To 29.08.2026

The Manager- Listing Compliance
National Stock Exchange India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla complex, Bandra (E), Mumbai 400051

NSE Symbol: NRL;
ISIN: INE0JM501013

Sub.: Transcript of the Conference Call – Nupur Recyclers Limited ("Company")

Ref.: 1. Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("SEBI LODR Regulations")

Sir/ Madam,

Please find enclosed herewith, the Transcript of the conference call for the Analysts/ Investors, which was held on Monday, August 24, 2026 ("said conference call"), to discuss the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended on June 30, 2026 ("said transcript").

The said transcript is also made available on the website of the Company i.e. at https://www.nupurrecyclers.com/sebi-lodr-regulation46.html.

This is for your information and records.

Thanking you,

Yours faithfully,
For Nupur Recyclers Limited

Shilpa Verma
Digitally signed by Shilpa Verma
Date: 2026.08.29 12:34:41 +05'30'

Shilpa Verma
Company Secretary & Compliance officer
M.No. F10105

Encl.: As above

"Nupur Recyclers Limited

Q1 FY27 Post-Results Earnings Conference Call"

August 24, 2026

MANAGEMENT: **MR. RAJESH GUPTA – CHAIRMAN AND MANAGING DIRECTOR**

MODERATOR: **MR. RUSHABH SHAH – ADFACTORS PR**

Moderator: Ladies and gentlemen, good day, and welcome to Q1 FY27 Post-Results Earnings Conference Call of Nupur Recyclers Limited, hosted by Adfactors PR. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation conclude. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Rushabh Shah from Adfactors PR. Thank you and over to you, Rushabh.

Rushabh Shah: Thank you. A very good evening to everyone and warm welcome to Q1 FY27 earnings call of Nupur Recyclers Limited. From the management, we have with us Mr. Rajesh Gupta, Chairman and Managing Director.

Before we begin the earnings call, I would like to mention that some of the statements made during today's call may be forward-looking in nature and hence it may involve risks and uncertainties, including those related to the future financials and operating performance of the company. Please bear with us if there is any call drops during the course of the conference call. We would ensure that the call is reconnected at the earliest.

I now hand over the call to Mr. Rajesh Gupta, Chairman and Managing Director for his opening remarks. Thank you and over to you, sir.

Rajesh Gupta: Thank you, Rushabh. Good evening, everyone, and a very warm welcome to all our investors, analysts and shareholders joining us today for Nupur Recyclers Limited's first earnings conference call as a listed company. Our Q1 FY27 financial results and press release have already been uploaded on the stock exchanges and on our website, and I hope you have had a chance to go through them.

Before I move to our business and financial performance, I want to briefly address a question that may be on many of your minds given the current geopolitical environment globally. I would like to assure you that this has not had a material impact on our operations. The reason is simple: we do not depend on any single country or region for our raw material. We source our scrap metal from multiple geographies the United States, Europe, the Middle East and Australia which gives us the flexibility to reroute our sourcing if any one region faces disruption. This diversified, multi-geography sourcing model has been, and continues to be, one of the core strengths of our business.

Let me now take a few minutes to explain our business in simple terms, particularly for those of you who are getting to know Nupur Recyclers for the first time.

We are in the business of recycling non-ferrous scrap metal. In simple words, instead of mining new metal from the ground, we import scrap, used or discarded metal from developed markets such as the US, Europe, the Middle East and Australia, and convert it into usable, good-quality metal that Indian manufacturers can use directly. This is a more sustainable, and often more cost-efficient, way of producing metal, and it sits at the heart of India's transition towards a circular economy.

Every year, we import approximately 8,000 to 10,000 tonnes of scrap metal, spread across three metals: around 4,000 tonnes of stainless steel, 3,000 tonnes of zinc, and 2,000 tonnes of aluminium. Once the scrap leaves the origin country, it typically takes about one to two months to reach our facilities in India. Once it reaches us, we process it and add value through sorting, cleaning, melting, alloying and converting it into ingots, extrusion products and other finished forms before selling it onward to end consumers across the automotive, solar, electrical and industrial sectors.

To build a more complete business around this core activity, we have put together a group structure with multiple subsidiaries internal integration. This lets us capture a larger share of the value chain, rather than remaining only a scrap trading and processing business.

We have three major operating subsidiaries, Frank Metals Recyclers Limited, Nupur Extrusion Private Limited, and Tycod Autotech Private Limited. On a consolidated basis after making adjustments of subsidiaries transactions, total Revenue of approximately Rs. 83.03 crores during the quarter, with the entity-wise break-up as under:

NRL at approximately Rs. 40.68 Crores

Frank Metals Recyclers at approximately Rs. 49.19 crores,

Nupur Extrusion at approximately Rs. 9.75 crores, and

Tycod Autotech at approximately Rs. 12.52 crores.

And others at approximately Rs. 93 lakh.

Let me take you through each of these subsidiaries briefly, along with their expansion plans.

