

Rinkle Vira
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Issue Details

Issue Details	
Issue Size (Value in ` million, Upper Band)	6,308
Fresh Issue (No. of Shares in Lakhs)	-
Offer for Sale (No. of Shares in Lakhs)	328.6
Bid/Issue opens on	03-Jun-26
Bid/Issue closes on	05-Jun-26
Face Value	Rs. 2
Price Band	Rs. 182-192
Minimum Lot	78

Objects of the Issue:

- Fresh Issue: Nil.
- Offer for Sale: ₹ 6,308 million

Book Running Lead Managers	
Equirus Capital Ltd, ICICI Securities Ltd, Motilal Oswal Investment Advisors Ltd	
Registrar to the Offer	
KFin Technologies Ltd	

Capital Structure (` Million)	Aggregate Value
Authorized share Capital	533
Subscribed paid up Capital (Pre-Offer)	438
Paid up capital (Post - Offer)	438

Share Holding Pattern %	Pre Issue	Post Issue
Promoters & Promoter group	86.9%	85.0%
Public	13.1%	15.0%
Total	100%	100%

Financials

Particulars (Rs. In Million)	9M FY26	FY25	FY24	FY23
Revenue from operations	62,755	66,665	59,524	58,685
Operating expenses	59,511	63,628	57,350	56,615
EBITDA	3,244	3,037	2,174	2,070
Other Income	155	302	160	214
Depreciation	566	627	496	468
EBIT	2,833	2,712	1,838	1,816
Interest	668	612	538	434
Share of Profit / (Loss) of Associate	(33)	(49)	(5)	(3)
PBT	2,132	2,051	1,295	1,379
Exceptional Item	-	-	12,396	-
Tax	508	500	(2,715)	334
Consolidated PAT	1,624	1,550	(8,386)	1,045
EPS	7.4	7.1	(38.3)	4.8
Ratio	9M FY26	FY25	FY24	FY23
EBITDAM	5.2%	4.6%	3.7%	3.5%
PATM	2.6%	2.3%	-14.1%	1.8%
Sales growth	-	12.0%	1.4%	-

Company Description

CMR Green Technologies Limited, incorporated in 2006 is a leading non-ferrous metal recycling company engaged in the production of recycled aluminium and zinc die-casting alloys. The company manufactures recycled aluminium alloys, zinc alloy ingots, aluminium billets and furnace-ready scrap comprising metals. It also produces aluminium billets that cater to both automotive and non-automotive sectors. These billets, made from recycled aluminium, are raw materials used in extrusion processes to create profiles for various applications.

The company has a capacity advantage over domestic players, with an installed capacity ~4 times that of the nearest competitor in the domestic recycled aluminium space, as of March 31, 2025. During FY25, the company held a market share of ~10-12% in the domestic recycled aluminium industry, in terms of volumes sold.

The company operates through its 13 strategically located recycling units ("Recycling Facilities"). Currently, three of their facilities are situated at Tatarpur, Manesar and Bawal, in the state of Haryana, two facilities situated at Vanod and one facility situated at Halol, in the state of Gujarat, one facility in Pune in the state of Maharashtra, one facility situated each at Chennai and Vallam in the state of Tamil Nadu and one facility situated each at Haridwar, Bhiwadi, Sambalpur and Tirupati, in the states of Uttarakhand, Rajasthan, Odisha and Andhra Pradesh, respectively.

The company's next phase of growth will be driven by the expansion into wrought aluminium used for extrusions, sheets and foils. CGTL has commenced billet production for extrusions through its dedicated 40 KTPA plant in Tirupati, expanding its product portfolio beyond its core automotive end-market. In FY25, the total recycled aluminium consumption was 2.16 million tonnes (mnt) in India. Of which, 1.01 mnt (46.7%) was from the cast alloy segment, 0.59 mnt (27.5%) was in rolled segment and 0.34 mnt (15.6%) was in extrusion segment.

As of March 31, 2026, the total manufacturing capacity was 4,70,300 MTPA aluminium alloys, 8,400 MTPA zinc alloys, and 136,450 MTPA for other metals, totalling 6,15,150 MTPA of overall capacity.

Valuation:

CMR Green technologies Ltd is among India's leading non-ferrous metal recyclers, commanding the largest share in the secondary aluminium market. The company possesses the highest installed recycling capacity in the industry and has established itself as a preferred supplier to major OEMs, supported by its scale, operational capabilities, and long-standing customer relationships.

CMR Green derives most of its revenue from recycled aluminium and zinc products, with a strong presence in the automotive sector. The company operates a nationwide network of recycling facilities, supplying major automotive and industrial hubs while converting metal scrap and used beverage cans into value-added products, promoting a circular economy.

On the valuation front, based on annualized FY26 earnings, the company is seeking a P/E of 19.7 x times, and a post-issue market capitalization of approximately Rs 42,059 million, making the issue appears to be fairly priced. However, the pure OFS nature (promoters exiting) and the sharp FY24 loss are concerns over limited margin of safety. Overall, CMR Green is well-positioned to capitalize on the growing shift toward sustainable metal recycling, supported by market leadership, scale advantages, product diversification, and favorable industry dynamics.. Hence, we assign **Subscribe-long Term** rating for the issue.

