

**Regd. Office:**

Hazi Rattan Link Road, Post Box No. 71, Bathinda-151001

Ph.: 0164-2240163, 2240443, 2211628,

Fax: 0164-5003638

Website: [www.bcl.ind.in](http://www.bcl.ind.in)Email: [bcl@mittalgroup.co.in](mailto:bcl@mittalgroup.co.in)

CIN: L24231PB1976PLC003624

**June 4, 2025**

<b>The National Stock Exchange of India</b> Limited Exchange Plaza, 5 th Floor Plot No. C/1, G Block Bandra Kurla Complex Bandra (East) Mumbai – 400051	<b>BSE Limited</b> Corporate Relationship Dept. 1 1st Floor, New Trading Ring Rotunda Building Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai – 400001
<b>BSE Code: 524332</b>	<b>NSE SCRP CODE: BCLIND</b>

**Reg: Analyst/Investors Concall Transcript**

Dear Sir/Madam

Pursuant to clause 15 of Para A of Part A of Schedule III of Regulation 30 (2) of SEBI (listing obligations and disclosure requirements) regulations, 2015, we hereby annex the transcript of the Analyst and Investors conference call held on May 30, 2025 to discuss audited financial results of the Company for the Quarter and year ended on March 31, 2025.

Submitted for the larger dissemination amongst the public at large.

Thanking You,

**Yours faithfully,**  
**For BCL Industries Limited**

**Ajeet Kumar Thakur**  
**Company Secretary & Compliance Officer**



# “BCL Industries Limited Q4 FY-25 Earnings Conference Call”

**May 30, 2025**



**MANAGEMENT: MR. KUSHAL MITTAL – JOINT MANAGING DIRECTOR,  
BCL INDUSTRIES LIMITED**

**MODERATOR: MS. PRIYA SEN – GO INDIA ADVISORS**

**Moderator:** Ladies and gentlemen, good day, and welcome to the BCL Industries Limited Q4 and FY '25 Earnings Conference Call, hosted by Go India Advisors.

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

I now hand the conference over to Ms. Priya Sen from Go India Advisors. Thank you, and over to you, ma'am.

**Priya Sen:** Thank you, Sejal. Good afternoon, everybody, and welcome to BCL Industries Limited Earnings Conference Call to discuss the Q4 and FY '25 Results. We have on the call Mr. Kushal Mittal, Joint Managing Director. We must remind you that the discussion on today's call may include certain forward-looking statements and must be, therefore, viewed in conjunction with the risks that the company faces.

May I now request Mr. Kushal Mittal to take us through the company's "Business Outlook" and "Performance", subsequent to which we will open the floor for Q&A. Thank you, and over to you, sir.

**Kushal Mittal:** Thank you, Priya. Good day, everyone, and welcome to the Q4 and FY '25 Earnings Conference Call of BCL Industries Limited. The Financial Results and Investor Presentation have been made available on the Exchange, and I trust you have had the opportunity to review them.

FY '25 has been a landmark year for BCL Industries Limited, marked by significant progress across our strategic priorities. This year, we are truly humbled to celebrate our 50th year since incorporation, a milestone that reflects our resilience, foresight and consistent ability to build a robust business foundation that thrives through all cycles.

Over the years, BCL has evolved its system and processes enabling the company to navigate business cycles with resilience. Our risk management framework has strengthened considerably, allowing us to make prudent strategic choices including phasing out segments that no longer align with our long-term business priorities.

Simultaneously, we have reinforced our focus on growth-oriented business that enhance profitability and deliver sustained value to our shareholders. BCL has grown to become one of India's largest grain-based ethanol and ENA manufacturers, currently operating a combined distillery capacity of 700 KLPD across Bathinda and Kharagpur.

The work for 150 expansion at Bathinda is progressing well, with all clearances in hand, and we are hoping to commission this plant by December 2025. In addition, the installation of a 60 tonne per hour paddy straw boiler is in progress, which is aimed to reduce fuel costs further for our company and improve operational efficiency.

We are expecting to commission this boiler in November 2025. Our 75 KLPD biodiesel plant in Bathinda is at an advanced stage of development, and is expected to be commissioned in July 2025.

We have started the final trials for the maize oil extraction unit. And I am hoping to commission the same along with the biodiesel unit. We are executing a phased exit from the edible oil business, which is progressing as planned. Oil mills, solvent and rice mill units have been shut down as a part of this planned exit, while the refinery remains operational to liquidate the existing stock.

The working capital of INR 90 crores, which was utilized for the edible oil business now stands adjusted with the bank. Following the reinstatement of FCI rights for ethanol production at a fixed price of INR 22.5 per kilogram, the industry has welcomed this policy as a positive development that enhances supply chain efficiency and optimize its surplus stock management. Raw material sourcing has partially shifted to FCI rice with a lower input costs expected due to the incoming FCI rice and maize harvest in the coming quarters.

BCL has been allocated FCI rice for ethanol production and the facility's flexibility to process multiple feedstocks, including maize and rice, position us strongly to benefit from this change. Our IMIL segment delivered a strong performance this year with approximately 17 lakh cases sold in FY '25, supported by a healthy demand. We continue to hold a significant market share in this segment and expect this momentum to sustain in the coming quarters.

