

Management Discussion

Neel Mehta - Analyst, Equirus

Yeah. Hi. Good afternoon, everyone. So, on behalf of Epirus Securities, I would like to welcome you all to the fork with FY26 and FY26. Earning conference call of CMR Green Technologies today. From the management team, we have with us Mr. Mohan Agarwal, Chairman and Managing Director. Mr. Amtur Singh, Director, Business Development and Chief Financial Officer. Without taking much time, I now hand over call to Mr. Mohan Agarwal, Chairman and Managing Director for the opening remarks followed by question and answer. Thank you. Over to you.

Mohan Agarwal - Chairman and Managing Director, CMR Green Technologies Ltd

Thank you Neel. Good afternoon everyone. I am Mohan Agarwal. I am the CMD of the company and it is my pleasure to be a part to be here today and to interact with all of you on the first earning calls of CMR Green Technologies for Q4 and financial year FY26. It's my honor that for the first time I am addressing our honorable shareholders. We truly appreciate your time and interest in joining us today to benefit our performance. First and foremost I would like to sincerely thank all our investors who have overwhelmingly forged trust in us and have invested in the company. During the IPO we successfully listed on both the NSE and BSE on 10 June, the IPO size was 630 crores which was a pure offer for sale. Achieving this milestone and completing our listing journey is a matter of great pride for us. In many ways it reflects the confidence and belief that our stakeholders have placed in our business model and in the long term vision.

This achievement is also a testament to the strong value proposition that we have built for our customers, supported by our commitment to quality, to innovation, to operational excellence and to sustainable growth. So before I go on further with the presentation, a little about myself. It's been 40 years that I've been working and in these 40 years recycling and primarily aluminum is the only thing that I have done. We created BMRE in 2006, which is about years back. It was created with me and my father, who's now the chairman emeritus colleague Shankara Garwalji. And we had a vision to build an organization which is founded on the principles of integrity, on strong governance, on ethics and responsible business practices. I am also very fortunate that my two sons Akshay and Raghav have joined our business and are actively contributing to its running. Overall. I also feel that human capital is really a big differentiator for a successful business and for that reason at CMR we follow a people first approach. We are a people first approach organization and we have built a future ready and resilient organization which can adopt, innovate and grow with refusing times. We have a strong professional leadership team of CXOS which is heading all our verticals. So we are like both an owner run and a professional organization into one now. As a testament to our focus on people, we have recently been awarded the 15th Great Place to Work certification in the country in mid five second segment across sectors. Our disposition last year was number 60 so we think we have done some good things to be able to transcend such a large trajectory.

Coming to CMR. Now CMR is the largest in its field. We are four times bigger than our nearest competition in terms of our installed capacity. We also happen to be amongst the largest in the world. According to ICRA report on industry recently we are rated number 12 in the world including China. In the automotive recycled aluminum phase. What we produce is alloying alloy in aluminium, so those are mostly going to the auto sector. In the auto sector we have nearly a 45% market share which means that more or less every second vehicle that you see on the road, be it two wheeler or a four wheeler, it's made from aluminum supplied from cml. We have been able to build a very very strong market presence. Apart from aluminum we do other non ferrous metal also like stainless

steel, zinc, lead, copper, brass and magnesium. That non aluminum portion forms about 20% of our sales and 80% is coming from aluminum. Recently we have from the auto sector we have diversified into two new sectors. 1 We have built a beverage can recycling plant putais up in Odisha near to Hindalsu Industries where we supply liquid recycled liquid metals to Hindalco. This is a very strategic initiative because this is supplying new metals to a primary producer. This also tells us that recycling is here to stay.

Going forward recycling is going to overtake the overall consumption of the aluminum metal and will become the dominant supplier of new metal rather than primary. So we have taken first step in that direction. Second initiative which is also first in the country is. They put up a large facility for producing recycled green billets and CP grids. Up to now this was primarily being serviced by the primary producers. With technology and our experience we have been able to produce very good quality of their product which has got large acceptance amongst our customers. And it services the construction sector, it services the ever growing. Solar panel manufacturing and solar electricity sector. So during the last 7 growth is a strong focus for us. In the last seven years we have put up seven plants and as I speak with. We are building two more plants. One is in a place called Shulagiri in Tamil Nadu that is in an electric vehicle parts plant. So which is electric vehicle mobility future mobility park. So we will be servicing all the future mobility solutions there. Say supply raw materials again. And the second plant is in Bawal in Haryana, which is our second plant in Bawal also, which has been done at the desire of our existing customer.