Company Overview

CMR Green Technologies India's largest non-ferrous metal recycler by installed capacity and the market leader in secondary aluminium, with an estimated 42–45% share of the automotive cast-alloy segment. Its recycling capacity is nearly four times that of its nearest domestic competitor, making it a preferred supplier to major OEMs.

Particulars	9M FY26 Revenue from Operations (₹ mn)	% of Revenue	FY25 Revenue from Operations (₹ mn)	% of Revenue	FY26 2024 Revenue from Operations (₹ mn)	% of Revenue	FY23 Revenue from Operations (₹ mn)	% of Revenue
Aluminium	50,957	81.9%	52,256	78.4%	45,760	77.0%	42,822	73.1%
Other Metals*	11,298	18.2%	14,384	21.6%	13,704	23.1%	15,735	26.9%
Total	62,255	100%	66,640	100%	59,464	100%	58,556	100.0%

The company manufactures recycled aluminium alloys, zinc alloy ingots, aluminium billets, liquid aluminium, and furnace-ready scrap. Its expansion into extrusion and rolled aluminium products significantly enlarges its addressable market beyond automotive applications, opening opportunities in construction, packaging, and industrial sectors.

End-user Industry	For the nine months period ended December 31, 2025	FY 2025	FY 2024	FY 2023
Revenue split by end-user industry type	62,255	66,640	59,464	58,556
- Automotive industry	52,178	53,967	47,097	44,599
- Non-automotive industry	10,077	12,673	12,367	13,957

Particulars	9M FY26 Revenue from Operations (₹ mn)	% of Revenue	FY25 Revenue from Operations (₹ mn)	% of Revenue	FY26 2024 Revenue from Operations (₹ mn)	% of Total Revenue from Operations	FY23 Revenue from Operations (₹ mn)	% of Revenue
Top 3 Customers	13,135	20.9%	15,311	23.0%	14,142	23.8%	12,716	21.7%
Top 5 Customers	20,414	32.5%	23,331	35.0%	20,617	34.6%	18,634	31.8%
Top 10 Customers	31,388	50.0%	35,183	52.8%	30,491	51.2%	28,195	48.1%

CMR Green benefits from strong industry tailwinds as recycled aluminium is increasingly preferred over primary aluminium due to substantially lower carbon emissions and capital requirements. India's recycled aluminium market is expected to grow at an 11.2% CAGR between FY26 and FY30, with recycled aluminium's share of total demand rising steadily.

In Fiscal 2025, the total recycled aluminium market reached a volume of 2.16 million MT (MMT) in India. Of this, 1.01 MMT (46.7%) was from the cast alloy segment, 0.59 MMT (27.31%) was in the rolled segment, and 0.34 MMT (18.05%) was in the extrusion segment. While they are currently present in the cast alloy segment of the automotive industry (where they have ~42-45% market share in terms of volume sold for Fiscal 2025), their entry into the extrusion has expanded their serviceable market by a further 0.34 MMT, and rolled alloy segments has expanded their serviceable market by further 0.59 MMT, providing new growth opportunities. Their existing expertise, experience, and customer connections in recycling will give them a strong edge. With their new plants in Tirupati and Odisha, they are now positioned to address a wider spectrum of aluminium products within the recycling value chain.

A key competitive advantage is CGTL's ability to supply liquid aluminium directly to customers through strategically located plants and patented transportation technology, providing cost, operational, and environmental benefits. The company is further supported by a diversified global scrap sourcing network spanning Asia, Africa, Europe, the Middle East, and the Americas, ensuring raw material availability and supply-chain resilience.

Particulars	9M FY26 Revenue from Operations (₹ mn)	% of Revenue	FY25 Revenue from Operations (₹ mn)	% of Revenue	FY26 2024 Revenue from Operations (₹ mn)	% of Total Revenue from Operations	FY23 Revenue from Operations (₹ mn)	% of Revenue
North India	34,384	55.2%	38,428	57.7%	33,471	56.3%	36,235	61.9%
West India	10,871	17.5%	12,805	19.2%	12,965	21.8%	10,682	18.2%
South India	16,720	26.9%	15,407	23.1%	13,028	21.9%	11,640	19.9%
East India	298	0.5%	0	0.0%	0	0.0%	0	0.0%
Total	62,255	100%	66,640	100%	59,464	100%	58,556	100%

Manufacturing Facilities

The company operates through its 13 strategically located recycling units ("Recycling Facilities"). Currently, three of their facilities are situated at Tatarpur, Manesar and Bawal, in the state of Haryana, two facilities situated at Vanod and one facility situated at Halol, in the state of Gujarat, one facility in Pune in the state of Maharashtra, one facility situated each at Chennai and Vallam in the state of Tamil Nadu and one facility situated each at Haridwar, Bhiwadi, Sambalpur and Tirupati, in the states of Uttarakhand, Rajasthan, Odisha and Andhra Pradesh, respectively. As of March 31, 2026, the total manufacturing capacity was 4,70,300 MTPA aluminium alloys, 8,400 MTPA zinc alloys, and 136,450 MTPA for other metals, totalling 6,15,150 MTPA of overall capacity.