Let me now move on to Q4 '25 operational and financial results:

BCL reported total revenue of INR 747 crores in Q4 FY '25, reflecting a 21% increase year-on-year. EBITDA stood at around INR 52 crores, representing a 7% margin.

With the arrival of FCI rice for the ethanol production and robust maize harvest, we expect correction in raw material costs, which will be affected in margins going forward. Our distillery segment showed robust volume growth with ethanol volume rising by 18% to 45,921 KL, while ENA volumes reaching 9,313 KL from 8,185 KL from the previous year.

EBITDA for this quarter from the distillery segments stood at INR 48 crores. For FY '25, BCL reported total revenue of INR 2,910 crores, marking a 32% year-on-year growth. PAT came in at INR 95.7 crores. Our distillery segment recorded robust volume growth with ethanol volumes rising by 51%.

Looking ahead to FY '26, we expect to sustain strong growth in both revenue and margins, supported by our strategic diversification efforts and improvements in raw material sourcing and cost management. As BCL continues to evolve, our focus remains on leveraging our core expertise in grain procurement and processing to drive sustainable margins and long-term shareholder value.

Now we will open the floor for Q&A. Thank you.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Varun Thakkar from Fyers Asset Management.

**Varun Thakkar:** Hello, sir. I had 2, 3 questions. One is, can you take us through a road map on how you see this development of the 75 KLPD biodiesel plant like what will be the CapEx time lines, revenue and EBITDA margin potential at a steady state? And how do you see this contributing towards the declining segments like oil and vanaspati that you are trying to get out of and shut down. So that will be my first question.

**Kushal Mittal:** Yes. Thank you. So for the biodiesel business, I think most of the CapEx has already been incurred. The total project cost is around INR 140 crores for the 75 KLPD biodiesel plant. As mentioned in my speech, we are expecting to commission this in July 2025. For the revenue figures, working at 100% capacity utilization at 75 KLPD biodiesel plant should give us around INR 200 crores to INR 225-odd crores in terms of revenue.

For the EBITDA margins, I will stay consistent as my statements that I have made in the past. We are not giving a forecast on that front as of yet. Since it's a new segment for the company, we have been saying let the company start the business, and we will give you more clarity as we move forward. So unfortunately, I don't have any forecast on that front for you as of yet. Thank you.

**Varun Thakkar:** And also, how are we planning to offset or bridge this revenue impact that we get from the vanaspati and the oil business gradually phasing out.

**Kushal Mittal:** See, we are increasing our revenue with 150 KLPD ethanol expansion happening in Bathinda with the biodiesel unit coming, then the next phase would be the 250 KLPD ethanol plant that needs to be set up at Goyal Distillery. So of course, revenue will increase from that front. But we don't just want to increase the revenue for sake of increasing the top line. Of course, bottom line is more important, and the edible oil business was a low-margin business, which was utilizing a majority of our working capital. And so we are not just looking at the top line, with the addition of biodiesel unit and more expansion coming in.

Our overall margins will definitely improve. Our overall debt has come down and our overall profitability for the company would be a lot better. So I don't see the point of just increasing the revenue for the sake of increasing revenue. The company has to look at businesses that have higher margins and work to reduce debt.

**Varun Thakkar:** All right. Just 1 last thing, a bookkeeping question. What kind of volume and revenue are we expecting from the ethanol segment? And what will be your CapEx for this coming year and the next year?

**Kushal Mittal:** See, we have seen almost 100% capacity utilization from the distillery segment this year. So any further revenue that will be added from the distillery segment will be the 150 KLPD plant that is yet to be commissioned in Bathinda. So just to be conservative, I would say around the same numbers are expected from the distillery segment next year as well when I am talking about the revenue.

And for the CapEx, as I mentioned, 75 KLPD biodiesel is around INR 140 crores. Majority of the CapEx has been done and the 150 KLPD ethanol plant, total CapEx is around INR 110 crores. And I think the company has incurred about INR 30-odd crores on that front.

**Varun Thakkar:** All right. Thank you sir.

**Moderator:** Thank you. The next question is from Harshit Nagpal from Yes Securities. Please go ahead.

**Harshit Nagpal:** Yes. So starting with the 700 KLPD that we have now, is the whole 700 KLPD been running at 100% for the year? Or we had it coming up during some time in the year and fund that? And second, what would be the average price for Maize for this quarter and for the year?

**Kushal Mittal:** So the 100 KLPD Kharagpur expansion was started in June of 2024. So there were a couple of months where that didn't come into full force. And there were a couple of months in Bathinda where we were struggling a little with the paddy straw-based boiler, which hampered our production. But for the past 2 quarters, we have been working at 100% capacity utilization. So these figures are pretty much 100% capacity utilization figures, because some shutdown needs to happen for some odd reason, throughout the year. So that is that.

And the second part of your question was, I am sorry?

**Harshit Nagpal:** The average price for maize for the quarter and for the year.

**Kushal Mittal:** See, I think for the last quarter, the average price of maize was probably around I would say, around INR 25.5. And I honestly don't have the average for the entire year, but I expect it to be around that number only.

**Harshit Nagpal:** Right. And so the rice that we are getting, that is INR 22.5, right?

**Kushal Mittal:** Correct.

**Harshit Nagpal:** So rough mix, if you could give for the year on how much ethanol is made from maize and how much you made from rice, like one of the numbers, ballpark.

