



13th November, 2025

Bhagyanagar India Limited

Finportal IR: Good day, everyone, and welcome to the earnings call of Bhagyanagar India Limited for the quarter ended 30th September 2025. Today's session is designed to provide an overview of the company's performance and address investor queries. Please note that this call is being recorded. Some of the statements made during this call may be forward-looking, based on current expectations, and are subject to risks and uncertainties. Actual results may differ materially. And the company does not undertake any obligation to update these statements, except as required by law. I encourage all participants to exercise caution and refrain from placing undue reliance on these projections. Joining us today are Mr. Devendra Surana, Managing Director; Mr. Narendra Surana, Founder.

Bhagyanagar India Limited: Hello.

Finportal IR: Mr. Advait Surana, Business Development Manager, Mr. Surendra Bhutoria, Chief Financial Officer, and Mr. Rahul Surana, Finance Manager. We will now invite the management to present a brief overview of the company's performance. Thank you, and over to you.

Bhagyanagar India Limited: Thank you very much. Since the first time I'm making this earnings call, I would like to start with a brief introduction and a background of the company. So this company was started way back in 1982 by my brother and my father, who are the founders of this company. And we have had a continuous run of over 40 years of uninterrupted profits. So, for the last 40 years, we have never had any quarter where we have shown losses. We're also very proud of our legacy that in the last 40 years, there has never been any default or delay of payments to any institution, customer, bank, or anybody else from our organization. We are very proud to keep that legacy. Started, In the early 80s, as a manufacturer of just copper rods, as a plain commodity player, we moved slowly over the last so many years, first from copper rods to making value-added products as required by our customers, and, which were basically into auto components, bus bars, switchgear components, and solar water heaters. Over the last 7 years, we have changed our focus and got into backward integration with scrap recycling and import of scrap from all parts of the world. As of today, we have 500 customers, mostly in the OEM sector. Though our focus is mainly in India, we have started, made baby steps of exports of some of these products across the world. I would, over the last few years, we have been adding more and more value-added products. I would request Advait, who's the Business Development Manager, to talk about the three new products which we have introduced in the last one, one and a half years.



13th November, 2025

Bhagyanagar India Limited: Hello everyone, I'm Advait, the Business Development Manager. So, in the last few years, due to the requirements of our customers, they were pushing us to develop a few more products. One of these products are enameled wires, enameled strips, and transposed conductors. They are used in the application of motor windings and transformer windings. Another product that we have developed is, copper in solar applications. As the solar industry is booming, this was something that we have gotten into recently. These products have huge potential due to the electrical requirements of the country growing day by day, and these products also have very high export potential, so we are working on this currently.

Bhagyanagar India Limited: Thank you, Advait. As has also been mentioned. Because of the legacy issues, this company has a lot of plants and real estate all over the city, so we are going through a process. Also, we also have some windmills which are over 20 years old. So, we are currently under a process of restructuring, where the entire copper assets will be hived off into a separately listed entity, which should happen in the next 12 months or so. So that restructuring process is also underway, where we will make one company which will be focused totally on copper, and another company which will have windmills, real estate, and other assets of the company. So that is also underway. As regards the future, we are personally very bullish on the growth of copper. Copper, in the last few years, has been growing by leaps and bounds. In a country like India, typically the growth of copper is twice the rate of GDP, so if the GDP is at 7%, copper growth is between 14% and 15% every year. The main drivers for the growth of copper are, three buzzwords today in the industry. Number one is green energy. Green energy, both solar and wind, require about 3.5 times more copper compared to traditional forms of power generation. Because it is decentralized generation of power, there is much more requirement of copper parts in both transformers, cables, and other places. This is leading into a great boom for copper. The second growth engine for copper is EVs. Electrical vehicles also require roughly about 4 times more copper per car compared to a regular IC engine, including in the, setting up of the infrastructure for charging and others. The third buzzword today is AI. And AI is going to really increase the demand of power, and thereby increases the demand of Copper. There is a, there is a estimation that AI will consume more than 10% of the world's requirement of power, which will straight away translate into additional 10% requirement of copper for, powering this AI growth. Seeing this major growth in copper requirements across various industries, we are also gearing up to meet the challenges and the opportunities which are going to be presented in the coming years.



