JAIN RESOURCE RECYCLING LIMITED
(Formerly Known as Jain Resource Recycling Private Limited)

Date: August 8, 2026
JRRL/2026-27/0052

To,

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai – 400 051

SYMBOL: JAINREC

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

SCRIP CODE: 544537

Dear Sir/Madam,

Subject: Transcript of Earnings Call held on August 4, 2026
Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Dear Sir/Madam,

In furtherance to our letter dated July 28, 2026 and pursuant to Regulation 30 and other applicable provisions of the Listing Regulations, please find enclosed herewith the transcript of the Earnings Conference Call held on August 4, 2026, in respect of the Un-audited Financial Results of the Company for the quarter ended June 30, 2026.

The transcript can also be accessed on the Company's website at the following link:
https: jainmetalgroup.com/results-announcements.php

Kindly take the above information on record.

Yours faithfully,

For **JAIN RESOURCE RECYCLING LIMITED**
Aravindkumar V
Digitally signed by Aravindkumar V
Date: 2026.08.08 12:38:45 +05'30'
ARAVINDKUMAR V
COMPANY SECRETARY AND COMPLIANCE OFFICER

"Jain Resource Recycling Limited
Q1 FY '27 Earnings Conference Call"

August 04, 2026

"E&OE - The transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 04th August 2026 will prevail"

MANAGEMENT: **MR. KAMLESH JAIN - CHAIRMAN AND MANAGING DIRECTOR, JAIN RESOURCE RECYCLING LIMITED**
MR. MAYANK PAREEK - JOINT MANAGING DIRECTOR, JAIN RESOURCE RECYCLING LIMITED
MR. HEMANT JAIN - EXECUTIVE DIRECTOR AND CFO, JAIN RESOURCE RECYCLING LIMITED
MR. SANCHIT JAIN - EXECUTIVE DIRECTOR, JAIN RESOURCE RECYCLING LIMITED

MODERATOR: **MR. ABHISHEK MEHRA - DAM CAPITAL**

Moderator: Ladies and gentlemen, good day and welcome to the Jain Resource Recycling Limited Q1 FY '27 Earnings Conference Call hosted by DAM Capital Limited.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions at the end of today's presentation. Should you need assistance during the conference call, please signal an operator by pressing "*" then "0" on your touchtone phone. Please note that this conference is being recorded.

I would now like to hand the conference over to Mr. Abhishek Mehra from DAM Capital. Thank you and over to you, sir.

Abhishek Mehra: Good morning, everyone. Welcome to Jain Resource Recycling Limited Q1 FY' 27 Earnings Conference Call.

From the Management side, we have with us Mr. Kamlesh Jain – Chairman and Managing Director, Mr. Mayank Pareek – Joint Managing Director, Mr. Hemant Jain – Executive Director and CFO, Mr. Sanchit Jain – Executive Director.

Without taking any more time, I would hand it over to Mr. Kamlesh Jain for his opening remarks. Thank you and over to you, sir.

Kamlesh Jain: Thank you, Abhishek, and a very good day to everyone. Welcome to Jain Resource Recycling Limited Q1 FY '27 Earnings Conference Call.

I am Kamlesh Jain – Chairman and Managing Director of the Company. Joining me today are Mr. Mayank Pareek – Joint MD, Mr. Hemant Jain – Executive Director and CFO, Mr. Sanchit Jain – Executive Director, along with other senior members of our management team and our investor relations advisors - SGA.

Thank you all for taking the time to join us and for your continued interest and confidence in Jain Resource Recycling. We are pleased to start FY '27 on a strong note with healthy growth across our business and continued progress on our strategic initiatives.

During Q1 FY '27, our consolidated revenue from operations stood at approximately Rs. 2,725 crores, representing a year-on-year growth of approximately 76%. EBITDA stood at approximately Rs. 110 crores, registering a year-on-year growth of approximately 22% while PAT at approximately Rs. 69 crores, representing a year-on-year growth of approximately 23%.

Our performance reflects the resilience of our core recycling operations, strong growth in copper volumes and the initial contribution from our value-added copper products. While margins were impacted by evolving product mix and ramp-up phase of our newer value-added business, we remain focused on improving the quality of our earnings through greater value addition, better product mix and improved capacity utilization as these businesses scales up.

Before discussing our business performance, I would like to briefly update you on the incident at our Unit-2 facility following the furnace accident on 14th July 2026 at our Gummidipoondi plant, which tragically resulted in the loss of one contract worker and injuries to a few others. We immediately prioritized employee welfare, extended support to the affected families and worked closely with the relevant authorities. After completing the required assessment and corrective actions, approval was received on 27th July 2026 to resume the operation at Unit-2. Normal operations have now started. The insurance claim is under settlement and we expect substantial recovery of the full extent of the damage under our insurance policies. Safety remains our highest priority, and we continue to strengthen the safety systems and process across our operation.

Moving to our broader business performance:

Our growth agenda continues to be anchored on two key objectives, driving volumes and enhancing profitability. Our core recycling business provides scale, sourcing strength and a robust raw material platform, while our forward integration initiatives are focused on increasing value addition, improving product mix and enhancing profitability per tonne. Copper remains our latest strategic focus area.