**Kushal Mittal:** See, majority was from maize. But I don't have the exact figures with me right now.

**Harshit Nagpal:** Okay. The next question is on the margin. So we are phasing out the vanaspati business, that is one thing, and that has about 2% EBITDA margins that we see every year. For this, the margins

have been at around 10%. But like you said that we will be phasing it out the last quarter you were saying by quarter 1 FY '26. So will we be seeing overall EBITDA margins of 7% to 9% till we completely phase out the vanaspati business? Or do we see this improving the next financial year? Because the revenue contribution right now from distillery is almost 66%.

So does this go up? Or does that gradually come down? Or we still cater to the edible oil business till we have clientele coming in? Some shade on the overall blended margin for both the businesses going forward?

**Kushal Mittal:** See, for the distillery business, we are expecting that the margins for the next at least 1 or 2 quarters should improve since raw material prices are starting to stop in, thanks to the FCI rice and bumper crop for maize, especially in UP, Punjab and Bihar. So that will help our distillery margins.

See, for the edible oil business, we are trying to take an exit, but it has to be a phased exit since we are sitting on a decent amount of inventory that we need to liquidate. And if we do a sudden exit, then it will be tough to do that. So once the edible oil business is shut, of course, the cumulative margins will go up as distillery and biodiesel will be the primary contributor towards the revenue. So of course, the cumulative margins are set to go up with the shutting down of edible oil business.

**Harshit Nagpal:** So any particular time line that you would like to give for that? Or we will have to see how it plays out?

**Kushal Mittal:** See, we are trying by June end. Let's see.

**Harshit Nagpal:** Okay. And sir, 1 last question, on how much cash would we have on the books right now?

**Kushal Mittal:** Cash on the books would be in the cash flow statement, I think around INR 20 crores.

**Harshit Nagpal:** And for the debt, we expect it to pay through internal accrual itself over the last next 4, 5 years.

**Kushal Mittal:** Yes. Through internal approvals only. As I mentioned, the INR 90 crores of working capital that we had to adjust with the closing down of our edible oil business, we had a deadline of 30th June from our bank, but we have done that prior to 31st March only. So the company is actively working to reduce its debt through internal accruals..

**Harshit Nagpal:** Thank you, sir. Congrats on great results.

**Moderator:** Thank you. The next question is from the line of Deepesh Sancheti from Maanya Finance. Please go ahead.

**Deepesh Sancheti:** I hope you and your dad are in great health. Congratulations on good set of numbers. My first question was in percentage terms, what is the trend which you have been observing on the

procurement prices for key raw materials over the last 12 months? And how do you expect these prices to evolve in FY '26?

**Kushal Mittal:** Thank you for that. Thank you for your question. So last year was a complete rollercoaster when it came to the raw material prices for our distillery segment. We saw maize prices go from INR 23 upward to INR 28.5 also. And now they're starting to decrease again. So my forecast for this year, honestly, going by last year, I think it is tough to make a forecast. But with the relief of surplus rice for the ethanol industry, I expect that maize prices for the entire year should average around INR 25 to INR 25.5, because as of yesterday or day before, the government has also increased the MSP for maize to INR 24 now. So throughout the year, I would say, an estimate of INR 25 to INR 25.5 is probably a fair estimate.

**Moderator:** Thank you. The next question is from the line of Saurabh Bansal from SB Capital. Please go ahead.

**Saurabh Bansal:** Yes. So I just wanted to ask a few questions over the capacity utilization, right? So basically, you are expected to reach 1,100 KLPD, so what annual revenue you are targeting at the full utilization.

**Kushal Mittal:** See, the first phase is 700 to 850 which we are expecting before the end of this calendar year. So a conservative figure for 850 capacity is around INR 2,100 to INR 2,200 crores in terms of revenue. And the next stage would be post that of 250. So that should give us at least another INR 700 crores to INR 750 crores in revenue.

**Saurabh Bansal:** Okay, okay, fine. And what is this expansion focus on. So it is more on ethanol or the ENA?

**Kushal Mittal:** No, all the expansions that are taking place now are on ethanol.

**Saurabh Bansal:** Okay. And just wanted to check, so how your EBITDA margin is expected to change as compared to the maize price movement in the market?

**Kushal Mittal:** As mentioned, maize prices are starting to soften as there is a harvest in many states across India. And also with the release of surplus rights that has reduced the burden on the maize crop for ethanol producers. So of course, if the raw material prices are softening, our margins should improve.

**Saurabh Bansal:** Okay. Okay, fine. And I have 1 more question, just the government targeting to have a target of 30% blending by the end of year 2030. So how feasible is this goal for your company? And are companies equipped to adapt this level of blending?

**Kushal Mittal:** See, the 30% blending by 2030, an official plan or a statement is still awaited. We only read this through news just like you. So let's see what plan the government has set for 30% blending. But one thing is for certain, the blending that will increase, the primary raw material would be maize, as the government is completely focused on crop diversification. They are focused on increasing

the area under maize and they're focused on maize farmers getting MSP through the ethanol industry. So if you see, even you should look at indications, if you see the recent MSP increases, you will see very little MSP has been increased for crops like paddy and wheat.