13th November, 2025

As we move forward, the other challenge which is going to happen is that there is not enough copper which is to be mined on the Earth. So recycling is going to play a much more important role for the fulfillment of the copper requirements of the country, and we are well placed to, take advantage of this, as we have been doing this for a long time. We have the technology as well as the resources required for taking advantage of this Boom... coming boom in the recycling industry. Further recycling is also being given a lot of weightages by all customers in terms of the ESG requirement, as well as the government is coming up with a proposal of APR, which is Extended Producer Responsibility, which will ensure that more and more producers will reuse recycled products in the future. We are also looking at opportunities, since we import all this scrap from all over the world, we are looking also at opportunities of getting into recycling of plastic and lead in the near future. Furthermore, we have an aspirational target to reach 5,000 crores turnover in the next 7 to 8 years.

With this... in this product line. We already have a 60-acre facility for copper, which is more than enough to reach this turnover, as far as the land requirements are there, so one of the major constraints is already off the lock. Now, coming to this quarter, and this half year, I'll just give a brief, summary of the half-year results. From the last year's 777 crores, we have reached 1065 crores in the first half year of this year. We have... our EBITDA has gone up from 14 crores 83 lakhs to 41 crores 39 lakhs, which is almost a doubling from 1.92% to 3.88%. This has happened mainly due to our focus on more value-added products, rather than Commodity sales. The PAT, in the meanwhile, has also gone up from 7 crores to 25 crores.

Thank you very much. Looking forward to some questions. The presentation has already been uploaded. I'm sure most of you have seen it, and we'll be happy to answer any questions which are there.

Finportal IR: Thank you for the detailed and insightful briefing. I now request attendees who wish to ask a question to please raise their hands so we can take questions one by one. The first question will take from Mr. Agastya Dave.

Bhagyanagar India Limited: They're going to.

Agastya Dave: Hello, am I audible?

Bhagyanagar India Limited: Yep.



13th November, 2025

Agastya Dave: Thank you very much, sir. First of all, for holding the con call. It's been very tough getting in touch with you. Although I've not, like, tried extremely hard, but still, sir, I appreciate an open con call like this from every company. Congratulations on great performance, sir. Sir, I've been following this company for a very long time, and if I just look at the data for the last 3 years, your volumes that you report in your annual reports, they have been declining. Whereas your EBITDA margins have been increasing, which I understand is the value addition part. But can you go into further details? Like, even in this quarter, the EBITDA percentage and the gross margins have jumped quite significantly. So was there an element of inventory gains here? Because copper corrected last year and then has surged over the last two, three months? And then, my question is on the sustainability of this. So, if you can break gives some kind of, a breakup between how much is coming from valuation, how much was inventory gains, how much was, some other, some other, factor which led to such, such improved margins. And going forward, how do you see these spanning out? What is the upper level up to which you can go?

Bhagyanagar India Limited: Thank you, Agastya, for your interest in the company. Yes, our, EBITDA margin has gone up, and it's primarily due to our focus on more value-added products. However, as you have rightly pointed out, the copper prices go up, while inventory gains has not substantially contributed to the gains, but whatever... what happens is whenever there is an uptrend in the commodity prices. The overall sector goes up, and there is a much more bullishness. When the price comes down, you know, the customers tend to not buy and delay the purchases. And as the prices keep going up, there is a surge in demand from the end customers who want to buy, and that's how there is a slight increase in the EBITDA margin because of that. But the majority of the price gain has happened because of our shift to higher value-added products, and a certain small amount of value gain also has come in because the customs duty on copper scrap has been removed from January 31st of this year in the budget last year. So our imports have suffered a lower customs duty. Part of that saving has been added into our EBITDA margin.