We already have given, we have already posted a presentation on our company. What I'm trying to do is I'm trying to very quickly go through that presentation as I am speaking. So coming to liquid metals. Liquid metal has big advantages. Both economical in economic because our customer is able to by avoiding to remelt, he is able to make substantial savings. Environmental because we actually contribute, we earn carbon credits. As I speak, we have 2,73,000 tonnes of carbon credits in stock with us at CMR for which we have not recognized any revenue because there is no marketplace. But as and when the marketplace comes in, it will become a good source of revenue for us. And we continue to accumulate at least 70, 80,000 tons of credit every year. We also have taken phasings on the safe transportation of liquid machine over the road and on process control at our customer end. So which is going to further ensure that we maintain our dominance in the liquidity overall? If we see our total marketing, then we supply to mostly all the OEMs in the country for two wheelers or for four wheelers. We also supply almost all the year one autocomp suppliers. And all these customers we service either as a single source supplier where we are giving them liquid metal in those particular plants or as major suppliers. Our relationships with our customers are as old as we are. We have very high. Repeat orders. We have also a very, very sustainable and a very predictable sale because we have created, we are there very near to our customers. So as long as our customers need a dominion, we don't have a dearth of orders with them. In the non auto space also we work with very large customers. Apart from Hindalco, we are working with stainless. We sell to a company called Autobis in Germany. So in fact our customer is one of our biggest strengths.

Now CMR is also the only company in the recycling space which has technical and marketing joint ventures. We signed two joint ventures with two very large Japanese companies in 2003. One with Toyota Tusho which is a part of the Toyota Group in Japan and another with Nicky MC Aluminium which is the second largest aluminium producer of Japan. And the third joint venture we have signed is called Nippon Light Metal. Nippon Light Metal is the largest aluminum company of Japan in the wrought alloy space. So that helps us to get better technology for the deletion seating that we have put up recently. All these three joint ventures that we have, we are the major. Our joint venture

partners are in minority. We have greatly benefited in terms of technology and in marketing support from our JV partners. And as per our agreements, we don't have to pay any royalty to any of our joint ventures partners coming to our plants. We have 13 plants across the country. The basic idea is be near to the customer. One, we can supply them with liquid metals for which we need to be in close facility with the customer. And otherwise also being close to the customer always helps to sustain the business. So we are actually present in all east, west, north and south of the country. Another very strong USP that we have is that we very quickly adopt the best possible technologies as they become available across the world and to kind of balance them with the big area advantage of having an abundant manpower, abundant trained, hard working manpower, which make a big difference in segregation of scrap, in upping the value of the scrap. The technology that we select also help us to improve our quality, to reduce our cost, to increase our volume. And we believe that our quality is amongst the best which is produced in the country. So we have built the organization bit by bit over two decades so that we do not unlearn what we have learned. We have very strong IT and process integration. We have also eight copyrights which are all centered around our standard operating processes which ensure that we sustainably continue to practice the best practices and maintain efficiency in our plants and keep the cost low.

Coming to the ESG, we are a recycling company. We are very proud of that. We contribute to the environment. We have been rated number six in the world on the S&P global corporate sustainability index for aluminum. One third of our power requirement is coming from solar. With our last year production alone, we have saved millions of tons of. Materials like power, Carbon dioxide, water, bauxite, limestone. And we are a company where we have a zero discharge company. So all our plants are zero discharge. There is no liquid discharge, there is no solid discharge. On the social front, we focus on supporting old age homes in contributing to building up our hospitals, on education to the underprivileged and on local area developments across our plants. According to a CII study, we touched 52,000 lives beneficially in the last year. So this is about from me. I once again thank each one of you for being on the call and for patiently listening to me. I will now pass on to Mr. Ankur. Ankur is our head, he is a Director and he is also our Head of Business Development. Over to you Ankur.