And there has been a significant increase in MSP for maize. So that is a way for the government to incentivize more crop diversification towards maize as maize does not utilize as much water as compared to paddy and is a crop that can be grown throughout the nation at certain point of time. It is also a crop when the farmer gets MSP for maize, they earn more as opposed to MSP on paddy. So that is in the government's focus. So any blending increase that happens, I think the maize-based ethanol industry will benefit, and that is a great opportunity for us.

**Saurabh Bansal:** Okay. Thank you, everyone. Thank you so much.

**Moderator:** Thank you. The next question is from the line of Anil Kataria, who is an Individual Investor. Please go ahead.

**Anil Kataria:** Yes. I have 2 questions. First is regarding the EBITDA margin of distillery segment for this quarter. And this EBITDA margin, probably we were expecting that EBITDA margin is going to be higher in this quarter, because the maize prices have softened in this quarter.

And with sensitivity of INR 1 decrease in base prices should result in EBITDA accretion of INR 2.60. But with INR 2 maize prices fall, the EBITDA margin should have gone up by more than INR 5. That probably has not happened. So could you throw some light on this at why this EBITDA margins have increased, but it is only moderate increase.. It is not a very significant increase vis-a-vis quarter...

**Kushal Mittal:** See for quarter 4, there was not that significant decrease in the raw material prices for the majority of the quarter. And also, it is not like if the raw material prices have softened, in a week's time, it will reflect in our EBITDA, we have outstanding contracts that we need to adhere to, regardless of the market going down and up to respect the sensitivity of the business. And also for a majority of the quarter, the raw material prices did not soften, and they were quite high. So that's why the EBITDA margins are where there are. And there are also other factors. DDGS price is also a big contributor towards the margin. And depending on that, the demand and the price for DDGS, that too affect our margins.

**Anil Kataria:** So has the DDG prices are lower in this quarter vis-a-vis the last quarter.

**Kushal Mittal:** DDGS prices, I would say there has been about INR 1 reduction as opposed to 2 quarters ago.

**Anil Kataria:** Okay. So my second question was regarding the dividend outgrow. Considering that this being the 50th year of BCL. So we were expecting that there would be a special dividend of INR 0.25, but this dividend has probably been status quo this year too. Though we understand that the company being in a growth journey, and a growth trajectory internal flowback is necessary. But

considering that this was 50th year, probably another special dividend of INR 0.25 should have been there. That is what I feel.

**Kushal Mittal:** See I think you have answered the question yourself. The company is in an expansion mode. And that's why the dividend of INR 0.26 was announced. And even when the company was growing at a significant, significant speed, when we became from 200 to 700 KLPD company. The company always gave out dividend, even when the promoters had to forego their right to dividend, they did that to ensure the minority shareholders gets their dividend annually. So it was a policy that was decided keeping in mind long-term sustainability and growth of the company.

**Moderator:** The next follow-up question is from the line of Deepesh Sancheti from Maanya Finance. Please go ahead.

**Deepesh Sancheti:** Yes. I hope the operator will allow me to ask questions, this time around. Just wanted to understand, sir, that in this month, the maize prices have fallen more, and I think that's by about INR 1, around INR 24, INR 24.5. So what do you see that according to your procurement, when will this inventory which you are buying now will come into effect?

**Kushal Mittal:** Yes, see the maize prices have started to reduce, especially in the month of May. So of course, that will come into effect starting say mid-May to 1st May. See, there's some contracts that are outstanding that we have to adhere to. But overall, you were quite right that the current maize prices are around INR 24 to INR 24.5, and I think that's a fair figure to look at.

**Deepesh Sancheti:** Okay. And what is the total addressable market for bio-CNG and biodiesel? And where does BCL Industries intend to position itself within the market over the next 5 years?

**Kushal Mittal:** For the bio-CNG it is a project that is still being evaluated. So I don't wish to give any figures on that. For the biodiesel business, I think the overall requirement by the OMCs for this year was around, I think, 80 crore, 90 crore liters, if I am correct. And out of which they were unable to get anywhere close to that. So of course, there's a big gap in the market that we could definitely cater to in terms of biodiesel.

**Deepesh Sancheti:** Okay. Just wanted to understand, a lot of your competitors like Kotyark or Rajputana biodiesel, they had a problem of a lot of contracts being canceled by the OMCs for biodiesel. Did we have any problem as such from any of the OMCs.

**Kushal Mittal:** See, we haven't commissioned our biodiesel unit yet. So I can't comment on that. But yes, we are aware of the problems being faced by the industry. And keeping that in mind, we have kept the provision in our facility that if biodiesel prices are not viable or there are some issues on the OMC front, then we can process this maize oil and sell it as an industrial oil, whether that is for the animal feed industry or other uses. And there's a market for that also. So we have kept that provision inside our unit.