Agastya Dave: So, will that sustain, this saving in the customs duty?

Bhagyanagar India Limited: the customs duty is gone forever, so therefore that EBITDA margin can continue. We are looking at sustaining our EBITDA margin at close to 4% over the next few years. Okay. In spite of the higher prices and higher volume, our target is to sustain our EBITDA margin close to 4%, plus or minus quarter percent over the next few years.



13th November, 2025

Agastya Dave: Okay, and sir, in terms of volume growth, you, as far as I know, sir, you have a 30,000 return capacity, and I believe the last year's numbers, please correct me if I'm wrong, were 18,300 tons. So you have some room to grow, so what kind of volume growth did you see in the first half, and how do you expect the next two years to pan out?

Bhagyanagar India Limited: So, the volume growth in the, first half... I'll just give you the volume growth in the first half. So what happens is, because of the various value-added products, while our overall capacity is 30,000 tons, which includes both the commodity as well as the finished products. So, the volume in metric tons of the first half has been 12,400 metric tons, as against 8,955 metric tons in the previous year.

Agastya Dave: 8,000? How much? 8,000?

Bhagyanagar India Limited: \$8,955 in the previous half year.

Agastya Dave: Okay, okay, okay, so that's a substantial jump, sir.

Bhagyanagar India Limited: Yeah, there is a substantial jump in the volume, and sometimes the volume growth doesn't fully reflect the correct picture, because whenever there is an arbitrage opportunity in the commodity sector. We increase our commodity sales, not only to test our capacity, but also to take advantage of the situation. And whenever there is a situation... and that happens especially when the prices are going up. Like you said, when the prices go up, there is an arbitrage opportunity between India and China and other places, where we buy the local scrap in India and then export the ingot to China. So that is sometimes a seasonal game. The commodity volume will keep... be a little volatile, whereas the OEM sales are very, very constant.

Agastya Dave: Great, sir. One last question before I go back in the queue, sir. In terms of next round of CapEx, when do you see that happening? Because you... you were mentioning that you're targeting much larger volumes, but can you quantify that in terms of tonnage? And, the next round of CAPEX, beyond this 30,000 ton capacity, what are you planning?

Bhagyanagar India Limited: So immediately, we are looking at only an additional 5,000 tons in terms of the overall capacity. Our majority of the capex right now will be going into adding more value-added products and increasing the capacity of the value-added products.

Agastya Dave: Okay. Sir, how much is the value-added portion as of now, in terms of capacity and production?



13th November, 2025

Bhagyanagar India Limited: Roughly about 60% of our sales is...in value-added products, and the capacity is almost fully utilized in terms of the value-added products. So we are increasing the capacity there so that we can reach up to 75% of the volume in terms of value-added products. And our investment in the first phase is going in that, and it's a continuous process. Like Advait said, our demand for value-added products is driven by our customers, and whenever the customer wants any new form of value-added product in copper, we do the required investment for them and get into that business. So that's how...

Agastya Dave: A better margin for VA would be... I mean, valuation would be, what, 6%, 7%? Beyond that, how much would that be, sir?

Bhagyanagar India Limited: So, it depends on the product, because depending on the various inputs which go into the value-added product, could be anywhere between 6% to 12%, depending on various different types of products which come in.

Agastya Dave: And commodities at 2%.

Bhagyanagar India Limited: A commodity is typically at around 2%, 2.5%.

Agastya Dave: Understood. So, sir, thank you very much for answering all the questions. Thank you, sir. All the best.

Bhagyanagar India Limited: Thank you very much.

Finportal IR: Thank you. We'll now take the next question from Mr. Darshils Jhaveri.

Darshil Jhaveri: Hello. Hi, good evening, team. Thank you so much for taking my question. Hopefully, I'm audible.