During Q1 FY '27, copper and copper products contributed 67% of our consolidated revenue compared with 55% in FY '26. This reflects strong growth in copper volumes as well as initial contribution from our value-added copper portfolio and reinforces our efforts to build a more integrated copper value chain. During the quarter, we successfully commissioned the copper anode facility and have already sold around 600 tonnes of copper anodes since commissioning and the ramp-up production is progressing in line with our expectations and project roadmap. We also continue to make steady progress across our copper cathodes, copper wire rod, copper busbar, profiles, antimony and plastic recycling projects, with execution, broadly tracking the timelines and milestones communicated earlier.

In addition, we have commenced trial production at our Ahmedabad joint venture facility and advanced our Kuwait strategic investment, despite certain logistic related delays because of the West Asia war crisis. These initiatives strengthen our value-added products portfolio with deepen integration across our recycling ecosystem and position us well for the next phase of growth.

Looking ahead, we remain encouraged by the long-term outlook for the non-ferrous metal recycling industry. The increasing focus on sustainable manufacturing, circular economy practices and resource efficiency and decarbonization continues to drive demand for recycled metal and support industry growth. Our global sourcing network, diversified product portfolio, strategically located facilities, in-house technology capabilities and disciplined commodity risk management provides a strong foundation for future growth.

Encouragingly, supply chain conditions are improving and we expect inventory levels to build up over the coming quarters, enabling a smooth ramp-up of production and supporting our planned growth trajectory. As we move through FY '27, our priorities remain clear, ramping up newly commissioned capacities, executing our growth projects, restoring the affected Unit 2 shed in a safe and compliant manner, maintaining the working capital discipline and improving the quality of earnings.

With that, I would like to hand over the call to Mr. Mayank Pareek who will take you through the project execution updates in greater detail. Over to you, Mayank.

Mayank Pareek: Thank you, Kamleshji and good day to everyone.

Let me take you through the key project execution updates and operational priorities for the coming quarters:

Starting with our copper value-added products initiative under Jain Green Technologies. We successfully commissioned the entire copper anode production line during Quarter 1 Financial Year ‘27. Both furnaces are now operational, taking installed capacity to 1,600 metric tonnes per month and the production ramp-up is underway. The copper cathode project has completed civil construction and remains on track for Phase-1 commissioning in Quarter 2, FY27. The project will have an installed capacity of 1,500 metric tonnes per month.

Our copper wire rod project with an installed capacity of 600 metric tonnes per month and copper busbar and profiles project with an installed capacity of 1,500 metric tonnes per month are both expected to be commissioned in Quarter 3 FY '27. Collectively, these projects will significantly expand our downstream copper portfolio and strengthen our ability to serve customers across multiple segments of the copper value chain.

Moving to specialty metal:

The antimony project remains on schedule for commissioning in Quarter 3, FY '27. The project has a planned processing capacity of 1,000 metric tonnes of lead antimony bullion with expected output of approximately 100 metric tonnes per month. This initiative will enhance value recovery from our lead recycling operations while broadening our product portfolio. At our Ahmedabad joint venture with C&Y Group Investment Incorporation, trial productions have commenced and operations are expected to stabilize during Quarter 2 FY '27.

The facility is designed to process approximately 72,000 tonnes of copper-bearing scrap annually and produce around 25,000 tonnes of copper products once fully ramped up. We expect this facility to further strengthen our sourcing and processing capabilities within the copper ecosystem.

With respect to our dedicated plastic recycling facility, we have finalized approximately six acres of land for the project. The facility is expected to become operational in Quarter 3 FY '27 and involves an estimated investment of approximately Rs. 15 crores. Apart from expanding our recycling platform, it will also improve operational efficiency by relocating plastic recycling activities from our existing facilities.

Turning to our Kuwait strategic investment:

Project implementation continues, although shipment of machinery has been impacted by the prevailing geopolitical situation in West Asia. The machinery is ready for dispatch and we continue to closely monitor developments. Subject to normalization of the shipping conditions, we expect the investment to begin contributing from Quarter 3 FY '27 onwards. The project remains strategically important from both the raw material security and regional presence perspective.

Overall, our project pipeline continues to advance broadly in line with our expectations. While certain timelines have been affected by the external logistics disruptions, the underlying execution momentum remains intact. As these projects move from commissioning into commercialization, our focus will remain on safe execution, disciplined capital allocation, efficient capacity utilization, and delivering sustainable returns from the investments being made.

With that, I will now hand over the call to our CFO – Mr. Hemant Jain, who will take you through the financial performance for the quarter. Hemant, over to you.

Hemant Jain: Thank you, Mayank sir, and good day everyone. I will now take you through the financial performance for Q1 FY '27 with the key financial metrics.

So, for Q1 FY '27, we have started with a strong financial growth. Consolidated revenue from operations for Q1 FY27 stood at around Rs. 2,724 crores compared to Rs. 1,549 crores in the Q1 of FY '26, which represents a year-on-year growth of approximately 76%. EBITDA for the quarter stood at Rs. 109 crores compared to Rs. 90 crores in the Q1 FY '26, representing a year-on-year growth of approximately 22%.