Let me take you through each of these subsidiaries briefly along with their expansion plans. Frank Metals Recyclers Limited has recently entered the aluminium extrusion business taking aluminium and shaping it into long profiles and sections used in construction, Mivan shuttering, furnitures, door windows and other industrial applications, using extrusion machinery we have already invested in. Frank Metals plans further capacity expansion here, with the objective of building a scalable aluminium extrusion business over the medium term.

Nupur Extrusion Private Limited operates our Haryana facility and is currently running at 1800 MT per annum capacity against total production capacity of 2400 MT per annum, catering to solar plant manufacturing and OEM (original equipment manufacturer) customers, both segments seeing strong, secular demand in India today.

Tycod Autotech Private Limited is our forward integration into auto components manufacturing. We hold a 51% stake, acquired at an enterprise value of approximately Rs. 24 crore, and Tycod supplies reputed customers including Tata Motors (Pune), Tata Motors (Jamshedpur), Tata Motors (Rudrapur), Multitech Auto (Jamshedpur), Sundaram and Interpump Hydraulics, Havells and other more OEMs are coming to join. This lets us convert some of our recycled, value-added metal directly into finished components rather than only selling processed metal, and we continue investing in additional plant and machinery to scale this business.

One important feature of our model: broadly, about 70% of our value-added products are sold directly to third-party customers in the open market, while the remaining 30% flows to our own subsidiaries for further processing. This internal integration gives us better control over quality, pricing and realisations across the value chain than a purely standalone trading or processing business would have.

Let me now spend a couple of minutes on our manufacturing footprint. Our core processing operations are based at the following locations:

Our core processing operation are based at the following location. If I am talking about the Nupur Recyclers Limited, it's a Mandoli plant. So product wise, we are manufacturing zinc ingot 600 metric ton per annum. Capacity utilize is 500 metric ton per annum. It's about 83.33%.

Our new facility in Sampla, it's coming and it's under construction phase. We will produce zinc ingot, aluminum ingots in it with 200 metric ton per month under construction. New facility at Sampla, NRL. Again, we are coming with a world-class facility of LFP battery and we recycle 6,000 per metric ton per annum. It's, it's in a construction phase.

So, if I talk about the Frank Metals Recycling, it is a facility in Palwal, Haryana. So, we are producing zinc ingot 2,500 metric ton per annum. Capacity is the same, 2,500 metric ton per annum is utilized by 100%. Frank Metals Aluminum ingots 1,200 metric ton per annum. Capacity is also same, it's utilized by 100%. Frank Metals Aluminum billet, capacity, installed capacity is 1,000 tons and we are still producing 300 tons per annum. It's capacity is 1,000 ton per month and we are producing 300 metric ton per month. It's running at 30%. Frank Metals Extrusion capacity is 2,000 metric ton per annum and we are still using 2,000 metric ton per annum with a 100% capacity.

We have another facility at Pantnagar, Rudrapur. It's a Tycod Autotech Private Limited. We producing OEM auto components. 2,500 metric ton per annum is installed capacity. If I say to use ADC-12 in it and we are using, we are running at 48%. It's 1,200 metric ton per annum.

So, we have another facility Nupur Extrusion in Sampla, Haryana. This aluminum extrusion we are producing here. 2,400 tons per annum is its installed capacity and still we are using 1,800 tons per annum. It's running at 75% right now.

Let me now come to what we believe is the next big leg of growth for Nupur Recyclers.

Before we specify, a word on why we are excited about this opportunity. India's lithium-ion battery recycling industry is still at an early stage, but expected to grow rapidly as electric vehicle adoption scale up. Industry estimates suggest recyclable battery volumes in India could rise to approximately 128 gigawatt hours by 2030, with EVs accounting for close to half could rise to approximate half of this. Against that, India current organized recycling capacity is estimated at only around 60,000 to 70,000 tons a year. So, the industry needs to scale up several times over in the next few years. This is further supported by the battery waste management rules, which mandate extended producer responsibility and minimum material recovery targets by the customs duty exemptions on lithium-ion battery scrap announced in the Union Budget. In short, we see a meaningful demand-supply gap and a significant multi-year opportunity for recyclers with the right technology and extrusion capability.

It is against this backdrop that we are setting up a new facility in Sampla, Haryana with 6,000 tons LFP battery recycling, lithium iron phosphate battery recycling plant. Spread across 5 acres, expected to become operational over next 2 to 3 months. Through this facility, we will extract lithium, iron phosphate, graphite, copper, aluminum and a small part of copper sulfate from used LFP batteries, valuable materials that can be sold back into the market or reused in battery and industrial manufacturing other products. This is a natural expansion of our existing recycling expertise and importantly is expected to be a meaningfully higher margin business than our existing product mix. We will share more on capacity ramp up, investment and expected contribution closer to commissioning.

Let me now turn to our financial performance for the quarter.