Bhagyanagar India Limited: Yeah, wait, for your question.

Darshil Jhaveri: Yeah, yeah, hi, sir. So, sir, I just wanted to know, like, you know, we've given a very initial target of, I think, reaching 5,000 karuts, you know, over the next 7 to 8 years. But, in the short term, you know, what would be, you know, our growth target, like, because advancing a lot of the drivers to the industry, right? So, currently, like, how would you see it for the, you know. Next, or maybe this year and next year, how would we, you know, speed up?

Bhagyanagar India Limited: Okay, if, for the near term, we are hoping to at least replicate the first half in the second half. For this year. And, going forward, we are looking at roughly about 20% growth every year, year on year, compounded. Like I said, the demand of copper is roughly



13th November, 2025

double the demand of, double the growth in GDP. So we expect the Indian demand of copper to grow at roughly about 12-14% every year. And we want to have something more than that, and we are looking at roughly about 20% growth every year, and we see a lot of traction from all our customers. So, all the customers whom we talk to are looking at, you know, increasing capacity by 40-50% every year. And a majority of our growth is driven by our customers.

Darshil Jhaveri: Correct, correct, sir. So, sir, just, it's the first time I'm seeing the company, so pardon me if my questions are basic. So, the, we supply to people who are doing more capex, or is it the, you know, regular need that they have? So, the reason I'm asking this question is, so, when they are doing some new plant, or factory, or some other capex, that's when our products are needed more, or do we supply them on a regular basis? Like.

Bhagyanagar India Limited: So, most of our customers are very, very regular customers, and month on month, we supply the same customers the material. Especially when you are looking at transformer companies, when you're looking at auto companies, and switchgear companies. So, most of our customers are manufacturing capital goods. But the same customers take the material from us and then supply to the entire market.

Darshil Jhaveri: Panel builders, transformers.

Bhagyanagar India Limited: And, automotive. The customers are same. They are all repeat customers. We hardly ever get any new customers.

Darshil Jhaveri: Okay, okay, fair enough, sir. So, sir, is there, then, like, some kind of seasonality in our business? Like, you know, H1's better or H2's better? Because September, we've, you know, done very well in terms both of our revenue and margins, so just wanted to know, like, is this... You know, that the September quarter is the highest quarter, or, you know, we can expect this quarterly run rate to, you know, be the new base for us.

Bhagyanagar India Limited: So, we are hoping to maintain this quarterly run rate through this year, and then start increasing more from the next year. Typically, the first quarter is a little slow, the other three quarters are equally good.

Darshil Jhaveri: Okay, okay, okay, that's, that's...

Rahul Surana: Nothing seasonal in terms of the season, but sometimes, you know, the March end will play a little bit of demand extra in March, but nothing major seasonal.



13th November, 2025

Darshil Jhaveri: Okay, that's really helpful, sir. And sir, we saw that, you know, your value added is nearly 60% right now, and we want to go into more products, something related to solar and everything. So, those margins will be even better than the value-added. Currently, we're doing 67%, or, you know, how would... Those be, sir. The margins of the new product that, you know, we are trying to explore.

Bhagyanagar India Limited: So, like I said, the margins in OEMs range between 6 and 12%. So, we are looking at all the entire range of value-added products across the various sectors. So even if you look at something like a transformer winding, even in that, there'll be a variation between them, between 6 and 10%. But roughly, the range is between 6% and 12% for the value-added products.

Darshil Jhaveri: Because that's a very big range, sir, because, you know, 6 to 12 would... if, you know, we could narrow it down a bit on our average rate, because, we are right now doing 4%. I don't expect us to reach 10% overnight, but we hope that that's the endeavor. But still, just wanted to, you know, get your feel that, you know, in general, what the value-added products are doing right now, and what will it be during the future service.

