

Date: 17/11/2025

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 H1 FY26 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

YASH SHANKERLAL SHAH
JOINT MANAGING DIRECTOR
DIN: 09527701

Encl.: As Above



“Baheti Recycling Industries Limited
H1 FY '26 Earnings Conference Call”

November 15, 2025



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

MODERATOR: **MR. JIGAR JANI – NUVAMA WEALTH**
**MR. AYUSH DIVECHA- INVESTOR RELATIONS-
MERLIN CAPITAL ADVISORS**

Moderator: Ladies and gentlemen, good day and welcome to Baheti Recycling Industries Limited H1 FY 26 Earnings Conference Call. As a reminder, all participant lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need any assistance during the conference call, please signal an operator by pressing star then zero on your touchtone telephone.

Please note that this conference is being recorded. I now hand the conference over to Mr. Jigar Jani from Nuvama Wealth. Thank you and over to you, sir.

Jigar Jani: Yes, thanks Shravani and welcome everybody. I welcome everyone to the H1 FY26 post earnings conference call of Baheti Recycling Industries Limited. Here on the management team, we have [inaudible 0:00:54] Joint Managing Director and Mr. Manoj Shah, Chief financial officer. As a disclaimer, I would like to inform you all that this call may contain some forward-looking statements which may involve risk and uncertainties. Also, a reminder that this call is being recorded. I would now request the management to take us through the details of the business and performance highlights for the period ended 30th September 2025.

I would also request the management to share their growth plans for the remainder of FY26 and for the medium term, most of which we will open the floor for Q&A. Thank you so much and over to you, sir. Yash, sir, over to you.

Yash Shah: Good morning, everyone. Myself, Yash, Joint Managing Director of the company. Thank you for being present with us on a call on Saturday. We are pleased to report that Baheti Recycling Industries Limited has delivered its highest ever profit for the first half of FY26 on the back of sustained demand in India for recycled aluminium. This continues our discipline on operational capabilities and maintaining industry leading margins while pushing forward with our vision of sustainable growth. I want to spotlight the major expansion underway.

We are setting up a brand-new aluminum wire rod facility of 12,500 metric ton per annum in our freehold land. But that's just the beginning. The facility will actually be equipped for 25,000 metric ton per annum, giving us a clear headroom for future scaling by FY28.

It's important to highlight that the market for aluminium wire rod is rapidly shifting from primary metal to secondary recycled supply. With EPR regulations becoming a reality, we see this transaction accelerating and Baheti is structurally positioned to benefit. Our capacity expansion story isn't incremental.

While the original plan was to scale from 29,000 tons to 34,000 tons, as you have seen in our FY25 investor presentation also, carefully recalculation and our complete shift from traditional pit furnace to electric furnace means we can now ramp up immediately up to 38,000 tons. With wire rod coming up on top of that, over the next two years, you can see that we are aiming to take it to 63,000 tons, representing a step change for both our business and the sector. What set us apart is not just building capacity but doing it sustainably.

Our focus is on being a cash flow positive, responsible business, maintaining margins even as we scale. That is the most important thing while driving capital efficiency. We are constantly

improving working capital cycles and modernizing our melting operations to boost efficiency and product consistency.

Baheti Recycling Industries Limited stands as a partner of choice for marquee clients positioned at the intersection of green demand, industry tailwinds, and the right regulatory moves. We remain uncompromising on quality, profitability, and long-term value creation for all the stakeholders associated with Baheti Recycling.

I would like to now hand over the call to Mr. Manoj Shah, Company CFO, giving the financial highlights. Over to you, Manoj Shah.

Manoj Shah:

Thank you, sir. Thank you. Good morning, everyone. I would like to present some financial highlights to everyone. Company has reported sales of more than INR315 crores, which is showing a 22% growth compared to the previous half-yearly reported sales. Company has also shown the improvement in the parameters of EBITDA and net profit margin in the comparison of previous half-yearly reported financials.

Furthermore, management is foreseeing good half-year ahead and year-to-year growth for the company, looking to the strong product demand of the company products. We will also try to further improvements in some other parameters also and assumed it will be showing the further improvements into the company's upcoming year, which also contributing positively into the future going ahead.