Ankur Singh - Director - Business Development, CMR Green Technologies Ltd

Very good evening everyone and thank you Mohanji for giving me this opportunity to interact on this first earning call with our respected investors. I will walk you through the key strategic updates and operational progress. I am pleased to share that CMR Green ended FY26 on a very strong note, continuing towards its growth trajectory despite macroeconomic uncertainties and elevated logistics costs arising from the geopolitical conflicts. CMR demonstrated very resilient performance driven by disciplined risk management, agile execution and a strong operational capability. I would like to first highlight the key strategic developments that continue to shape cmr. This time, apart from DJSI which at SNP Global which MD has already explained, we participated into ECOVADIS assessment. This is a globally recognized sustainability rating system that evaluates companies on their environmental, labor and human rights. It helps organization, measure, benchmark and continuously improve their sustainability performance.

CMR has completed its IPCOVADIS assessment and has been at 84th percentile and received bronze medal into this. So this has been a very remarkable achievement for the first participation in ecovasis for cmr. CMR has also published its sustainability report which is available at our website today. Our installed capacity is about 6.15 lakh metric ton per annum. We continue to work towards

ramping up our production of our newly operational units in Tirupati and Jhalsugada and to maximize its capacity utilization, Company has bought land in future mobility park at Chulagiri where we have already started building our plant. And we have also building up a new plant in our Bhavan location. So these two plants will see in this year they will also come into operation.

Coming to operational performance in FY26 total volume increased by remarkable 24% to 80,381 metric tons. The aluminum segment reported growth in sales of 27% to 65,636 metric ton per annum. By ramping up of newly added capacities, stabilization of some of the capacities and also the ramping up of some downfield expansions which had taken place in prior years on a quarterly basis sales witnessed an increasing trend. On the other side, other non ferrous metal segments also shown growth by 18% to 14,745 metric ton in FY26 as well as at 8 increased quarter to quarter basis. So this has been the performance of CMR which we are continuously seeing the growth trends. And we see that in future also with these new brownfield and greenfield expansions coming up, this growth will continue and the momentum will be fresh. I will now hand it over to Mr. Yugal, our CFO for the financial performance of the company. Thank you.

Yugal Kishor Garg - Chief Financial Officer, CMR Green Technologies Ltd

Good evening everyone. I'm Yugal Kishor, Chief Financial Officer of the company. First I would like to update on the consolidated financial result for the FY26. The revenue stood at rupees 8640 crore rupees which reflect a year on year growth of 30% which is driven by the increased volume growth and the operational efficiency. Aluminium products like liquid metal inlet Village contributed 81% of the overall revenue and the 19% contributed by the other non ferrous metal companies.

Consolidated jabika for the FY26 at 449 crore rupees which which reflect a growth of 50% year on year basis with the margin remains healthy at 5.2% or in 11,000 rupees. Short term consolidated profit after tax come at Rs.228 crore rupees which reflect a growth of 47.30% on year on year basis. And the part time basis patch is 5580 rupees per ton and a percent in percentage sum it is 2.6%.

Coming to the consolidated quarterly performance Q4 of FY26 and Q2 Q4 of FY25 revenue grew by the 45% on year on year basis up to rupees 2,364 crore rupees. Avita stood at INR128 crore, which reflect a growth of 160% year on year basis. Liquid margin remains strong at 5.4% or 11,400 rupees per cent which supported by the operating efficiency and newly added non auto product. Profit after tax for the quarter comes in at rupees 65.68 crore rupees with a PAT margin of 2.8% or part basis 5800 in. CMR recently progressed with a clear focus on scaling its core business and expanding its serviceable market. Backed by over four decade of the recycling expertise 13 Eco conscious manufacturing facility, strong stakeholders support and the robust capacity and the future ready leadership remain well positioned for the sustainable long term growth. And this is all about my side.

Now I request to open the floor for the question answers. Thank you.

Questions & Answers**Operator**

Thank you very much. We will now begin with the question and answer session. [Operator Instructions] Our first question comes from the line of Maitri Shah with Sapphire Capital Partners. Please go ahead.

Maitri Shah - Analyst, Sapphire Capital Partners

Yeah, hello. Now audible. Yeah. Hello. Good afternoon. Congratulations on the listing. A few questions. Firstly, we are adding a lot of capacity this year. So could you. Could you help me out

with the capacity number we'll have by the end of FY27 in aluminium and in non aluminium segments.

Yugal Kishor Garg - Chief Financial Officer, CMR Green Technologies Ltd

FY27 we will have capacity addition of we are about 6,5000 metric tons capacity at this moment of time. And by FY27 we will go to nearly 7 lakh tons of capacity. And about 80% of this would be aluminium and 20% will be mandium. Got it?