Bhagyanagar India Limited: So, we are not targeting aggressively over 4% on our weight, total, value addition. We are quite happy with maintaining 4%, and maybe look at getting it slowly upwards in small decimal points to 4.5% or so. We are definitely not targeting more than 5%, I mean, 5% value-added in the next 2 years or so. The overall valuation will remain, EBITDA margin will remain between 4 and 4.5.

Darshil Jhaveri: Okay, okay, fair. Just last question from my end, sir. We are talking that, you know, we have some real estate assets, so, what would be its current market value? Do we have any idea, sir, about that, sir?

Bhagyanagar India Limited: We look at, adding construction. So, the circle rate of that will be around 200 to 250 crores. We haven't taken out the exact figure, but once we do this restructuring, we might be doing some development work and also adding value in that in a separate... separately in the other company.

Darshil Jhaveri: Okay, so we look to become kind of like a construction company on there, like.

Bhagyanagar India Limited: Yeah, either we do a construction... That's right.

Darshil Jhaveri: Give it on the development, maybe. Okay, okay, okay, that helps a lot. I have some more questions, but I'll just join back in quickly. Thank you so much.



13th November, 2025

Bhagyanagar India Limited: Thank you very much, Darsh.

Finportal IR: Thank you. We'll take the next question from Mr. Mayur.

Mayur M: Hi, hello everyone, am I audible?

Bhagyanagar India Limited: Yeah.

Mayur M: Alright, I'll... Thank you so much, firstly, for allowing me to speak over here, and congratulations on the stellar results. I just had one concern, or one question, rather. Because everyone is now saying copper is going to be the new silver in the market overall, all across the world. How does the company plan to handle all the market fluctuations that are happening month on month or quarter on quarter, especially what we have seen this year, at least? How do you see the company handling all the market fluctuations?

Bhagyanagar India Limited: So, we hedge our positions on, all the three exchanges, COMEX, LME, and MCX. And, depending on whatever the situation, we try to ensure that we are not very much exposed to the market forces, but given that we are quoting in tenders, giving to OEMs, there is a little bit of...overflow, which can come to us, but it is typically a second-level ripple effect which affects the company. The first level effect is typically hedged on the exchanges.

Mayur M: Okay, understood.

Bhagyanagar India Limited: Also, just, since we are on this question, would like to make it very clear that, in copper, the purchase prices and the sale prices are continuously, adjusted. So there is, the price of copper is always put LME plus so-and-so. So, whenever we purchase and sell, the automatic pass-through mechanism is there, both in our purchases as well as in our sales. And we really don't have long-term contracts of sales over 3 months or 6 months like that, on a fixed price.

Mayur M: Okay, okay, sir, understood. Thank you so much for answering that.

Bhagyanagar India Limited: Welcome.

Finportal IR: Thank you. We have one question in the Q&A tab as well, I'm just reading out the question. How will you manage with increasing raw metal prices?



13th November, 2025

Bhagyanagar India Limited: So, the, increasing raw material prices, like I said, is a straightaway pass-through to the customer. However, it does have a second-level effect that it increases our working capital requirements in the company. As, we need to provide for the finances for the working capital. Other than that, it is a direct pass-through. Whatever the prices of raw material go up are increased in our sales prices.

Finportal IR: Thank you. We'll take the next question from Mr. Pratik.

Prateek Shrivastava: Yeah, hello, sir. This is the first time I'm actually joining the call. Again, thank you for conducting this, if I'm right, first ever con call, so please continue to do that with the investors. Thank you. So, sir, I'm just learning a bit more about the company, so I do have a few questions. Can you talk a bit about your customer segmentation, customer cohort? Like, are you supplying mostly to, you know, private sector, or is it mostly for, like, B2G government sector? And then my question was more around the, receivables, sir. So, are we doing anything? I see our receivables... Pretty high, are we doing something to improve the, operating cash flow situation?

