Management Discussion

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Ladies and gentlemen, on behalf of Capitec Consulting Investor Relations team, I welcome you all to the H1 FY27 post-earnings conference call of Namo Ewaste Management Limited. Today on the call from the management, we have with us Mr. Akshay Jain, Founder and Managing Director, and Mr. Arvind Jain, Chief Financial Officer. As a disclaimer, I would like to inform all of you that this call may contain forward-looking statements which may involve risk and uncertainties. Also, a reminder that this call is being recorded.

I would now request the management to detail us about the business and performance highlights for the period ended September 2026, the growth perspective and vision for the coming years, post which we will open the floor for Q&A. Over to, over to you, Akshay sir.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Thank you. Um, I extend a very warm welcome to all the investors on this con call. For our H1 FY27 result presentation. I'm happy to share that we delivered a record operational and financial performance in H1 FY27, driven by our robust direct-to-OEM sourcing model and improved operational efficiencies. Our total income, uh, our total income from operations grew by 41% year on year to INR 124 crores approximately. Our profitability remained highly resilient. Our EBITDA grew by 41% year on year and INR 160 million while maintaining a strong margin of almost 13%.

And our PAT margin surged by 29% year on year to Rs 90 million. We successfully commenced partial commercial operations at our new 25,000 metric tons per annum e-waste recycling facility in Hyderabad. In late Q2 FY27. This strategic expansion provides us with critical access to the South Indian electronic e-waste ecosystem, which will significantly reduce our reverse logistic costs and enhance regional procurement efficiencies. With this addition, the total installed capacity across e-waste and battery recycling now stands at a formidable 82,000 metric tons per annum, supported by decentralized high-volume processing facilities, and a growing pan-India network.

Looking ahead, lithium-ion battery recycling represents our next major engine for sustainable growth and margin expansion. I'm pleased to share that our Nashik battery recycling capacity recorded a capacity utilization of more than 30% during the first half of FY27. Now, going forward, we are targeting to achieve 60 to 70% revenue growth as we execute the next phase of our expansion. Supported by a rapidly formalizing industry and our active, longstanding partnerships with 50+ major OEMs, we are highly confident in our ability to sustain this growth momentum, cement our leadership in India's circular economy, and create enduring value for all our stakeholders.

Uh, with that, I would like to open the floor for question and answers.

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Yeah, thank you, sir. All those who wish to ask a question may use the option of raise hand. In case you are unable to raise hand, just drop your question in the Q&A box. Sir, we'll take the first question from Shashank. Shashank, you can go ahead.

Questions & Answers

Shashank - Analyst
Hello?

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Yes, am I audible?

Shashank - Analyst
Yes, sir. My first question is regarding that last call call you gave guidance of around 400 to 500 crore, but H1 revenue is very less. are you still on that guidance to reach 400 crore? and if not, what is the main reason behind H1 miss?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
So we we gave a guidance of 350 to 400 crore, and you know as you are As we are in a compliance industry, so majority of the disposal and EPR compliances happens during the last leg of the financial year. So specifically our last quarter from January to March, that's the period of highest growth and highest revenue potential for us. So currently looking at what we have achieved in H1, we are very much comfortable with reaching a total of 300. And, uh, uh, with, uh, 350 to 400 revenue potential in our target, we are still positive of achieving somewhere around 350 plus for this financial year.

Shashank - Analyst
Okay, so one question another here is that, is there a reason for gold crashing and silver crashing was the reason for little bit H1 low performance?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Uh, not much, not much. That's, uh, that would be very less, uh, in terms of overall contribution. Yeah.

Shashank - Analyst
Okay and sir one another question [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech]

Shashank - Analyst
[Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] we are setting up pilot hydrometallurgy unit in Nashik, [Foreign Speech] battery recycling [Foreign Speech] simultaneously [Foreign Speech] because [Foreign Speech] required it. So [Foreign Speech] As far as export opportunities are there, [Foreign Speech] we will we will capture that [Foreign Speech] which is our own refining capability.

Shashank - Analyst
[Foreign Speech] black mass generate [Foreign Speech] one metric ton per day [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech]

Shashank - Analyst
[Foreign Speech] black mass [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] 5 metric tonne per day [Foreign Speech] 30% capacity utilisation [Foreign Speech] in H1 of the battery recycling capacity H2 [Foreign Speech] I think [Foreign Speech] 60-65% capacity utilisation [Foreign Speech] capacity [Foreign Speech] going forward enhance [Foreign Speech] and that is the target for next 12 to 18 months

Shashank - Analyst
[Foreign Speech] 60 percent utilisation [Foreign Speech] black mass [Foreign Speech] 60

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Percent utilization [Foreign Speech]

Shashank - Analyst
[Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] safi

Shashank - Analyst
Okay sir [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] growth [Foreign Speech] battery [Foreign Speech] plus EV business continue to grow at 30-40 percent CAGR plus [Foreign Speech] invest [Foreign Speech]

Shashank - Analyst
Okay sir one last question [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] we are still very much confident [Foreign Speech]

Shashank - Analyst
Sir one last question [Foreign Speech] going forward you can clock 14% [Foreign Speech] is it possible

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Absolutely [Foreign Speech] Right now company is in full expansion mode, [Foreign Speech] there are many expenses [Foreign Speech] keeping all the expenses intact, we have also managed to get a better profit from it.

Shashank - Analyst
Okay, sir one last request, [Foreign Speech] it will be very kind of you

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] thank you your suggestions are taken

Shashank - Analyst
Thank you sir

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Thank you

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
I request participants to limit their questions to two sir we'll take the next question from Vedant Lokania Vedant you can go ahead

Vedant Lokania - Analyst
Thank you for the opportunity am I audible

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Yes,

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
We done already.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Please go.