Before I get into the numbers, I want to reiterate a point that we believe is central to the Nupur story. We are almost debt-free company at our core and we intend to fund our ongoing expansion plans including the Sampla facility, Frank Metals aluminum extrusion investment and the upcoming LFP plant largely through internal accruals other than relying on external borrowings. We believe this give us both financial stability and flexibility as we pursue our next phase of growth.

Coming to the numbers. On a consolidate basis, our total revenue for Q1 FY27 stood at approximately INR83.03 crore compared to INR53.03 crore in Q1 FY26. A growth of approximate 56.6% year-on-year and a growth of approximately 37.3% over INR60.47 crore in Q4 FY26. This growth has largely been driven by higher volumes in our core scrap processing and trading business, better realization and a steady ramp up in contribution from Frank Metals and our Nupur Extrusion as well as of Tycod Autotech facility.

Our EBITDA for the quarter came in at approximately INR12.86 crore compared to INR6.08 crore in Q1 FY26 and INR6.83 crore in Q4 FY26, a growth of about 111% year-on-year and about 88% sequentially. This translates into an EBITDA margin of 15.48% for the quarter compared to 11.46% in Q1 FY26 and 11.29% in Q4 FY26. This improvement has largely come from three factors. First, better capacity utilization, particularly at our Frank Metal facility. Second, a richer product mix with a growing share of higher value, value-added products such as extrusion rather than plain scrap trading. And third, continued cost discipline across our sourcing and processing operations.

A word on why we believe this margin improvement is sustainable, not a one-off. As our value-added verticals, extrusion today and the LFP business going forward become a larger part of our revenue mix. Blended margin should structurally improve since these products earn meaningfully better realization than plain scrap trading. Being largely debt-free also means we do not carry a heavy finance cost burden. And as our new facility scale towards full utilization, we expect to benefit from operating leverage as well. Taken together, we see this as a structural shift, not regular pricing in one particular quarter.

Profit after tax for the quarter stood at approximately INR7.39 crore compared to INR4.04 crore in Q1 FY26 and INR3.35 crore in Q4 FY26, a growth of approximately 82.6% year-on-year and 120.6% subsequently. Over PAT margin for the quarter came in at 8.9% compared to 7.63% a year ago.

I also want to touch upon other income, which stood at approximately INR3.69 crore on a consolidate basis for the quarter compared to INR2.05 crore in Q1 FY26.

With that, thank you once again for your time today, for your continued confidence in Nupur Recyclers. I will now end the call back to the moderator to open the floor for your questions.

Moderator: Thank you so much, sir. Ladies and gentlemen, we will now begin with the question-and-answer session. Our first question comes from the line of Prisha Shah with Shah Family Office. Please go it.

Prisha Shah: Hello sir, good evening. So, sir, I have a couple of questions, you know, starting with the expansion and the capital raised for the same. So, how are you right now prioritizing the allocation across the capacity expansion, working capital, the LFP recycling that you mentioned and also the downstream integration? Could you please, you know, help us provide some color?

Rajesh Gupta: Can you ask one by one of your question because in your one question there is a lot of questions inside. So, if you, could you please one by one so for me is very easy to listen you and reply on the same.

Prisha Shah: Okay, No problem, sir. So, my first question was on the capital raised for expansion. So, you know, I just wanted to know how you are allocating the capital raised between the capital expansion, working capital.

Rajesh Gupta: So we have enough capital in our books from our internal accruals from the so many years what we are earning. So, we deploy the same for our expansion, for land acquisition, for the machinery and other things. And the allocation your next question was about how you can allocate these funds? Right?

So, whenever we require any funds be it in the company or subsidiary, Nupur Recycler put the money on its shareholding and we use it in spending on machinery as well as the working capital.

Prisha Shah: Okay, sir. Understood. So, my next question is in over the next 3 to 5 years, how do you see growth being distributed, in value-added products growth, capacity expansion, how is it?

Rajesh Gupta: So we have still three subsidiaries. One is Frank Metal, one is Nupur Extrusion and third one is Tycod Autotech. So, every company is running at about 30% to 40% of the installed capacity. Right. So, we as a promoter decision if there is any requirement, we can go through it.

Prisha Shah: Okay, sir. Understood. Sir, just one more question. So, as Nupur expands across the recycling and the downstream processing which you have, so after this, how do you see the business mix margin profile in the next three to four years?

Rajesh Gupta: So, margin is the same. See, for the trading business, we are doing business on a margin of 2% to 3%. If we go for the forward integration, smelting and others, again 2% to 3% and if you go for the machinery and for the OEM business, again 2% to 3%. So, mostly our business is about from 7% to 10% of the margin.

Prisha Shah: Okay, sir. Thank you so much. That was really helpful from my end.

Rajesh Gupta: Great. Thank you.

Moderator: Thank you. Our next question comes from the line of Bhavya Aggarwal with Share India. Please go ahead.