Thank you to everyone for giving me an opportunity to give a valuable presence in the earnings conference. Over to you, Yashji, please.

Yash Shah:

Now, let's now open up for your question and answer.

Moderator:

Thank you. The first question is from the line of Veeral Jain from Share India Securities. Please go ahead.

Veeral Jain:

Hello. Good morning, sir.

Yash Shah:

Good morning.

Veeral Jain:

Sir, I had a question regarding why our inventory days and debtors' days have been gone up so much even though our volumes have been marginally improved? And secondly, why our margins have taken a hit and what do you think going ahead, how it will be improving? Thank you.

Yash Shah:

Manojji, please answer.

Moderator:

Yes, sir. You are audible.

Manoj Shah:

Yes. Veeralji, can you repeat your question?

Veeral Jain: Yes. So, I am saying our working days have gone up drastically. If you see inventory days and debtors days. Why it has gone so much up even though our volume has been marginally up this first half? And secondly, why our margins have taken a hit and how do you see it improving going ahead?

Manoj Shah: Sir, giving your questions reply one-by-one. First of all, the inventory and debtors' days have gone up because we are procuring the higher inventory in looking into the foreseen of the new customer addition. As well as the maintaining the some more inventory to catering to the upcoming customers immediately. Because the company has to maintain the inventory at least 90 to 100 days. It's an industry's norm. If you have to see any aluminum recycling.

Yash Shah: As we are importers. As we are majorly importers.

Manoj Shah: Actually, for the maintaining the cycle, we need to be maintaining at least minimum 90 days inventory. But it's a little bit gone up due to the maintaining the sufficient inventory to catering to our new clientele. Which is added by our sales team rapidly. And second one question is the debtors. Debtors is gone up due to the new customer addition. And our sales itself has accelerated.

That the new customers are added and which we are selling on that credit basis. So that one-off the another reason of scaling up the inventory as well as the debtors is gone up. Our third one point is regarding your margin. So if you compare the margin in the half year of the previous. Then it's showing the significant improvement compared to the previously half year reported finances.

Veeral Jain: Sir, is there any client that you recently hired and recently acquired? Recently you have acquired any client and margins, what would be the sustainable margins going ahead?

Yash Shah: I'll tell you one thing in addition to Mr. Manoj's answer. The sustainable margin, as I've told you on the con-call also, we are at a sustainable margin of PAT of 3%. But it is because of the summer and the rainy season.

The productivity of the smelter goes down a bit. That is why you'll see a sustainable margin of 3%. Going forward, I'm looking forward to the Q3 and Q4. We are foreseeing a good EBITDA of around anywhere between 8 percentage to 10 percentage. Number one.

Number two, as we have taken IATF certificate, as I've mentioned in many of the con-calls earlier also. That we have been granted an IATF certificate in the month of June. In the month of June after that we are able to cater to new clients like Motherson, Caparo Maruti Limited, Ashley Alteams India Limited. So these all the limited companies and all. After that IITF certificate, we are able to target these new clients.

Now we are in close talks directly with the OEMs like Ola, TVS, Yamaha, Hero, Bajaj. Our marketing team is closely in talks with that. Earlier it was the barrier because of the IITF, we were not having IITF certificate. Earlier it was the barrier. Now after the breach of that barrier,

we are targeting more sales in coming quarters. And much more productivity in terms of bottom line also.

Veeral Jain: Just a last question, how much inventory are we keeping currently in terms of tonnage capacity?

Yash Shah: How much inventory are we keeping in terms of tonnage capacity?

Veeral Jain: In the sense, how much tons of inventory are we keeping right now?

Yash Shah: Manoj ji, how much quantity do you have in inventory?

Manoj Shah: More than 9000 metric tons, sir. For the aluminum only.

Veeral Jain: Which total? 9000 tons?

Manoj Shah: 90,000 metric tons. More than 90,000 metric tons.

Veeral Jain: Okay. Thank you.