Products:



Aluminium ingots



Liquid Metal



Aluminium billets



Copper scrap



Brass scrap



Magnesium scrap

Clientele

Original Equipment Manufacturers ("OEMs")	Tier 1	Customers for other metal	Wrought aluminum recycling space
Maruti Suzuki India Ltd	Toyoto Industries Engine India Pvt. Ltd.	Jindal Stainless Ltd	Hindalco Industries Limited
Honda Cars India Ltd	Rockman Industries Ltd	Aurubis GmbH	
Bajaj Auto Limited	Sunbeam Lightweighting Solutions Pvt Ltd		
Hero MotoCorp Ltd.	Endurance Technologies Ltd		
Royal Enfield Motors Ltd.	Craftsman Automation Ltd		
Samvardhana Motheson Auto Component	Gabriel India Ltd		
India Yamaha Motor Pvt Ltd	Honda Trading Corporation		

Strengths:

- **Leading recycler in the domestic aluminium recycling industry in India with significant entry barriers, also positioned as a critical enabler of the aluminium industry's decarbonization imperative**

CMR Green Technologies Limited is positioned as the leading non-ferrous metal recycler in India by installed capacity as of March 31, 2025, and, according to the ICRA Report, held the highest market share in the Indian secondary aluminium market by revenue from operations for Fiscal 2025 among peer companies. The company's installed capacity is approximately four times that of its nearest domestic competitor, and it is also among the largest aluminium recyclers globally in terms of installed capacity. Its revenue from operations has expanded at a CAGR of approximately 23% from FY2007 to FY2025, reflecting sustained scale-up across its operating footprint. In Fiscal 2025, the company is estimated to have commanded roughly 42% to 45% market share in the cast alloy segment serving the automotive industry, underscoring its strong franchise in a core end-market. The broader industry outlook remains constructive. The recycled aluminium market in India is projected to reach USD 9.20 billion and 3,715 thousand tons by FY2030, implying CAGRs of 13.2% and 11.2%, respectively, during FY2026 to FY2030, as per the ICRA Report. This growth is supported by rising demand for sustainable raw materials, increased recycling adoption, and growing aluminium consumption across downstream industries.

CMR Green Technologies has built a footprint of 13 plants across India, enabling it to serve major OEM automotive clusters nationwide. Over the last six years, it has established seven new plants, including a Low Carbon Green Extrusion Billets plant in Tirupati, a used beverage can recycling plant for Hindalco Industries Limited in Odisha, and a liquid aluminium plant for one of India's leading passenger vehicle manufacturers in Gujarat. The company's entry into wrought alloy segments further broadens its addressable market beyond automotive into applications such as buildings, construction, and packaging. This diversification enhances its strategic positioning by reducing dependence on a single end-use industry and improving access to higher-value non-automotive demand.

End-user Industry	For the nine months period ended December 31, 2025	FY 2025	FY 2024	FY 2023
Liquid aluminium alloys (In %)	37.00%	39.19%	36.22%	32.04%
Aluminium alloy ingots (In %)	35.07%	31.02%	31.68%	32.94%
Zinc alloys (In %)	1.32%	1.70%	1.58%	1.71%
Segregated furnace ready scrap (In %)	21.35%	22.86%	25.48%	28.22%
Dross (In %)	5.26%	22.86%	5.04%	5.09%

- **Key supplier of liquid aluminium alloy**

Since 2008 the company has supplied liquid aluminium via on-site manufacturing units adjacent to customer premises and, from November 2013, via road transport. Consistent product quality and timely delivery have supported steady market-share gains. Molten delivery yields estimated cost savings of 6–7% versus solid ingots through reduced melt loss, lower energy consumption and operational efficiencies. Customers' just-in-time inventory strategies increase reliance on suppliers able to provide uninterrupted raw-material flow; accordingly, transportation of liquid aluminium requires insulated crucibles that maintain a molten state above 660°C and is typically constrained to a 20–25 km radius and 45–60 minute travel time. To meet these constraints and ensure round-the-clock supply, the company's manufacturing facilities are strategically located at or near customer sites; in several instances customers have leased land within company facilities to host units, creating entry barriers and strengthening long-term customer dependence. Supplying molten aluminium eliminates remelting, reduces oxidation losses, lowers energy use and curbs carbon emissions. Operations are supported by investments in specialized manpower, supply-chain and logistics infrastructure, process controls, IT systems and patented technologies for safe transport. The company has implemented an automated dashboard integrated with customer production systems to monitor furnace levels and optimize JIT deliveries. In India, the provision of liquid aluminium is restricted to a limited number of players due to the high technical expertise, specialized infrastructure and operational precision required. As of April 11, 2026 the company held 273,724 carbon credits; based on liquid aluminium supplied in the nine months ended December 31, 2025, estimated greenhouse-gas savings were approximately 61.20 million kilograms.

