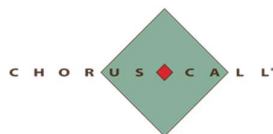




“Godavari Biorefineries Limited  
Q2 & H1 FY '26 Earnings Conference Call”

November 14, 2025



**MANAGEMENT:** **MR. SAMIR SOMAIYA -- CHAIRMAN AND MANAGING DIRECTOR -- GODAVARI BIOREFINERIES LIMITED**  
**MR. ASHISH SINHA -- ASSISTANT GENERAL MANAGER, INVESTOR RELATIONS AND FINANCE -- GODAVARI BIOREFINERIES LIMITED**

**MODERATOR:** **MS. PRACHI AMBRE – MUFG INVESTOR RELATIONS**



**Moderator:** Ladies and gentlemen, good day and welcome to Godavari Biorefineries Limited Q2 and H1 FY 2026 Earning Conference Call. 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 this conference call, please signal an operator by pressing star, then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Prachi Ambre from MUFG Investor Relations Team. Thank you and over to you, Ms. Prachi.

**Prachi Ambre:** Good morning everyone and welcome to Godavari Biorefineries Limited Q2 and H1-FY 2026 Earnings Conference Call. Today on the call, we have Mr. Samir Somaiya, Chairman and Managing Director and Mr. Ashish Sinha, Assistant General Manager, Investor Relations and Finance to provide insights on the operational and financial performance.

Before we begin the call, I would like to give a short disclaimer. This call may contain some of the forward-looking statements, which are completely based upon our beliefs and expectations as of today. The statements are not a guarantee of our future performance and involve unforeseen risks and uncertainties.

With this, I would like to hand over the call to Mr. Samir sir for his opening remarks. Over to you, sir. Thank you.

**Samir Somaiya:** **Welcome to Q2 and H1** financial year 2026 earnings call of Godavari Biorefineries Limited. Thank you for joining us today and for your continued trust and engagement. I hope you have had a chance to review our financial results and the investor presentation available on the stock exchange and on our website.

The Q2 FY 2026 has shown clear early signs of recovery for Godavari Biorefineries. We delivered a strong topline rebound, with revenue from operations growing at 34% year-on-year, while narrowing the EBITDA shortfall to a loss of INR4.4 crores versus a loss of INR31.5 crores in Q2 last year. This improvement is not incidental. It reflects deliberate strategic choices to prioritise higher-value bio-based specialty chemicals and to restore commercial momentum in ethanol.

Our biobased chemicals portfolio posted a 60% jump in the segment EBITDA in the quarter, driven by better realisation and an increased share of specialty crops. Ethanol moved back to positive territory with an EBITDA of INR4.7 crores in Q2 from a loss of INR2.9 crores a year earlier, reflecting improved blending economics, stronger off-take under the ethanol blending programme, and early benefits from the improved product mix.

On the industry backdrop, the outlook for the 2025-2026 season is positive. Above-average monsoons and improved cane yields point to a notable uplift in sugar production. The Centre has proposed the allowing of exports of 1.5 million tons of sugar for the 2025-2026 season starting October and removing a 50% export duty on molasses to boost the trade and support industry competitiveness.



Measures that, if finalised, are expected to positively impact mills' revenues and help align domestic supply with global markets. A countervailing risk remains the lack of revision in ethanol procurement prices by the oil marketing companies, particularly for sugarcane juice and B heavy routes. With policy momentum favouring grain-based ethanol, feedstock flexibility is now a strategic imperative. In this context, we are on track to commissioning of our 200-kilo litres per day fungible grain-based distillery in Q4 FY 2026.

On our drug discovery efforts, we are now preparing an application to initiate preliminary efficacy trials. We are also proposing to set up a U.S.-facing step-down subsidiary to find partners to out-license the molecule.

Sustainability is integral to our strategy. We are pleased to announce the launch of our pilot carbon dioxide to dimethyl ether project in collaboration with ICT Mumbai. Godavari Biorefineries, in collaboration with ICT Mumbai, has launched a pilot CO<sub>2</sub> to DME project. This breakthrough technology converts industrial CO<sub>2</sub> emissions directly into dimethyl ether, a low-emission, eco-friendly energy carrier.