Yash Shah: 90,000 tons. Manoj ji. How much quantity are you maintaining? It won't be 90,000 tons.

Manoj Shah: Just a minute, sir.

Manoj Shah: 9000 tons.

Manoj Shah: Okay, 9000 tons. It's my mistake.

Moderator: Thank you. The next question is from the line of Harsh Patel from Share India Securities. Please go ahead.

Harsh Patel: Hello, sir. Just a quick question. What led to decline in margin compared to last H2 FY '25?

Yash Shah: I told on the call also that because of the first half being -- see, this is melting unit. We recycled aluminum here. So, because of the excessive heat, the productivity -- say, for example, in a day, if one pit furnace gives 1500 kgs, they can melt 1500 kgs. It goes down to 1200-1300 kgs of melting.

In summer, because of the excessive heat, the productivity goes down everywhere. Even the segregation processing facilities, a bit of productivity goes down. If you'll see H1 of that, H1 of '25 with H1 of '26, you'll able. That would be a much more comparative data. Still, we are at a sustainable PAT and EBITDA what we claim to be at.

Manoj Shah: In addition to that, our second half is always showing the better compared to the first half.

Harsh Patel: So, our sustainable margin for this year would be around 8%. For the whole year...

Yash Shah: 8%, you can say.

- Harsh Patel:** And the path margin would be around 3%?
- Yash Shah:** Path margin would be around 3.5% to 4%. See, I'll tell you 3%. If you are thinking that 3% is - we have taken a hit in our PAT. 3% is a sustainable margin what we claim to be in our industry. But as Manoj ji has said that second half is always better. We are targeting somewhere around 3.5% to 4%.
- Harsh Patel:** Okay, 3.5% to 4%. So, what would be -- okay, on -- and what would be the current revenue guidance for this year, FY '25?
- Yash Shah:** In somewhere around same line, INR650 crores.
- Harsh Patel:** Okay, okay. Done. Thank you, sir.
- Moderator:** Thank you. The next question is from the line of Samay Shah from Nuvama Wealth Management Limited. Please go ahead.
- Samay Shah:** Yes, hi, sir. Congratulations on a decent set of numbers. My question is regarding the wire rod facility that you will be putting up. So, what would be the capex that you will be incurring for this facility?
- Yash Shah:** The capex for this facility. See, we will plan infrastructure for 25,000 tons. But we'll start up the production by 12,500 tons. So, the infrastructure and everything for the infrastructure and that 12,500 -- infrastructure for 25,000 tons and production for 12,500 tons will require a capex of around INR30 crores.
- Samay Shah:** Okay. And when do we see this wire rod...
- Yash Shah:** By the second half of next financial year.
- Samay Shah:** Okay. And, sir, if you could give us a little bit more about what would be the revenue potential and will the margins from this business be a little more accurate or no?
- Yash Shah:** It will be more better. Why? Because we are going one step forward. Instead of making or instead of [inaudible 0:17:20] now, from scrap, we'll draw wire through molten of aluminum. So, a margin would be much better, a bit better. And going forward, if you'll see the top line for 12,500 tons, I'm aiming somewhere around INR200 crores, INR250 crores of top line from this.
- Samay Shah:** Okay. This would be at your optimum capacity utilization, right?
- Yash Shah:** Yes, yes, yes. Somewhere around 80% of utilization, it will have a top line of INR250 crores from 12,500 tons. And then after that, by adding furnaces of INR6 crores, we can ramp up the capacity to 25,000 tons because we'll set up an infrastructure for 25,000 tons, that's why. So, particularly basically from INR35 crores of capex, I can easily do revenue of somewhere around INR500 crores.