Maitri Shah - Analyst, Sapphire Capital Partners

Got it. Secondly, if you could mention the EBITDA pattern on the aluminium side and also on the non aluminium side.

Yugal Kishor Garg - Chief Financial Officer, CMR Green Technologies Ltd

We actually madrij the scrap is hold together mostly so we don't do. Separation between the two. But our ebitda, if you see on an overall basis aluminium, non aluminum and even with less amount of non metalics also. So everything put together, our EBITDA is in range of about 11 degrees plus last year and we expect it to actually improve.

Maitri Shah - Analyst, Sapphire Capital Partners

Okay, so any, any sort of steps we're taking to see the EBITDA improving right now. So can I, can I calculate the EBITDA like margin basis there at like 5.2% for the year going forward? Any sort of targets we have of taking it to like 7% margins. And how are we going to do it? Are we adding any value added segments to the aluminium business or. Yeah, just give some color on the EBITDA growth.

Yugal Kishor Garg - Chief Financial Officer, CMR Green Technologies Ltd

Yes, one thing that in our business you should look at EBITDA not as a percentage of the turnover but as rupees because this is a commodity where the prices can very quickly move up and down. So that is one thing. Our quest for improving the EBITDA is an ongoing process. We are continuously looking at more volumes. So economic of scale, we will be looking at improving in technology. So through technological improvements and we are looking at developing alloys with our customers that they need and with diversification in the sector, like going to new metal for the primary research, going to billets and sheeting oil business, all these things are actually aimed at improving our EBITDA going forward.

Maitri Shah - Analyst, Sapphire Capital Partners

Got it. So currently we have just one plant on the billets and sheet. Are there any plans of increasing the capacity there or putting up another plant and the more value added side of the product? And also how do you see the mix changing? Do you expect the non aluminium metals percentage going up?

Yugal Kishor Garg - Chief Financial Officer, CMR Green Technologies Ltd

I think we signed an MOU with Hindustan zinc for zinc alloy plant. So where are we with that kind of. Yeah, look, the ramp up in the capacity at the billet and sheet inlet is going on very well. We think we will have to very quickly decide on a new plant that in that direction. So my team is evaluating flu. That aspect on the capacity and everything. So the possibility of our putting up another plant there is high. What was the second Hindustan?

Maitri Shah - Analyst, Sapphire Capital Partners

The non aluminum portion and aluminum portion.

Mohan Agarwal - Chairman and Managing Director, CMR Green Technologies Ltd

What we have seen we are diversifying into non aluminium but there is a lot of growth also in the aluminium. So at the moment the ratio is 80, 20 I believe if both of them grow and we could see a 75, 25 ratio but not a whole lot different because both aluminum and non aluminium both are growing.

Maitri Shah - Analyst, Sapphire Capital Partners

Got it, got it. And the capacities that we are putting in, what sort of capex have we budgeted in for FY27? FY27?

Yugal Kishor Garg - Chief Financial Officer, CMR Green Technologies Ltd

The capex actually we already about 200 crores is the capex that we're doing in FY27.

Maitri Shah - Analyst, Sapphire Capital Partners

Got it. And with this capacity. Yeah. And with this capacity coming in online and we're putting in such big capex, how do you see the volume Growing for FY 2007? 28 any sort of growth targets you have within FY 26 we have grown 25% in volume.

Yugal Kishor Garg - Chief Financial Officer, CMR Green Technologies Ltd

I expect similar growth to be maintained in FY27.28 we.28 would also be a good growth. I cannot at the moment, I don't have a number there but 28 also should be a good growth. Got it. And on the iu. Yeah please. Apart from. Because there is also very strong growth in the auto session where our presence is very, very strong. We have seen auto recording a 12% growth in these first two months of this year. Overall the car is doing very well. Grew about 18% or so and the two wheeler also grew 12%. So those are the sectors that we. So we seeing a lot of headwind of growth from the auto sector over the next two years also apart from whatever else that we are doing.

Maitri Shah - Analyst, Sapphire Capital Partners

Got it. And just on the aluminium as a commodity. So there have been quite a rise in prices on the aluminium side. Because the geopolitical situation, when that eases out, do you see the realization kind of staying at this position or these heightened realizations are something we expect to go down maybe six months from now.