- **Strong and diversified supplier base for sourcing raw materials**

Procurement of metal-scrap raw materials is central to the company's operations. During Fiscal 2025 the company sourced from a diversified network of approximately 198 global suppliers across 73 countries, including the United States, United Kingdom, Australia, Europe, Africa, South Africa, Thailand and the UAE. Supplier counts were 191, 208 and 198 for Fiscals 2023, 2024 and 2025 respectively, and 184 during the nine months ended December 31, 2025. Key suppliers include Sims Global Commodities PTE Ltd, EMR USA Holdings LLC, Schnitzer Steel Industries Inc., Indra Recycling GMBH and Gemini Corporation N.V. Raw materials represent a significant component of total costs; the geographically diversified supplier base supports uninterrupted procurement, competitive pricing and mitigation of geopolitical and commodity-price risks. The company leverages long-standing supplier relationships to obtain favourable commercial terms and discounts, maintains a dedicated sourcing presence in the United States through a wholly owned subsidiary, and uses contractual structures and derivative instruments (forwards) to limit forex and commodity exposure. Its procurement processes use demand forecasting, process-yield analysis, inventory and lead-time metrics to determine optimal material requirements. The company specialises in sourcing lower-cost mixed scrap that requires technology-enabled and manual sorting for efficient separation, securing long-term availability while optimising production costs and operational efficiency. This infrastructure supports the procurement of an optimal raw-material mix for forecasted sales, aiding production schedules, timely deliveries and cost competitiveness. The medium-term scrap supply outlook is favourable, underpinned by rising metal-intensive consumption, urbanisation and expanded circular-economy practices.

➤ **Long-standing relationships with their customers**

Over the years, CGTL has established long-term relationships with its customers, comprising Tier 1 companies as well as OEMs, most of whom have been with them for decades. They have a market share of ~42-45% in terms of volume sold in the cast alloy segment pertaining to the automotive industry for FY2025. They have grown their customer base over the years to additionally include OEMs and Tier 1 companies. Further, they regularly export their products to customers in Japan, Belgium, Germany, China, and Thailand. Their customer relationships have supported expansion of product offerings, geographic reach and entry into new aluminium recycling segments including extrusion and rolled alloy products. Their entry into extrusion has expanded the serviceable market by approximately 0.34 million MT while rolled alloy segments added another 0.59 million MT of opportunity according to the ICRA Report. Their products are also exported to customers in Japan, Belgium, Germany, China and Thailand. They believe long-term customer relationships provide revenue visibility, industry goodwill and deeper understanding of customer requirements, while supporting economies of scale, competitive cost structures and long-term sustainable growth across operations.

➤ **Strategic alliances through joint ventures**

To benefit from the technical expertise and marketing reach, they have joint ventures with Toyota Tsusho Corporation (since 2012), with Nikkei MC Aluminium (since 2012), and with Nippon Light Metal (since 2025). Their Subsidiaries, CMRN, where they presently hold 74% stake, and CMRT, where they presently hold 70% stake, were set up in partnership with Nikkei and Toyota Tsusho, respectively. Pursuant to these arrangements, they commenced supplying liquid aluminium through road transport to their customers, which substantially increased their market share and customer dependence. Further, Nippon Light Metal, Japan, invested 20% shareholding in CMR NLM Eco, engaged in the business of wrought alloy recycling. CMR NLM Eco's ability to secure a stable supply of scrap and transform it into high-quality recycled aluminium billets will be synergized with Nippon Light Metal's technical know-how of billet casting and expertise to build a low-carbon billet supply system. Their association with these players has not only allowed them to leverage their technology for providing quality products and capabilities, but also in the development of long-term customers.

➤ **The company's facilities, technology, quality processes, and engineering expertise**

The company conducts its recycling operations at 13 strategically located recycling facilities in India, providing them the benefit of integrated, and centralized operations. Among them, (i) three of their facilities situated at Tatarpur, Manesar and Bawal, are located in the state of Haryana; (ii) two facilities situated at Vanod and one facility situated at Halol, are located in the state of Gujarat; (iii) one facility each situated at Chennai and Vallam, respectively, are located in the state of Tamil Nadu; (iv) one facility situated at Haridwar is located in the state of Uttarakhand; (v) one facility situated at Pune is located in the state of Maharashtra (vi) one facility situated at Tirupati is located in the state of Andhra Pradesh (vii) one facility situated at Sambalpur is located in the state of Odisha and (viii) one facility situated at Bhiwadi is located in the state of Rajasthan. As of December 31, 2025, their installed capacity was 6,05,850 MTPA. Their infrastructure in the manufacturing facilities gives them the flexibility to process various types of metal scrap. Additionally, they employ an extensive and stringent quality control mechanism at each stage of the manufacturing as well as their recycling process, including a multi-stage check of raw materials, chemical analysis of alloys, microstructure analysis, among others, which are required to ensure that their finished product conforms with the exact requirements of their customers and successfully passes all validations and quality checks.