Bhavya Aggarwal: Hello sir. Thank you for giving me this opportunity. Sir, I have a couple of questions. My first question being that, sir, how much is the Nupur Extrusion's current capacity or utilization? And in the next two three years what is the managements plan for capacity expansion?

Rajesh Gupta: So, Nupur Extrusion, plant, is in Sampla, Haryana with a 2 acres of land and about 40,000 of square feet area is covered. So, here we are running, we are running a 5-inch press right now with a capacity of 200 tons per month of extrusion we are producing. We already ordered one more Chinese automatic machine which is 4 inches machine. So, it should be in for the next two or three quarters or maybe this financial year end. We will go by about 350 tons per month. This is the final capacity of this Nupur Extrusion plant.

Bhavya Aggarwal: Okay, sir. Understood. So, my next question is, sir, Sampla zinc ingot facility's commissioning.

Rajesh Gupta: Can you speak a little louder?

Bhavya Aggarwal: Sir, what is the expected timeline for Sampla zinc ingot facility commissioning? What will be to total capacity?

Rajesh Gupta: So, sir, regarding Sampla plant, already the land is purchased in which construction is in progress. And in the next two to three months it will be ready for manufacturing. So, we are coming with Sampla plant in Nupur Recyclers and its capacity for this for zinc ingot is about 200 metric ton per month and about 200 metric ton of aluminum production in EDC-12. And mostly this is for the lithium extraction from the LFP batteries. So, the plant will be used for LFP battery recycling.

Bhavya Aggarwal: Yes sir my next question was focused on this itself. How is the management looking at LFP battery recycling opportunity? And what is Nupur business growth strategy for the next two to three, four years? And what scale is it expecting to target?

Rajesh Gupta: So, sir, many people are recycling LFP and NMC batteries. But we are coming with the hydro and pyro both of recycling. So, within LFP battery viewpoint of management is that we can scale up the plant we are currently setting up, which has a capacity of 6,000 metric tons, or 500 tons per month in the future. Since many players are not yet recycling LFP batteries, we are leveraging the first-mover advantage, and maybe we will get more profits from this business.

Bhavya Aggarwal: Okay, okay. Thank you, sir. That's all from my side. Thank you.

Rajesh Gupta: Great, great, great. Welcome.

Moderator: Thank you. Our next question comes from the line of Kaushal Sharma with Equinox Capital Venture Private Limited. Please go ahead.

Kaushal Sharma: Hi sir. Very good evening. Am I audible?

Rajesh Gupta: Yes, yes, Kaushal, welcome.

Kaushal Sharma: Yes, heartiest congratulations for good set of numbers, sir. Sir, my question concerns your overall recycling segment, covering materials like zinc, aluminum, and stainless steel, and now your foray into lithium-ion. I would like to understand what the EBITDA margin per ton is across this segment?

Rajesh Gupta: Sir, if I say that if I do back-to-back trading in Nupur Recycler, it's about 2% to 3% of the purchase price, right?

Kaushal Sharma: Okay.

Rajesh Gupta: If we go, if we go to manufacture EDC-12, Zamak 3, Zamak 5, secondary zinc alloy ingot for zinc oxide and for other products, then again we are 2% to 3% and if we go for aluminum billets from scrap, one is the import of scrap, then sorting of scrap, then alloying of scrap, then making a billet and then again from billet to extrude, it's again 2% to 3%. So, we can say that for every INR100 of business generated, we earn a profit of around INR7 to INR10.

Kaushal Sharma: Okay. So, in terms of tonnage, if you could share the EBITDA generated per ton for zinc, aluminum, and the lithium-ion business you are currently starting in absolute terms?

Rajesh Gupta: Sir, it is difficult to say anything definitive about lithium right now, but it's a marginable business, it's a good business because many people are not doing it, there is first mover advantage. But still, I am not able to comment on it that how much margin will come per ton, but should be around 10% minimum because we can carry a EPR also in it.

Kaushal Sharma: And sir, regarding the LFP plant we are setting up how many acres of land does it cover, and what is the current capex involved? You mentioned that it is set to start operations in two to three months; so, what is the total Capex for this project, and what is the scope for future expansion on this specific plot of land where work is currently underway?

Rajesh Gupta: Sir, this is a land of approximately 5 acres, and we are constructing a covered area of 135,000 square feet on it. We are investing around INR50 crore to INR70 crore in the land, building, and plant.

Kaushal Sharma: And how much can the capacity be expanded beyond 6,000 tons, given that the current plant is rated for 6,000 tons?

Rajesh Gupta: Sir, now it is a plant of 6,000 tons. We are trying to buy other land also near to this. Maybe we can go about to 10,000 tons, but still we will work on only 6,000 tons. After 1 year and 1 and a half year, if the results are good, then we can go for further.

Kaushal Sharma: And Sir, there are also some long-term liabilities of INR24 crore on your balance sheet; what was the purpose of incurring them, and how do we plan to repay them going forward?

Rajesh Gupta: Long-term liability for INR24 crores?