Now, the EBITDA margin stood at approximately 4% compared to 5.8% in Q1 FY '26 and 3.5% in the Q4 FY '26. While EBITDA margin moderated on a year-on-year basis, it improved by approximately 48 basis points subsequently from Q4 FY '26. The modernization compared with Q1 FY '26 was primarily driven by the evolving product mix and initial ramp-up of our value-added copper business. As these projects progress from commissioning to higher utilization levels, we expect the product mix to progressively improve and support our margin profile.

Profit after tax for the Q1 stood at approximately Rs. 69 crores compared with approximately Rs. 56 crores in Q1 of FY '26, which represents a year-on-year growth of around 23%.

Coming to PAT margin, it stood at approximately 2.5% during the quarter compared to 3.6% in Q1 FY'26. Now, profit after tax from continuing operations stood at around Rs. 69 crores compared to Rs. 57 crores in Q1 FY '26.

From a revenue mix perspective, copper and copper products contributed approximately 67% of the consolidated revenue during Q1 FY '27, and lead and lead alloy ingots contributed approximately 29%, while aluminum and aluminum alloys contributed approximately 3% with the balance coming from the other activities. This represents a clear evolution in our product mix, with copper increasingly becoming the largest contributor to the overall business. We believe this shift combined with the increasing contribution from the value-added projects is an important part of our long-term strategy.

During this quarter, our consolidated EBITDA margin stood at around 4%. At the segment level, reported copper EBITDA per ton includes certain initial quantities manufactured under value-added products portfolio. As utilization improves across the value-added copper projects, we expect the benefits of greater value addition and improved product mix to become increasingly visible in our financial performance.

Coming to the return ratios:

As on June '26, the return on equities stood at approximately 22.8%, while return on capital employed stood at approximately 21.4%. We continue to focus on maintaining working capital efficiency as the business scales, given the nature of our recycling operations. Working capital is required to support raw material procurement, inventory, and customer receivables. Our sourcing network, commodity hedging mechanism, and disciplined working capital management remain important tools in navigating commodity price cycles. As on June '26, the company reported inventory days of approximately 55 days, and debtor days of approximately 19, while the creditor days is minus 14, resulting in a working capital cycle of approximately 60 days. We remain focused on maintaining discipline across inventory, receivables, and payables while supporting the growth of the business. On the balance sheet front, the company continues to maintain a strong capital base following the IPO and remains focused on deploying capital towards projects that supports long-term value creation.

For FY27, we expect a total capital expenditure outlay of approximately Rs. 87 crores. The majority of this investment is directed towards ongoing copper value-added projects, antimony project, and the plastic recycling facilities. These investments are aligned with our strategy of increasing value addition, improving product mix, and enhancing long-term profitability.

We remain committed to a disciplined approach to capital allocation with a continued focus on project execution, returns, and balance sheet strength.

With that, I would like to conclude my remarks and request the moderator to open the floor for questions. Over to you Abhishek.

Moderator: Thank you very much sir. We will now begin the question-and-answer session. We have a first question from the line of Raj Shah from Fident AMC. Please go ahead.

Raj Shah: Thank you for the opportunity. My question is on the EBITDA margins in the lead and the copper business. EBITDA margins from the peak of close to 10% in lead business have declined to around

7%-7.5% and now we are heading for the last two quarters at 7.5%. So, how do you see this moving in the next three quarters and for the full year for lead and for copper also? I mean, our margins have declined from close to 5%-5.5%. This quarter we saw some improvement to 2.5%. So, how do you see this moving going forward?

Kamlesh Jain: The margin got affected because of some West Asia war crisis where the raw material shortages come and we have to buy expensive material locally also and we also have to import some expensive material to get our production target. I think some lead margins fall but this will be offset overall by copper value added products. So, I feel that whatever the margin fall you are seeing, because the volume has gone up if you compare to like two years back or three years back, the volumes are going up. So, more the volume, higher the volume, little lower margin to get a better profits and the better revenue overall. So, I feel this fall in the margin will be offset by copper products which are coming, related products this year coming and other extraction of the tin and antimony from the lead. So, I hope this year we will have a better margin. Hemant, do you want to add anything in this?

Hemant Jain: That's fine. You have already clarified it. See in this business basically the margin which you are seeing at the percentage of revenue is actually not the right criteria where we see usually the EBITDA per tonne basis. Yes, the percentage margin will increase as and when the volume increases and there is a better consumption of the expenses and other things.

Raj Shah: That I understand. So, we were at 36,000 kind of EBITDA per tonne in the copper segment. I think for the last couple of quarters we are at close to 30,000. I think we did 15,000 in March and close to 30,000 this quarter. So, that's what I am asking. So, will we see an improvement in EBITDA per tonne because our majority of the capacities will come towards the end of the year. So, will they contribute enough to improve our EBITDA per tonne for this year or will we see a decline as compared to last year?