Vedant Lokania - Analyst
So thank you for the opportunity and congratulations on a great set of numbers. So first of all, [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Realization [Foreign Speech]

Vedant Lokania - Analyst
[Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech]

Vedant Lokania - Analyst
Yes so

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech]

Vedant Lokania - Analyst
Okay and [Foreign Speech] if I am not wrong [Foreign Speech] FY27 [Foreign Speech] revenue [Foreign Speech] EBITDA 17 to 20 percent [Foreign Speech] guidance [Foreign Speech] H1 [Foreign Speech] around [Foreign Speech] 12 percent [Foreign Speech] full year [Foreign Speech] growth factors [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
See H1 [Foreign Speech] 13 percent [Foreign Speech] EBITDA margins and as I said [Foreign Speech] expenses [Foreign Speech] compare [Foreign Speech] expenses have sharply reasons because of team team building and you know capacity expansion and different business

Vedant Lokania - Analyst
[Foreign Speech] seventeen to twenty percent [Foreign Speech] I

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
I'm not like able to recollect the guidance of seventeen eighteen percent EBITDA but [Foreign Speech] okay

Vedant Lokania - Analyst
[Foreign Speech] that's all.

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Can you please join back with you?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Thank you,

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Sir. We'll take, sir, we'll take the next question from Harshil Bhayani. Harshil, you can go ahead.

Harshil Bhayani - Analyst
Thank you for the opportunity. So my question is on our hydro metallurgy plant in Nashik and Palwal. Sir, how much would be the capex guidance for this plant in this year and next year? And have we been selected in any PLI scheme?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] hydrometallurgy pilot plant [Foreign Speech] capex investment [Foreign Speech] approximately 6 crore

Harshil Bhayani - Analyst
[Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] five metric tonnes per day [Foreign Speech] capex exceeds seventy crore seventy [Foreign Speech] plus [Foreign Speech] without taking var [Foreign Speech] subsidies applicable [Foreign Speech] we are eligible [Foreign Speech] we are going to get which is 50 percent of the capex plus [Foreign Speech]

Harshil Bhayani - Analyst
Okay but sir [Foreign Speech] will be the overall period of [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Sir breakup [Foreign Speech] capex [Foreign Speech] opex [Foreign Speech] and then after the extraction of metals [Foreign Speech]

Harshil Bhayani - Analyst
Understood, so but basically 70 crore is the upfront is what we have to invest as a company starting in

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
And

Harshil Bhayani - Analyst
Then once we start production we let subsidies as per the Q criteria Sir, we are

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Thinking about debt only. Debt will be our first course of action until something else appears which is lucrative. But [Foreign Speech] we are looking at debt only.

Harshil Bhayani - Analyst
And sir, the both this pilot and commercial plant, what would be the expected commercialization date?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
So pilot plant will be, I think should be operational before the end of March.

Harshil Bhayani - Analyst
This

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
This financial year only, and the bigger plant will take about eighteen months.

Ankur Gulati - Analyst
Understood.

Harshil Bhayani - Analyst
And sir, are we doing any technology tie-up? Yes. Can I ask the last question?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Yes, we have. We we have done the technology tie-up, sir. We we have full team of experts for equipment as well as the process.

Harshil Bhayani - Analyst
Okay, okay. Thank you, sir. I'll join the queue.

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Thank you, sir. We'll take the next question from Darshil Javiri. Darshil, you can go ahead.

Darshil Javiri - Analyst
Thank you so much for letting me ask a question, sir. So firstly, I just wanted to you know harp a bit about our guidance, right? So I think we had indicated around three fifty crores to four hundred crores, right? Right now we are confident about three hundred crores, right? So what would be the split between e-waste and battery from that? And sir, why Battery was only utilization of 30%. Are we facing some supply chain issues or what is the you know holdup on you know scaling up battery? Like how are we confident of reaching 60% utilization?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Sir, I think in in our earlier guidance we we also talked about a capacity utilization of 50% for this year. So [Foreign Speech] we have achieved 30% in the first half itself. So it is kind of an achievement. [Foreign Speech] if if you can recall our earlier guidance and the revenue split out of 124 is approximately 35, 35 percent is coming, 35 percent, 35 cr, 35

Gopal Balraj - Analyst
Cr, 35

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Cr has come from battery recycling operations.

Darshil Javiri - Analyst
Okay, okay. So this is the highest margin product, right? So so [Foreign Speech] we can see margins scale up happening right and our interest cost is a bit higher than last H1 I understand we are expanding also so this is going to be the norm and what is I think because right now what's happening sir we've done a decent revenue growth but what profit in con Pat, what could you, you know, help us out with,

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Sir? Sir, as I said that there are also several expenses that that that that are happening right now. We are in a total expansion mode, [Foreign Speech] Plus there are so many pre-operative expenses as we are expanding the number of products and territories. So of course there is a lot of expenditure pressure on the company. So still we are able, we are delivering those margins and we have kept our you know bottom lines intact. Definitely once you know this expansion phase is more streamlined and we have our infrastructure in operation, so definitely we are going to have improved margins.

[Foreign Speech] is not visible right now. But yeah in the in in a slightly longer run. There will be better margins for sure.

Darshil Javiri - Analyst
Right, sorry sir, but could you help us with longer term two three years and [Foreign Speech] longer term

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] I am just talking about a few months maybe five to six months [Foreign Speech] okay

Darshil Javiri - Analyst
Okay so the next year roughly I think you were saying thousand crore I am giving some grace to women may be able to do you know You know, around eight, you know, seven hundred crores, seven fifty crores, and some margin expansion of like fourteen percent, fifteen percent. That's a fair estimate for FY twenty eight, sir.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Absolutely.

Darshil Javiri - Analyst
Oh, oh yeah. That's it from myself. Thank you. Thank you.

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Sir, we'll take the next question from Kumar Saurabh. Saurabh, you can go ahead.

Kumar Saurabh - Analyst
Yeah, my question is when I see the PPT in the management address section, you have mentioned a

growth of six. 60%.