Dimethyl ether is a clean burning fuel that can effectively replace conventional energy sources such as liquefied petroleum gas(LPG) and diesel, contributing to reduced emissions, improved environmental performance and decarbonization -- de-fossilization. The initiative reflects our commitment to clean energy and offering sustainable solutions.

We are progressing as planned and with visible mitigation of seasonality risks through a sharpened focus on higher potential bio-based specialty chemicals, ongoing debottlenecking and strategic investments in multi-feedstock ethanol capacity.

On the R&D front, we will continue to drive long-term growth through scientific innovation and sustainability-led solutions and remain confident in our ability to create sustainable value for all stakeholders.

I will now hand over to Mr. Ashish Sinha, our AGM, Investor Relations and Finance.

**Ashish Sinha:**

Good morning, everyone. Q2 and H1 FY 2026 mark the beginning of a transformative year for us and we are pleased to report financial performance that reflects the early impact of our strategic initiatives.

Our revenue from operations for the quarter stood at INR430.8 crores compared to INR321 crores in Q2 FY 2025, a significant 34% year-on-year growth. And revenue from operations for the H1 FY 2026 stood at INR964 crores compared to INR843.5 crores, a significant growth of 14% year-on-year growth, driven by an improved business portfolio.

Gross margin expanded from 16.5% in Q2 last year to 21% this quarter, an improvement of around 4.5%. And for H1, gross margin expanded from 15% in the last year to 20% this year, an improvement of around 5%, reflecting a better product mix. This improvement translated into meaningful operating performance, narrowing EBITDA losses to INR4.4 crores in Q2 FY 2026 from a loss of INR31.5 crores in Q2 FY 2025 and EBITDA of INR2.1 crores in H1 FY 2026 from a loss of INR41 crores.



This shift underscores the effectiveness of our cost optimization measures, growing traction in our Bio-Based Chemical segment, restoration of the Ethanol Blending Program and a significant reduction in finance costs, led by debt reduction as a part of our strategy to improve cash flow and reinvest strategically in the business.

As we move forward, we expect these efforts to begin reflecting in profitability. We will remain focused on de-bottlenecking, expanding high-value bio-based specialty chemicals, building multi-feedstock ethanol capacity to capitalize on the blending program, sustaining our core sugar business and intensifying R&D to expand in differentiated high-margin products.

Thank you. Now, I request moderator to open the floor for discussion.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. The first question comes from the line of Richa Shah from SRP Associates. Please go ahead.

**Richa Shah:** Hello, sir. So, my first question to you is, DME has strong potential as an alternative clean fuel, but integrating it into the existing LPG or diesel ecosystem may come with several practical hurdles. So, like, could you please elaborate on the key challenges that you foresee in incorporating DME into the current LPG or like diesel infrastructure?

**Samir Somaiya:** Thank you for your question. Doing DME is part of our strategy to invest in de-fossilization. DME is a substitute for LPG or diesel and as we understand, it can be used directly to blend with LPG.

The second thing is, for our process, we have partnered with ICT. The work has been completed in the lab and we have just earlier this week, inaugurated our pilot plant for which we will do our studies that will help us understand and optimize the process conditions needed to design a good scale-up. So, this is a good step in the process of doing DME and it integrates well to supplement and blend with LPG or diesel.

**Richa Shah:** Okay, okay, sir. Got your point. Also, like, bio-based chemicals reported a strong 23% revenue growth this quarter, but what stands out, like, even more is the 60% increase in the segment EBITDA. So, like, could you please help us to understand the key drivers behind this sharp improvement in profitability?

**Samir Somaiya:** So this -- again, thank you for the question. This reflects the increase in the ratio of bio-based specialty chemicals versus what we are saying non-specialty chemicals which we are referring to as ethyl acetate.

As that ratio improves, automatically, you will start seeing that reflect into better EBITDA. The ratio has changed from -- to 63% compared to 57% earlier. So, that translates into EBITDA. And our strategy is, over a period of time, to continue sustained increase in bio-based specialty chemicals as a function of our overall chemical portfolio.

**Richa Shah:** Okay, okay, Yes. Okay, sir. Also, like, what is the largest cost or, an either I would say, hurdle for you today to increase ethanol segment EBITDA, if you could tell?