Kaushal Sharma: Yes.

Rajesh Gupta: In which company? It's a consol or it's on standalone?

Kaushal Sharma: It is in consolidated balance sheet. Long-term borrowings is around INR24.14 crores.

Rajesh Gupta: That's long-term borrowing when we invested in Tyco Auto Tech in INR24 crore. So, on that time, we took some loan from Tata Capital, I think. That was that is the same.

Kaushal Sharma: So, what is the timeframe for this, Sir? By when does the money need to be paid, and at what interest rate have we borrowed it?

Rajesh Gupta: Sorry?

Kaushal Sharma: By when do we have to repay this, and at what interest rate did we borrow this money?

Rajesh Gupta: So, I think it's about 9% - 10% and we have a long-term loan of about 5 to 6 years because we are owning as a Nupur Recycler 51%. So, we don't want to put large amount from the Nupur Recycler, that's why we took a loan from Tata Capital.

Kaushal Sharma: And sir, in the recycling business, sourcing is critical, and hedging presents the biggest challenge, especially with aluminum. So, how do you hedge your prices, whether for zinc, aluminum, or other materials?

Rajesh Gupta: Sir, we are in this business from the last 3 decades, right? So, we have a good experience for importing the material from everywhere. And the second thing is in my past experience, we never hedge the US dollar, Euro and pound and never hedged on the LME. So, we buy and sell and we carry our stock in our yards. So, always, we only buy and sell.

Kaushal Sharma: And in future, we will remain like this too, first of all we will use aluminum, zinc and all the recycling commodities.

Rajesh Gupta: Yes, because volatile market and because we are carrying a stock also, so what we found in the past that if we do not hedge, then we make a profit.

Kaushal Sharma: And sir, how does working capital move in this entire business, like receivable, inventory and payable days? On sustainable basis if you want to explain?

Rajesh Gupta: So, sir, mostly, because we are registered as a MSME, so everyone should have to pay us at 45 days, right? And there is a lot of money in stocks. Because when you are producing the material and sending to their own subsidiaries, importing and scrap sorting and manufacturing, alloying and everything, so business requires money, sir.

Kaushal Sharma: So, how much inventory…

Moderator: Sorry to interrupt you sir. But Kaushal, please rejoin the queue from the question.

Kaushal Sharma: Sir, all the question are on this working capital.

Moderator: Sir, you may please rejoin. We have a lot of participant sir, please rejoin. Thank you. Our next question comes from the line of Darshil Jhaveri of Crown Capital. Please go ahead.

Darshil Jhaveri: Hello. Good evening sir. Thank you so much for taking my question, sir. Firstly congratulations on a great set of results, sir. Sir, I had to know that our revenue growth in this quarter was very good. So can we do sustainable growth about this number? Is this INR80 crore that we have done is sustainable every quarter-on-quarter for the entire year?

Rajesh Gupta: You're very much right. This quarter has come, next quarter will be more improved and over next quarter we are trying to improve more.

Darshil Jhaveri: Okay, sir. Every quarter there will be some improvement.

Rajesh Gupta: Yes. Because of our all the facilities are running now very well. These are all 2, 3, 2.5 years old facility who have had the opportunity to work. So we have installed many plant and machineries. So we are trying our best to do more and more revenue from the scrap trading, from manufacturing works and other OEMs products and machinery products.

Darshil Jhaveri: Okay. That's really great to hear sir. So sir, just want to know that sir, what do you think about our revenue and PAT this year and next year?

Rajesh Gupta: Sir, it is projected and I believe I don't think I will be able to tell you the numbers like this, but…

Darshil Jhaveri: Rough range will also do, sir, whatever you can say?

Rajesh Gupta: Sir, statement, I think as a promoter, I will not be able to tell.

Darshil Jhaveri: Okay.

Rajesh Gupta: But still, you should assume that even if topline has come in at INR83 crore, then it will be in multiples of this, not less.

Darshil Jhaveri: Okay. That's really great to know, sir. Sir, I think we have got the best PAT margin in our history. So, I think this is not a one-off, right? Like, if we are getting 10% roughly PAT, then it is sustainable.

Rajesh Gupta: What we are doing is about, you know, 7% to 10%. As I told earlier, also the others, this metal scrap business is a volatile business, right? So, maybe sometimes a little bit. Definitely, we say the whole year is good. I mean, always it will go good.

Darshil Jhaveri: Okay, okay. Fair enough. So, just last question from my end. Right now, how much is the total expense for capacity in capex. I think lithium plant has INR50 crore, INR70 crore, but is there any more plan for this coming two years…

Rajesh Gupta: Sir, we are looking more plants, whatever the plant come from, INR50 crore to INR150 crore. We are looking from the NCLT also. But on the same range, we are looking to acquire some lead recycling unit also. So, expand more, not internationally, but in India.