Mohan Agarwal - Chairman and Managing Director, CMR Green Technologies Ltd

We have a very strong risk management policy, so we usually keep all our positions hedged. So these movement in the prices should ideally not affect us and we should maintain the same level of profitability or improve it with our improvements in processes and technology.

Maitri Shah - Analyst, Sapphire Capital Partners

Got it. So, just one clarification.

Operator

Sorry to interrupt. Maitri ma'am, we request you to return to the queue. Thank you.

Maitri Shah - Analyst, Sapphire Capital Partners

Thank you.

Operator

The next question comes from the line of Bhavika Jain with Niveshaay. Please go ahead.

Bhavika Jain - Analyst, Niveshaay

Yeah, Am I audible?

Mohan Agarwal - Chairman and Managing Director, CMR Green Technologies Ltd

Yeah.

Bhavika Jain - Analyst, Niveshaay

Firstly, many contacts for the set of numbers. So basically I want to understand that as you said, that our aluminum goes majorly in the auto segment. So does it include both EV and non ev and plus on what like on which part does it goes? And what is the portion like a percentage of for example a particular auto vehicle.

Ankur Singh - Director - Business Development, CMR Green Technologies Ltd

We talk about how much is of made of aluminum. And in that also as we see that in primary side there is a quite as India, we are on the surplus side. So how we see the secondary aluminum replacing the primary aluminum and in what factors we see that the replacement will happen. All right, firstly, one by one EV aluminium is a metal which has got very high strength to weigh, very favorable strength to weigh ratio for light weighing is where aluminum has a very, very big application. EV because of its very large weight of the batteries and very low center of gravity, the aluminium usage actually in EVs is expected to be three times more than that in the conventional vehicles. So in the conventional vehicles, aluminium is mostly used in engine and transmission, in suspension, in steering, these kind of things which are there in case of EV is used for battery casings, it is used for battery trays, it is used for motor covers, it is used in suspensions. And where it really differs from the ICE vehicles is that a lot of body structure is made out of aluminium extrusions and foldings. And in some very high end cars, even in ICE vehicles, the entire body is made of aluminum. In EV, the body will progressively become more and more into aluminium. In India we don't have it right away, but going forward we will see a large use of aluminium even in the body. In the EV sector, as far as the quality is concerned at the product level, there is no difference in the quality whether it is made from recycled or it is made from primary. Both meet the same specifications and the requirements of the product. Just to prove a point, auto mostly is 100% recycled.

Your beverage can that we drink our coke and beer from is 100% recycled. So there is a recycled aluminium and aluminum can be recycled a number of times. We have like 1.2 billion tons of aluminium in use today in the world and all of this aluminum is available for recycling and not once repeatedly over and over and over and over again. So we are never going to run out of material in feed for recycling. I suppose I answered all your questions.

Bhavika Jain - Analyst, Niveshaay

Yes. So when we talk about such a large demand on the aluminium side for the recycled one, why we are not seeing the other recycled layers and coming up with the capacity in this segment like Hindalco, of course they did tie up with you, but why they are not coming up on their own? And as we know that the ETR mandate is going to be compulsion from FY29. So how we are so confident on the adoption and apart from auto segment, what other segments we can see the traction in near term?

Mohan Agarwal - Chairman and Managing Director, CMR Green Technologies Ltd

Firstly, coming on competition. Really we compete with ourselves. We want to be better and stronger with maybe each passing day. I am not in a position to really commend why somebody else is not doing it. But we see that TMR is in a strong position. So anybody coming in will have a strong competition. That is on competition. Sorry, what is the second thing you asked?

Bhavika Jain - Analyst, Niveshaay

The EPR mandate for ref is coming in FY29.

Ankur Singh - Director - Business Development, CMR Green Technologies Ltd

Yes, the EPR mandate is there. And EPR mandates that progressively all products have to have recycled content. It starts from about 5 to 10% and is going up to 60, 70% in certain cases. So I am sure that this EPR mandate would be easily met because there is a lot large amount of recycling which is happening. The new products, the technology developments in the recycled aluminum will help the producers to adopt recycled metal more easily. And in fact the design of new products is now being done with recycling in mind. So it also helps in faster adoption of recycled metals. All these things together will help in implementation of the EPR and in to achieve the target set therein.

Bhavika Jain - Analyst, Niveshaay

Okay, my one question.

Operator

Sorry to interrupt, ma'. Am. We request you to return to the queue format.