Arvind Jain - Chief Financial Officer, Namo Ewaste Management Ltd
Then on

Kumar Saurabh - Analyst
Slide 25, you have mentioned a growth of 30 to 40%. Earlier we had guided for, uh, you know, 80% growth. And to the first participant, you said still we can achieve Rs 350 crores, which means on the, uh, you know, H2 previous year, we will be doing 130% growth. So the numbers are spread all across. If you can give a clear-cut, uh, you know, view on what is the expected growth, and if we can avoid, you know, these kind of Very very different numbers spread across in future.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Okay, so I think for for for this year, as I said that the first half has given us about 124. So considering that our H2 is always better than H1, so we are very comfortable. And right now, if we if we look at the March 31st numbers, I think 300 is something we have already clocked. Uh, now to, uh, the, the target of, uh, going between 350 to 400 is still in the reach. And of course, the first benchmark that we want to achieve is 350, and 400 will be a very ambitious, uh, uh, place to be at the end of this financial year.

But 350 to 400 is still- we are confident of achieving.

Kumar Saurabh - Analyst
Got it. So that means in H2 we will be growing more than 100%, but in the longer run, next 1 to 2 years will be growing at 50-60%. Is that correct? Exactly, exactly. Okay. And so the second question is, um, if you can help us to understand, uh, in terms of facilities like in Haryana, Maharashtra, and Hyderabad, uh, currently what is the utilization and how we are expecting to do H2, and along with the battery recycling also, how this, you know, uh, this, uh, H2 number will be broken into these facilities.

So

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Should I tell you the capacity utilization in terms of H1 plus projected H2 this year?

Kumar Saurabh - Analyst
Yeah, what we are doing right now in H1 and how H2 is projected.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Okay, so for Haryana e-waste plant, which is 30,000-32,000 metric tons capacity, we are going to utilize about 40% this year in Haryana. Nasik e-waste, last year we utilized about 65% capacity. This year again, we are going to utilize 60 to 70% in e-waste in Nasik. Nasik battery recycling facility capacity utilization will be close to 60%, 60% something by this, by the end of this year. And Hyderabad is something, you know, we have started partial operations there, whatever we can do without procuring the recycling license from pollution board, as we have filed our papers, we are waiting for the authorities to get the final approval for that.

So this year I think, uh, we'll be only using single-digit capacity utilization in Hyderabad. But once we start a full operational year, uh, from the very first year itself, we are going to have around 30% capacity utilization in Hyderabad.

Kumar Saurabh - Analyst
Okay, so against Rs 107 crore in March '26, if we have to do Rs 350 crore, we have to do almost some Rs 230 crore. So bulk of this growth, my reading, will come from the battery recycling and then incremental from Hyderabad, right?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Uh, Hyderabad has already started to kick in. We are not using any revenue opportunity, uh, because of delay in approvals in Hyderabad. We are already capturing that revenue, uh, as we have started partial operations and we are using the current infrastructure to recycle. But I mean, with the license coming in, even that will be sorted out very, very soon.

Kumar Saurabh - Analyst
Because Nashik, you said, will be on the same capacity utilization. So there is no incremental growth from Nashik. So it has to be back to Haryana.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Nashik e-waste in terms of capacity, no. In terms of numbers, it's still going to be better because we are using- we are recycling different products this year. Last year we did more of white goods in Nashik. This year we are doing more of IT goods and mobile phones. But yeah, capacity utilization looks more or less around 70%.

Kumar Saurabh - Analyst
Okay, and last question. Saurabh, can you please- yeah, sure, sure, sure.

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Can you please join back? Sir, we'll take the next question from Atul Kumar. Atul, you can go ahead.

Atul Kumar - Analyst
Sir, uh, am I audible?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Yes, Atul, you are.

Atul Kumar - Analyst
Okay, thank you. So thanks for the opportunity and also for a good set of numbers. Uh, sir, I have- I had questions around- I think there is some confusion in terms of understanding our revenue guidance, let's say for FY28. Uh, so, uh, in, in last con call we had given, um, uh, like for this year we had given 400 and for next year we had given 800. So if you can- now this year is clear as other people asked and you have explained. So for FY28, if we have to understand what is our estimate, what, what are, uh, we targeting to reach in terms of revenue?

And also if you can throw some light on margins, PAT margins and EBITDA margins, because more and more battery recycling will start, then the margins will increase. So for FY28, if you can give some color, that will be something which we are very hopeful to achieve.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Yeah. So Atul, you know, the guidance that we gave, it is directly linked to, you know, what new technologies and new processes we are adding. Uh, in the company. So, uh, with hydrometallurgy kicking in, of course, that, uh, Rs 1,000 crore revenue potential by FY28-29, end of '29, that is, uh,

still under the reach. And there is a logic that I've explained, uh, uh, you know, with, uh, uh, connecting it with the current scenario. So, uh, uh, for us this year, we are looking at around Rs 350 still. Uh, next year we want to double it up, somewhere Rs 700.

Would be, you know, very much in our sight. As I've mentioned, you know, we are actually adding more domains. We are not just focused on current e-waste and battery recycling capacities, we are also adding new different business domains. And then, you know, there will be announcements whenever, you know, we will be ready for that. So considering Uh, all these opportunities, I think we are very well on track to achieve those numbers. And if, if, uh, uh, you know, anything that is- there are any changes of plan, that will also be notified to the investors.

Atul Kumar - Analyst
Got it. So just to summarize, sir, we are saying, uh, this year 350 is what we are hopeful to achieve, uh, few variations up or down. Next year we will target, let's say, uh, 700, 750. And FY29 is when we, we can, we can touch 1,000 mark.

Ravinder Bir Singh - Analyst
Yeah, right.

Atul Kumar - Analyst
In terms- okay. And also, sir, you had given an understanding of we moving to mainboard after we reach, let's say, 700 to 800 of top line. So is it just the top line marked or we are saying that we'll apply for mainboard migration in FY28 or somewhere? So is there any plan on that?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
No, there are certain benchmarks we have kept for ourselves. That includes top-line targets. There's a bottom-line target also. If we can achieve a 50 crore PAT, we'll be ready for the migration. So there are several factors. We are not limiting that to any timeline. We are rather, you know, relating it with our targets on the top-line and bottom-line side.

