capacity. So, as per the last call the management guided that the Capex will be live by 2027, and now we can see that it's already 60% utilization in 2026, that is 38,000 metric tons. So, are we planning for further Capex in the same facility going forward or not?
- Yash Shah:** Yeah, yeah we'll target another 5000-7000 tons in the same premises and 12,500 tons for aluminum wire rod. So our current target is somewhere around 80% utilization, 75 to 80% of utilization of 38,000 tons in FY27.
- Bhavika:** Okay, and what will be the timeline of this capex that you are planning?
- Yash Shah:** It will be in the H2 of FY27, not immediately, because we have recently completed our expansion in the ongoing premises, and our major focus is on the aluminum wire rod project expansion.
- Bhavika:** Got it. And also want to understand, as we are the recycling of aluminum do we have the impact of the prizes of the aluminum which goes globally? Like, do we see the impact or are prices get regulated by the aluminum prices?
- Yash Shah:** See, you can see impact for the, as it as we are a month lag or a quarter lag, you can see that, but not on a consistent basis, as we are hedge ourselves from the import as well as from the sales side of business. In import, we are doing somewhere around percentage of LME, depending upon the scrap quality, and in sales also, it is average LME into average dollar plus that delta, which I was talking about earlier and that delta would be fixed. So, average LME into every dollar will change and delta would be fixed. So, somewhere we have covered ourselves in such a way that we maintain our EBITDA margin, in terms of in terms of any volatility in the market.
- Bhavika:** Got it. Sir, thank you.
- Moderator:** We'll take the next question from Mr. Shaurya.
- Shaurya:** Hi, Yash, Manoji, first of all. Congratulations on a fantastic set of numbers. I just wanted to understand our current market positioning, what is the competition, what is our current market share? In our current segment, which is our alloys and ingots, and What are we expecting in our new segment in the aluminum wire rods? Do we see strong demand and, like, less supply, or, like, what is the rationale behind expanding into aluminum wire rods? And just a bit on the competition and market share, what do you expect?

- Yash Shah:** See, the market share in terms of aluminum would be really difficult to tell you, but in terms of aluminum alloy, we are well placed, will be in the you can say top 10 aluminum alloy manufacturers in India, across India, and now, as we are approaching towards OEMs, so in next one year or two, FY28, we can we can target ourselves into top 3 or 4 aluminum alloy manufacturer, number one. Number two, aluminum deoxidant, we are the pioneers and we are the still the leader in aluminum deoxidant across India. Aluminum wire rod, if I talk about aluminum wire rod, aluminum wire rod is a good industry. It is an upbringing industry and the demand is huge in aluminum wire. So hopefully I'll be able to tell you more about aluminum wired in next concall, the next half-year con call, will able to tell you more about aluminum wire rod.
- Shaurya:** Oh, fair enough, fair enough. And when you say top 10, do you include the primary manufacturers as well?
- Yash Shah:** No.
- Shaurya:** Okay.
- Yash Shah:** The primary is altogether different industry. I'm talking only about aluminum secondary industry. Aluminum secondary industry has wide range, like aluminum deoxidant aluminum, alloy, aluminum wire rod, aluminum utensil, aluminum extrusion, aluminum billets, aluminum foils. So there is huge variety of industries coming under aluminum secondary industry.
- Shaurya:** Got it, got it, got it. So, in our product, we've kind of found a niche.
- Yash Shah:** Yeah, I've told you I have told you about our product, which we are into it.
- Shaurya:** Fair enough, fair enough. And secondly, just to follow up on one of the previous questions asked. We're rating we're importing about 80%, and where are we seeing these imports from? Like, which geography?
- Yash Shah:** UK, Europe. The three dominant is UK, Europe, US
- Shaurya:** Understood. So, do you think we'll have good tailwinds from the FTAs that we've signed? India-UK?
- Yash Shah:** Yeah, but it is not applicable as of now, but 100%, see, the basic custom duty is 2.5 plus 10% of educational sales, which is non-refundable, that is, that comes to 2.75 percentage. This FTA will help us in. It will directly impact our PAT or you can say the cost of manufacturing will decrease by 2.75%. And 2.75% it is huge!
- Shaurya:** Yes significant, right, with our sort of a business. Absolutely. And, uh, last question, I just want to understand, you know, in terms of primary and secondary, as you mentioned, you're also looking to penetrate the OEM segment, right, which is primarily sourced through primary aluminum manufacturers like Hindalco etc. So, what could be the difference in the pricing and

the quality? As compared to the primary manufacturers and the secondary manufacturers of aluminum?