Kamlesh Jain: This year there will be an improvement in the EBITDA margin because of the value-added products. I expect the production to be streamlined by second quarter end or third quarter beginning where the value-added products are going to be started. It's under commissioning now, trial and all going on. So, I feel we will have better improvement in the copper EBITDA margin. Right now, this year I think Rs. 32 a quarter which we have. That is the average margin up to the copper ingots. But once we cross the ingots stage and go for the other value-added products, EBITDA will surely go up as predicted earlier also. So, I totally agree that this year we will have better margin. There's no doubt in the copper. And then definitely overall margins of the company will get improved. The lead our value-added products are not there. What are we doing is because the lead in the value-added products is only battery manufacturing. If I want to make another product, next stage is battery manufacturing, which is not our forte. And the reverse side is scrap, direct sourcing. So, there is nothing backward in the lead, only forward is battery manufacturing. So, here lead we are only increasing capacities this year also. But when you increase capacities, definitely we have to compromise a little on the margin to get better, more raw materials. And just to clarify one more thing is that because of the pressure of the West Asia crisis and raw material challenges, we have developed in-house, I mean local sourcing. India sourcing has gone up substantially. Hemant can tell you the percentage of the India sourcing gone substantially. And that we came out of our comfort zone by sourcing the material from overseas. And we developed a huge sourcing network in India. And I expect this will be increasing month-on-month and also once the West Asia crisis is over, there is tons of tons of material ready for recycling. And it will come to us without any doubt once this crisis gets settled. And I also believe that the alternate ports are getting open in the other part of the Middle East countries where this recycling more metal is going to come. So, this year I feel there is a strong quarter ahead. Not now, maybe other quarters which I am expecting that. Can we go to the next question, please?

Raj Shah: Sir, just last question from me. In the lead, what kind of capacity are we going to increase from close to 1,85,000 which we did, which we were at March '26 for this year?

Kamlesh Jain: I think, Mayank, can you answer this?

Mayank Pareek: So, we have been working on a project to add the capacity. It is almost done. The approval is pending. So, it is going to add between 15% and 20% to the existing capacity.

Moderator: Okay. Thank you. We have our next question from line of Abhishek Mehra from DAM Capital. Please go ahead.

Abhishek Mehra: Hi, sir. So, I just wanted to understand a few things on the lead segment. So, what would be the volume guidance for the lead segment in FY '27 and FY '28? Now since we did 1,84,000 tons in FY '26 and now I understand that volumes would be a little lower in Q2 considering we had the furnace incident. So, what would be the volume guidance in lead segment for FY '27 and FY '28 and particularly for copper as well? That would be my first question.

Kamlesh Jain: So, first question is about this incident happened, there won't be much impact of I think one week closure of the furnaces, which will have not much impact on production because we had enough for sufficient initial capacity always keep and this year we are also expanding. So, because of the incident, there won't be any impact on the production side. It will cover up in the long run, in the current year run. So, that won't be impact, there is a small one-week closure won't impact. And there is also one week we have done the maintenance work of these furnaces and all. So, that is what allowed. So, we have all the maintenance shutdown we have taken and repair the regular maintenance. So, I don't think any problem is going to come. This year, the improvement of lead production, Mayank, has just said that 15% is expecting to improve the lead production and additional capacities can be created. So, that is one. For the copper, yes, we are on the streamline and that we already told in my speech that copper, the copper cathode plant and this year, whatever we have predicted last year is going to come. Mayank, do you want to say anything on the copper or on the additional capacities?

Mayank Pareek: Okay. Sorry, the voice was cracking. I suppose you asked me to comment on the capacities on the copper?

Kamlesh Jain: Yes.

Mayank Pareek: So, on copper side, the value addition plan that we are in the process of implementing here, the anode capacity has already been put up and cathode is going to, it has been almost installed and going to be commissioned and cathode will add to the, I mean, not only volumes, but also the additional margins and added to that are copper profile and copper busbar production lines, which will again add to the bottom line.

Abhishek Mehra: Okay. Just a follow up on this. So, are we looking for a volume growth in FY '27 and '28 or are we maintaining our volumes in FY '27 for copper and lead particularly?

Mayank Pareek: So, on lead and copper side, there is definitely going to be some volume increase, but in the later part of the year, there is definitely going to be value addition in the copper products because the new project will be up and running.

Abhishek Mehra: Okay. And any volume growth per se that you can guide for FY '27 and '28 in particular for lead and copper volume? Volume front, I am asking.

Mayank Pareek: So, one thing that we are projecting is that there is going to be volume growth in the light of the international disturbances that are going on. Commenting on the, giving the guidance on the percentage of growth would be slightly premature at this stage.

Abhishek Mehra: Sure, sir. Okay. No problem. And sir, just last one on the copper value added segment. So, what is the EBITDA per tonne that we are guiding for FY '27 and FY '28 and particularly on the quarterly front, what is the anode volume that we did this quarter since there is an improvement in the blended copper EBITDA per tonne . So, just wanted to kind of understand that. What is the volume of anode that we did this quarter?

Mayank Pareek: So, we have done a few 100 tons of anode this quarter. I do not have exact data with me. Hemant has, Hemant may comment on this, but we have started both the furnaces. Initially, there were hiccup problems and we have done a few 100 tons, maybe close to 1,000 or something like that.