Atul Kumar - Analyst
Okay, okay, that helps. And sir, also, if one has to understand, right, I mean, I'm I know that you mentioned that we are also considering some business expansion, maybe getting into some other sectors than what we already have. So if one has to understand the strategic vision for the company, let's say for next 3-4 years. So if you can just maybe summarize that what areas we might be looking into in terms of growth that you have mentioned, 60-70%, is that going to- in the PPT, right? So is that going to be the case for next 3-4-5 years or how should we look at that 60-70% growth?

So

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
To summarize it, I think we want to, we want to change our, you know, company's outlook from just being an e-waste or a battery recycler to rather a critical mineral recovering company. So we want to focus ourselves on precious metals, rare earth metals, and, you know, the metals which every government, every country is talking about. So within next 2 to 3 years, we'll be able to recover 12 of these very critical minerals that are present in different waste streams. So I'm not being very specific to e-waste and battery.

I'm talking about other things also. Now, all these, uh, all these areas are actually kind of interrelated

because once you have hydrometallurgy setup, once you have refining setup, all those, all the other things can, can also be refined in the, in the, uh, same process. So we are looking to change our face from just being an e-waste or a battery recycler to a critical mineral recovery company which is delivering a metal product portfolio of more than 12 metals. Uh, in next 3 years.

Atul Kumar - Analyst
Do we also have a plan for maybe getting into the cathode active material preparation and having a tie-up with battery manufacturers, maybe a little later in the line?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Absolutely, that is already, uh, going on. There are talks around that, and, uh, you know, whenever feasibility arrives- because, uh, you know, ultimately we, we always drive those projections and those aspirations from the amount of battery that we are able to procure or the amount of raw material that we are able to procure. So once we reach to those numbers, then, you know, we'll take the next step.

Atul Kumar - Analyst
That is, I think, really good to know, sir. And then one last question, sir. One last question. I think it'll just take maybe 30 seconds. So one question I had on interest costs. So in this half, in first half, we have given Rs 2 crore as interest cost. If I see your debt levels, right, that is only Rs 16 crore. That also has increased. In H1. So sir, I wanted to know how on a Rs 16 crore of total short-term and long-term debt we have paid Rs 2 crore in interest. So if you can throw some light, and is this, is this the level we'll have in H2 also?

Because then the interest cost is very high, right?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
No, so we, we have charged interest from the subsidiary. I mean, the Namo Ewaste as a parent company has charged interest from the subsidiary unit of, uh, uh, Naseek. Which is doing the battery operations, uh, on the current capital. So that is why that, uh, number looks like this in the balance sheet.

Atul Kumar - Analyst
So in H2, then we are expecting it to be lower interest cost? No, no,

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
The, the, the main company will be charging that interest on its capital from the subsidiary. That means subsidiary is generating more operating profit, which is the battery business.

Atul Kumar - Analyst
Okay, okay. Thank you, thank you, sir, and thanks for allowing me the last question.

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Yeah, thank you, sir. We'll take the next question from Kushigar. Kushigar, go ahead.

Khushi - Analyst
Hello, sir. So I had a question regarding CAPEX. So you are saying we'll be doing Rs 70 crore plus CAPEX for 5, uh, like this 1,800 million ton capacity per annum capacity. But if I talk about one of the competitors, Nupur Recycler, they're also bringing the plant of hydrometallurgy, while the capacity

of their plant is 6,000 tonnes and they are doing similar CapEx. So like, I can't understand why there is difference in capacity so much despite doing the same CapEx by both the companies.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
See, I don't have insights on their process and, you know, what kind of equipment and technology they are investing on. We are- that's why, you know, we are moving from the pilot scale to the main plant. We want to test everything and, you know, then only we could be very certain about the numbers that we are going to do. But as far as the current technology provider, you know, I mean, the technology provider has given us these estimates only. And, you know, we have done extensive research for the last 2 years to get into Hydromet.

So I really can't comment on what the other guy is doing. But, you know, this is the best that, you know, we have come across so far.

Khushi - Analyst
And also, if you could guide regarding how much revenue, max revenue that we can do from this, uh, 5 TP plant annually.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Uh, 5 TP plant annually would do around Hello, uh, that can do a top line of, uh, just, just on this new expansion, around 350 to 400 crores.

Khushi - Analyst
This is including, uh, this is after including EPR, right?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Including EPR, yes.

Khushi - Analyst
Okay, sir. And sir, second question regarding our e-waste recycling business. Like that business is a negative delta business. So if you could help me explain why that business is a loss-making negative delta business, and like, can we in future look forward to that business segment being a positive delta business?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Well, yeah, e-waste business is, uh, as you know, there's the- it is still dominated by the informal sector. Uh, there is lack of regulatory work. And that is why, you know, the EPR prices that are rolled out by the government, they are being questioned in the court. They are challenged by some of the producers. There are no regular audits that are happening on the recyclers to, you know, to catch the wrong ones or the unethical players in the market. But, you know, at the same time, if you see in last couple of months, there have been news about many recyclers being shut down and many notices being given to the e-waste producers just for the wrong EPR compliances.

So, you know, once this regulatory work actually takes place on ground, it's going to be hugely beneficial for ethical recyclers like us. That business is actually very promising. And, you know, I've been doing it for 12 years. So it still has huge potential that is still untapped in the country. But we do have our challenges coming from different areas. And I'm sure this e-waste business is going to have much better potential in future.

Khushi - Analyst
So this is negative delta business because we aren't able to procure scrap at a reasonable price, right?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Yeah, because we are facing competition from the informal sector.

Khushi - Analyst
And like in future, do you have plan to increase the contribution of IT and telecom products? So I think this business can be made positive delta then.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
That is how we, we have been doing this business. Our approximately 15 to 20% revenue comes from IT refurbishment, then 15% revenue is from EPR, and then 60%- rest of the 60-65% revenue is coming from the sale of scrap, sale of metals that are extracted during recycling. So overall, it's a complete portfolio. You cannot look at the business in terms of just one segment. All these segments, they are very promising at times.

Khushi - Analyst
Okay, sir. Thank you.

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Take the next question from Shashank. Shashank, you can go ahead.