**Yash Shah:** See, in terms of aluminum alloy, the primary and secondary aluminum difference ranges between 7 to 10 %, and secondary aluminum is cheaper as compared to primary aluminum.

**Shaurya:** Right, right, and any quality difference, or it's more or less the same thing?

**Yash Shah:** In terms of alloys it is nothing.

**Moderator:** We'll take the next question from Minerva research.

**Minerva Research:** Hello? Yes, good morning.

**Yash Shah:** Yes good morning.

**Minerva Research:** Sir, actually, I wanted to understand with respect to preferential issue. Sir, first of all the valuation report prescribes valuation close to 300 rupees, which is almost a 50% discount to the CMP. Is that why many investors backed up during the round?

**Yash Shah:** Valuation report? 300?

**Manoj Shah:** No, no, something is mistaken from your side. How it's 200 lower than the current market price?

**Minerva Research:** Sir, the valuation report which is there on the website of the company, in that, it is giving the value as 300 rupees, and at that time, it was, at a 50% to the CMP, so that is why investors backed out, or what was the reason?

**Yash Shah:** The market condition was the reason. The one major are you can say the stakeholder who was investing somewhere around 40-odd crores, he has backed out because of the market condition and the CIOs of their company, they were not allowing them to invest any new fund to infuse any new fund into any new company. So that is the reason we dropped that preferential issue.

**Minerva Research:** Sir, then in valuation report why is it 50% to the current market price?

**Manoj Shah:** We have not done on 50%. Where did you find the price of 300 rupees?

**Minerva Research:** It is there on the website, EGM notices section, there is a valuation report given, wherein they have written clearly that the fair price is 300 and CMP 600, so almost it is 50% discount, right?

**Moderator:** Manoj, Ji I think after this call, you could look into that and provide a clarification over email.

**Manoj Shah:** Correct, okay.

**Yash Shah:** Sir, can you provide us the mail ID to our IR team, so they'll take your question, and we'll provide you the clarifications.

- Minerva Research:** It is a report of 16th December 2025 it is 14 pages report
- Yash Shah:** Yes, sir, that is what I'm telling you, you give your question to the IR team we'll come back to you with your answer, sir. Definitely.
- Minerva Research:** Gaurav Maheshwari has made the report on 11-page number, 300 rupees the fair value is mentioned.
- Yash Shah:** Manoji, you reply to them.
- Manoj Shah:** Yeah, yeah, give me some time to check it out, but our preferential was done at the price of 598.50. So, whatever the report showing, I just need to be a check it out. We never issued any share on our discounted price.
- Minerva Research:** Okay, sir, I'll email you all the details if you want. Okay.
- Yash Shah:** Yeah. Please, please, please. We'll come back to you, definitely we'll come back to you, sir.
- Moderator:** Thank you, Minerva Research. We'll take the next question from Mr. Om
- Om:** Hi, sir. Good afternoon. This is OM from 360 one Capital. Like you shared about the high margin from the aluminum wire rod business, could you just, uh, tell me what are the target margins from that business?
- Yash Shah:** I've told sir, that it will be it will be somewhere around 1 or 2% higher than what we are currently doing. Anywhere see, if you are anywhere in recycling industry, 7-10% EBITDA is quite fantastic and is quite sustainable, according to us. So 7-10% of EBITDA in aluminum wired also, it is quite sustainable. If you are running 7, 7.5% in it, then 8.5% to 9% close to 10 percentage also, it is quite achievable in aluminum wire rods.
- Om:** Okay, got it. who are our top 5 traders overall, and what is the sales volume specific to the OEMs we are talking about?
- Yash Shah:** See, OEMs, we have, we have, we have just recently targeted OEMs in month of March, we have sold somewhere around 250 tons to Bajaj Auto and 150 tons to TVS Motor and 100 tons to Royal Enfield and same order has been repeated in the month of May. So OEMs, we have just recently started. It would be better if you ask and if we provide you the data in by the end of H1 of this financial year, we'll be able to provide you much better clarity and much better numbers. Only particularly only from the OEMs.
- Om:** Then, apart from this OEM, who are our top 5 traders, like, top traders.
- Yash Shah:** Mano ji, please provide the top 5 customers.
- Manoj Shah:** Top 5 customers: Tata steel, Sigma Electronics, Minda Corporation, Sriram Pistons, ArcelorMittal.