Particulars	Installed Capacity (MT)				Installed Capacity (MTPA)	Capacity Utilization (%)				Actual Production (MT)			
	FY20 23	FY20 24	FY20 25	9M Ended Dec 31, 2025		FY2026	FY20 23	FY20 24	FY20 25	9M Ended Dec 31, 2025	FY20 3	FY20 4	FY20 5
Aluminium Alloy	329,000	342,800	386,000	345,750	470,300	60.59%	66.30%	65.54%	68.72%	199,349.34	227,272.77	252,985.07	237,582.95
Zinc Alloy	840,000	840,000	840,000	630,000	840,000	64.95%	63.83%	69.73%	66.94%	545,586.86	536,135.35	585,754.54	421,708.00
Other Metals	123,250	123,250	126,500	102,338	136,450	70.14%	66.58%	62.71%	64.16%	86,447.91	82,063.15	79,356.56	65,661.79
Total	460,650	474,450	520,950	454,388	615,150	63.23%	66.33%	64.92%	67.67%	291,253.11	314,697.27	338,199.17	307,461.82

➤ **Environment-friendly business supported by green technologies and processes with a focus on ESG**

CMR Green has the 6th highest score as per the S&P Global Corporate Sustainability Assessment (CSA) Score amongst the companies in the aluminium industry scored by S&P Global. They have contributed significantly to reducing carbon footprint, environmental degradation, and challenges like resettlement and rehabilitation by reducing the incidence of mining in the country. Climate change continues to be a pressing concern for the industry as the manufacturing of primary aluminium consumes significant natural resources, has large energy demands, and substantial carbon emissions. Aluminium is endlessly recyclable without any loss in quality, making it an ideal material for sustainable industrial use. They use modern pollution control equipment in their facilities, like baghouses for controlling pollution and collecting dust and gases emitted by furnaces and other equipment. In order to further optimise energy consumption in their facilities, they use regenerative burners that help them to significantly reduce their oil and gas consumption to melt metal in furnaces. They are using solar power in their Tatarpur, Vanod, and Chennai units and will keep adding more.

Key Strategies:

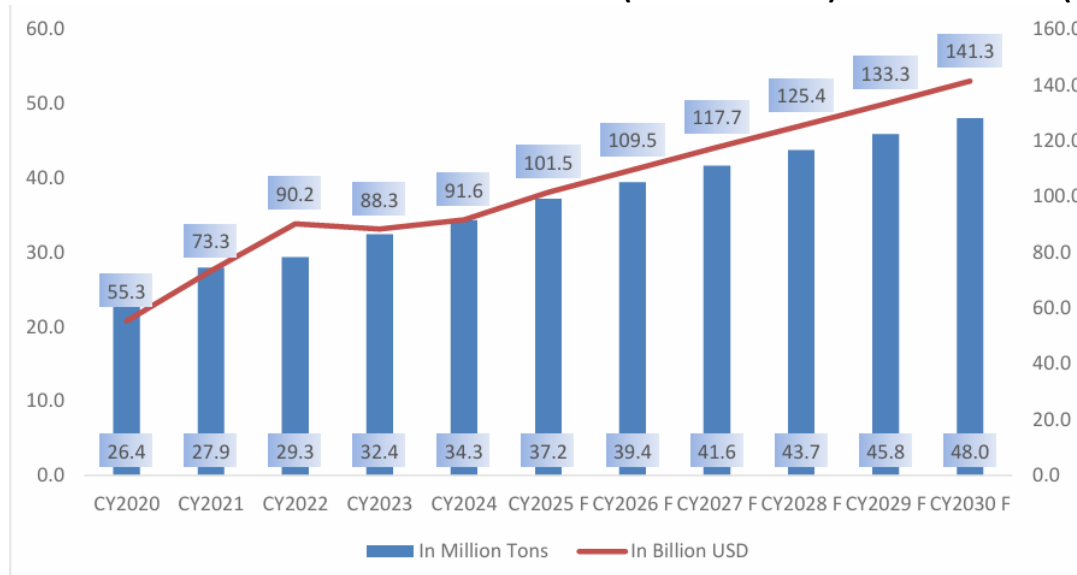
➤ **Diversification into Other Metals and Expanded Industry Base**

The company is pursuing long-term growth by expanding into lithium-ion battery, copper, and lead recycling, supported by increasing EV adoption, demand for energy storage, and favorable government policies. It is also diversifying beyond the automotive sector into high-growth industries such as construction, packaging, aerospace, and electronics, reducing concentration risk. Backed by decades of recycling expertise, a strong supplier network, and efficient operations, the company is well-positioned to capitalize on India's transition to a circular economy and the rising demand for sustainable, lightweight materials.

