CMR Green Tech

Operator: Ladies and gentlemen, good day and welcome to the CMR Green Technologies Limited Q2 and H1 FY27 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 assistance during the conference, please signal the operator by pressing star and zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Ms. Ashi Shah from AdFactors. Thank you, and over to you, ma'am.

Ashi Shah – AdFactors: Thank you, Chris. Good morning, everyone. I am Ashi from AdFactors investor relations. On behalf of CMR Green Technologies, it is my pleasure to welcome you all to the Q2 and H1 FY27 earnings conference call. Joining us on the call today from the management team, we have Mr. Mohan Agarwal, Chairman and Managing Director; Mr. Ankur Singh, Director, Business Development; and Mr. Satish Kaushik, Chief Financial Officer. We will begin today's call with opening remarks from the management, following which we will open the floor for Q&A.

Before we begin, I would like to remind everyone that certain statements made during today's call may be forward-looking in nature. These statements are based on management's current expectations and are subject to certain risks and uncertainties that could cause actual results to differ materially. CMR Green undertakes no obligation to publicly update or revise any forward-looking statements based on subsequent events or new developments. With that, I would now like to hand over the call to Mr. Mohan Agarwal for his opening remarks. Thank you, and over to you, sir.

Mohan Agarwal – Chairman & Managing Director: Thank you, Ashi. Good morning. My name is Mohan Agarwal. First, my apologies that we had to reschedule the call. Actually, on November 6, unfortunately, I lost my father-in-law, so we had to shift the call. I hope everybody understands. Thank you for joining us today for the Q2 and H1 earnings conference call.

Before I turn to our performance, I would like to share a few words about the purpose that drives us at CMR. One is mobility. Mobility is integral to everyday life in India, and CMR plays an important role in keeping the country moving. Nearly one in every two vehicles on Indian roads has aluminum alloys supplied by CMR. By giving aluminum a second life, we make mobility lighter, more resource-efficient, and less carbon-intensive.

Sustainability is at the core of everything we do, with a strong focus across all three pillars of ESG: environment, social, and governance. Our commitment to the environment is reflected in our continued efforts to reduce our carbon footprint and leave a greener world for future generations. We supply low-carbon recycled aluminum to primary aluminum producers, and we introduced Continuum, an EPD-certified green billet. Each day, we continue to innovate for a better tomorrow.

Coming to our performance, today I would like to take you through not just our performance but also how we are continuing to build on larger purposes. Our responsibility as a limited company is to translate the trust of our employees, customers, suppliers, shareholders, and investors into profitable growth and sustainable returns. We delivered a strong second quarter with healthy growth across our financial and operational parameters.

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For Q2 FY27, revenue from operations stood at 3,471.9 crores, EBITDA at 150.7 crores, and profit after tax at 72.6 crores, representing year-on-year growth of 59%, 30%, and 25%, respectively. For H1 27, revenue stood at 6,594 crores, EBITDA at 290 crores, and profit after tax at 141 crores, representing growth of 62%, 29%, and 24%, respectively. For Q2 FY27, total sales volume grew by 14.4% to 1.2 lakh metric tons during the quarter. For H1, total sales grew by nearly 19% year-on-year.

Our core aluminum business recorded stronger growth of about 24%, with volumes reaching nearly 98,000 metric tons. Our new businesses also gained traction. Billet volumes increased by 126%, and UBC volumes grew by 170%. These businesses are widening our product portfolio and growth platform. EBITDA per kg, rather than EBITDA as a percentage, remains the more meaningful indicator of our underlying performance because price changes are largely passed [trails off]

Management: EBITDA per kg stood at 12 rupees 60 paise in Q2, compared to 12 rupees 40 paise in Q1 and 12 rupees 50 paise in H1. [pause] We are now pursuing the passing on of the increased financial cost on account of recent metal price increases to our customers, which should further improve our EBITDA per kg going forward. [pause]

Beyond our financial performance, I would like to explain what sets CMR apart from a typical large metal recycler. [pause] First, aluminum alloys are specialized products. Each grade is developed, tested, and qualified against a customer specification, and qualification cycles are long. Once approved, our product becomes part of the customer's engineering and production process, which makes it difficult for a new supplier to enter and for a customer to switch. [pause]