Bhavika Jain - Analyst, Niveshaay

Actually, the question is unanswered. That's why I. Yes, yes. Yeah, yeah, yeah. Basically I also asked that apart from this auto segment, with other segments, we are seeing the traction in near term. Like where the adoption of aluminum, recycled, recycled aluminum will increase.

Mohan Agarwal - Chairman and Managing Director, CMR Green Technologies Ltd

Actually I will tell you mostly except for transmission wires which are not alloyed, which are primary pure aluminum, that is which will continue with the primary aluminium because it is not alloyed for all other applications. The aluminum is alloyed before it is used and. And wherever the aluminum is alloyed, their recycling will come in. Because the biggest benefit of recycling happens when we maintain the same alloy and we don't change the alloy. So actually, except for transmission wires everywhere, recycling will come in.

Bhavika Jain - Analyst, Niveshaay

Thank you.

Operator

Thank you. Ladies and gentlemen. In order to ensure that the management is able to address questions from all the participants in the conference, we request you to limit to two questions each and rejoin the queue for follow up questions. The next question comes from Rahul Jain with PNB MetLife Insurance. Please go ahead.

Rahul Jain - Analyst, PNB MetLife India Insurance Co. Ltd

Yeah. Hi sir. Thank you for the opportunity.

Operator

Sorry to interrupt. Sir, your voice is sounding a little bit grainy. Are you using any external headset or any other handset?

Rahul Jain - Analyst, PNB MetLife India Insurance Co. Ltd

Is it okay now?

Operator

So there is a slight static which is coming only when you're speaking.

Rahul Jain - Analyst, PNB MetLife India Insurance Co. Ltd

Is it okay still there?

Operator

Go ahead.

Mohan Agarwal - Chairman and Managing Director, CMR Green Technologies Ltd

If we don't understand his question, we'll ask him again.

Rahul Jain - Analyst, PNB MetLife India Insurance Co. Ltd

So my question was on scrap sourcing. So since you import 2/3 of your scrap from international markets, you know, we have many countries who are looking to ban exports of critical aluminum like rum containing aluminum from these countries. So for example, so where I'm coming from, you know, is UAE, China and many other countries are already ban on countries like EU, USA, Mexico are planning to. So if you can help me understand what are the policies which can be, you know, help us, you know, source aluminium and are there any plans wherein we can do sourcing very easily from these countries?

Mohan Agarwal - Chairman and Managing Director, CMR Green Technologies Ltd

Rahul, thank you. I will explain. The demand for scrap across the world is growing. On the other hand, the supply also is growing. But the demand is growing faster than now. To mitigate this potential risk, what we at CMR is doing is we kind of buy practically from all the six continents in the world. Our reach for sourcing of scrap is very high. We also source a lot of our material from domestically within the country. So we are focused on sourcing both from domestic and import. This talk of banning export of scrap or imposing export duties is nothing new. Has been going on for quite some time from one country to the other. UAE has recently put a ban on exports for the next four months. When that happens, we go to another area. Though CMRA is not really dependent on uae. We have not been buying from UAE. China has never been an exporter of scrap. China needs a lot of scrap. They generate a huge amount of domestic scrap. But they also import scrap. EU is threatening regulations in which they want to ban the export of scrap to non OECD countries from about May of 2027. They are also threatening imposition of 15% export duty on aluminium scrap from September 2026. I think if we look at the September 26th export duty scrap, then two things would happen. That part of that export duty, the suppliers there will have to be. Because the kind of scrap that we buy from these economies is the scrap which those people cannot effectively or as efficiently process. Because those kind of scrap also need, apart from technology, human intervention. So those scrap will continue to flow to countries like India. So part of it the supplier was there, and part of it we will be able to pass it on to our customers.

USA is the largest producer and exporter of aluminum scrap there also some talks have started that

they want to restrict export of scrap, but I suppose it is too early. And again, what we see in US is a very important case to be seen. They have a 50% import duty on aluminum. So that means all these scrap that they are generating, they should be keeping that because aluminium in US is maybe \$2,000 more expensive than outside US. So they should actually be retaining all their scrap. But that is not the case. US still forms our biggest scrap source because it is the quality of scrap that we buy and that is not the scrap that those people can process themselves. Mexico also, there is a big. There is no new development in Mexico. There is a very big auto industry which is there. So Mexico needs all this scrap that it can produce. It was once a big exporter of scrap before they had their own domestic consumption go up. Overall, we need to be very resilient. We need to be extremely cautious. So we need to be extremely cautious, which we are and it should not be a major problem. Next question please.