- Samay Shah:** Right. Got it. And the last question from my side. Again, actually this half we have seen inventories pile up quite a bit. So, should we expect this to sustain like this or will the inventory levels get better?
- Yash Shah:** Inventory levels, see as I've told on the call earlier also that because of anticipation of new clients after that IATF certificate, in the month of June we have received that IATF certificate. In July, we have converted Darshan. In August, we have converted Caparo Maruti Limited. So, this anticipation is kicking us a bit. This because of that, as we have imported to cater to any new client, we cannot say that like that, that will require 90 days to import the material first and then we can come back to you.
- So, that is why we are keeping a bit of incremental stock as of now, but this will go down eventually in the coming one year, two years, three years down the line, but a standard industry norms in any case of particularly for pure recycling of aluminum would be somewhere around 75 to 90 days because two months inventory we need to carry at our premises as this is an import oriented business.
- Samay Shah:** Right. Got it. Sir, you said capex for this year would be around -- for the aluminum facility would be INR30 crores. For this year, what can we expect for FY26 for the remaining half?
- Yash Shah:** Capex.
- Samay Shah:** Yes.
- Yash Shah:** That we have already done through the internal accruals.
- Samay Shah:** What would be the amount, sir?
- Yash Shah:** Manoj ji can you tell?
- Manoj Shah:** For the current capex?
- Yash Shah:** Yes.
- Manoj Shah:** It's somewhere around INR18 crores.
- Samay Shah:** Okay. Thank you, sir, for answering my question. All the best for the future.
- Moderator:** Thank you. The next question is from the line of Sweta Bk from [inaudible 20:51] Investments. Please go ahead.
- Sweta Bk:** Yes, hi. Sir, this question is regarding the aluminum wire rod only. That when we start, we'll have it under a brand name of Baheti or it will be under different name?
- Yash Shah:** Aluminum wire rod will be used for the cable industry. We'll do everything under the name of Baheti. There is no other company will do everything under the brand and image of Baheti.

- Sweta Bk:** And so, like, it will be with the same amount of sales and marketing people or we'll have different. Like, I'm trying to understand the team will be different or same team will take on additional responsibility?
- Yash Shah:** Team would be different.
- Sweta Bk:** Okay, that's what I'm trying to understand.
- Yash Shah:** This is a product portfolio development. So, team would be different for this. The marketing team, the production team, the sales team also, everything would be different.
- Sweta Bk:** And can you give an idea as to how we'll plan the sales and marketing strategy for this, whom are we targeting and how we'll plan to go ahead?
- Yash Shah:** Aluminum wire rod will be used for different industry. One is steel industry for deoxidant purpose. So, we have a set of customer, the same customer which we are dealing in aluminum deoxidant in terms of cubes and all. So, this Tata Steel, ArcelorMittal, Jindal Steel, Steel Authority of India.
- This will be our -- this all will be our client for aluminum wire rod in one set of wire rod. Another set of wire rod, we are targeting the conductor cable, conductor industry like, the wire industry like, Polycab, APAR, KEI, RR cable. So, we have exclusively, we'll have exclusive our sales team and dedicated for this project only.
- Sweta Bk:** Okay, that's great. So, thank you for the clarity and good luck.
- Yash Shah:** Thank you so much.
- Moderator:** Thank you. The next question is from the line of Raj Singh from Family Office. Please go ahead.
- Raj Singh:** Sir, my question is with regards to one of the slides in the investor presentation, which is more focusing on carbon footprint and EPR. So, I wanted to understand how this is helping us right now or are we seeing any growth or something from this as of now or we will be seeing this in years to come. I just wanted to understand.
- Yash Shah:** This wire rod project and everything we are shifting on this project because of that only you'll able to see in the coming year, the actual picture of it. You'll able to see in the coming year. This carbon emission plays a very important role. Earlier, recycling was not getting that much of attention.
- I'm talking about particularly; I'm talking about aluminum recycling. Why? Because actual recycling is aluminum. It takes a lot of processes and all and the BALCOs Hindalco, NALCOs. The primary aluminum and secondary aluminum emits 15% of carbon emission that primary emits because primary digs from bauxite ore, it converts into alumina and from alumina to aluminum.

So, it damages a lot of minerals and all. So, it emits a lot of carbon emission and this because of carbon emission going on everywhere in the world. So, everyone is at carbon deficit. They really want what they can do with carbon, how they can reduce their carbon deficit. They are targeting that. That is why the cable industry also has changed its focus a bit from taking aluminum wire, primary wire rod from NALCO-Hindalco to secondary aluminum wire rod, the recycling aluminum wire rod.