Second, our commercial model is designed to manage commodity price volatility. We combine LME-based hedging, lag-aware pricing, and customer pass-through mechanisms to reduce commodity risk and improve margin predictability. [pause]

Third, our advanced segregation capabilities and state-of-the-art processing technology enable us to recover and supply high-quality, furnace-ready scrap across metals such as copper, brass, zinc, and stainless steel. [pause]

Fourth, billets and sheet ingots are a growing part of our portfolio. We are the first in India to develop Continuum, our premium-quality, green, low-carbon billet made from post-consumer scrap with an EPD-certified carbon footprint. The fact that customers traditionally using primary aluminum billets are also purchasing from us reflects the quality and position of our product. [pause]

Fifth, we are also a first mover in closed-loop UBC recycling, with a dedicated facility serving a primary aluminum producer. This enables used beverage cans to be recycled back into the same value chain, supporting circularity and reducing dependence on primary resources. [pause]

Sixth, together, UBC, billets, and sheet ingots expand our addressable markets beyond automotive into sectors such as construction, renewable energy, and sustainable packaging. [pause]

All these strengths provide great predictability and visibility on volumes, along with more consistent profitability, making CMR a differentiated and increasingly de-commoditized business. This differentiated positioning is supported by a favorable demand environment across our end markets, giving us large opportunities for further growth. [pause]

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Coming to automotive, the Indian automotive industry recorded its highest-ever second-quarter sales in Q2 FY27, with passenger vehicles, two-wheelers, and commercial vehicles growing by 30.7%, 15.2%, and 28.7%, respectively. Rising EV adoption, with 3 times higher aluminum content per vehicle, further supports our growth. [pause]

Beyond automotive, demand for recycled aluminum is expanding across construction, packaging, electrical, and renewable energy, with these segments expected to grow at a 10-12% CAGR through FY30. A growing preference for low-carbon material, together with regulatory support from EPR and recycled-content mandates, adds momentum to our long-term growth. [pause]

On the financial front, I am pleased to share that CMR's credit rating has been upgraded by one notch by CRISIL to AA-. This reflects our strengthened financial standing and gives us greater flexibility going forward. [pause]

I would now like to address a few points raised in our earlier conversations with investors. Firstly, regarding cash flow, our cash flow from operations is influenced by our high capex investments and high growth. We earned an operating profit of 444 crores in H1, but an increase in working capital and tax payment of 703 crores led to slightly negative cash from operations. However, our debt-equity ratio is still at a healthy 0.9, and we will continue to exercise sound financial prudence and planning to maintain our focus on sustainable growth. [pause]

Next, on ROCE, I wish to inform you that historically we have achieved an average ROCE of over 20% over the last decade. In the near term, however, higher finance costs and ongoing capex have moderated our ROCE to around 14%. As these investments scale up and start contributing more meaningfully, we expect ROCE to progressively improve back to over 20% [hesitates] except when we keep pursuing additional growth opportunities and make large strategic investments in expansion and diversification. So, we always have to find a balance in what we should prioritize. [pause]

Next, regarding scrap availability, we remain well-focused on sourcing and diversifying our raw material supply. We are closely monitoring the proposed EU restrictions on metal scrap exports to India from May 2027, and we have been making representations to the relevant EU authorities to support the continuation of exports. In parallel, we also continue to further expand our sourcing geographies and supplier network, both in imports and domestically. [pause]

With all this, we expect that we will have sufficient supply of scrap. [pause]

I would also like to take this opportunity to briefly address a recent transition in our CFO position. [pause] While there has been a change in this role, and Mr. Satish Kaushik, our earlier CFO, has rejoined us, the CMR governance framework remains strong and well-established, supported by an independent board for over a decade and robust financial systems and processes.

S.R. Batliboi & Co. LLP served as our statutory auditors for 10 years before resigning on a rotation basis. They now continue to be associated with us as our internal auditors. I would like to thank Mr. Yugal Kishore Garg for his contributions and welcome Mr. Satish Kaushik as our new CFO.

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Before I conclude, I would like to reiterate our confidence in the long-term growth prospects of recycled aluminum across both automotive and non-automotive applications. With our leadership position, strong operating capabilities, and focus on sustainable growth, CMR is well-positioned to capture this opportunity. Thank you for your continued trust and support. I will now hand over the call for questions. [pause]

Operator: Thank you, sir. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

Operator: The first question comes from the line of Pranav Jain with Ageas Capital and Finance. Please go ahead.