Hemant Jain: So, the exact numbers of anode production this month was around 600 metric tons , which was added to the revenue. But coming to the EBITDA per tonne , as it was an initial setup and the plant is in a stabilizing mode, it has not contributed much to the EBITDA per tonne , but obviously, it will add now numbers to the EBITDA per tonne in the Q2.

Abhishek Mehra: Okay, sir. And what would be the EBITDA per tonne guidance for the value-added segment for 2027 and 2028?

Mayank Pareek: So, on an average, when the value-added projects happens in full swing, on an average, because partially would be sale of cathode and partially would be sale of busbar and profiles, on an average, it would add 2% to the existing margin of copper on the volume that we do in the value-added plants.

Moderator: Thank you. We have our next question from the line of Disha Chamriya from Trinetra Asset Managers. Please go ahead.

Disha Chamriya: Sure, sure. Good morning and thank you for the opportunity. The copper cathode and wire rod project, which is expected to commence in the Phase-1, like by Q2 FY '27, could you help us understand the expected ramp-up timeline and what is like customer qualification process, what asset turnovers and EBITDA margin do you guide for these facilities when it reaches the steady state utilization, sir?

Mayank Pareek: So, on the EBITDA, I just responded to the previous question. As far as the volume is concerned now, the cathode facility of 750 tons is almost ready and this will take around a month to start and this will be the immediate copper cathode volume that we can expect.

Disha Chamriya: And what about the customer qualification process, like are we going to see the same customer concentration with this higher volume copper products or is it new customers going to add and contribute to this?

Mayank Pareek: No, it is going to be mostly new customers with whom we have already started doing our homework. In fact, we have got in principle go-ahead from many customers, but they are mostly going to be different from our existing segments.

Disha Chamriya: Got it, sir. And your last question is on the upcoming research and content mandate that is going to be starting from FY '28 and it seems to be like a structural tailwind for the industry. Have you already started engaging with customers on compliance and do you expect this regulation to improve the pricing powers or primarily just drive higher volumes from it?

Mayank Pareek: Your voice is echoing. You said something starting from 2028. What exactly did you ask? What is starting from 2028?

Kamlesh Jain: The question is not clear. Can you speak clearly what exactly you are asking?

Disha Chamriya: Yes, sir. I will repeat my question again. So, the recycling mandate from the government side that is going to be starting from the FY '28.

Mayank Pareek: What is going to start from 2028? Your voice is not very clear. What thing is going to start from 2028?

Disha Chamriya: Recycling mandate, sir.

Mayank Pareek: Okay. The provisions of the hazardous waste management rule. So, it is the recycle content that the government has defined starting from 5% in various products. That is what you are asking?

Disha Chamriya: Yes, sir. If I am not wrong, it is from FY '28, right?

Mayank Pareek: Yes. Got it. So, by virtue of the recent amendment that the government brought in through the amendment in hazardous waste management rules, many industries, including the cable industries, conductor industries, utensil industries, and so on, are required to have at least 5% of the recycle content. So, this is definitely going to increase the demand of the recycle material and we would definitely be a beneficiary of this. So, it is a good development to go to 10% in the subsequent years.

Disha Chamriya: Okay. And what do you expect this regulation to improve, like the pricing power, or is it going to primarily drive the higher volumes?

Mayank Pareek: Both. Because higher volumes, because the local scrap comes into recycling with this. With this regulation, the local scrap comes into organized recycling. So, that adds to the volume. And definitely, if there is a demand of recycled product, higher demand of recycled product, it adds to some margins.

Moderator: Thank you. We have our next question from the line of Darshil from Crown Capital. Please go ahead.

Darshil: Sir, just wanted to understand, we are adding a lot of capacities right now, right? So, sir, just a vision in terms of how do you see our FY '28 volumes can look at, I understand on a near term, there is a lot of West Asia crisis and everything is going on, sir. But FY '28 with so much capacity coming in, like multiple value add capacity coming in, how do you see our company performing, sir? If you could give some kind of target in terms of at least EBITDA margins in the last two quarters have suffered, right, sir? So, what is your aim?

Kamlesh Jain: I got the question. One thing you have to understand the nature of this business, the nature of recycling business, as you said that your EBITDA margin got affected last quarter. Now, this is the very common wrong perception about this business. The problem is that in this business, you can't see one quarter of it or one quarter EBITDA margin. Because, for example, when we buy them, let's say, for example, we buy the material in the month of January from the U.S. or the part of the world, and the material is shipped in the month of February, and the material comes to the plant in the month of March. So, one month we do the contract and they ship the material in 30 to 60 days for the material to reach to the plant. So, the material reaches in the month of March, end or April, beginning. And then we produce the material by April end, 30 days of production, and dispatch the material to China or a local buyer. So, the cycle gets over in six-month cycle. Now, what happens is, because the hedging impact are always there, and we have to put the profit on the last day of that financial, of that particular quarter closing. So, sometimes the margin gets impacted. But, that does not mean that the margin is fault. You see this quarter again, the copper EBITDA has been back to the normal. So, there is no impact on the margin, there is no impact on business model. It is only quarter-to-quarter fluctuation because of the nature of the business. So, you have to always see two-quarter combined result, it will match. In fact, even if you study the last four quarters of last year, the first two quarters you have to average, the last quarter you have to do average, it will match the entire year average also. So, EBITDA is not getting fluctuated at all. It is the way of you seeing the financial data, and the perception which you are holding has to be aligned with the nature of the business. So, that is one thing which I have clarified that there is no impact on the EBITDA margin or on the business model, it is all the same. Yes, second is the West Asia crisis. Yes, it is. It is actually has impacted the raw material supplies to a certain extent. But, this also may push us to go out of a different zone. And that is where we have developed a lot of local supplies and a lot of network in India to get the raw material. And I strongly believe that once this crisis gets solved or it will even cool down, and they are also finding alternate ports to ship the metal to India.