- Om:** Okay, sure, got it. again, Considering the recent, uh, effect of war, do we have any fuel or coal price impact on our business.
- Yash Shah:** See, the cost of production has increased, no doubt about it, because of the fuel prices, the cost of production has increased by 15%. But ultimately, it has been diverted or it has been passed to our selling price, as simple as that.
- Moderator:** We'll take the follow-up question from Shaurya.
- Shaurya:** Yeah, so I just want to understand one more thing, like, apart from the incremental growth that we're looking at from the aluminum wire rods, what sort of growth strategy and what expectations do we have in our current segment?
- Yash Shah:** Sir, as I've told you, my target is 4-digit in terms of from the existing plant as aluminum wire rod will come from Q4 and we are, we are taking 0 as of now. So, our target is 4 digits from the existing plant.
- Shaurya:** Got it, got it. And you expect this trajectory to go on for the next, maybe, you know, 3 years, 4 years timeline?
- Yash Shah:** 100%. Sir, as of now, we have catered only to the 3 OEMs, and that to only the trial lots. We have not catered to we are not catered a maximum chunk of their business, so we are more than hopeful, and the journey is just started.
- Shaurya:** Oh, okay, okay, so you expect significant scale-up with these OEMs itself, right? Thank you so much. Thank you.
- Moderator:** We'll take the next question from Bhavika.
- Bhavika:** The follow-up question. So, basically, I just want to know going forward what EBITDA profile we can expect, because I think from the new Capex on the wire side like last time, management guided the 10% margin can be expected. So, how the overall profile will look like, EBITDA profile?
- Yash Shah:** Ma'am, FY27 I'll tell you very honestly, FY27, you have to consider from aluminum wire to be zero, because it will start from Q4, December, you can say December, and Q4. So we are not considering any EBITDA or any revenue or any margin from aluminum wire out as of now. In FY28, we can expect good margins and good sales from aluminum wire rod.
- Bhavika:** And can I know the reason why there is so much delay in the wire rod? I think the capacity is live?
- Yash Shah:** No, no, we are, we are making a new shade on our free hold land, so it is taking time that is why and nothing else.
- Bhavika:** Okay, and do we have the customers?

- Yash Shah:** Yeah! we have the customer, as I've told on the earlier con call also, we have the customer with us then. One is Philip Rod. Philip Rod will be able to sell Philip Rod to our existing client, like Tata Steel, ArcelorMittal, Jindal Steel, and aluminum alloy wire rod will be able will be selling it to Apar, KEI and all.
- Bhavika:** And also, just one more question, that apart from us, so who all are into the wire rod in the recycling side?
- Yash Shah:** There are a lot of industries which is not listed. They have just recently started, like, you can see Sakar industries, Arfin India Limited, Arfin India is a listed company. They are into aluminum wire rod, frame conductor, PG foils, and all.
- Bhavika:** The upcoming capacity which we are coming up for the wire rod is the largest among all the fragmented players?
- Yash Shah:** You cannot say the largest, but it will be you can say a decent, a good size of capacity of aluminum wire rod, maybe you can say top 5, top 10 again.
- Moderator:** We'll take the next question from Mr. Priyanshu
- Priyanshu:** Hello Team, this is Priyanshu from Invest Tech. Couple of questions from my side. So, apart from the natural hedge that we are doing, how we are ensuring our margin from the aluminum LME volatility, whether we are taking any hedging contracts on the LME directly, or what else we are doing to protect our margin, apart from the value-added product mix?
- Yash Shah:** We are not doing anything, because our sales and all are naturally hedged, so we don't need to do any extra effort on hedging ourselves, as our input is also hedged and link to import are sales are also hedged, so we don't need any extra efforts on the MCX or hedging platform.
- Priyanshu:** Okay, so is my understanding is correct that our margin will change in the range of LME aluminum prices changes?
- Yash Shah:** It will not change. See, I'll tell you, it will be a month lag, you can see, because our sales are on the basis of (M-1) formula, month minus 1, so average sales of average LME of April into average dollar of April plus that delta would be applicable for May month, May month. Every, the selling will be of May month. So, you can see that The dollar of April, we are taking effect into we have taken average dollar impact into consideration in the sales price of me. And again, in the average sales price average of May will be taken into consideration of June. So that would be a lag of one month, maximum one or two months, but the margins or anything, that is why we are proudly saying that the EBITDA margin which we are working will range from 7 to 10 percent only during that case when the market falls down vertically over 6 months or 1 year, then during that 6 months you will see a loss because in that case scenario no one can predict the vertical fall, or no one can judge that vertical fall. Only during that time, but once you see the vertical fall, you'll see the vertical rise also! So in next, in going forward in 3-6 months, we can make up for that loss of 6 months. That is a hypothetical situation I'm telling you.