Darshil Jhaveri: Okay, sir how are we funding – is there any plan to take debt or any internal accrual…

Rajesh Gupta: So, we don't have any debt on Nupur Group. Event if it is there is it too small. We have the funds in our system. If in any future we acquire something for INR100 crore, so, then we go to raise the money. Otherwise, from our internal accruals and profits, we will carry the same and acquire from our own funds.

Darshil Jhaveri: Okay, thanks. That's it from my side. Thank you.

Rajesh Gupta: Thank you.

Moderator: Thank you. Our next question comes from the line of Bhavika Singhvi with Niveshaay. Please go ahead.

Bhavika Singhvi: So, thank you for the opportunity, sir. So, I want to understand on the capex, which are planning on the battery recycling, where we are expecting the procurement of the batteries and after once we recycle all the components out of it, do we have any long-term tie-ups with our customers for the supply of those components? And also, I want to understand that how we are planning to hedge ourselves against the prices going forward once the plant will be operational.

Rajesh Gupta: So, your first question is from where we acquire the batteries, right?

Bhavika Singhvi: Yes. Sourcing of batteries?

Rajesh Gupta: So, as you know that we are in the business of import. So, overseas also, there are a lot of stock still for people to sell for the lithium ion batteries, electric batteries. Okay. So, this is the one point because we are in the import business and we know each and everything for the import.

And the second one is a lot of the new companies are coming to manufacture LFP batteries like Tata, Exide and other batteries company. So, when they produce the batteries, it's about 10% to 15% is the rejection coming from the new batteries. Okay. So, we can buy from them also as well as we can buy from the source of import as well as of the local from the domestic market.

So I think for this year, I think is 1,27,000 tons of batteries coming and we are only installing 6,000 tons of battery plant here.

Bhavika Singhvi: On the client side, do we have any contract in hand or to supply the once the battery is recycle like how we expect to like sold components which we get out of the recycled one?

Rajesh Gupta: So first we must know about what is coming from the recycling of the electric battery right? So first point is aluminum, it's about 10% to 12% aluminum coming from the electric battery after recycling. So it's used in our extraction plant in house consumptions and for the second thing is the copper we extract, this one also, we use for our EDC-12 manufacturing as well as we can make a copper ingot and sell it in the market.

Third one is we extract lithium, we can sell in the market. For the manufacturer who are using lithium for industrial grade. We are not extracting battery grade right now, but our team is working on it. We sell these lithium to the manufacturer who are doing industrial grade and other items. Again, iron phosphate we extract from it as well as we extract graphite. So we are exploring the market once the plant will start then we can tie up others from both the side from the buyer side as well as the sales side.

Bhavika Singhvi: Got it, sir. And sir, the last one on the hedging side, as like as we know that we already have the aluminum extrusion plant. So, I want to understand that how we hedge ourselves against the raw material cost because when we look at the market, secondary aluminum is not a listed on any website. but whereas there are other players in the mark industry which are hesitating to enter into aluminum market because there is no hedging availability possible for them. So, how we hedge ourselves against the fluctuation in the primary aluminum prices?

Rajesh Gupta: So, we are not using more primary aluminum. We are using imported scrap like extrusion like tin table, some of wire aluminum. So, these item we are using and a small 5% to 10% of the primary aluminum ingots, right? Again we are not hedge anything. We always depend on our stock as well as of back-to-back buying or selling.

Bhavika Singhvi: Okay. So, how the prices of secondary aluminum is defined in the market if you can explain me that because I'm not...

Rajesh Gupta: So, it's based on LME. It's based on London metal exchange LME. Whatever the opening of closing of the LME and aluminum. So in domestic market the price is settled like on the demand-supply as well as of the LME indicates.

Bhavika Singhvi: So, there is a lag or it's direct link to the aluminum prices? The primary one.

Rajesh Gupta: Sorry?

Bhavika Singhvi: I'm asking that in the secondary like as you said that it will be defined by the prices of aluminum which is listed. I'm just asking will there be a lag of a month or two or it will be like spot basis only? Like there is a direct link or there is a lag?

Rajesh Gupta: So, it's always on the spot basis because we are selling today. We never sell on three months basis or two months basis. We always sell and purchase on today prices.

Bhavika Singhvi: Okay. Got it. Okay, thank you so much.

Rajesh Gupta: Great.

Moderator: Thank you. Our next question comes from the line of Radhika Dabholkar with Aikyam Capital. Please go it.

Radhika Dabholkar: Thank you again for the opportunity first of all. I wanted to ask that the inventory days had increased. Our inventory days increased during March '25 and then we were able to reduce it a bit in March '26. But do you have any plans on how to further reduce it? Have you thought about that?

Rajesh Gupta: Yes, we are trying our best to reduce the inventory but because we are gaming on this inventory importing. So, sometimes what happened is the shipping time, if from Europe you say it's 20 days for the ship from Hamburg to Mundra. And sometimes it takes more time. So, that's why we need 45 to 60 days of inventory in our system. So, the plant should run and we can supply our ingots, extrusions to our OEMs and our buyers.