This will actually become a blessing in disguise and in the longer run where more metal is expected because we develop a huge network of local now, and then we are expecting more metal. The metal piled up for last two years in Kuwait and Saudi and many other countries in the Middle East is going to be flown like anything and we have building capacities already kept ready for this raw material to come in. So, number three point about all the expansion, what you have talked. Yes, we are expanding various fields and multi-metals. And EBITDA margin has already been guided but it is premature to talk now on how much EBITDA we are going to expect in this all the expansion get over. But one thing you have to understand that this business you cannot see quarter-to-quarter growth. This business you cannot see every quarter-to-quarter comparison because we are not doing a trading business here where the quarter profit can come or the revenue can go up. The business requires a lot of CAPEX and the fundamentals of putting the new products and in that process of the longer run, so, suppose we have decided to put this plant of copper last year and this year we are doing each in 15 months in trial stage. We started the last construction one last April and this year we have started now completing the trial production. So, you can understand that it took 15 months to put the CAPEX, it got the necessary regulatory approval from the MoEF, state government pollution department, there are many other department involved and the file gets slowly moving there and that is why it takes time to complete the project and start.

So, I have strong quarters ahead in next two years and I, step by step, every plant will start, we will do a trial, customer marketing will be set up, raw material supply will be set up and then the profit will start. Initially, even the premium expenditure, all those things will impact. In the long run, yes, this will grow. If you see the history of the company of last 10 years also, we have one or two years even flat growth. But the third and fourth years become double the turnover. So, we have double the turnover. In particular, one year also we double the turnover many times and then flat growth of one or two years. But if you see average cycle of three years, yes, we have grown by 40%-50% CAGR in last 10 years average. But year-on-year growth, sometimes flat, sometimes double and sometimes 30%, 40% depends on the plant exhibition. So, we have many plants and there are some more expansion strategies are happening, which is confidential in nature. Cannot be disclosed, but right time it will get disclosed and the company is on the right path of expanding multi metals and various products. I hope this satisfy your question.

Darshil: Yes, thank you so much for such an elaborate answer. Helps a lot, sir. So, just like one small question for Mayank, maybe this is too naive, sir, but I just want to understand last year Q1, our copper margins were around 40,000 per tonne. Right now, it is 31,000 per tonne. So, what is an average state that we can take in, sir, because you said that judge it more by EBITDA per tons. So, how do we see?

Kamlesh Jain: So, if you see the last year average, I think 32,000 to 34,000. Hemant, can you clarify what was the last year EBITDA per ton in copper?

Hemant Jain: So, last year annual average was around 36,000 per tonne.

Darshil: Yes, but we actually have a very bad Q4, right, sir, because Q4 was 13,000.

Kamlesh Jain: Again, you are not listening to my answer. It is not a bad Q4 at all. It is the two-quarter average. The raw material start and the finished product sales get over. It is two-quarter average. It is not a bad quarter.

Darshil: But we would have inventory, right? Okay, so if it was 36,000 last year average, Q1 it is 31,000. With more value-added products, how do you see rough range, sir? I am not saying give me exact number, but there has been some decline in EBITDA per tonne, right?

Kamlesh Jain: Last question, Mayank already explained that 2% he expected EBITDA to go up by doing value-added product, which in the current year, which quarter starts and which quarter it gets stabilized, that is we cannot predict now. But I think Mayank has replied this, 2% is going to go up in copper EBITDA after the value-added product gets stabilized.

Darshil: So, in EBITDA per tonne, how much would that be?

Kamlesh Jain: Around, let us say, Rs. 25 approximately.

Moderator: Thank you. We have our next question from the line of Priyanshu Chauhan from Investec. Please go ahead.

Priyanshu Chauhan: Sir, my first question is with regard to regulatory impact from hazardous waste management rule or battery waste management rule. So, how much volume growth are we expecting or are we seeing any improvement in the domestic scrap availability? And my second question is with respect to what is the price differentiation between the domestic scrap versus imported scrap for copper and lead? Thank you.