Shashank - Analyst
One clarity actually I wanted to give [Foreign Speech] actually last con call [Foreign Speech] I think AI error [Foreign Speech] It was spoken regarding gross margin, not regarding margin, EBITDA margin. So [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Sir

Shashank - Analyst
[Foreign Speech] sir [Foreign Speech] sir [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech]

Shashank - Analyst
I

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
I was also surprised to hear that

Shashank - Analyst
That

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech]

Shashank - Analyst
[Foreign Speech] bullish case [Foreign Speech] FY28 [Foreign Speech] conservative [Foreign Speech] guidance [Foreign Speech] it will be better for us [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] confusion [Foreign Speech] financial years [Foreign Speech] simplify [Foreign Speech] for this year the revenue potential 350 to 400. next financial year which is 27-28 [Foreign Speech] double [Foreign Speech]

Shashank - Analyst
[Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] projections [Foreign Speech] last year [Foreign Speech] ambitious [Foreign Speech] ambitious [Foreign Speech] 1000 so that was always the story

Shashank - Analyst
[Foreign Speech] last [Foreign Speech] Sir [Foreign Speech] battery procure [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Sir O E M's [Foreign Speech] intact [Foreign Speech] in fact [Foreign Speech] business [Foreign Speech] O E M mandate [Foreign Speech] investment [Foreign Speech] business [Foreign Speech] so there was a mandate that we were carrying and simultaneously we or will [Foreign Speech]

Shashank - Analyst
NMC [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] 30-40 percent cheaper [Foreign Speech] doesn't matter [Foreign Speech] revenue [Foreign Speech] top line on 30 percent capacity utilization [Foreign Speech] that means [Foreign Speech] first half [Foreign Speech] more LFP [Foreign Speech] then NMC. now this this dynamic can change. [Foreign Speech] fixed dynamic [Foreign Speech] NMC [Foreign Speech] capacity utilization [Foreign Speech]

Shashank - Analyst
[Foreign Speech] sir that's all thank you

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Thank you

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Thank you sir we'll take the next question from Shubham Sahal. Shubham, you can go ahead.

Shubham Sahal - Analyst
Hi I hope I am audible. so first question was on the split between revenue. so y

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Sir 88 consists of EPR. EPR is only 8 crore, is only 8 crore out of that 88 and rest is and of course IT and E waste, IT and E waste together 80. okay

Shubham Sahal - Analyst
Okay. and how much do you think EPR will be for this whole year?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Last year we did a EPR of 26, around 25-26. [Foreign Speech] sir bare minimum [Foreign Speech] and definitely if we can build on to build something on to that

Shubham Sahal - Analyst
Ok and you think last time [Foreign Speech] 200 plus 200 [Foreign Speech] 50 percent battery 50 percent e-waste [Foreign Speech] spread [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
So

Shubham Sahal - Analyst
This time do you think [Foreign Speech] so you think we reach that 50

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
So 35 plus 15, because that material came to us in the later part of the first half. So we are also carrying that inventory. We are looking to close this year battery at around 125.

Shubham Sahal - Analyst
And lastly, on the industry level, so do you see any shift happening from LFP batteries to more number of LC and NMC being available in the market? So their price predominantly, predominantly was very high because of the less feedstock available. So do you see with the EV two-wheelers on road from quite some time now, do you think any shift is happening and more number of NMC and LCO batteries are coming to you?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
See, the shift might be happening at the, at the, at the, in the current products, but for that shift to translate into the scrap segment will take at least 2 years. So for us, we are still receiving the material that was, that was in the market in last 3 to 5 years.

Shubham Sahal - Analyst
So feedstock still remains the bottleneck for us because that's why we are not able to do maximum capacity utilization.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
I mean, sourcing is always a challenge in this business. The biggest challenge has always been sourcing in business capacity expansions, capacity building, that is never a challenge, sir. So yeah, there's a constant effort, a majority, 60% of our team's effort that goes into sourcing only.

Shubham Sahal - Analyst
Okay, sir, thank you.

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Thank you. I request participants to limit their questions to 2. Sir, we'll take the next follow-up question from Harshil Bhai. Harshil, you can go ahead.

Harshil Bhayani - Analyst
Thank you again for the opportunity. Sir, on my previous question, just wanted to continue on that. You were mentioning something about the technology which we have built or did a JV for Hydro Metal SG. So just, sir, wanted to know more about it. And also in all the call, in this call, you have mentioned a couple of times about the new team development which we are doing. So if you can throw some light on that also.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
So technology, I really can't comment much, you know, until my installation and everything is complete. I cannot, I cannot say many things publicly. And on the team building front, you know, we are building regional offices, which are- we have regional heads and then subsequent sourcing teams. So overall, I think we have almost doubled the number of sourcing or business development executives that we had compared to last year. And also in all the plants, there is more technical labor as we are handling more quantities.

So the cost actually has risen from- the employee cost has risen from all ends for us. Also, the executive team is more now.

Harshil Bhayani - Analyst
Understood. Also, sir, 6 months back, I think you had shared your- transferred your shareholding from your account to your- I think your father's account. So yeah, I mean, since we know you as the face, so just wanted to know the rationale of the same.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
It is just, uh, you know, for family, uh, internal transfer, just for consolidation, nothing else. This is an honor I want to- I wanted to give to my parents. I still remain to be the face and everything. This is just for within the family, internal. That's

Harshil Bhayani - Analyst
It. Understood. And sir, last question is on the interest cost, which I think one of the participants had raised. So if I think the interest cost is coming from subsidiary to the parent company, that would be nullified in the consolidation. So I think this must be something else. So I wanted to know on that.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
No, we- I have in fact, Arvind. Yes. Can you check this? Let me.

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Sir we can take the question from next participant.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Sir we will give you clarification on this [Foreign Speech] we'll send it to Captify, they can email it to you.