Rahul Jain - Analyst, PNB MetLife India Insurance Co. Ltd

Sure sir. So if the list increases the. But just to understand that we are still immune to such because the type of scrap we are using or importing will not fall under the ban. Is my understanding correct?

Mohan Agarwal - Chairman and Managing Director, CMR Green Technologies Ltd

No, no. It will fall under the ban. If they say aluminium scrap ban then everything gets banned. But we will not see ban even in the case of non OECD country India. Europe is not going to ban the export of scrap. India is applied for an exemption to that as a country. So the difficult or the complex scrap will continue to flow. That is our understanding.

Operator

Sorry to interrupt. Rahul sir, we request you to return to the queue for follow up itself we request you to return to the queue because there are several other participants waiting for their turn. So thank you. The next question comes from the line of Vinayak Kariwal with Xponent Tribe. Please go ahead.

Vinayak Kariwal - Analyst, Xponent Tribe

Hi sir. Thank you for the opportunity. So I wanted to understand how do you compete on the two products you have which is the multi metal and the inverts. When you. So I think your customer. So I think your customers also import a lot of aluminium ingots and you give us an idea how. How do you compete with these imported ingots and other molten metal suppliers in the country and also other ingot suppliers.

Mohan Agarwal - Chairman and Managing Director, CMR Green Technologies Ltd

Firstly the import into the country is very very small. Mostly the import comes in the south of India where we are increasing capacity. Once we increase capacity and we are able to service that market, I think the imports would progressively stop there. Molten metal kind of locks in our customer very strongly with us. We deliver them 24 hours a day directly online. So a liquid metal customer is tied with. So they don't move to anybody else. We don't move to anybody else. The competition is squarely addressed. The quality that we produce and the consistency and the dependability of supplies that we bring ensure that our customers also stay with us and we don't lose them. We see we have a very, very high request ratio with our customers.

Vinayak Kariwal - Analyst, Xponent Tribe

The reason I ask this question is because some of your customers have grown volumes to the tune of 2.3x in the past three quarters. While our volumes have not grown since like FY22. We have been

doing around 3, 3 and a half lakh tons of volumes. So what is the gap? Where is the gap being filled by our customers? Where are customers getting the aluminum ingots from?

Ankur Singh - Director - Business Development, CMR Green Technologies Ltd

It's not from us. I think your information is not entirely correct. 1 At CMR we have continuously increased our market share. That means in every single year, in FY22 and beyond and even before we have increased our market share, we have outgrown the industry. So I think your information is slightly not correct. I was talking about Craftsman Automation, which is one of the big customers. Which one Craftsman we have. Our share is increased tremendously. We are today supplying maybe 2x or 3x of what we were supplying to them earlier. Craftsman and Sunbeam. The Craftsman, our share is substantially increased. Our growth with Craftsman is actually our share of business in the overall Craftsman space, including Sandeep that they recently took over actually has grown. Okay, okay, sir, so, but this is just a part of this question. I'm not completed with the question. So, so just if I could reiterate. So you were doing 2 lakh 90,000 tons of volume in 22 and in 20 price loaded 3 and a half lakh tons of volumes.

Vinayak Kariwal - Analyst, Xponent Tribe

Just wanted to understand why the growth had stopped between in this period and could we see such periods going forward?

Mohan Agarwal - Chairman and Managing Director, CMR Green Technologies Ltd

Also the industry has degrown during that period. We still grew. If you see the at that time we were basically servicing only the auto industry. There was de growth in the auto industry for two years post Covid. But we grew in 2324 I suppose or 2223. There was de growth in the auto industry. But we have had positive growth even in those years. So subsequently now we have also diversified into non auto. So which will ensure that we will be able to better manage any such situation which may again arise in future. Sure. Okay. Thank you. Thank you. Your next question comes from the line of Arvind Arora with a square capital. Please go ahead. Hi. Thank you for the opportunity. Sir, you mentioned to the previous friend that recycled aluminum cannot be used for transmission transmission sector. So is it because of the conductivity specification or some pen, pencil, scent or any other reason? Now I suppose you want conductivity and 2 it is not alloyed. So if you want wire for transmission through recycling we will have to use only wire. I mean I will correct my response that if I get wire as an input transmission wire and then make an aluminum ready for wire again or make a wire again then yes, the recycled aluminum can use can be used even in transmission. Conductivity definitely is a very important consideration for that. But a wire to wire will be easily possible. Understood?