Kamlesh Jain: I will reply your second question first. The price difference is subject to many other market conditions and demand supply and the logistic movement and the LME at what level. So, there is no strict formula for the price difference between local and this one. Mostly, the local prices are loosely linked with the LME prices and import prices are completely linked with the LME prices. So, here you cannot decide what is the local price. As and when we get opportunity, we buy the material. As and when we have shortages of raw material, we buy locally and we offset our purchases. There is no fixed formula. Regarding first question, Mayank, can you take this question?

Mayank Pareek: So, you mentioned the two statutes. One is the battery waste management rules and second is the hazardous waste management rules. So, a couple of years ago, in the battery waste management rule, the government mandated that the manufacturers of battery must ensure that the end of the life battery is recollected by them and must be recycled by the registered recyclers. So, in the similar lines, by virtue of the recent amendment in the hazardous waste management rules, the government has mandated for three non-ferrous items, copper, aluminum, and zinc that the manufacturers of 2022 finished products, which includes cable and electrical assemblies and conductor blah blah blah, those manufacturers are mandated to collect the end-of-the-life items and ensure that those end-of-the-life items are recycled by the registered recyclers. At the same time, in this statute, there has been another addition that producers of these products have been mandated to use the recycled aluminum or copper or zinc to the extent of 5%, starting from 28% and then 10%. So, I have given you the background. Now, the impact of this is definitely going to be, one, the availability of the scrap is going to increase because the manufacturers themselves have been given responsibility to collect the end-of-the-life items and give it to the registered recyclers. Registered recyclers means the organized channels to which we belong to. So, domestic availability of recyclable scrap definitely goes up. And because of the other situation in the hazardous waste management rule, it definitely impacts some price value addition in copper because the demand of recycled product increases. Now, to quantify it at this stage is slightly difficult because mandating 5% mandatory use of recycled product in overall country, how much we are going to get benefited with this, estimating this is slightly difficult at this stage. Let the enforcement of the amendment come, we will come to know.

Priyanshu Chauhan: Okay, sure. And my second question is, are we looking at any competition intensity with respect to the copper recycling or lead recycling? And how are we looking at the competition or a strategy to cover up the more and more OEMs for the recycled content regulation?

Kamlesh Jain: Competition in the business is always there. The regulation is common for all the manufacturers. It is not a monopoly of Jain Resource. It is the open market and there will be competition. And we have some strategies where we do a value-added product or our scale of operations and other things are there. So, competition is always welcome and it brings better efficiency and better ecosystem to generate more volumes. So, competition is always welcome and it will be there of course and it will survive.

Moderator: Thank you. We have our next question from the line of Krishnan Thampi from Hedge Equities. Please go ahead.

Krishnan Thampi: My question is that previously you have mentioned that you have full hedging policy. Are we still sticking on that policy and how this is going to impact our margins?

Kamlesh Jain: So, there is no change in hedging policy. The hedging mechanism is same as usual. There is no change in that. And we stick to 100% hedge model and we don't speculate and that is what we have in the past also. And this hedging or the margin, the hedging protects the business margin. Hedging is not a cost factor. Hedging is a tool to survive in this business of fluctuation. People generally see that hedging is a cost, additional cost for the business and people lose some opportunities. But it is not there because this kind of higher volumes and the lower margin business model, we have to protect our margin. That is where the hedging mechanism comes and it's a cost center where we are above the fluctuation of the market. Got it?

Krishnan Thampi: Yes. And I see that there are M2M gain or loss in the last two quarters.

Kamlesh Jain: Yes, we have huge limits from the brokers, LME brokers, which cover our M2M variation margin, initial margin. So, what are the exchange margins required? I think Hemant can tell, but I think approximately more than $30 million limit we have. That covers our, most of the time, we don't have to block our cash in the system. And the broker's limits are sufficient for the fluctuation of the M2M in the market. And also we have some time buying guarantees for the margin call from the brokers. So, most of the time we don't have lot of the cash.

Krishnan Thampi: Okay. Thank you.

Moderator: Thank you. We have our next question from the line of Shivam Rathore from MB Investment. Please go ahead.

Shivam Rathore: Sir, what is the revenue guidance for FY' 27 and FY' 28 for next year?

Kamlesh Jain: For exact numbers, guidance cannot be given. I can't give you guidance on exact numbers as to what is our profit and what is our EBITDA. But EBITDA per tonne , I have already told you that our EBITDA per tonne will increase this year. Because of our new plants, EBITDA per tonne will increase. And let me tell you, we are also expanding some capacity. And overall, our growth this year will definitely be around what we have said. And it is not possible to give exact number guidance as there are many challenges. But the company is on the right track of growth and it will achieve the projected target.

Shivam Rathore: My next question is, you said last quarter that your raw material is not 100% hedged. Is it hedged now?

Kamlesh Jain: Who said that my material is not 100% hedged? I have never said that my material is not 100% hedged.

Shivam Rathore: In last quarter earnings call.

Kamlesh Jain: No, I have never said that. You must have heard it wrong.

Mayank Pareek: He is talking about the commodity hedging because the price hedging is 100%.

Shivam Rathore: Your 100% raw material is hedged now?