Pranav Jain – Ageas Capital and Finance: Hi, I hope I am audible. Thank you for the opportunity. Firstly, my condolences to the family of {? Mr. Vora ?}.

Secondly, coming to the numbers, we have seen an increase in short-term borrowings. I am assuming it is for working capital, as metal prices increased during the first half. Now, as we see aluminum more or less stabilized around 3,000 and the chances of it going higher are less likely than of it going lower, can we see our borrowings moderate in the second half? In addition, regarding our cash flow from operations, if aluminum stays stable around the prices at which it is right now, are we expected to have positive cash flow from operations by the end of the year? These are my two questions.

Management: [pause] Thank you, firstly, for your condolences. It means a lot to us.

We are very focused on the cash flow situation. While prices have gone up, what we have seen and maintained is that our working capital cycle has actually gone down to 66 days from the 72 days that we experienced in March. Our overall debt, which, as you rightly pointed out, is mainly because of short-term working capital requirements, is short-term debt. That is the reason, but we are making our working capital cycle a little more efficient.

With aluminum prices, I also feel that 3,000 looks to be more sustainable. We do not think it is going to go back to the very high levels that we had seen earlier. This should be the normal range where prices should stay.

Our cash flow situation would definitely improve because there is also a lot of money that we have to receive from our customers for rate increases. There are a good amount of unrealized rate-difference debit notes. All that put together should definitely improve our cash flows. In fact, by March 27, we expect that we should become cash-flow positive, especially in H2 of this year.

Pranav Jain – Ageas Capital and Finance: Understood, sir. Are the borrowings expected to remain at this level, or should they moderate toward the end of the year?

Management: At the moment, we are looking at high growth, so borrowings should more or less stay at current levels. This is because the working capital cycle is efficient at this time. I do not see

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any reason why it should go down unless and until we make more money and are then able to repay part of the debt. The working capital cycle will more or less stay the same. In fact, it will get reduced because of our earnings growth going forward.

Pranav Jain – Ageas Capital and Finance: Understood, sir. On working capital, our inventory days and receivable days—are we planning, or is there a method, to reduce them further? Are we targeting a further reduction, or can this be a sustainable level for this year and the coming years?

Management: No serious change. I think what we are experiencing at this moment is more or less appropriate. I do not see any substantial change in that.

Pranav Jain – Ageas Capital and Finance: Understood, sir. One last question. Our billet and UBC facilities are going to operate at 100% utilization this year, which will add to the volumes and hopefully take us to the 5 lakh ton volume?

Management: Yes, UBC is ramping up quite well, and billet is also ramping up quite well. In fact, in the billet plant, we have already undertaken an expansion, which should be up and running by the end of FY27 or by April FY28 at the latest. Both these plants should reach 100% or near-100% capacity utilization by March FY27.

Pranav Jain – Ageas Capital and Finance: Understood, sir. That is all from my side. I will join back in the queue in case there are any more questions. Thank you very much for your answers.

Management: Thank you.

Operator: Thank you. Participants who wish to ask a question may press star and one. The next question comes from the line of Sagar with Altrumental Ventures. Please go ahead.

Sagar – Altrumental Ventures: Hi, sir. Can you guide us in terms of volume growth for both aluminum and non-aluminum? What are we looking at in FY27, in the current year, and next year?

Management: We have already set guidance of about 5 lakh tons for FY27. For FY28, we are looking at further growth of 15-18%.

Sagar – Altrumental Ventures: 18%, is that correct?

Management: Yes, 15-18% for FY28 is what we have budgeted.

Sagar – Altrumental Ventures: Can you give the breakup between aluminum and non-aluminum?

Management: Mostly, it will be 80% aluminum and 20% non-aluminum. Of the 80% aluminum, we expect 60% to be automotive and 20% to be non-automotive. This is the general guidance we have at the moment.

Sagar – Altrumental Ventures: Got it. In terms of EBITDA per kg, as you rightly pointed out, do you think that if the base aluminum price goes below $3,000, we will trend down below 12 rupees per kg and go back to our historical levels of 11 or around 11?