- Deepesh Sancheti:** Okay. And is there any demand from the private players like Reliance for biodiesel?
- Kushal Mittal:** I haven't contacted them, so I am not sure.
- Deepesh Sancheti:** Okay. And just wanted to know you already mentioned that how much production. Okay, the reason why Svaksha did exceedingly well in terms of margins in this quarter? If you can just throw some light on it.
- Kushal Mittal:** Sometimes 1 unit might do well, sometimes the other, it all just depends on the raw material prices prevailing in that part of the country. So you know that there is 1 benefit of a company that we have units on 2 ends of the country. Sometimes raw material prices in Punjab are better, sometimes they're better in Bengal. Sometimes there's a higher demand for ENA in Punjab, sometimes higher demand for the ENA in Bengal. So that continues. And 1% or 2% of EBITDA margin up and down, compared by unit to unit. I don't think that is too big of a deal to really look into.
- Deepesh Sancheti:** Okay. And just my last question is that in last quarter con call, you mentioned that once the maize prices comes to INR 24, it will be comparable to the margins of rice with INR 22.5. Do you still maintain that? Or things have changed a little bit?
- Kushal Mittal:** See, since that statement was made, rice DDGS prices have significantly decreased. The price of rice DDGS now is the same as the price of maize DDGS, which is the first time in the history, I think that has happened. So when prices for maize are at INR 24, I would like to change my statement and say that maize is more profitable as opposed to FCI rice.
- Deepesh Sancheti:** So even at INR 25, it is more profitable than FCI rice.
- Kushal Mittal:** At INR 25, it'd probably be around the same.
- Deepesh Sancheti:** Around the same. Okay. So at INR 24, it is more profitable. Great. Congratulations again, and hope that you will keep expanding, and we are okay with not having the dividend. Thank you so much.
- Kushal Mittal:** Thank you.
- Moderator:** The next question is from the line of Bala Murli from Oman Investment Advisory. Please go ahead.
- Bala Murali:** Hi, Kushal. So I missed the opening remarks. So I know this deadline for this 150 KLPD is December 2025. But what we are expecting from the Goyal Distillery of 250 KLPD when we can expect it on stream. And also this West Bengal biodiesel plant received the clearance. So when we can expect it to be on stream?

**Kushal Mittal:** For 250 KLPD Goyal Distillery, we are planning on starting the work for that once the 150 KLPD plant has been commissioned at Bathinda, as we don't want to overburden our books and ourselves with the multifold expansions. For the biodiesel unit at Svaksha Distillery, I had mentioned earlier also that we have taken the permission for an oil extraction unit and a biodiesel unit.

First, we want to commission the biodiesel unit at our Bathinda facility. And then start work, then see where we need to improve and then only start work at the 75 KLPD biodiesel unit at Svaksha. Meanwhile, we are setting up maize oil extraction unit at Svaksha Distillery. And the plan for now is that the maize oil that will be extracted in Svaksha Distillery will be brought to our Bathinda facility for further processing. We are expecting to commission the maize oil extraction unit at Svaksha by October of this year.

**Bala Murali:** Okay. And on the raw material front seems that the government increased the MSP. So even if we get to the FCI rice availability, so I don't think there is no scope to increase further margins as these raw material

**Kushal Mittal:** I am having trouble understanding, sorry.

**Bala Murali:** So in the raw material front, so even the FCI rice is available for distilleries, but we are expecting that maize price would decrease significantly. But I think it is not happening as a government increased the MSP also. So I think there is no further scope to improve the margins, because of the raw material price. So what earlier we used to get 18% kind of EBIT margin, but we still were expecting 13%, 15%. But still, I think it would be difficult to achieve those margins in this year.

**Kushal Mittal:** No, see. It is not that FCI rice will be released, and the next day prices of raw materials will go down, of course that's a steady process. And raw material prices have decreased. So yes, there is room for improvement, but I don't want to give any exact figures as of now.

**Bala Murali:** Okay, sir. So what is the current mix of the raw material in the last quarter by Q4, how much FCI rice we used and how much the maize percentage we used?

**Kushal Mittal:** I don't have the exact figures. But for Q4, I think most of the processing was done on maize. It is mainly from Q1 that we have started to use a little bit of FCI rice as well. About 30% of FCI rice.

**Bala Murali:** 30%, okay. Good. But as the MSPs increased, so do we think that the ethanol price will also increase accordingly? Or this is the maximum price for this year.

**Kushal Mittal:** I don't think I am the right person to answer that question. The MSP has increased from the kharif cycle. So there is a bit of time in that. So let's see. But I don't want to make any statements where I don't have a proper answer.

- Bala Murali:** Okay. Fine. That's all. Thank you.
- Moderator:** The next question is from the line of Shiv Bhagwan, who is an individual investor. Please go ahead.
- Shiv Bhagwan:** Thank you. My question is, is there any inventory loss, notional loss on inventory in March '25?
- Kushal Mittal:** No.
- Shiv Bhagwan:** Because since your margin is overall, I am seeing raw material vis-a-vis sales is around 77-point something percentage. So whatever your inventory purchase cost and prices have been softened, so whether there is any valuation loss.
- Kushal Mittal:** Yes, there was no such notional loss. I think with the oil unit shutting down some inventory is being sold at sometimes at a discounted price to liquidate it as soon as possible. But besides that, nothing particular.
- Shiv Bhagwan:** My follow-up question is, see, if I see your year-end figure of, say, '24, we have raw material vis-a-vis sales was around 72.26%. And currently, it is 77.21%.
- Kushal Mittal:** Yes. See raw materials prices have increased mainly in the distillery segment. So maybe that could contribute to that.
- Shiv Bhagwan:** Okay. Thank you.
- Moderator:** Thank you. The next question is from the line of Ankur Agrawal from RC Business House Private Limited. Please go ahead.
- Ankur Agrawal:** Sir, what is the margin per liter with the current maize price that is INR 25.5.
- Kushal Mittal:** See, with the INR 25.5 about I would say, about INR 5.
- Ankur Agrawal:** INR 5. And with the FCI rice how much, is the same or some different.
- Kushal Mittal:** FCI rice, it's slightly lower. Actually, it's tough to comment since we are blending both FCI rice and maize in our process and DDGS is now combined. So it's tough to give an exact figure, but around the same, yes.
- Ankur Agrawal:** If the maize price come down to INR 24, how much affect in the margin in that case, how much improvement in the margin?
- Kushal Mittal:** See then margins should improve by INR 2.
- Ankur Agrawal:** INR 2. Okay, then INR 7 if maize price comes down to INR 24.