Kamlesh Jain: Yes, it is still there and it will be there in the future. It is always the policy of the company. There is no doubt about it. Otherwise, if we don't hedge, for example, let me answer your question. If I didn't hedge last year, then where did my profit, the price of copper go? The price of copper was $10,000 and it increased by 40%. So, my profit should have increased by 40% last year, it didn't increase. That means if I didn't hedge, then my profit would have gone anywhere. And this year it has fallen, so it would have fallen too. That didn't happen. So, I am hedging.

Shivam Rathore: Yes. And the next quarter of margins, how much should you expect in the next quarter?

Kamlesh Jain: So, again, it is not possible to give numbers. But it is very strong for the coming quarters of the company. A lot of expansions that we have been carrying out since last year, that production and that goods have started selling. Like we said that we did the trial production of 600 tons of anode in the last quarter. in this quarter, my target is that by the time it becomes 1600, our production of this quarter will be settled. With that, the numbers will increase. With that, the sale will increase. So, I am very bullish about the coming quarter that a good quarter is going to come. Because all the expansions that we did last year, will be implemented this year and will be implemented. With that, the company's profits and turnover will increase. I have said before, I am repeating this again, that our quarter-to-quarter growth cannot come. In our business, it is not like we trade that this quarter, next quarter like that. Only average growth will come. Then new plants placed, new plants are started and new plants are settled. After that plant, production settles. And then that growth comes together. Quarter-to-quarter growth is not possible in our business. Because it takes time making new plant. Am I clear to you?

Shivam Rathore: Yes.

Moderator: Thank you. We have our next question from the line of Pawan Kumar from Global Consilient Research. Please go ahead.

Pawan Kumar: Thank you, sir, for the opportunity. Most of my questions have already been answered. I have just one final question regarding about the proposed diversification that we are doing into the telecom infrastructure business, for which we have got approval from the shareholders and the AGM. So, what's the strategic rationale behind entering this segment? And what kind of opportunities do you see over the next two to three years in terms of revenue and margin profile? Sir, that's my question.

Kamlesh Jain: That's a good question you asked. No one asked this question. Mayank, can you take this question?

Mayank Pareek: So, now what happens is because we are into copper recycling, we also get the contracts for taking out the underground copper cables which are redundant. And this type of contracts we get sometimes now. There is another trend that the redundant copper cables are asked by the telecommunication companies to be replaced with the optical fiber cable. So, till now, we participate in the offers where the redundant cables are desired to be removed by the telecommunication companies. But we do not participate in the auctions where the telecommunication cables, I mean the redundant copper cables are desired to be removed and replaced with the optical fiber cables. So, laying optical fiber cable, what I want to tell you is that incidental to our existing activities. Therefore, we got the new object clause added. And this definitely opens up a new line of business. How it will go, it has potential, but how it will go, we have still to work out.

Pawan Kumar: Okay, sir. So, any guidance in terms of revenue and margin profile in this segment for the next two to three years? How do you see this business growing?

Mayank Pareek: Business growth, what do you say?

Pawan Kumar: Sir, how do you see the business growing in the next two to three years in terms of revenue and margin profile? Can you guide?

Mayank Pareek: Because this question was attended, was answered. We have the growth path by virtue of the statutory modification amendments, there is definitely going to be more recycling and there is definitely going to be more demand of the recycled products. And India is definitely developing and growing as a recycling hub for the world. So, volumes will go up. Putting number to it is slightly difficult.

Moderator: Thank you. We have our next question from the line of Divesh Chainani from Equentis Wealth . Please go ahead.

Divesh Chainani: So, my first question is on the last Q4 call, FY '26. You had mentioned that some of your raw material has got stuck with the West Asia crisis at the Dubai port. So, what's the update on that?

Kamlesh Jain: So, that has been stuck. There is no change in the situation. And material is still stuck there. Some, I think, around 20-30 crores of material, which is in the vessel. But there is no detention and damage will come to us because the metal is still lying in the vessel only. The vessels are on the sea. So, once this problem gets settled, the vessel will move. And it's completely insured against war. So, in certain period, if we don't get the material, then insurance company will pay back the entire amount. There is no risk for us. It is completely covered.

Divesh Chainani: Okay. So, can you just restate, quantify the amount you stated for the raw material?

Kamlesh Jain: 20-30 crores of raw material stuck there. And that will be released. Insurance company will pay shortly to us.

Divesh Chainani: Okay. Second question is on the incident that happened at your SIPCOT facility. So, any loss or anything that can impact the volume, any material loss that happened over there, which can impact the volume in the further quarters?

Kamlesh Jain: So, in my speech, I told that it is not impacted much. Then this production, if it is there, we stopped. But we have enough spare capacity to ramp up that. And we are also expanding the lead. So, I don't think we have any, I don't think any impact on the production on the longer run overall period.

Moderator: Thank you. Ladies and gentlemen, that would be the last question for today. And I now hand the conference over to the management for closing comments.

Kamlesh Jain: Okay. Thank you for everyone to join this conference. And thank you for taking the continued interest in Jain Resource. Appreciate your time. Thank you very much.

Moderator: Thank you very much, sir. On behalf of DAM Capital Limited, that concludes the conference. Thank you for joining us and you may now disconnect your lines.