Bhagyanagar India Limited: So, we have hardly any presence in the government. Most of our sales are B2B sales to OEMs, and we have a slightly higher concentration towards South India. And these are all, long-term OEMs for some... some of these customers we have been supplying for about, for 35 years. Every month, we supply month on month, and the receivables typically are, from OEM customers, are from 15 days to 60 days. Whereas the commodity is typically 0 to 7 days. And as our focus goes more towards OEMs, our receivable days will keep going up. And over the last few years, we've had a very good track record in terms of, you know, receivables and almost zero write-offs on an annual basis. It's less than 0.1% every year. So that's been our record in terms of the receivables and getting the money.

Prateek Shrivastava: Got it. So, sir, my second question, then follow-up, is on the CAPEX plan. Sir, you said that this second half, we are doing the CAPEX. So, what would be... how are we funding this? Is it through internal accruals? Are we going to raise... through the market, or is it through loans? Can you... and then, can you talk a bit more about the Capex in terms of... You know, when will it go live, and how do you see the, the operational, you know, efficiency going up?



13th November, 2025

Bhagyanagar India Limited: So, so far, all our capex over the last few years, in fact, from 2014, we were at around 300 crores, and now, this year, we are targeting 2,000 crores are, through internal accruals. So far, all our CapEx has been through internal accruals and very minor amount of loans from the banks. We are looking at some fundraising in the near future, especially when we are looking at the new plans of plastic and lead recycling. So, we'll be looking at some, raising of funds for that.

Prateek Shrivastava: Got it. And can you talk a bit more about the, the cycle for, this? Like, when is this going to come live? Can you talk a bit more about the plan there? And.

Bhagyanagar India Limited: Correct.

Prateek Shrivastava: the capacity, utilization, how do you see.

Bhagyanagar India Limited: Sorry, can you repeat those questions? I didn't get that again.

Prateek Shrivastava: Well, yeah, so my question again was on this new, recycling plant, which you're talking about, sir. So, when is this coming live, and, how would the capacity utilization do you see, initially, and then when do you see it can reach full capacity utilization? And is this also margin accretive?

Bhagyanagar India Limited: Yeah, so the... we'll be doing it probably in three phases. The continuous growth in our value-added products continues on a... literally on a month-on-month basis. It's a rolling effort. As far as our plastic recycling is concerned, we are looking at getting it live in the first quarter of next year. The lead recycling is still on the, drawing boards. We are still making the, total detailed working. We are not expect... we are expecting that to come only by end of, FY27.

Prateek Shrivastava: Got it. And this is... this is going to be, within this entity, right? Within this copper entity, not.

Bhagyanagar India Limited: This is going to be within the copper entity, and post-de-merger also, it will remain in the copper entity. Copper entity will become a much more... in a broader sense, a recycling, entity.



13th November, 2025

Prateek Shrivastava: Okay, okay. And any, business reason behind that, since we are seeing that the copper prices are going, up, and you are direct beneficiary for that, so now, sort of, getting into, you know, a joining business of recycling for plastic and lead as well. So, can you, give a more... can you throw more light on the.

Bhagyanagar India Limited: So, when we import copper scrap, we basically import it in the form of cables. So, already we, handle roughly about 600 to 700 tons of plastics, which comes as part of the copper scrap which we import. And we are already doing a small way, plastic recycling in terms of molding and making granules, but we want it to become a much more full-fledged area, so that the entire plastic which comes in the cable scrap which we import is converted into finished products. So that is the reason we are getting into plastic, and that's why we are thinking, we are doing this on the first basis. Secondly, all the sourcing for Copper Scrap is, international, and the same sources, we get all the other raw materials, like lead and other things, so we are seeing a good opportunity in that area. And we have a big infrastructure in terms of the land and the, you know, pollution norms and other things set up. So it makes a lot of sense to get into other recycling, like lead. We were thinking of lead in the first phase, and maybe in 3 or 4 years, getting into aluminum as well.

Prateek Shrivastava: Got it. And these businesses are margin integrative?