- Kushal Mittal:** Yes.
- Ankur Agrawal:** Okay. And second question regarding your real estate land bank that will be free due to that solvent plant, how much the value of that land bank.
- Kushal Mittal:** We haven't evaluated on the value. Our focus for now is to do as soon as possible, shut down the unit and commission the biodiesel unit. So honestly, we don't even know. We haven't inquired.
- Ankur Agrawal:** Thank you. That's all from my side.
- Moderator:** Thank you. The next question is from the line of Saket Kapoor from Kapoor and Company. Please go ahead.
- Saket Kapoor:** Sir, firstly, if you could give some color on the ENA price trends in the region of Punjab and Bengal and the duty protection, if any, for these 2 states for an intrastate movement on the basis of import and the export duty imposed on ENA transfer?
- Kushal Mittal:** Yes. So the prices for ENA have been around INR 68, INR 67 in both the states. This is usually a period where demand is not very high for ENA in the month of April, May and June as it is peak summer. And also the new excise policy in April coming in, most bottlers don't like to hold any inventory of ENA or liquor on that.
- So the price trend currently is around INR 67. Bengal has an import duty of INR 5, whereas Punjab does not have an import duty, but a lot of our Punjab ENA is now being transported into Rajasthan. Since Bathinda is at location, which is at the border of Haryana and Punjab, we were able to get a good allocation of 60 lakh liters for ENA to supply to RSGSM, which is Rajasthan government undertaking, and we have been working to complete those supplies.
- Saket Kapoor:** You were mentioning about the new excise policy from April. So which policy are you referring to for which state.
- Kushal Mittal:** All states come up with a new excise policy in every financial year. Sometimes they're not that many major changes. Sometimes there are major changes. So keeping that in mind, bottlers usually don't like to hold on to inventory in the new financial year, when the new financial year starts. And once new financial year starts, usually all licenses are renewed and there's a lot of paperwork. So that tends to slow things down for the month of April and May.
- Saket Kapoor:** Okay. So any revision we have seen, I think so this INR 5 imports was implemented last August for the state of West Bengal, the import.
- Kushal Mittal:** Yes. So that is implemented last year, the new excise policy is a routine matter. Every financial year, state governments come up with this policy. Sometimes it's the same, sometimes there are changes, but that's just a routine matter.

- Saket Kapoor:** I was just looking, whether any revision is there from the state of the West Bengal or Punjab in terms of the excise part. So the status quo are the same.
- Kushal Mittal:** Yes, mostly same. No major changes.
- Saket Kapoor:** Sir, you were mentioning that in case the OMC do not honor their commitment or there are some changes or adverse condition you would shift to industrial oil. So if you could just elaborate on the same are the realizations, the demand of the same are equivalent to the ethanol pricing means how comfortable.
- Kushal Mittal:** No, no. Firstly, I would like to clarify the maize oil was proposed to be used for biodiesel and not for ethanol production. So we should not compare it to ethanol. We have proposed that maize oil will be used as a raw material for biodiesel. And someone had asked since there have been some issues with biodiesel contracts, from the OMC front, how would you utilize this oil. I had mentioned that there is also use for this oil in some industries and some animal supplement industries also.
- On the margin front, I have been consistent. See, since it's a form of vertical integration, we are using the byproduct from one of our processes as a raw material for the other segment. I don't wish to comment on the margins as of yet. We are saying let the production begin, and we will have more clarity on the margins. But this would be good.
- Saket Kapoor:** Sir, my point was industrial oil profitability and the biodiesel profitability are these comparables in that sense, where you can shift and you can create the same margin profile? Are they in the same vicinity in the same trajectory?
- Kushal Mittal:** Yes, this would be around the same.
- Saket Kapoor:** Okay. Sir last point is on the broken rice part, sir. What is the current FCI policy in terms of the release of the rice for the country liquor part of the story...
- Kushal Mittal:** No, no. FCI does not give us any rice for ENA or liquor business. FCI gives us a lot of rice to manufacture ethanol, and that is not broken rice, that is PDS rice, which is proper head rice. So no FCI rice, let me clarify, no FCI rice is given for any ENA or liquor business.
- Saket Kapoor:** Okay sir. But do we have any understanding sir, on how the policy has been, earlier I think so there was some abrupt stoppage of the sale from the FCI for...
- Kushal Mittal:** No. There was never any policy for FCI rice for the ENA or liquor business. FCI rice was allotted for ethanol business earlier also. There was a halt in the policy, and it has now been restarted. But it's not for ENA or liquor.
- Saket Kapoor:** And the price per kg of rice or what have been the price trends?