We are trying because we also know that there is a huge cost involved in the inventories as well as the risk is also because we are not hedge anything. So, we try our best to reduce, I think the in last two, three months we reduced some inventory but again due to war we have to again increase our inventory and that's the reason for it.

Radhika Dabholkar: Got it, sir. Thank you, sir.

Rajesh Gupta: Great.

Moderator: Thank you. Our next question comes from the line of Kapil Ahuja with Equinox Capital Venture Private Limited. Please go ahead.

Kapil Ahuja: Hi, sir. This is Kapil Ahuja. Congratulations for good results.

Rajesh Gupta: Hello, Kapil.

Kapil Ahuja: I wanted to ask regarding this battery. You will be taking black mass from outside also or the black mass that you crushed, the battery that you crushed will be sufficient for black mass and then further processing into hydrometallurgy?

Rajesh Gupta: So I think once we start our operation in our unit in Sapla, I think we have sufficient black mass we produce from the LFP battery. If there is a requirement to buy from the domestic, we can definitely buy from the domestic market. But still there is no plan to buy from the domestic market of black mass.

We only separate aluminium, copper and black mass from the LFP battery and then use a hydrometallurgy we can extract the lithium, iron phosphate, graphite and other difficult minerals from it.

Kapil Ahuja: Right. And is your plant fungible? You can use procure NMC batteries also because the older vehicles...

Rajesh Gupta: No, we don't. NMC batteries we don't require to explore more because we don't want to sell this black mass. We want to be the full operation of the LFP battery. So we use that technology to extract lithium, iron phosphate, graphite.

Kapil Ahuja: Right, sir. What will be the capacity for hydrometallurgy.

Rajesh Gupta: So it's 6,000 tons per month. We have 500 tons per month capacity that we have installed, 6,000 tons per annum but we can increase it also. It's a continuous process in the hydrometallurgy.

Kapil Ahuja: And the realization for one ton will be approximately?

Rajesh Gupta: So it depends on the prices of lithium. If you know about two years back, the lithium prices was about INR7,500 7500 per kg and was the eight months back or nine months back it is INR700 per kg. Now still we heard about this INR2,300 per kg is lithium prices. So it all depends on the market situation. Sometimes battery is coming at INR50, sometime battery is coming off INR150, so it's a demand supply and, you know, the prices of aluminium, copper and the other critical metal.

Kapil Ahuja: And sir, you just answered regarding the import of the batteries. As far as I know, the import is strictly restricted, but it's not banned, but it's strictly restricted because...

Rajesh Gupta: So, we as Nupur Recyclers are planning to go to MOEF and the Central Pollution Control Board. So, it's not restricted, but if you have the license to import then you can import. There is no such restriction for the importing of battery stack.

Kapil Ahuja: Right, sir. And my last question will be in FY27, how much top line can we do approximately from the battery business? After accepting the market…

Rajesh Gupta: So, sir, we are stepping on the end of August. You know, we have about 7 months in this financial year, right? So, I think the plant will start in 2 months to 3 months or maybe 3 months to 4 months because the construction is going on. So, hopefully, I'm not saying too much, but maybe the last quarter it should be better and we are trying our best to start the facility and the extraction of lithium and other products. But I'm not saying anything about the numbers on what we will do because we are just starting phase.

Kapil Ahuja: And sir, my last question would be, in Delhi…

Moderator: Okay. Kapil, I'm sorry to interrupt you…

Kapil Ahuja: Okay. No worry.

Moderator: Sir, I'm sorry. Yes. You may please rejoin. Thank you. Our next question comes from the line of Shreyansh Jain with IIFL Capital Asset Management Limited. Please go it.

Shreyansh Jain: Hi, sir. Thank you for the opportunity. Just a follow-up question, you mention that you're not engaging into long term contract with any of our customer, right? Like, we trade on daily basis according to LME price, am I right?

Rajesh Gupta: From the buyer side, or the seller side?

Shreyansh Jain: From our side, like if we are having any deals with anyone suited on spot bases and there is no long term contracts with any of our customers.

Rajesh Gupta: Of our customer, so if I say about a Tycod, so we are selling to Tata Motors, right?

Shreyansh Jain: Right.

Rajesh Gupta: So, we are selling about 43 single source for the Tata Motors Pune a small tempo for about 2 tons loading capacity. So, we have a long terms contract with them so for every OEM we have the long term contracts from the selling side. But for the scrap trading and for the other products we don't have any long term contract because everyone is open buy or sell, because the market is volatile, so sometimes people want to buy, sometimes people do not want to buy.

Shreyansh Jain: All right. And how much percentage it would be OEM sales as percentage of revenue?

Rajesh Gupta: So, it was about 22%, I think.

Shreyansh Jain: Okay, sir. Thank you.

Rajesh Gupta: Great.

Moderator: Thank you. Our next question comes from the line of Chaitanya Satve from Incred PCG. Please go ahead.