- Samir Somaiya:** So, ethanol segment, of course, you have seen the ethanol results in Q2. Q3 will now start when our sugarcane-ethanol season will commence. As it commences, once again, ethanol production will start and it will continue from Q3 to Q4 and then going forward, Q1 and Q2 of the following financial year.
- So, this will be a cycle of the ethanol production. The improvement in ethanol will come with the addition of our grain-based ethanol facility, which we are targeting for Q4 of FY 2026. It is, of course, also contingent on the oil-marketing-company tenders as they come and our participation in the same.
- But in a structured manner, as India continues to drive its ethanol blending program with its growing petrol consumption, we expect that the addition of our grain-based facility to mitigate against climate and policy risk and provide us with a multi-feedstock facility to make ethanol to participate in India's petrol and therefore transport-mobility sector.
- Richa Shah:** Okay, okay, Yes. Also, sir, in this quarter, like, revenue was almost 3.5 times to the previous quarter, I would say Q2 FY 2025 revenue, yet the EBITDA delta is only INR7.7 crores. So, what scale is this segment EBITDA?
- Ashish Sinha:** For ethanol, you are talking about?
- Richa Shah:** Yes, sir, ethanol only.
- Ashish Sinha:** Okay, so, we have a "B heavy molasses" from which we convert the molasses to ethanol. Now, because of the transfer pricing, the profit gets into sugar and distillery division.
- Richa Shah:** Okay, okay, sir. Got your point. Thank you. Thank you, sir.
- Samir Somaiya:** Thank you.
- Moderator:** Thank you. The next question comes from the line of Kartheek from WealthMills. Please go ahead.
- Kartheek:** Yes, I want to know the key drivers. What are the key drivers you are looking forward for Godavari bio-based chemicals and also, what are the initiatives you are making with respect to the bioplastic as a segment, any kind of progress?
- Can you throw some light? What kind of plans you have with respect to bioplastic Godavari (Inaudible 14:30)?
- Samir Somaiya:** Thank you, Karthik, for your question. The key drivers for, Godavari Biorefineries, as we look at this transformation over the next two to three years is primarily in three areas or I would say four areas. The first area in the field of bio-based specialty chemical --- in the field of say the chemical division is to increase the ratio of bio-based specialty chemicals as a function of the total chemical business.

That's one and also to increase the total chemical business. So again, to repeat, to increase the total chemical business and in that chemical business to increase the ratio of bio-based specialty chemicals. That's point one.

The second driver we would see is to increase our participation in the ethanol business to grow the ethanol business and that growth of ethanol business will come from a, combination of the production of ethanol via sugarcane juice; B molasses or C molasses or the use of grain-based ethanol. So once again, you are growing the ethanol business and making it from a variety of roots.

The third is to also expand our business of the branded Jivana products that we are going to do as third. And the fourth one is also to do work on drug discovery in cancer biology to find our preliminary We have just finished the safety trials and are now initiating to make an application for preliminary efficacy trials. So these would be what I would consider four drivers.

Now, your next question was in bioplastics. Currently, we are looking at a whole range of bio-based chemicals, but bioplastics is not what we are currently exploring.

**Kartheek:** Okay, do you have any plans with respect to bioplastic is concerned, sir? It is on your cards or any kind of progress you want to make on this area or this is not the area to look in for your Godavari Biorefineries, sir?

**Samir Somaiya:** We are looking at the use of agriculture feedstock to make a wide range of products that is to go for food, fuel, chemicals and materials. So we are not saying no to anything. We are looking at the use of agriculture feedstock to make all these products. Your specific question on bioplastics at this moment in time, it is not something that we are currently exploring.

**Kartheek:** Okay. Thank you, sir. Thanks for your elaborate reply. Thank you.

**Moderator:** Thank you. The next question comes from the line of Vivek Gupta from Star Investment. Please go ahead.

**Vivek Gupta:** Sir, the recent approval for the sugar export is lower than the 2 million tons requested by the industry, according to the ISMA first advance estimate. So total sugar availability would reach around 36 million tons in 2025-2026, exceeding the domestic requirement of 28.5. Ethanol diversion is estimated at around 3.4 million tons, similar to last year. Like in context of all this, any outlook on sugar prices and also the ethanol realizations, sir?