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Management: I think the new normal is about 12.5 as we see it. We are actually trying to pass on some finance costs to our buyers because our ROCE is quite low at about 14%, which should go up. So we are actually looking at improving EBITDA margins rather than seeing them decline.

Sagar – Altrumental Ventures: So, will it not have a correlation with the LME price? Is that what you are trying to say? Irrespective of what happens to the LME price, will we continue to hold and increase EBITDA per kg?

Management: More or less, that is the situation. We have seen that we are able to pass on the costs to our customers, which keeps EBITDA as a whole number fairly constant rather than as a percentage of the sales price. So, if prices go down, the EBITDA percentage improves; if prices go up, the EBITDA percentage reduces, but the whole number stays nearly the same.

Sagar – Altrumental Ventures: Got it. What percentage of our imports currently come from the EU?

Management: About 20% comes from the EU.

Sagar – Altrumental Ventures: What would be the top three geographies, and what percentage of imports should be coming from them? Can you quantify this, please?

Management: Yes, within the EU, it would be 20% may have been [cut off]

Sagar – Altrumental Ventures: No, I am asking on an overall basis, not just the EU—on an overall basis at the company level.

Management: Okay, sorry. Can you repeat the question at the company level? Which would be the top three countries from which we do our imports?

The US constitutes nearly 50%, or 48% to be precise. The UK is 8%, which is not part of the EU, and then the EU would be 12%, I suppose.

Sagar – Altrumental Ventures: [inaudible] including Southeast Asia?

Management: Yes, Southeast Asia.

Sagar – Altrumental Ventures: Okay. So the top three regions are the US, the EU, and Southeast Asia. In case the EU ban goes ahead as proposed, from which other geographies would we look to source?

Management: What we normally see in situations like this is that the availability of aluminum scrap is increasing by the day because more and more material is coming back for recycling.

Having said that, if the EU puts a ban on exports, then obviously the first consequence is that the imports that the EU currently receives will not go there. They will be distributed to other areas. There will be a readjustment of supply lines.

We have expanded our sourcing to more locations. We have moved significantly into Southeast Asia. We are importing more from Japan, Indonesia, Thailand, and countries like these. We have expanded into Southeast Asia, apart from being in the West most of the time. So, it is only a

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readjustment of supply lines.

Consumption is not really going to change overnight to such an extent that we will have problems sourcing this scrap. We will have sufficient quantities, and we are not reducing any of our expansion plans because scrap may not be available tomorrow. We remain strong on our expansion.

Sagar – Altrumental Ventures: One last question from my side. When do we expect the beverage cans facility to go live? What will be the Year 1 and Year 2 utilization?

Management: The beverage cans facility is already live. We are currently running at about 60% capacity utilization on a monthly basis. By March, we expect to go to over 90%. So, we will be at around 90–100% at that time.

Sagar – Altrumental Ventures: Got it. Thank you very much, and all the best.

Management: Thank you. Thanks.

Operator: Thank you. Before we take the next question, we would like to remind participants that you may press star and one to ask a question. The next question comes from the line of Raj Shah with Trident Solvency. Please go ahead.

Raj Shah – Trident Solvency: Hi, thank you for the opportunity. My first question is regarding the Q2 numbers [inaudible]

Operator: Mr. Raj, could you please use your handset? Your voice is coming through very quietly.

Raj Shah – Trident Solvency: Are you able to hear me now?

Operator: Yes, sir. Thank you.

Raj Shah – Trident Solvency: I am asking whether, in the Q2 numbers, there is any hedging or forex loss or gain incorporated.

Management: Yes, hedging is a regular exercise for us. When we look at overall profitability, we always look at it with hedging. I do not call it a gain or a loss. A hedge is compensation for large price movements. So, whatever is being reported is after considering the hedge—in your words, gain or loss, yes.

Raj Shah – Trident Solvency: Understood. Second, when you say that FY28 will have close to 18% volume growth, will aluminum grow slightly faster and will the share of aluminum continue to increase as a percentage of the overall business? Will it grow at 20–25% versus the non-aluminum side? The non-aluminum business has also been slightly weaker in the last two quarters.

Management: On an overall basis, we expect non-aluminum to keep pace with the same growth rate across the entire spectrum of the business. It did decline in the last two quarters, but it will pick up again. It declined only because stainless steel was slightly lower, as we could not find enough raw material for {? [unclear] ?}. We have corrected that, and stainless steel is also going to pick up and grow.