➤ **Green Aluminium Focus domestically and globally**

The global recycled aluminium market reached USD 91.6 billion and volume of 34.3 million tons in CY2024, registering CAGR of 13.5% in value and 6.8% in volume during CY2020–CY2024 according to the ICRA Report, while the recycled aluminium market in India reached USD 4.92 billion and volume of 2,164 thousand tons in FY2025 and is expected to grow to USD 9.20 billion and 3,715 thousand tons by FY2030. Recycled aluminium is increasingly supported by sustainability goals and carbon reduction initiatives as aluminium is endlessly recyclable without loss in quality and recycled aluminium production consumes only around 5% of the energy required for primary production. In India's cost-sensitive manufacturing environment, recycled aluminium provides a more affordable alternative to primary aluminium while maintaining comparable quality for the same alloy according to the ICRA Report. The share of recycled aluminium as a percentage of overall aluminium demand is expected to increase from 35.1% in Fiscal 2020 to 44.9% in Fiscal 2030, supported by demand from automobiles, EVs, building & construction and packaging sectors. Government initiatives such as the Draft National Resource Efficiency Policy, National Non Ferrous Metals Scrap Recycling Framework 2020, Extended Producer Responsibility regulations and Vision Document on Aluminium Metal for India 2025 further support growth of aluminium recycling and structured non ferrous scrap management in India. They are the leading non-ferrous metal recycler in terms of installed capacity as of March 31, 2025 and had the highest market share in the Indian secondary aluminium market in terms of revenue from operations for FY2025 amongst peer companies according to the ICRA Report. Recycled aluminium production releases only 0.3 metric tons of CO₂ per ton compared to approximately 14 metric tons for primary aluminium manufacturing. Their green aluminium strategy positions them to respond to evolving global climate policies including the EU Carbon Border Adjustment Mechanism while supporting customers in reducing costs and carbon footprint through adoption of environmentally sustainable and low carbon aluminium solutions.

Global Recycled Aluminium Market Forecast: Sales Volume (in Million Tons) and Sales Value (in Billion USD)



Source: IMARC, ICRA Analytics

Recycled Aluminium Market: Sales Volume (in '000 Tons) and Sales Value (in Billion USD), FY2020-FY2030F



Source: IMARC, ICRA Analytics

➤ **Expansion of supply of wrought alloys and partnership with primary players**

The company's next growth phase is expected to be driven by its expansion into wrought aluminium products such as billets, extrusions, sheets, and foils, catering to high-growth sectors including construction, packaging, automotive, renewable energy, and EVs. By entering the extrusion and rolled alloy segments, the company has significantly expanded its addressable market beyond its traditional cast alloy business. It has already commenced billet production at its 40 KTPA Tirupati facility and established a 48 KTPA liquid aluminium plant in Odisha for Hindalco Industries Limited under a long-term cost-plus contract, ensuring revenue visibility. These initiatives diversify the company's end markets, strengthen customer relationships, and position it to benefit from the increasing adoption of recycled aluminium across a wider range of applications.

➤ **Leverage the focus on aluminium content in electric vehicles and the growing demand of aluminium in ICE vehicles**

Government initiatives, rising EV adoption (10–15% by 2028), and higher aluminium intensity in EVs (50–60% above ICE vehicles) are expected to drive strong demand for recycled aluminium. Lightweight aluminium improves EV efficiency, further supporting its adoption. Additionally, growth in SUVs, stricter emission norms, and EPR regulations are increasing aluminium usage and favouring sustainable materials. The company, with strong OEM relationships and ongoing capacity expansion, is well-positioned to benefit from these industry trends.

➤ **Continue to invest in higher technological capabilities to capitalize on future trends**

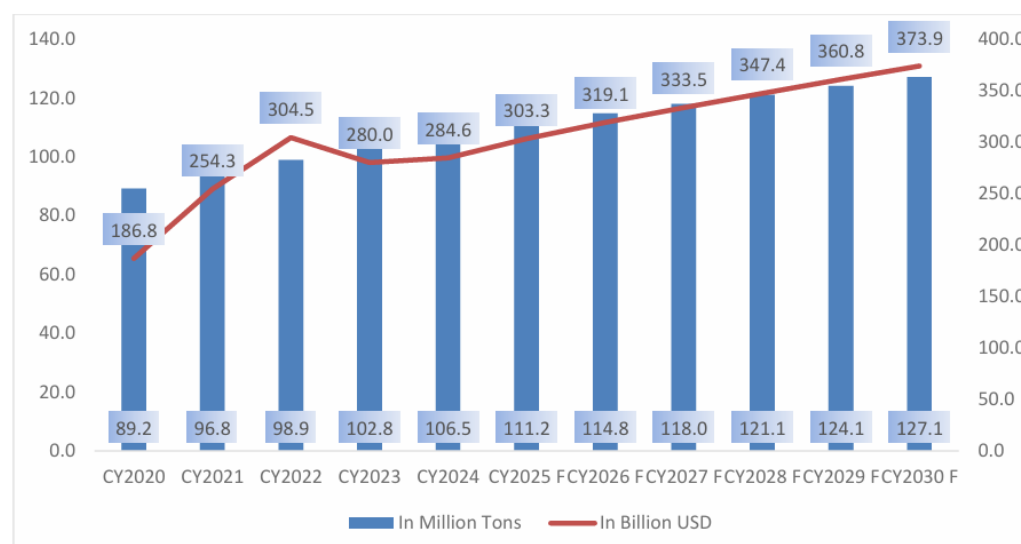
The company is focused on expanding technological capabilities and capacity through continued investments in plant and equipment, along with strategic alliances for advanced 'green' aluminium technologies. It is also strengthening operational efficiency through cost optimisation, automation, process improvements, and proprietary MIS systems. With a focus on quality, cost efficiency, and integrated operations, the company is enhancing competitiveness while expanding capacity, including setting up a new facility at SIPCOT to cater to growing automotive demand.