So, in coming years, you'll be able to see because of this, the secondary recycling industry will get its much, much due attention. And the '28 ERP will also be implemented at 5% of the aluminum sector. You need to use recycled aluminum. 10% going forward, it will be 10%.

Raj Singh: Understood. So, just to understand. So, this will help us get new businesses and that's how we will, you know, we will be our peers. Is that understanding right, sir?

Yash Shah: 100%. This is one of the things. And another thing is that now this IATF certificate, we are the fifth, sixth one across India that has been granted an IATF certificate. Now, this will help us directly to target to OEMs like Maruti, Hero, Yamaha that has endless use. As of now, we were giving it to the Tier 1 die casters like Minda Corporation, Minda Industries, CI Automotive.

We were giving it to the Tier 1 die casters of the OEMs. But we were unable to directly go to the OEMs because of this IATF certificate. It will also play a very important role in catering to the new clients. So, that is why. Yes, please.

Raj Singh: Yes, please continue, sir.

Yash Shah: So, after this certificate, our Q1 and Q2 also has a huge difference. The numbers of revenue in Q1 and Q2 also has a big difference.

Raj Singh: Understood, understood. And, sir, my final question would be on since, you know, we are also trying to venture into aerospace. Wire rod I understood from the con call. Aerospace, I would like to understand more on aerospace side. And we are somewhat planning that we will reach around INR1,200 crores of revenue by FY '28. So, will this come from wire rod facility and other businesses also firing up? Just want to understand your view on that part. Thank you.

Yash Shah: This will come from the existing. We are increasing our capacity to 38,000 tons. So, it will come from that also, from wire rod also. It will be a mixture of everything. So, we have good baskets with us where we can have a better bottom line. We can go to that industry and we can cater to the demand of that industry.

Raj Singh: Understood. And, sir, balance sheet looks a bit, you know, [inaudible 0:27:53] so how are we planning to deleverage it and keep it lighter? Just to understand from the CFO, sir, from you.

Yash Shah: In the coming years, you will be able to see the deleverage of the balance sheet also. As it is a growing company. So, we are at a good speed of growing up to INR1,200 crores in the next couple of years. So, in the coming year, after that, from internal accrual, we will deleverage our balance sheet immediately.

- Raj Singh:** Understood, sir. No worries, sir. Congratulations and all the best for your future endeavors and team Baheti.
- Yash Shah:** Thank you so much. Thank you.
- Moderator:** Thank you. The next question is from the line of Viral Jain from Share India Securities. Please go ahead.
- Viral Jain:** Hello, sir. I had a follow-up question. If I believe it to be correct that aluminium what we are doing is a commodity, then what is our UHP or what is our moat that -- and how do you differentiate yourself from others? And sir, another thing was...
- Yash Shah:** Your voice is not audible, Mr. Viral. Can you please speak a little more clearly?
- Viral Jain:** As I was saying that how do you differentiate yourself as a commodity? So, ISR volume has also not been so much, not increasing. So, it is because of what's happening that can you stabilize on it?
- Yash Shah:** Volumes? I'm not getting your question properly. See, we are not into commodities, number one. As we cover ourselves from every, even in purchase, even in sales. So, basically, aluminium recycling industry has its own pros and cons. Aluminium has its own pros in the terms of, if you'll see, the margins and everything.
- Aluminium sector has the highest number of margins. It has its own cons in terms of addressing the working capital cycle and everything. Because the industry norms is such that you have to give it on the credit basis.
- In terms of Copper, Copper, if you'll see, as a commodity, it is actually Copper. 0.5% of net margin, maybe maximum to 1% of net margin. And with working capital, that industry norms working capital is hardly 5-7 days is the working capital cycle for that industry. Because it runs like that. So, you have to understand the difference between metals also that aluminium is altogether different.
- You cannot compare it with Copper. You cannot compare it with Lead. It is a pure aluminium recycling industry. If going forward, when we'll come down to another metal recycling industry, then it will be reduced, the working capital cycle and everything will be reduced on a pro-rata basis. So, in aluminium has -- aluminium industries altogether a different league and it has its own industry norms. It is not like that metal has its norms. Every metal has it's -- in every metal the norms are not similar.
- Viral Jain:** So, sir, in aluminium space only, so how do you differentiate yourself, what's your mood in this business?
- Yash Shah:** What is our...?
- Viral Jain:** What is your USP, what is your selling point?