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Therefore, we expect similar growth in the non-aluminum sectors as well. What will grow faster is the non-automotive business, where we have significant growth potential. That is going to grow faster. Automotive is also growing very well at the moment, so we are keeping pace with that. Overall, it is a little difficult to say, but more or less everything will grow together, and overall we should achieve our projected numbers.

Raj Shah – Trident Solvency: Understood. If the EU scrap ban is not as detrimental as it sounds and we are able to recover volume from other places, can growth accelerate to around 25%, which we achieved in FY27?

Management: I am sorry, I did not get the first sentence of your question.

Raj Shah – Trident Solvency: I am asking whether, if the EU scrap ban is not as detrimental to us, growth can accelerate to 25%, as we achieved in FY27. Are we being slightly conservative in our numbers?

Management: We will stick to the projections that we have made. We generally like to be a little conservative, but what we have usually seen is that we are able to deliver what we budget for.

Regarding the EU scrap ban, we are taking steps to mitigate its impact if it comes. It is quite possible that the EU may not actually defer it, but there could be some relaxations in between that would allow the flow to continue.

The EU is using all the scrap that it can use at the moment. What the EU scrap ban is going to do, and what is being discussed within the EU itself, is that the price of scrap there will go down quite a bit. It is like transferring money from the pockets of scrap recyclers to the pockets of consumers, or something similar, which is something that will not hold for a long time.

Raj Shah – Trident Solvency: Understood. My last question is regarding the higher finance costs. You said that you are also incorporating or recovering some of the finance costs from your customers. Can we see another 3-5% growth in EBITDA per ton for FY28?

Management: 3-5% meaning [pause] over the 12 rupees 50 paise, you mean?

Raj Shah – Trident Solvency: Yes, close to around {? 80 paise, 30, 50 paise ?}.

Management: I think so; easily, it could be.

Raj Shah – Trident Solvency: Understood. Thank you very much. Thank you for the opportunity.

Operator: Thank you. Ladies and gentlemen, if you wish to ask a question, you may press star and one. The next question comes from the line of Sahil Bombarde with Monarch Network Capital. Please go ahead.

Sahil Bombarde – Monarch Network Capital: Hi, sir. Thank you for the opportunity. Firstly, management has guided for sustainable EBITDA of, let us say, 12-12.5 per kg. Looking at the next 4-5 years, what could be the key drivers that would help CMR increase EBITDA per kg beyond this level? Could it come from a better product mix or a higher share of liquid aluminum? Or should investors consider 12.5 per kg a reasonable long-term level? That is my first question.

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Management: On a longer-term basis, the way I look at it is through ROCE in our business. Traditionally, we have had an ROCE of more than 30% [trails off]

Management: According to me, that is what I target. For that, the EBITDA percentage and EBITDA per kg would also exist. That is on the profitability side.

Regarding growth, with aluminum and recycled aluminum, more metal becomes available for recycling with every passing day.

Aluminum and recycled aluminum will continue to grow in various applications. With the advent of technology, we can recycle more scrap and make a very high-quality product. CMR is among the highest technology adopters in the world.

In addition, our presence in both the automotive and non-automotive consumption spheres opens up 80% of the overall consumption for us, making that our serviceable market.

This will ensure that we are able to continue growing well. As I said in my speech, I think CMR is well-positioned, with our leadership position, strong operating capabilities, focus on technology, and the market that we have been able to penetrate. All this together puts us in a comfortable position to capture the growth as it comes.

Sahil Bombarde – Monarch Network Capital: If we talk about ROCE, do you have a target ROCE that you aim to achieve over the next 2-3 years?

Management: 25%. That is what we have achieved in the past, so there is no reason why we should not achieve it in the future.

Sahil Bombarde – Monarch Network Capital: Understood. You also mentioned that CMR could diversify its scrap sourcing to other countries if the European export restrictions come into effect. Do you expect this to put any meaningful pressure on your EBITDA per kg if the European export ban comes into effect?

Management: First, we are already present in and source from all six continents across the world. We are also expanding and strengthening our domestic sourcing within India. Therefore, I do not think the EU ban will make any material difference either to our volumes or to our profitability.