Bhagyanagar India Limited: This is our margin decorative. Copper, being the highest value, has the lowest margin in terms of percentages. The lower value, products will always have a higher EBITDA margin, per se.

Prateek Shrivastava: Okay, thank you. Thank you very much, sir.

Finportal IR: Thank you. We'll take the next question from... Mr. Agasty Dave.

Agastya Dave: Thank you very much, sir. I wanted to ask about the CapEx, which you have answered. Except one thing, how much will be the Capex, for this year? Can you quantify the actual amount of CAPEX that you'll be doing?

Bhagyanagar India Limited: So, for this financial year, we'll be doing roughly about 15 crores of capex, that is FY26, and we are targeting 30 crores for FY327.

Agastya Dave: And, sir, how much of this, 45 crores goes into the 5,000 ton expansion in the copper, and how much goes for plastic? A rough number would do so.



13th November, 2025

Bhagyanagar India Limited: Yeah, the plastics will be roughly about 3 crores. The capex growth will also be hardly about 7 or 8 crores. The majority of the capex is going in adding value-added products.

Agastya Dave: Perfect, sir. Sir, the question on the working capital side, I would like to repeat that, because I've seen this... I don't know whether it should be called a problem for you or not, but whenever copper actually picks up in prices, your working capital historically has exploded. So...even... even now, if I do, like, just normal projections, I see that number exploding. So, what is the maximum level of debt do you think you guys are comfortable with at the current equity base? And how much... you mentioned about raising capital, so how much equity are you considering to raise?

Bhagyanagar India Limited: So, we are looking at the market, and we are talking to investment bankers, so the, ballpark figure is between 100 and 150 crores of equity raise. Okay, okay. And, What we are looking at is, at the current capital, you rightly said, our current debt is optimal. Anything more will require further, equity raise.

Agastya Dave: So, internally, what is the level you're comfortable with? One is to one debt equity? Oh, yeah.

Bhagyanagar India Limited: So, so, because it is mainly working capital. We can go up to 1S to 2, because the long-term loans are hardly going to be a maximum of 20 crores. Which is, like, 0.1 is to 1. The long-term debt is always going to be very low. It is only working capital which is backed with both stocks and debtors.

Agastya Dave: Let me introduce you.

Bhagyanagar India Limited: So we are comfortable with 2 is to 1.

Agastya Dave: And so, what's the rate at which you get these loans? The short-term loans?

Bhagyanagar India Limited: Typically, less than 9%.

Agastya Dave: Okay, okay. Still quite high, sir, because most of it is backed by copper, right?

Bhagyanagar India Limited: Yeah, yeah, so I'm saying less than 9%. If you see the marginal cost of debt is about 7.75%. But if we add all the, you know, upfront payments and other things.



13th November, 2025

Agastya Dave: I'm saying it is less than 9. Understood, sir, understood. Okay. And so, you mentioned the, the receivable days for value-added products. So, net-net on an ROE basis is, working... is value-addition still, beneficial for the company? Because the working capital limit... working capital requirements are pretty high.

Bhagyanagar India Limited: Yes, but that is where the value is for the company. Because we make these value-added company products, that is where the value accretion happens for the company. Otherwise, our EBITDA margin, like, until it was one and a half, two years back, EBITDA margin remains very low unless we get into value-added products.

Agastya Dave: One final question, sir. Any further consideration you're giving for more forward integration? The backward integration, you're pretty much, like, at what you can do, right? You can't go beyond that. But, on the forward integration side, sir, what are the plans? If any?

Bhagyanagar India Limited: So, we are looking at a few more products, like we were saying, we'll be doing solar, wires. Right. And we are talking to making more components for our existing companies, where we are making water heaters and other things, so we are looking at some more products like that. But again, we are not looking at any product which really go directly to the customer, because we find that B2B is where our strength lies.

Agastya Dave: But can you go get into some sub-assemblies, like, the windings that you can go, like, probably do sub-assembly for the transformer guys? Is that... is that a possibility, sir? Does it make sense?