- Priyanshu:** Okay, that's, clear. And the second thing is that due to the implementation of this EPR norms, and, government writing the regulations, whether we are looking at any increase in the availability of domestic scrap, and what is the difference in terms of cost between domestic scrap versus imported scrap.
- Yash Shah:** Sir, as on date, domestic scrap is much expensive than imported scrap, number one. Number two, in India, until and unless the recycling concept will not been done, then will not be able to get that much of till date, people are using 15-20 years old vehicle. There is no government has introduced vehicle scrap policy, but it has not been sincerely implemented it, down the line. So, it will take time in India to get scrap, to generate scrap, because if we don't trash, if we don't you can say, dispose the older thing, the air conditioner, or you can say the computer, or you can say any kind of thing. The demolishing of the building 60, 70, 80 years old building are also there People are now the concept of, you can say redevelopment is going on across India. So we'll be able to see more scrap once it is Sincerely or strictly being implemented down the line.
- Priyanshu:** Okay, and in terms of number, we can say that domestic scrap is 10-15% expensive than the Imported scrap, any number?
- Yash Shah:** No, no not that much, to be very honest. We have not compared, but you can say 7-8% would be expensive. We have never compared Domestic with, import, because domestic, you cannot get domestic material easily, and that too much of quantum and consistent quality homogeneity material.
- Priyanshu:** Okay, that's clear, and if I may squeeze one more question, yeah. So, what is the margin differential between the, refined aluminum and aluminum wire rods or value-added aluminum products, or besides the aluminum rods We're looking at any other product range which will be in the category of value-added product mix?
- Yash Shah:** It's an aluminum wire rod is a forward indication is a value-added product mix which we are entering into, and the margin product, if you'll make anything out of aluminum scrap, the margin product will vary from 1% to 2% maximum. Apart from that, the difference would not be there much.
- Moderator:** We'll take the next question from Krishna.
- Krishna:** Hi, Yash. Good morning. So you mentioned briefly that you know your cost is increased by 15% and you pass it on to the customers in the selling price. What is the lag for that? Is it passed on immediately or it comes with a lag?
- Yash Shah:** So, everything is being passed immediately under force major situation in terms of war. That the extra freight cost because of the war kind of geopolitical tension, extra freight cost, extra processing cost, everything is being passed on an immediate basis. And OEMs are also quite supportive, and our customers are also quite supportive, and they also know the situation, the need it is a need of an hour. That's it.

**Yash Shah:** So, one thing I want to personally extend to every investor and analyst on this call, you are always welcome to visit our manufacturing facility at Dahegam, Gujarat and seeing our plant firsthand, the furnace is the process, the efforts, the skill which we are building will give you a perspective a perspective of what Baheti recycling Industries Limited stands for. No presentation can fully replicate that kind of experience. Please reach out to our IR team to coordinate a visit at your convenience. Once again, I sincerely thank you, Arihant Capital, for hosting today's call for us, and thank you to each one of you for your time, your trust, and continuous support and, interest showing in Baheti recycling Industries Limited. Thank you, everyone. Thank you very much.

**Manoj Shah:** Thank you everybody.

**Moderator:** Thank you participants, that concludes the call.

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