Sahil Bombarde – Monarch Network Capital: That answers my question. Thank you.

Operator: Thank you. Participants who wish to ask a question may press star and one. The next question comes from the line of Ajit Sethi with iThought Content Solutions. Please go ahead.

Ajit Sethi – iThought Content Solutions: Thank you for the opportunity. Regarding your guidance of 18% volume growth in FY28, if I do the math, it comes to around 85% utilization on 7 lakh ton capacity, which you mentioned in the presentation. What future capacity are we looking to add for further growth in FY29 and beyond?

Management: [pause] There will be capacity additions because, traditionally, for the automotive business, we operate at 70% capacity utilization, while for the non-automotive business, our capacity utilization should be in the range of about 95%.

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Therefore, 85% on 7 lakh tons is effectively meeting our full capacity. We will have to undertake further expansion to meet the additional growth that will follow. I have not done my calculations for FY29 and beyond, so I am not able to quote a number there.

Ajit Sethi – iThought Content Solutions: Can you please share the spread between recycled aluminum and virgin aluminum?

Management: The spread for recycled aluminum in automotive can be about 15–20%, with recycled aluminum being cheaper. For non-automotive, the spread is normally much smaller, and it depends on LME prices. If LME prices go up, the spread becomes wider, and if LME prices go down, the spread becomes thinner.

Ajit Sethi – iThought Content Solutions: Thank you very much.

Operator: Thank you. Participants who wish to ask a question may press star and one. The next question comes from the line of Aniruddha Sharma with Ekansh Investments. Please go ahead.

Aniruddha Sharma – Ekansh Investments: Hi, good morning, sir. Am I audible? I had a few questions.

First, the liquid metal supply model is a key competitive advantage. How does management plan to strengthen and expand this model? What are the key barriers that make it difficult for competitors to replicate?

Management: [pause] Liquid metal is our focus area. Liquid metal is also a focus area for the industry. More and more customers are approaching us for liquid metal. In fact, most of our new capacities for automotive applications are coming in the form of liquid metal.

For non-automotive applications, liquid metal is not desirable or not possible. Liquid metal brings a significant amount of commercial and environmental savings. Because of that, we see significant growth in liquid metal. The entry barriers in liquid metal are also very strong.

Once you tie up with a customer and set up a liquid metal plant near their plant, this creates a very strong entry barrier. To further strengthen our position as the preferred liquid metal supplier, we now have two patents.

One is for the safe transportation of metal from our premises to the customer's premises and back. The second is for monitoring and ensuring that there are no supply failures. Because the process is online, we do not have any chance of failure. We now have a patented methodology in which the process is very well monitored.

The next supply is indicated well in time, and there is back-traceability should a failure occur, which gives us the opportunity to take quick corrective action in the future.

All this together, and our presence in liquid metal being so strong, is significant. We started our first liquid metal operation in 2008. In the last 18 years, we still have more than 80% share in this space. We now also have patents to support us, so we see liquid metal actually propelling our growth.

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It de-commoditizes the business, our sales become very predictable, and that is the most important thing: volumes are predictable.

Management: Then the business is good.

Siddharth Bhattacharya – Dotcom Investments: Understood, sir. How does management view the demand environment in the automotive and non-automotive segments? What is the expected contribution from commercial-vehicle-related opportunities and from EVs and increasing aluminum usage in vehicles toward the company's future volume growth?

Management: [pause] We see a lot of growth. The automotive business is doing very well. It has only recently started to perform well. We have seen very strong numbers. In my interactions with the automotive OEMs, they are all very bullish and expect the momentum to continue.

The non-automotive business is also a kind of virgin space for us. We have a first-mover advantage there because nobody else has made this foray into servicing that large market. I see a lot of growth possibilities in the non-automotive sector as well.

Siddharth Bhattacharya – Dotcom Investments: Okay, sir. That is all from my side. Thank you for the opportunity.

Operator: Thank you. A reminder to all participants that you may press star and one to ask a question. The next question comes from the line of Trisha Shah with Trisha Family Office. Please go ahead.

Trisha Shah – Trisha Family Office: Hello, sir. I have a couple of questions. Starting with this, could you please provide an update on the ongoing and planned capacity expansion initiatives that you have undertaken, including the expected commissioning timelines and incremental capacity?