Industry Snapshot:

➤ **Global metal recycling & recovery market**

The growth of the global metal recycling & recovery market is being driven by the surge in construction activities across regions like Europe and Asia-Pacific. Rapid urbanization and industrialization are accelerating economic development, which in turn increases demand for metal recycling. Moreover, metal recycling not only supports job creation but also strengthens national economies for example, the U.S. recycling industry employs over a million people and generates approximately USD 236.0 billion annually.

Chart: Global Aluminium Market Forecast: Sales Volume (in Million Tons) and Volume (in Billion USD)



Source: IMARC, ICRA Analytics

A major change in aluminium consumption patterns lies in the evolving mix of aluminium forms. In 2018, aluminium castings dominated automotive aluminium usage in ICE vehicles, accounting for about 76% of the total aluminium content. This was due to their extensive application in engine blocks, gearboxes, and other heavy mechanical systems. In contrast, 2023 BEVs show a marked reduction in casting share to 47%, reflecting the decline of traditional engine components in EV architecture. Overall casting content remains similar due to higher overall aluminium intensity in EVs in 2023. This shift is counterbalanced by a surge in aluminium sheet usage, which rose from 12% in 2018 to 37% in 2023. These sheets are vital for manufacturing body-in-white (BIW) parts and battery casings, owing to their excellent strength-to-weight ratio, corrosion resistance, and formability. Extrusions and other aluminium forms have maintained their share (~8.5% in 2018 vs 11% in 2023), primarily supporting structural reinforcement and trim applications in the EV ecosystem.

India: Recycled Aluminium Market: Sales Volume (in '000 Tons) and Sales Value (in Billion USD), FY2020-FY2030F



Source: IMARC, ICRA Analytics

The recycled aluminium market in India reached a value of USD 4.92 Billion and a volume of 2,164 thousand Tons in FY25, representing a CAGR of 17.4% and 10.8%, respectively, during FY2020–FY2025. The market for recycled aluminium in India is being driven by increasing environmental awareness, advantages in energy efficiency, and a surge in demand from various sectors including infrastructure, transportation, power, and consumer goods. Recycled aluminium production represents the fastest-growing segment within the industry, primarily due to its considerably reduced carbon emissions releasing only 0.3 metric tons of CO₂ per ton, in stark contrast to the 14 metric tons produced by primary aluminium manufacturing. This sustainability benefit is anticipated to enhance adoption rates as industries strive to achieve their decarbonization objectives. In FY2023, the Material Recycling Association of India (MRAI) has called for a reduction of scrap import duties to 0%, emphasizing that recycled aluminium is crucial for facilitating India's swift urbanization and industrial expansion while minimizing environmental repercussions. Due to the large economic, environmental and social advantages of recycling and the disadvantages of mining, primary producers across the world are shifting to develop new sources of recycled metal. For instance, Emirates Global Aluminium (EGA), the largest industrial company in the UAE outside oil and gas, is constructing the country's largest aluminium recycling facility. CMR Green Technologies Limited has a market share of ~10-12% in the recycled aluminium industry, in terms of volume sold, in FY2025.

In FY2025, the recycled aluminium market in India by end-user industry reached values of USD 2,146 Million in automotive, USD 1,004 Million in building & construction, USD 507 Million in packaging, and USD 1,265 Million in other applications, growing at CAGRs of 17.9%, 16.4%, 19.1%, and 17.1%, respectively, during FY2020–FY2025. push for electric mobility. India's automotive sector is witnessing a structural transformation, driving robust demand for recycled aluminium. Overall vehicle production is projected to grow at a CAGR of 5.7% until 2028, while the rapid rise in electric vehicle (EV) adoption, expected to reach 10–15% in 4Ws and 45–55% in 2Ws will further boost aluminium use, given EVs require 50–60% more aluminium than ICE vehicles. Recycled aluminium, in particular, is gaining traction due to its role in lightweighting, cost efficiency, and sustainability. Consumer preference is also shifting toward SUVs and premium models, which typically use three times more aluminium than entry-level cars. Meanwhile, stricter fuel efficiency norms like CAFE are pushing OEMs to reduce vehicle weight, increasing aluminium content by 10–15% per vehicle, especially in castings and extrusions. The localisation of auto component manufacturing is prompting Indian OEMs to source aluminium domestically, creating opportunities for recyclers. Simultaneously, the government's push for sustainability through circularity initiatives and likely EPR mandates is accelerating the integration of low-carbon materials. As a result, recycled aluminium is increasingly used in engine blocks, body panels, and structural parts due to its high strength-to-weight ratio, reduced emissions, and alignment with the industry's decarbonization goals.