- Yash Shah:** We have our USP in the procurement and the processing. The processing, how we process our raw material before giving it to the final melting, it is our USP. How we process, how we make this? How we make our scrap ready and by a 1% of additional yield, it gives a lot of value addition directly to the bottom line. We are importing more than 50 different types of aluminium scrap, the scrap complexity, how we have customized process, how we have customized process for each of it.
- Viral Jain:** And another thing was our volume was only 10,000 tons this half. So, what are your plans by this financial year targeting?
- Yash Shah:** 25,000 tons.
- Viral Jain:** Okay. Thank you.
- Moderator:** Thank you. [inaudible 0:33:08]
- Jigar Jani:** Yes. Hi. Yes. So, I'll just ask a couple of questions. Sir, this is [Jigar Jani 0:33:19]. So, sir on the aluminium wire rod facility, what would be the working capital requirement? Would it be similar to what we have for the existing business?
- And does this product need a certification from the customer and what are the timelines involved once you start the plant in, say, second half of next year? What would be the timelines involved in terms of getting the product certified and then supplying to the customer? Are there any certifications, etcetera, required for this product? Yes.
- Yash Shah:** So, answering your question, number one, the working capital will be required would be much less as the, see this, the acceptance of aluminium, secondary aluminium wire rod is new. So, the industry has set a norm on 30 days credit period. So, the working capital requirement would be less.
- Many of it, we can easily source it through the domestic sources also. So, we can target from the working capital would be, because of not keeping much stock also, we can reduce our working capital cycle. So, as compared to the ongoing business, this wire rod will require less working capital, number one.
- Number two, it takes 3 months' time to approve the, see, whenever we'll start the trial lot, they'll give us a repeat order of small, small, small quantity. Once it is said it is done, it will take 3x for the repetitive order. And in that 3 months' time, if we are through with everything, then we can have a full-fledged vendor code.
- Jigar Jani:** And, sir, sorry, can you repeat the clientele you are approaching for this wire rod facility again?
- Yash Shah:** One would be steel plant where we are giving currently one product, the Phillip rod. There are different kinds of rods which will be produced by us. The one is Phillip rod, for that, our customer would be existing client like ArcelorMittal, Tata Steel, Jingle Steel, Steel Authority of India. And for the second, the aluminum wire rod, the cable rods, for which we are targeting

clientele like Polycab, Apar, KEI, RR Kabel, who is actually the manufacturers of the conductors and everything.

Jigar Jani: Sure, that's great, sir. And, sir, if you could help me with, you did volumes of about 10,323. Would you be able to split this into alloys and deox and also the same, what was the volume done in 1H FY '25?

Manoj Shah: 58% into the aluminum alloying rod and rest of the from the deox and other.

Jigar Jani: And FY25?

Yash Shah: No, it's a number of FY25. You are asking about the '24, '25?

Jigar Jani: Yes, so this first half FY26, which is this first half is 58.42. Same last year, first half, how much was it basically?

Manoj Shah: 51.49% for the rest. 51% for the alloying rod and 49% for the deox and other.

Jigar Jani: And what was the absolute volume, sir, against 10,323, this first half?

Manoj Shah: First half would be 8,022.

Jigar Jani: Understood, sir. And, sir, revenue mix would be in the same proportion as volume largely or revenue mix would be different?

Manoj Shah: Approximates largely, but alloy, deox and other components will be contributed a little bit more because some of the valuable items are segregated from the aluminum scrap.

Jigar Jani: But broadly, this will be in 58.42 revenue split.

Manoj Shah: Yes, yes.

Jigar Jani: What you are involved in. Yes. Understood.