Harshil Bhayani - Analyst
Sure sir yeah appreciate it thank you.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Thank you Arshad thank you sir we'll

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Take the next question from Ankur Gulati Ankur you can go ahead. Ankur on mute you are not audible Ankur

Ankur Gulati - Analyst
[Foreign Speech] audible [Foreign Speech]

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Yes

Ankur Gulati - Analyst
Yes. Akshay congrats on good first half as promised. just some couple of clarifications [Foreign Speech] 35 crore is battery in first half correct

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech]

Ankur Gulati - Analyst
Hello [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Ankur [Foreign Speech] yes

Ankur Gulati - Analyst
Okay perfect that means investment is 87.5 correct [Foreign Speech] second half [Foreign Speech] investment [Foreign Speech] and your annual target for battery is 125 that means 90 crore of battery in Second half, is that- that's what you guys are shooting for? Yeah, which takes you to 343. Uh, just then, 90 crores for, uh, second half, uh, battery.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Ankur, you're not audible. I lost you.

Ankur Gulati - Analyst
If you have to do 90 crores of battery in second half What, am I audible?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Yeah. Yes. Yes, you are audible. Now you are.

Ankur Gulati - Analyst
Okay. So if you have to do 90 crores of battery in second half, your plant has to run at what capacity utilization?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
So we have orders just by the end of September. We have received an order from one OEM in excess to 35 crores. For NMC batteries and with a capacity utilization of only 10%. So our numbers are, you know, very subjective to what kind of battery we are processing, what time of the year it comes.

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Ankur, do you have any other question?

Ankur Gulati - Analyst
No, thanks.

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Sir, we'll take the next question from Darshil Javari. Darshil, you can go ahead.

Darshil Javiri - Analyst
Uh, thank you so much for taking my question. Like the earlier participant, even I had the debt question because that interest will be something else only because it gets nullified. For the standalone, other income is also significantly higher than what our normal other income is. If the company could issue a clarification regarding that, that would be really helpful. Uh, that's number one point. And the number 2 points are, as we, you know, scale up our revenue, like maybe we are planning to double every year, right?

So what is the rough working capital we will require? And CAPEX, I think right now you've said in near future Rs 70 crores we need to do, but any more CAPEX will be, you know, be needed because Like I'm coming from a place [Foreign Speech] okay [Foreign Speech] but [Foreign Speech] are we planning to raise some funds [Foreign Speech] so that you know we have our thing always ready sir?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
See Darshil I mean as a as a promoter we we do have arrangements for that. Our first choice would always be debt as you know debt is always cheaper than equity. So we are not looking at an equity dilution at this point. So definitely we'll arrange funds, and we do have collaterals and subsequent arrangements for that.

Darshil Javiri - Analyst
Okay. So roughly how much like more? Like because even if it comes via the cost of debt, that will increase somewhere. You know the PNL impact. So roughly like what is the debt? level [Foreign Speech] you know we want to keep it [Foreign Speech] you know sustainably [Foreign Speech] we want to do 750 crore of revenue right so that means that roughly that level will need to be 100 crore plus or fairwet

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech]

Darshil Javiri - Analyst
I don't want exact numbers but rough range like the directionally it will be around hundred crores right that is what I want yes okay fair enough sir and sir [Foreign Speech] battery will also be significant portion right of our revenue so [Foreign Speech] we can expect [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Of course of course [Foreign Speech] H1 is better than 1 percent better than H2 last year so [Foreign Speech] so definitely yes

Darshil Javiri - Analyst
Okay okay okay yeah and sir just one one more thing if you know the company is not

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Not that is noted sir that is notice that is noted it's a good point [Foreign Speech] yes it's it's well taken we'll look what we can do

Darshil Javiri - Analyst
Yeah and just an interest cost [Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] okay

Darshil Javiri - Analyst
[Foreign Speech] thank you are you ready

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Wait Arvind is ready with that clarification yeah

Arvind Jain - Chief Financial Officer, Namo Ewaste Management Ltd
In consolidation adjustment only sale purchase and inter branch or inter company adjustments are done But this is related to capital adjustment. So in that interest charged by Namo from Techico is covered in this. It is not eliminated. It is showing in interest cost also and other income also. So

Darshil Javiri - Analyst
The standalone other income, I think what the number in front of me is, Namo is around four. You are not getting any

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Question.

Darshil Javiri - Analyst
Hello, hello. hello says

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
You are audible yeah

Darshil Javiri - Analyst
Yeah so what I am saying is that other income is around 4.8 crore in a standalone right and [Foreign Speech] that is I think a bit lower right so [Foreign Speech] so [Foreign Speech] from this is four point is forty four lakhs right [Foreign Speech] standard and consolidated is two point one serious right

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] one point [Foreign Speech] interest charge one point three five has been charged from the subsidiary

Darshil Javiri - Analyst
Okay.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] that would be one crore [Foreign Speech] would be maximum what? 30 lakh. [Foreign Speech] for the 30 40 50 maximum. 30 processing.

Darshil Javiri - Analyst
So

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] that is coming from there only.

Darshil Javiri - Analyst
[Foreign Speech] I don't know whatever it is but maybe we can do a side call for that or something but roughly [Foreign Speech] right [Foreign Speech] cash other

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] is it including EPR [Foreign Speech]

Darshil Javiri - Analyst
[Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Okay so let's clarify this then. [Foreign Speech] sir we'll we'll issue a clarification on this.

Darshil Javiri - Analyst
Whatever it is like you can just give us that thing. Okay that's it from my side. Yeah thank you

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Sir we'll take the next question from Gopal Balraj. Gopal you can go ahead.

Gopal Balraj - Analyst
Hi everyone, can you hear me?

Darshil Javiri - Analyst
Yes, yes, yes. Yeah,

Gopal Balraj - Analyst
Thanks for this opportunity. So I'd like to know how the data centers are- the data centers are gonna evolve, right? Will it be helpful for, uh, uh, Namo company to increase the revenue? Is there already any

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Data centers? They, they have e-waste as well as battery Uh, they are operating on, uh, you know, high battery storage appliances. So yes, definitely it's a, it's a very good prospect for us.

Gopal Balraj - Analyst
Okay, so it's already any partners, uh, engaged with Namo from our data?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Yes.