Management: [pause] At present, we had capex guidance of nearly 200 crores in FY27, to be allocated across various plants.

First, we have set up a plant in Shoolagiri. Shoolagiri is where the electric vehicle park is located. That plant should be commissioned in January 2027.

Then we have nearly {? 90 crores ?} of capex at... there is a lot of disturbance. Yes, Shoolagiri should be up and running in about January.

We also have a capacity expansion, which is more of a balancing expansion, at Jamshedpur. That is about 48,000 tons. At Tirupati, we are increasing capacity, and production should increase by nearly 50,000 tons there. The Tirupati expansion will come on stream in about March next year.

At Bawal, we have set up a small 12,000-ton plant. That should also start production [hesitates] in January or February FY... January or February 2027.

I also think I missed answering Amit's question in the last call regarding the EV space. We are present in the EV space. We are already present in automotive. Whether customers produce conventional vehicles or EVs, our share of those businesses remains the same. Therefore, we are capturing the EV growth.

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In cast aluminum, the EV and non-EV applications will require the same amount. In wrought aluminum, which includes extrusions and sheets, there will ultimately be 2 times the additional aluminum usage. We are already present in the wrought aluminum space as well, so we will be able to benefit from the increase in EV demand. [pause] I think I have answered both questions.

Trisha Shah – Trisha Family Office: What growth drivers are expected to support the company's expansion over the medium term?

Management: Automotive, renewable energy, EVs, construction, packaging, providing new metal to primary producers, and new recycled metal.

The recycled metal content of overall consumption continues to grow and will continue to grow. We are a zero-discharge company, with no solid or liquid discharge and a very low carbon footprint. All this also encourages primary producers to look at recycled metal as their new source of metal rather than relying only on mining. That should also be a significant source of demand in the medium to long term.

Yes, Ms. Shah, does that answer your question?

Operator: Yes, the current participant has been disconnected. We will move on to the next question. It is from the line of Siddharth Bhattacharya with Dotcom Investments. Please go ahead.

Siddharth Bhattacharya – Dotcom Investments: Hello, am I audible, sir?

Management: Yes, yes, sir.

Siddharth Bhattacharya – Dotcom Investments: I wanted to understand the liquid aluminum supply chain better. With our current capacity, is there a distance restriction regarding how far we can supply liquid aluminum from our plants?

Management: [pause] We generally do it up to about 30 kilometers. That is more or less the restriction we have. In certain cases, on a trial basis, we have supplied over longer distances, but at the moment we are planning for distances of up to 30 kilometers.

Siddharth Bhattacharya – Dotcom Investments: 30 kilometers, okay. In terms of liquid aluminum capacity, what is our capacity utilization? Can we measure that internally?

Management: [pause] Liquid metal mostly goes to automotive applications, and there we maintain 70% capacity utilization because we need to have backup production should anything go wrong. Therefore, we will maintain it at 70%.

Siddharth Bhattacharya – Dotcom Investments: 70%. From a customer's perspective, I wanted to understand whether there is a saving for them when we supply liquid aluminum, because they do not have to set up the foundry and related infrastructure. Do your customers fully rely on your supply, or do they also have foundries internally?

Management: [pause] They mostly rely only on our supplies. As a backup, they could have a melting furnace within their own facility, but normally we have seen that the capacity is not sufficient. We have been doing liquid metal since 2008 and have been quite successful with it. Customers

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therefore do not feel the need for their own capacity. We generate backups at our end, and that is more important.

Siddharth Bhattacharya – Dotcom Investments: Correct. Got it. Thank you very much for the answer, sir.

Management: Thank you, sir.

Operator: Thank you. A reminder to all participants that you may press star and one to ask a question. Please wait. Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to management for closing remarks.

Management: Thank you very much to everybody who is on this call and attending. Thank you also for asking such relevant questions.

We will continue to put in our best efforts to further fortify the strong position that CMR has been able to create for itself in the field of metal recycling, primarily aluminum. We are also quite strong in other parts of recycling. In those areas as well, our products command a slight premium because of the quality we provide, even when it is sorted copper scrap.

We will continue to innovate, and we will continue to bring more value to our customers and, in turn, to our stakeholders. Thank you very much.

Operator: Thank you, sir. On behalf of CMR Green Technologies Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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