- Kushal Mittal:** See, the price is at INR 22.50 per kg. And that is at the nearest depot, plus freight to bring the same to our factory.
- Saket Kapoor:** Correct sir. Thank you for answering all the questions, sir. And all the best.
- Moderator:** Thank you. The next question is from the line of Neeraj, who is an individual investor. Please go ahead.
- Neeraj:** Yes. Thank you for the opportunity. So I saw yesterday in your regulatory filings that you have appointed CEO, Mr. Varun Gupta, but no profile has been shared about him. And I would like to know what would be the division of roles and responsibilities within you and Varun Gupta, sir?
- Kushal Mittal:** Yes. So profile will be shared on our website very soon. So Varun ji has joined us with the vast experience, and he will be assisting the company in all matters, whether that is administration, HR, finance, accounts, and overall, helping the company become more efficient, be compliant. And overall, he'll be responsible for the distillery business, the biodiesel business, and all the administrative work.
- Neeraj:** Okay. So are you planning to take a step back from day-to-day operations of the company?
- Kushal Mittal:** No, no. Of course, not. I will be involved too. The company is growing as we know it. And to help open more avenues, of course, more professional help is always needed, and hence, the appointment.
- Neeraj:** Okay. That is reassuring. Okay. My next question is related to the Edible Oil division. So I saw that that division has assets around INR 600 crores and liabilities of around INR 200 crores. So can we get an idea of once the division is wrapped up, and you are able to monetize some assets, what kind of cash flow infusion can we expect?
- Kushal Mittal:** See, firstly, we are planning on liquidating our stock, and it's taking a little more time than usual as we don't want to create a panic in the market where payment gets stuck also. So we are doing on that. And post that, we will start to focus on monetizing our assets in terms of plant and machinery and land. So I honestly don't have any exact figures for you as of now.
- Neeraj:** Okay. But you had the approval only till end of this quarter, right, to run the edible oil plant? Or has that been extended?
- Kushal Mittal:** We have applied for an extension.
- Neeraj:** Okay. And this extension is for how long?
- Kushal Mittal:** We have applied for the quarter.

**Neeraj:** Okay. Okay, sir. My next question is related to the news that we heard that the government is considering the request from U.S.A. for allowing import of maize and/or ethanol. So do you have any news about what the Indian government may be deciding on this topic.

**Kushal Mittal:** See, I do not have any news for you, but one thing is for sure. We believe that the government of India will not budge on this request to allow the import of ethanol or even maize. Because see, as I have mentioned multiple times, this policy of biofuels in the country, of course, you hear the benefits that it's a green fuel. It decreases the import bill for the country.

All those are major, major reasons to promote this industry. But the biggest reason we have to understand is to ensure that the farmers income goes up, and that there is crop diversification that happens in the country, especially in areas of Northwestern states, where there's a major, major issue of groundwater depleting, maize is the best crop. It is the best alternative for a crop-like paddy.

Paddy is not a crop that should be grown in these states anymore. And the government has realized this, and they're actively working to increase the area of cultivation that is under maize. And the area of cultivation will only increase when the farmers income goes up for a crop. See, we are seeing the maize crop increase manifold in states like Rajasthan, Punjab, Haryana, UP, where this crop has taken a back seat. And this will only happen if the farmers get MSP or close to MSP.

So keeping the farmers' income in mind and ensuring that the Indian agriculture produce gets picked up at a good price, the ethanol industry is a must. See, you have to understand in the Indian agriculture sector, we say MSP has minimum support price, whereas the Indian MSP for the majority of the crops is much higher than the global standard. So to ensure that the farmer gets the right price, you have to create a domestic demand for their produce. And that is why the ethanol industry and the farmer is complete ecosystem. And if you allow the import, then that whole ecosystem collapses, not just the industry.

**Moderator:** Sir, does that answer your question.

**Neeraj:** Yes. It does. Thank you.

**Moderator:** Thank you. The next question is from the line of Bhavesh, who is an individual investor. Please go ahead.

**Bhavesh:** Good afternoon, sir. Congratulations on a good set of numbers. So I noticed a good initiative on the company's website, where stakeholders are kept updated on the progress of the biodiesel plant through a regular photo update. However, there has been no update since February 2025. So could you please let us know if there will be more pictures uploaded on those sites.

**Kushal Mittal:** Firstly, I like to thank you for noticing the small details that we are uploading on our website to keep our investors updated on the company progress, very much appreciated. Appreciate the fact

that someone is looking at them. You rightly mentioned there has been a gap in the updation of the photos. And in a couple of days, you will see the updates on the website. We apologize.

**Bhavesh:** Perfect, perfect. Sir, next question is on the interest costs. So I note that your interest costs have declined both year-on-year and quarter-on-quarter. Do you expect this downtrend to continue? And what is the current consolidated debt level? And how much do you plan to repay or reduce in FY '26?

**Kushal Mittal:** See, there are a couple of reasons for the interest cost going down this quarter. Number one, we, as I mentioned, INR 90 crores of working capital limit that was there for edible oil business, we have already surrendered.