Manoj Shah: 42, which I have said is including the deox and other items also.

Jigar Jani: I understood, sir. Understood. And, sir, again on this expansion of 38,000 tons, by when can we assume that this will hit optimal capacity utilization of 80%? By when are you planning that or as per your estimate, when can we expect?

Yash Shah: We are targeting internally, we are targeting 75% from FY27 and 80%-85% in FY28 apart from the aluminum wire rod project. By the year end, you will see 65% in this financial year only.

Jigar Jani: So these are exit run rates you are saying, basically.

Yash Shah: Sorry?

- Jigar Jani:** On exit, basically, at the ending of this financial year, we will be at 65% FY26, 75% FY27 and 85% FY28. That's right, right?
- Yash Shah:** Yes.
- Jigar Jani:** And, sir, given that now we are closing in on a deal with US, any benefits we will see in terms of inventory days for us? Because I believe last time you had said that given that there is a lot of uncertainty on the trade deals, we were keeping a little bit higher inventory. Do you see that benefiting us in some way?
- Yash Shah:** 100%. Can you repeat your question exactly what you are trying to ask?
- Jigar Jani:** So we are closing in, I think US President has tweeted that they are close to a trade deal with India.
- Yash Shah:** Okay, regarding the tariff you are talking about?
- Jigar Jani:** Yes, yes, yes, yes.
- Yash Shah:** Regarding tariff, we were not that much impacted earlier also in terms of tariff. But now the uncertainty in market will be down. So there would not be much impact. Earlier also, it won't be, we were not that much affected. And after that also, it will not make much of a difference in that.
- Jigar Jani:** Okay, sir, understood. And for the -- you had mentioned that margins for this aluminum wire rod facility will be a bit better as compared to your existing. Any ballpark numbers you would like to share? Like we have guided existing, I think 8% to 10%.
- Yash Shah:** Yes, ultimately, in terms of aluminum, I'll tell you what we are targeting internally is a sustainable margin of 8% to 10%. Anywhere between 8% to 10% is a very good margin. How we are addressing that, sorry, we are addressing that only how we can improve our working capital cycle, how we can reduce our inventory in terms of, see this inventory and all will be reduced over the, down the line as we'll be more towards a consistent business volume, like for 6 months, 1 year from the new client, which we are targeting, it will automatically reduce by INR30 crores, INR40-odd crores. So the inventory level will be coming down and everything will be in line.
- Jigar Jani:** Sure, sure. That is great to hear, sir. Thank you so much and best of luck, sir. So, Shravani, we can check if there are any more questions from any other participants.
- Moderator:** Yes, sir. I will quickly announce for one. And if somebody shows up, we'll take it or else I'll announce for the closing comments. Ladies and gentlemen, as there are no further questions, we have reached the end of the question-and-answer session. I now hand the conference over to the management for the closing comments.

- Yash Shah:** Before we conclude, I want to reiterate the core message that defines Baheti Recycling Industries today. We are entering a decimating growth phase backed by our wire rod expansion, upgraded furnace technology and a clear focus on sustainability and capital efficiency.
- Our priority remains simple. Scale responsibly, maintain strong margins and improve cash flow. Strengthen our position as a preferred partner for ESG focused aluminum buyers. With demand rising and regulatory tailwinds accelerating, we believe Baheti is well structurally placed to deliver sustainable and long-term value. Thank you for your continued trust and support.
- Jigar Jani:** Yes, I would also like to thank the management for giving us the opportunity to host the call. Thank you, Yash ji. Thank you, Manoj ji, and...
- Yash Shah:** Thank you. Thank you.
- Jigar Jani:** Thank you.
- Manoj Shah:** Thank you. Thank you, Jigar ji. Thank you, speaker. Thank you.
- Jigar Jani:** Thank you, all the participants, for attending the call and now we'll close the call. Thank you.
- Manoj Shah:** Thank you. Bye.
- Moderator:** Thank you on behalf of Baheti Recycling Industries and Nuvama Wealth, we conclude this call. Thank you for joining us and you may now disconnect your line.