Gopal Balraj - Analyst
Okay, and, uh, and my another question on the collection part, as you are informing, like collecting the raw material like, uh, the e-waste, uh, e-waste is the main challenge, right? Is there any application, uh, and all available to collect from the common people? Uh, because I could able to see in Insta, uh, Instagram and all, there is some kind of applications to sell our e-waste. So they will

come and collect and give some money. Is there any initiative taken on the Namo Ewaste side?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
See, we have our own app also, but that is a separate business altogether. We also have tie-ups with many of these, you know, app-based collectors of e-waste that we procure directly from. And thirdly, if you can visit our social media pages and you see we are doing a lot of on-ground collection and awareness work. So rather than the online traction and these app-based traction, we are getting more traction on ground. We are able to, uh, you know, collect approximately 5% of our total procurement directly from the consumers through these initiatives, the on-ground ones.

Gopal Balraj - Analyst
Okay, okay. Yeah, that's all from my side. Thank you,

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Sir. We'll take the next question from Ajish Soni. Ajish, you can go ahead.

Ajish Soni - Analyst
Sir, this government banning this black mass in our hydrometallurgy plant, so where are we? Do you think we can achieve whatever we are targeting in next 6 months or 1 year? And should we increase our plans too? Because that's a liquidity standpoint, indirectly government is pushing for that, right?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Yeah, uh, sir, uh, basically now that the black mass is completely banned, so government has at least clarified the stand. Earlier it was half-half that, okay, you are exporting also, and then there is EPR in India. Then they were talking about critical mineral recovery, then they gave subsidies. But now since the direction is clear, so our whole, uh, uh, you know, the Indian economy will restructure itself. So subsequently the scrap prices will also change, uh, the, the payables at, uh, at the critical metal level will also change, and we are quite happy with Uh, you know, we are always happy when it is one-sided.

So now that there is no confusion, we have to develop these capabilities within India. Uh, we have to, uh, you know, extract with maximum efficiency within India. So the direction is clear. And, uh, you know, we were- I mean, uh, we always wanted to get into this business. Now, after this, I think, uh, it is more lucrative for us.

Ajish Soni - Analyst
So will our plan in terms of that- I think initial pilot plant is planned, right, in Nasik. Then I think you want to have- so do you think we'll require more funding, or you want to increase your capacity after success of pilot? I'm just trying to understand what is management thought process on that.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Okay, sorry, can you repeat the question?

Ajish Soni - Analyst
Okay, so one is your pilot plant because you have to prove, right, and that is at Nasik, right? And then the expansion you want to do in, I think, Haryana, if I recollect.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Yeah. So

Ajish Soni - Analyst
Do you think with this policy you want to increase? Because it's a margin equity for the company. So do you want to increase if your pilot goes fine in next 6 months, 1 year, whatever, right? Uh, then do you want to increase the expansion plan for your- I can't comment

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
On today. I have to take everything phase-wise. Uh, if I think about what's going to happen after 2 years and, you know, 3 years Firstly, we have to streamline what we are setting up. So capacity expansion, I have mentioned it, it's never a challenge for us. Always the challenge comes from the raw material procurement side.

Ajish Soni - Analyst
Are we for pilot plant for hydrometally, are we sorted in terms of technology and partner, everything else? Yes,

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
We are. It is all fixed now. We'll be operational in next 3 to 4 months.

Ajish Soni - Analyst
And is there a reason you can't expand in Nasik itself after the pilot plant is successful in the same location rather than moving to Haryana, if I recollect?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
No, no, we want to do that in Haryana. It's- NCR is a better market for that. So when we are installing plant of that capability, we are not just dependent on our own raw material. We are also looking at other verticals.

Ajish Soni - Analyst
And just one last question. This- the sale of 2-wheeler EVs increasing in India, does it help the battery recycling vertical in any way for us?

Arvind Jain - Chief Financial Officer, Namo Ewaste Management Ltd
Uh, yes, as EV market is increasing, definitely it will create a market for us and procurement will increase.

Ajish Soni - Analyst
Okay, so but does it require more tie-ups with all these OEMs or maybe after-sales, whatever? I'm trying to understand that. Already

Arvind Jain - Chief Financial Officer, Namo Ewaste Management Ltd
We have many OEMs in connection with us. And we are also increasing our team for more connections and more contracts with OEMs.

Ajish Soni - Analyst
Okay, sir. Thanks and all the best for the future.

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Sir, we'll take the next question from Ravinder Bir Singh. Ravinder Bir, you can go

Ravinder Bir Singh - Analyst
Ahead. Hello, I'm audible?

Arvind Jain - Chief Financial Officer, Namo Ewaste Management Ltd
Yes,

Ajish Soni - Analyst
Yes.

Ravinder Bir Singh - Analyst
Okay. So, hi, actually my question is regarding your Hyderabad facility. So last time when we join the call. You mentioned like you are in process in obtaining the full license to obtain the warehouse at full capacity. So have you received that license?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
No, no, sir, we haven't. And, uh, you know, it's, it's, it's being delayed from the pollution board end. We, we just had our last visit a couple of days back. Uh, I mean, uh, so we have- we are, uh, supposed to get it anytime.

Ravinder Bir Singh - Analyst
So like, when are you expecting that? So because the figure that you have mentioned for achieving the revenue, that is called Rs 350 to Rs 400 crore. So will you be comfortable if you have not received that license from- We are not, we

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Are not missing any revenue potential from the Hyderabad plant. Uh, you know, as we have- we are partially operating that plant. Whatever we can do without the license, we are already doing that. So we are removing the bulkiness of the waste. Uh, so if we are procuring, let's say, uh, uh, 10 trucks within Hyderabad, we are only shipping 2 trucks to Delhi. 8, 8- the, the, the bulkiness of the e-waste is removed there itself. Now this is what we can do without securing the license. So there is no revenue potential loss, first of all, uh, this year also.

Uh, but yes, there are delays in Hyderabad approval, which is from the State Pollution Board side. So we are expecting it very soon. Uh, if I can say today, I think we should get it in December maximum.