Bhagyanagar India Limited: So, we do such things for auto companies, where we make the windings for the auto companies, and depending on where the customer requirements are and where his pain points are, we always move towards that. We make some components for switchgear companies, where we can do bus bar, you know, after making the bus bar, we add value and give it in the form of a component. Those are the things which we are also looking at.

Agastya Dave: Great, sir. Sir, thank you very much for the opportunity, and I really appreciate the con call, sir. Thank you very much, sir.

Bhagyanagar India Limited: Thank you.

Agastya Dave: All the best.

Bhagyanagar India Limited: Thank you.



13th November, 2025

Finportal IR: Thank you, now we'll take the next question from Mr. Darshal.

Bhagyanagar India Limited: Yeah, Darshan, we can...

Finportal IR: Mr. Darshal, are you there?

Bhagyanagar India Limited: I think he must have walked.

Finportal IR: Okay. We'll take the next question from Mr. Arjun.

Arjun Mehta: Hello. Good afternoon, sir. Thank you for this opportunity. So, my first question is with respect to the capacity at Swanville. So, you know, we were around at somewhere 25,000 in 2017, and it took us more than 5 years to reach us. At the 30,000 level. And now we are adding capacity by another 5,000. So I want to understand, from the demand perspective, that what has driven this demand? Is it because of the product shift that we are now focusing more on value-added products?

Bhagyanagar India Limited: So, the demand is mainly because of the growth in the economy. So, things like our bus bars and other things, there is much more growth in the economy, and there's much more demand which is coming from the market around us. That is what is driving our growth in production. The value addition is what we are adding to ensure that we get a higher part of the pie. But the demand is basically, one, as a country, we are becoming more competitive, so we are able to export. Number two, each and every customer of ours is expanding. That is what is growing, making the demand.

Arjun Mehta: Got it. And out of this additional 5,000 capacity, what capacity will be for value-added products?

Bhagyanagar India Limited: So, we have a lot of flexibility, you know, when we want to make value-added products, first we have to make the commodity and then convert it into value-added products. So when I'm saying 30,000 to 35,000 tons that is increase in the capacity for the value-added products, for the commodity. Whereas the value-added products we do incrementally on, literally quarter by quarter, depending on where we see the growth coming, which sector, whether it is automotive, switchgear, transformers. Solar, wherever the growth is coming, we keep adding capacities to increase our value-added products to cater to those sectors.

Arjun Mehta: Okay. And right now, what to, like... What sectors... you can see demand for validated products from which end-user industry?



13th November, 2025

Bhagyanagar India Limited: So, mainly from the electrical sector, the transformer sector is the biggest growth, and the second is the green energy.

Arjun Mehta: Okay. And what percentage of value-added products versus commodity in the revenue mix we can see two to three years down the line?

Bhagyanagar India Limited: So right now, we are at 60%. We are hoping to reach 70% in the next 3 years.

Arjun Mehta: Oh, God. Okay, that's it from myself. Thank you so much.

Bhagyanagar India Limited: Thank you.

Finportal IR: Thank you. Do we have any other questions from any other attendee? You may please raise their... raise your hand now. Thank you everyone for such an engaging session. I now request the management to share their closing remarks.

Bhagyanagar India Limited: And the order says Advo. Thank you once again. I thank all the participants who have come and taken interest in our company, and hopefully we'll keep this tradition going forward with every quarter. I would like to thank Finportal also for organizing this meeting for us. And getting the interest into the company. We are also looking forward to a lot of growth in the next few years, especially with the restructuring coming up ahead. And when we'll focus totally on the copper segment of our company, we, hope to keep in touch with all of you for, in our journey forward. Thank you very much.

Finportal IR: Thank you, sir. On behalf of Bhagyanagar India Limited, I would now like to thank all participants for joining today. Have a great day ahead. You may now disconnect.

Bhagyanagar India Limited: Thank you.