India's metal recycling and recovery industry is undergoing a structural transformation, driven by rising sustainability imperatives, resource efficiency goals, depleting natural resources and evolving policy frameworks. As the third-largest generator of e-waste globally and a significant producer of ferrous and non-ferrous scrap, India presents a high-potential landscape for organized recycling activities. Key policy drivers include the Extended Producer Responsibility (EPR) frameworks for both e-waste and batteries, the Vehicle Scrappage Policy targeting the systematic retirement of end-of-life vehicles, and the National Non-Ferrous Metal Scrap Recycling Framework (2020), which emphasizes scientific processing and traceability of non-ferrous scrap. The Steel Scrap Recycling Policy further aims to reduce import dependency and enhance domestic scrap quality, while the National Resource Efficiency Policy (NREP) sets circular economy benchmarks across sectors. These initiatives are complemented by the Battery Waste Management Rules (2022), which mandate safe recycling practices and material recovery from used batteries collectively reinforcing India's transition toward a more resource-efficient, low-carbon industrial ecosystem. According to Tata Steel MD and CEO T V Narendran, the recycling industry is poised to surpass traditional mining in economic value by 2050. This shift underscores a long-term transition from resource extraction to resource recovery, particularly in urban settings. The emergence of "urban mining" the process of recovering valuable and critical minerals from discarded electronic devices is expected to play a pivotal role in addressing India's resource scarcity while supporting its fast-growing consumption of electronics and infrastructure materials.

Comparison with Industry listed peers

Company	Face Value (₹)	Revenue FY25 (₹ million)	EPS Basic (₹)	NAV (₹/share)	P/E	RoNW (%)
CMR Green Technologies Ltd	2	6,696	6.50	20.93	19.7*	31.0%
Pondy Oxides and Chemicals Ltd	5	20,591	22.0	210.8	62.6	9.7%
Gravita India Ltd	2	39,806	45.11	280.4	37.3	15.1%
Baheti Recycling Industries Ltd	10	5,245	17.3	57.0	34.5	30.4%
Jain Resource Recycling Ltd	2	64,654	7.1	22.4	76.2	30.5%

*Note – 1) P/E, P/BV Ratio has been computed based on the closing market price of equity shares on NSE on 01st June, 2026, other Financial highlights as 31st March 2025.

2) NAV, EPS, P/E* to sales of the CMR green is calculated on EPS of FY25, and post issue no. of equity shares issued.

Key Risk:

- **Dependence on key products:** The company derives a substantial portion of its revenue from the sale of Liquid Aluminium Alloys and Aluminium Alloy Ingots, which contributed a combined ~81.9% to the CGTL's revenue (excluding incentives) during 9MFY26. Thus, any loss of sales due to reduction in demand for these products could adversely affect the company's business.
- **Customer concentration:** As of 9MFY26, the company's top 5/top 3 customers contributed ~32.5%/20.9% to the total revenue. Thus, the loss of any of these customers may adversely affect the company's business.
- **Raw material import risk:** The company depends on third-party suppliers for the supply of scraps required for operations and sources majority of the total scrap requirement through imports. As of 9MFY26, the share of raw material imports and traded goods from the US stood at 49.8%. Hence, any restrictions, either from the central government or state government of India, or from countries which the company imports from, may adversely affect its business.
- **Sharp decrease in Net Worth:** The company recorded a sharp decrease in Net Worth from Rs 1,195.2 cr in FY23 to Rs 317.5 cr in FY24 on account of write-off of the exceptional item (write-off of goodwill) to the tune of Rs 1,239.6 cr in FY24. However, the company's net worth increased from Rs 317.5 cr in FY24 to Rs 458.4 cr in FY25. The company may face similar kind of situation in the future and may encounter unforeseen expenses, difficulties, complications, delays and other unknown events. In case of further erosion of Net Worth in the future, investors could lose their investments and the market price of the equity shares could suffer.

Valuation:

CMR Green technologies Ltd is among India's leading non-ferrous metal recyclers, commanding the largest share in the secondary aluminium market. The company possesses the highest installed recycling capacity in the industry and has established itself as a preferred supplier to major OEMs, supported by its scale, operational capabilities, and long-standing customer relationships.

CMR Green derives most of its revenue from recycled aluminium and zinc products, with a strong presence in the automotive sector. The company operates a nationwide network of recycling facilities, supplying major automotive and industrial hubs while converting metal scrap and used beverage cans into value-added products, promoting a circular economy.

On the valuation front, based on annualized FY26 earnings, the company is seeking a P/E of 19.7 x times, and a post-issue market capitalization of approximately Rs 42,059 million, making the issue appears to be fairly priced. However, the pure OFS nature (promoters exiting) and the sharp FY24 loss are concerns over limited margin of safety. Overall, CGTL is well-positioned to capitalize on the growing shift toward sustainable metal recycling, supported by market leadership, scale advantages, product diversification, and favorable industry dynamics. Hence, we assign **Subscribe-long Term** rating for the issue

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