Ravinder Bir Singh - Analyst
Okay. And what do you think is the reason for getting it delayed? Is it Only because of the government?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Uh,

Ravinder Bir Singh - Analyst
I'm just asking like what is the reason of getting it delayed?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
The little process has changed that the, the pollution board only meets once a month, uh, with the CPCB officials. So last month they couldn't meet, uh, due to the committee meeting. There is some committee meeting which didn't happen last month, so it just got delayed like that. There are several reasons, sir. It's government work. And, uh, you know, this is what we got to know from them.

Ravinder Bir Singh - Analyst
Okay, okay. So my second question is on the black mass side. Like you have already mentioned, like we have received the notice that on the banning of black mass, but you- we still have the license for exporting the black mass. So I just want to understand like what is the, uh, selling price if you sell the black mass, if you export the black mass, and what will be the margins if you sell it to the domestic players? Like just wanted to understand about the percentage terms. If you can explain.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
So exporters, they give a payable of about 80%. I can only talk about payable terms, metal payable terms, and in domestic we are getting around 72%.

Ravinder Bir Singh - Analyst
Okay, just like if you- let's suppose 1 kg of black mass, you can export it for like, just for an example, for 200, but for domestic players they will give you around 150. So just wanted to understand about the price difference.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
100 rupees, sorry, 85 rupees against 90

Ravinder Bir Singh - Analyst
Hundred rupees. Okay, okay, actually that's it from side, thank

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
You. Due to time considered, I request participants to limit their questions to one. Sir will take the next question, next follow-up question from Shashank. Shashank, do you want to ask your question? Sir, we'll move on to Atul Kumar. Atul, you can go ahead. Hello. Hello. You can ask, you are audible.

Shashank - Analyst
Yeah, actually you told about that you got 30 to 35 crore order something. So it would be great if can mention those order to exchanges whenever you receive it.

Atul Kumar - Analyst
To exchange

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech]

Shashank - Analyst
[Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech]

Shashank - Analyst
[Foreign Speech]

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
[Foreign Speech] that is not good for our business

Darshil Javiri - Analyst
Okay understood sir that's it

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Sir we'll take the next question from Atul Kumar Atul you can go ahead

Atul Kumar - Analyst
Yeah, thank you, sir. Sir, I have just one question, and which is on like- and it's also a well-known industry constraint in terms of the sourcing and the supply chain has always been an issue. So let's say in the longer term, if we have to fix this, as we- as you said, right, that, uh, in terms of capacity expansion, we don't have constraints or limitations. It always boils down to the sourcing part. So in the longer term, is there any concrete plan to kind of reduce the issues which, which is caused by sourcing and, and let's say improve our feedstock availability in terms of, uh, in line with what capacity that we have and where we want?

So is there any plan on that, sir?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Sorry, we didn't get your question clearly, sir. Can you repeat it?

Atul Kumar - Analyst
Yeah, sure. So basically, like, my question was that since we mentioned, uh, that in this business, right, I mean, uh, capacity expansion is not the problem, but sourcing is- sourcing and supply chain is for feedstock. So, uh, let's say if we consider next 2, 3, 4 years, is there any plan to work on it, or is there any, like, uh, constant

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Effort is on sourcing? 60% of our effort, the team's effort goes into the sourcing. So we are doing all sorts of, you know, things which are required for that. This is where, you know, our USP is also there, that we are able to procure this much of waste in this kind of a market. So just be assured that, you know, on that front, maximum of our efforts, they go in that direction. This is where, you know, the business is coming for us. So most crucial part, and we are doing everything that we can.

Atul Kumar - Analyst
Okay, I think that's very assuring. Thank you.

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Thank you, sir. We'll take the last follow-up question from Khushi. Khushi, go ahead.

Arvind Jain - Chief Financial Officer, Namo Ewaste Management Ltd
Hello? Yes, Khushi.

Khushi - Analyst
Yeah, sir. So like we have this 32,000-ton battery, uh, plant of black mass. So how much of it will be internally used when our Hydrometallurgy plant of 5 TP. We have a 12,000, 12,000

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Metric ton plant for battery, not 32,000. 32,000 is e-waste in Palwal.

Khushi - Analyst
Okay, sir. Okay, okay. Like how much of this will be internally used then?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Internally for hydromet?

Khushi - Analyst
Yeah, 100%.

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
100% can be utilized internally.

Khushi - Analyst
And what is the current black mass price that you are procuring from it?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
We are not procuring black mass currently, we are just selling it. We will procure it once we have our hydromet plant running.

Khushi - Analyst
So what is the price that you are getting for whatever will be the

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Market price at that time? It is based on commodity and metal prices, approximately Rs 400 to Rs 1,000 per kg.

Khushi - Analyst
And also regarding your hydrogen, this Hyderabad plant, you said when it, like in the earlier call, you mentioned that when it becomes operational, you'll be able to earn 30 to 40 CR per year. 30 to 40 CR, you gave guidance for Hyderabad plant for FY27. So we'll be able to do this 30 to 40 CR from Hyderabad plant, uh, like this year?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
Right now, Hyderabad plant is not independently operating because it has not got the approval. So whatever revenue we are capturing, we are still capturing in the Nasik or Palwal facility only. There are only partial operations in Hyderabad. So I think we'll- we can be clearer by the end of year what exactly we are able to do independently from Hyderabad.

Khushi - Analyst
Okay, sir. Thank you.

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Since there are no further questions, would you like to give any closing comments?

Akshay Jain - Founder and Managing Director, Namo Ewaste Management Ltd
So thank you so much, everyone, for joining our investor call. It has been a really interactive session, and your suggestions have really come along well. We are assuring you that the management and team is committed to deliver the best results and best returns for our investors. We look forward to be on this growth trajectory. And deliver you better results for the, for the next half. And thank you once again for joining and for your continued support and trust.

Harshil Bhayani - Analyst
Okay,

Unidentified Speaker - Investor Relations / Moderator, Capitec Consulting
Thank you. Thank you to the management team for your valuable time, and thank you to all the participants for joining on the call. This brings us to the end of today's conference call. You all may disconnect now. Thank you.