And secondly, by the end of this quarter, we were holding on to very little inventory of both raw material and finished goods. We are not holding on to much raw material inventory as a maize crop had not come in. But with the arrival of maize crop in states like Bihar and UP and Punjab, now we will be stocking up on raw materials. So we will be, again, utilizing our limit further.

In terms of working capital, the company has a sanction limit of INR 135 crores of working capital for BCL and INR 55 crores for Svaksha. The company has a term loan of INR 120 crores for the expansion that took place in Bathinda. And so the INR 120 crore term loan has an outstanding of INR 107 crores now, and it's under interest subvention.

The company had taken INR 51 crores loan for Svaksha. Current outstanding is INR 39 crores. The company had taken an INR 65 crore again, term loan for Svaksha expansion, which is under interest subvention which has an outstanding of INR 65 crores. Besides this, the company had taken a INR 50 crores loan for biodiesel, which has an outstanding of INR 50 crores. And there are a couple of lease discounting, but besides that the company is working on reducing debt in the long term.

**Bhavesh:** Perfect. Thank you so much for the detailed reply. One more question. So the distillery volumes in Q4 were lower than the Q3. So why did this happen? Because I was on the investor con-calls of your peers. And they said that the OMCs already had the order books full with the sugar company supplying ethanol to them. And they could not accept more from grain-based ethanol companies. So is that correct?

**Kushal Mittal:** No, there was a slight slowdown in the ethanol procurement for the quarter. Yes, that was there. But was not that significant also whatever the slowdown we can cater to with the ENA market. I think there's not that big of a difference in our volume levels, if I look at them closely. Sometimes there is a 15-day shutdown that takes place. So maybe that probably is the reason, but nothing of major concern.

**Bhavesh:** So Q1 will be better than Q4, because if I look at the financials of all the previous June quarters, it shows that June is better than the March quarter. So is that what you are looking at? Like it's been almost 2 months. So how has the quarter been so far?

- Kushal Mittal:** The quarter has been good, but it's not over yet, so I don't want to comment too much, but yes, quarter has been going well.
- Bhavesh:** So input cost has reduced significantly.
- Kushal Mittal:** I wouldn't say significantly, but yes, raw material prices have softened.
- Bhavesh:** Okay. One last question. So this maize oil extraction plant you are building. So how will it help in the business, like what kind of revenues or like how it will help in producing biodiesel and reducing input cost so just wanted to know that.
- Kushal Mittal:** Yes, of course, it's a perfectly good raw material for the biodiesel sector. And this maize oil that we are extracting, it should not hamper our ethanol or ENA yields, it's only a value addition. So it sits in the form of backward and forward vertical integration for the company. And overall, it should help us get better margins and become more efficient going forward. And the utilities are mostly common with our distillery unit. So the utility cost will be very less.
- Bhavesh:** Understood. Thank you so much, and all the best.
- Moderator:** Thank you. The next follow-up question is from the line of Harshit Nagpal from Yes Securities. Please go ahead.
- Harshit Nagpal:** A couple of more questions. One on how much of the power of steam that we use this year? How much for the quarter? Was it from paddy straw and how much of it was from husk? One that, and second the ENA plant that we have to shut down eventually, are we planning to do it? Or do we still see strong demand and we will do it later. The one that is old and has to be shut down eventually in a year or so.
- Kushal Mittal:** Yes. So firstly, for the fuel. So for Bathinda unit, about 60% of our fuel demand currently is being met by paddy straw and about 40% from rice husk. By October or November of this year, we are hoping that we will be 100% reliant on paddy straw with the commissioning of our new boiler.
- And the second part of your question regarding the upgradation that needed to happen in our ENA plant, we do not have a date yet. The plant is still running at 100% capacity utilization. So we are trying to delay that as much as possible. And a lot of the machinery that had come for the upgradation of that plant, we have decided to use for 150 KLPD ethanol expansion.
- Harshit Nagpal:** Okay. One small question follow-up on it. After we reach 100% paddy straw, how much margin improvement do we see at the EBITDA level for the overall distillery business?
- Kushal Mittal:** See, it's tough to say because right now, the rice husk prices are at an all-time low. So as of today, maybe the benefit is not more than INR 1 to INR 2 per liter of using paddy straw against husk. But the benefit will be there when and if rice husk prices again increase, which they're

bound to go up, because it is cyclical just like everything else. But paddy straw since we buy for the entire year, will have a fixed fuel price for us. So that would benefit them.

**Harshit Nagpal:** Right. And in Bengal, we use rice husk only, right? We don't use paddy straw at all. We don't have paddy straw there or do we?

**Kushal Mittal:** No paddy.

**Harshit Nagpal:** Okay. Thank you, sir. Thanks a lot, congrats.

**Moderator:** Thank you. As there are no further questions from the participants. I would now like to hand the conference over to Mr. Kushal Mittal for closing comments.

**Kushal Mittal:** I thank all of you for your active participation in the call. I hope I was able to answer your questions to your satisfaction. If there are any further questions, you are always welcome to write to Go India Advisors, our Investor Relations team, and I hope they will be answered to your satisfaction. Thank you again.

**Moderator:** Thank you. On behalf of Go India Advisors, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.