Vinayak Kariwal - Analyst, Xponent Tribe

Understood. Okay. And so the contact that we entered with the customer. So I want to understand the formation like is it probably used to be costless markup or. Or there is a link to commodity price and how we are hedging it. Because I can see there is a 166 crore rupees going under OCI TML. Can you please throw some lights on that part as well?

Mohan Agarwal - Chairman and Managing Director, CMR Green Technologies Ltd

Firstly, the pricing that we do with our auto customers is the monthly pricing where any change in the aluminum prices or in the exchange is passed on to our customer. So the Delta gets passed on to the customer but we still have a price risk. We buy on day one, we sell on day hundred. So my

customer is giving me a price protection between day 60 and day 90. With that price movement, the customer takes on themselves. But our exposure from day one to day 60 has to be hedged. The OCI that you see is a mark to market situation on our existing hedged contracts. So I suppose, I mean this is something which is very normal and natural that the mark to market would be there. So subsequently if either the market will go down and we will not, this OCI will go to zero or else the physical prices will go up and which will shut off the oci. Either way we just concentrate on maintaining our profitability whether the markets go up or go down. So OCI is a very normal thing. When we are hedging, what will be the trigger when the churn settle down? OCI happens in a cash flow hedge transaction which is representing our future predictable sales.

Vinayak Kariwal - Analyst, Xponent Tribe

Understood, sir. Thank you.

Operator

Thank you. The next question comes from Nishita Shanklesha with Sapphire Capital Partners. Please go ahead.

Nishita Shanklesha - Analyst, Sapphire Capital Partners

Yes, hello. Am I audible?

Operator

Yes.

Nishita Shanklesha - Analyst, Sapphire Capital Partners

Yes. Yeah. So you mentioned to a previous participant that our current EBITDA per term is 11 rupees and that we are expecting it to improve further. So if you can, if you could just quantify how much growth are we expecting in the top in S527 and going forward at this moment of time before we come out with the projection.

Yugal Kishor Garg - Chief Financial Officer, CMR Green Technologies Ltd

I would say that EBITDA should continuously improve. I don't want to put a number to it, but it should keep improving. Okay. Okay. We are doing both in terms of technology and product new products which should actually improve.

Nishita Shanklesha - Analyst, Sapphire Capital Partners

Okay, understood. And on the realization so in Q1, has our realizations been like? Realization?

Yugal Kishor Garg - Chief Financial Officer, CMR Green Technologies Ltd

You mean the price or.

Nishita Shanklesha - Analyst, Sapphire Capital Partners

Yeah, the price.

Yugal Kishor Garg - Chief Financial Officer, CMR Green Technologies Ltd

Aluminum price realization. The prices have been moving up especially since after the Iran US war. So we have seen a big spike in prices post the war. So there is a lot of volatility which has come into this space. But we are really not so perturbed with that because either we are able to pass on or we are able to hedge our position. Either way, we only target to maintain our profitability, which we should be able to do.

Nishita Shanklesha - Analyst, Sapphire Capital Partners

Okay, thank you so much.

Yugal Kishor Garg - Chief Financial Officer, CMR Green Technologies Ltd

Thank you.

Operator

Thank you. Thank you ladies and gentlemen. We will take that as our last question for today. I now hand the conference over to the management for closing comments.

Mohan Agarwal - Chairman and Managing Director, CMR Green Technologies Ltd

Well, I. In closing I want to thank everyone once again for being being here, for taking out the time to attend this earning call. I hope I have been able to answer all the questions as they could be taken. I'm sorry that we had to kind of short close. Maybe I was a little longer in my answers but I wanted to be more thorough and thank you very much. We will continue to. Now we are a public company. We take it with a great sense of responsibility that we have towards now so many stakeholders and we will do our best to come up to or even exceed their expectations. Thanks a lot.

Operator

Thank you ladies and gentlemen, on behalf of Equiris securities and CMR Green Technologies Ltd. That concludes this conference. Thank you everyone for joining us. And you may now let's disconnect your lines.