Chaitanya Satve: Hi, good evening, sir.

Rajesh Gupta: Good evening.

Chaitanya Satve: Yes, so some questions. So, sir, you're this quarter your EBITDA has increase by more than 50%, and your EBITDA margin has also improved. So, what is main reason behind it and will it be sustainable in FY27 as well?

Rajesh Gupta: Yes sir, we will see it. We are doing our best to increase our business revenue top line bottom line. So, the main reason is that we increased our capacity, and the second reason is the prices of the metal scrap as well as of the finished products increased by 10% to 25%. That is also one of the reasons that the top line and bottom line is increased from the part.

And as well as we are, you know, forward integration from scrap to smelting, sorting and billet making as well as of extrusion as well as in Tycord we have a large facility, beautiful facility for

VMC machine, CNC machine as well as die casting machine. So that's why every company is now growing.

Chaitanya Satve: Okay sir, okay, understood. Sir, in your Q1 FY27, the gross margin has 11.3% to 20.3%. So, what the main reason, and will we this growth in the margin.

Rajesh Gupta: Yes, sir. The scrap and metal scrap market is inherently volatile. Going forward, margins may fluctuate within a range and could be around 10%–25%. However, we do not expect the margins to fall back to the earlier levels of around 10%–12%. In a volatile market, a fluctuation of around 1%–2%, either upward or downward, can be expected. However, from a long-term perspective, we expect the margins to improve and do not foresee any significant decline, as the Company is currently operating at its full capacity.

Chaitanya Satve: Okay, okay. Thank you, sir. That's all.

Rajesh Gupta: Great, great, great.

Moderator: We take then a follow up question from Shreyansh Jain with IIFL Capital. Please go ahead.

Shreyansh Jain: Sorry sir, I just missed a point in my question. Actually, the OEMs sell is 20% of our business roughly, how we manage the pricing because in case of large OEMs like Tata Motor, we would need to fix the pricing. For example, if we are in three-month contract, we need to fix some pricing. But if there is ups or down, so we bear the differential or you make an agreement with parts and what is the condition there?

Rajesh Gupta: Regarding metal prices specifically aluminum the parts we supply to Tata Motors are made from aluminum alloys, specifically EDC-12 and EDC-6 grades. Tata Motors publishes price data on its 'MMR' website; previously, they used to provide a quarterly average price. However, over the last three months, due to rising aluminum prices, Tata Motors now announces prices on a monthly basis. All the costing is now worked out based on those prices, and the corresponding bills are raised later. Once a particular price is fixed, the material continues to be supplied at that price.

Shreyansh Jain: So, sir, basically, at the start of the contract, we decide on a price at which the billing is done. But if, during that one-month period, the price of the scrap or raw material that we are procuring increases, then we bear that increase because there is no hedging mechanism. Am I right?

Rajesh Gupta: No, no, it happens like this, sir. For example, let me tell you about Tata Motors. Earlier, the price of EDC was INR220. Then it went up to INR245, after that INR310, then INR328, and then INR340, and eventually INR372. The last billing we did was based on INR372. But as of today, the price is around INR317.

So, accordingly, there is continuous buying and selling happening at our end as well. Tata Motors currently has monthly prices, and based on those prices, the machining cost, casting cost, inventory cost, and our 8%–10% profit margin are all added, and then the final billing is done to them.

Shreyansh Jain: Understood. Okay, sir. Thank you.

Rajesh Gupta: Great.

Moderator: Thank you. Our next question comes from the line of Radhika Dabholkar with Aikyam Capital. Please go ahead.

Radhika Dabholkar: Thank you again for the opportunity, sir. I would have one more question. So, my question would be what are the major challenges you are currently facing according to you on the company level and how do you plan to overcome them in the next two years to three years? Like in the what would be the time frame in which you would expect to overcome them?

Rajesh Gupta: So, ma'am, we are doing our business. We face the normal, day-to-day challenges that come with running a business. But as of now, there is no such major challenge that would cause the company to suffer. They are just the regular day-to-day challenges of the business, nothing more.

Our purchases are diversified. In terms of geopolitical issues, we already have a system in place where we buy from different countries. So, if we anticipate any such issue, we either stop buying from that particular country or reduce our purchases from there, and we try to source from other countries.

Radhika Dabholkar: Okay, sir. Got it. Thank you.

Rajesh Gupta: Great. Thank you.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to Mr. Rajesh Gupta from Nupur Recycler Limited for closing comments. Thank you and over to you, sir.

Rajesh Gupta: So, thank you everyone for taking the time to join us on the call today and for your thoughtful questions. Should you have any further questions or need any additional clarifications, please feel free to reach out to our investor relations advisor Adfactors PR. Thank you very much and have a nice evening everyone.

Moderator: Thank you so much sir. Ladies and gentlemen on behalf of Nupur Recycler Limited and Adfactos PR, that concludes this conference. Thank you for joining us and now you may disconnect your lines.

Shilpa Verma
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