**Samir Somaiya:** Thank you, Vivek Gupta for that question. I look at this consideration of government of 1.5 million tons as a positive development. Let's put things in perspective.

The sugarcane crushing season has not begun. It is in the anticipation of a very healthy crop that the government is articulating an export policy of 1.5 million tons. If this materializes, it reflects an advanced thinking and giving a chance for industry to make sure that its sugar balance sheet for the country is more in balance.



What the government may do afterwards, after looking at it, would be for the government to decide. But it is a good step to articulate that the government is alive to the sugar balance sheet of the country and to ensure that it remains in balance.

**Vivek Gupta:**

Okay. Sir, can you highlight further on the issue of exceptional items?

**Samir Somaiya:**

Certainly. So the exceptional items that are there in the book, I'll just give you a little bit of background. Last year, on the neighboring mills in Maharashtra, had done a harvesting and transport contract, which they had revised for their labor with retrospective effect of 2023-2024.

As far as we were concerned, we in Karnataka, since we are bordering Maharashtra, had revised harvesting transport charges with prospective effect from 2024-2025 for the season and commenced their operation. What has happened in the last few weeks, the neighboring mills of Karnataka, in order to ensure harvesting labor for the cane supplies in this season, decided that they will give their harvesting labor the prices for that 2023-2024 period retrospectively. In to secure our own cane supplies and to ensure that we are competitive to get them, we have decided to match and made a provision for the same in our books.

**Vivek Gupta:**

Okay. So like do you feel rather than it's like a one-off, this was may perhaps signal a higher operating cost under sugar going forward if the competition keeps persisting with this?

**Samir Somaiya:**

We see it as a one-off.

**Vivek Gupta:**

Okay. Okay, sir. Thank you, sir. That was from my side and all the best for the future quarters.

**Samir Somaiya:**

Thank you so much.

**Moderator:**

Thank you. The next question comes from the line of Dhavan Shah from Alfaccurate Advisors. Please go ahead.

**Dhavan Shah:**

Yes. Thanks for the opportunity, sir. And congratulations for a good set of numbers for the first half versus the last year. So my first question is on the sugar side. How do you see the current season versus the last year? Last year, we ended up with good molasses inventory at the end of the year, which led to good numbers for the first half. Now, the harvesting is already started and maybe the comp would also come within some point of time. So any estimates over there compared to last season in terms of the sugar plus ethanol?

**Samir Somaiya:**

Thank you for your question, Dhavan. We are just about to start the season. I can only reflect on this at the start of the season since we are in agricultural industry. The monsoons last year have been good. So also the monsoons of the year before. This is reflecting in a much better yield and quality of sugarcane crop that we have in Karnataka, Maharashtra and the country.

So what we are expecting, this is on expecting is a much better sugarcane crop with a much better sugarcane quality. Now this can only be confirmed later as we commence crushing and see the operations. But this is how we see that it will be a good crop and good quality, good recovery, which should reflect in a good production in Karnataka as well as in the country.



**Dhavan Shah:**

Understood. And any thoughts on the ethanol pricing? Given that I think there is some concern about the demand supply situation because the supply is very high of ethanol compared to the demand. Because I think more or less we are already at 20% blending. So given that the government has already allowed the exports of sugar. So how do you see the balancing of sugar and ethanol? And then how do you see the pricing increase also because that is also been already a long time since the industry has been waiting for the hike. So any thoughts on that?

**Samir Somaiya:**

Okay. So now you asked a fairly detailed question. Bear with me as I give you an answer as best as I understand. Now, I will reflect on this in two or three ways. The first is that yes, Indian OMCs gave out a first tender for about 10.5 billion liters. And the overall ethanol producing industry responded with offers exceeding 17 billion liters.

From an Indian standpoint, I look at this as a miracle. Because India wanted to do a 20% blend by 2030 and they advanced it to 2025. Now, nobody would have imagined seven years ago or eight years ago that India would reach a production offer of 17 plus billion liters, which would mean that you could almost do a blend exceeding 30% if the engines were ready for that or if flex fuel engines were in place.

So the way I look at that is a more of a structured situation that India has now demonstrated a capacity to produce ethanol to meet India's energy security and transportation, mitigate climate change to meet India's target of being net zero by 2070 and to secure farmer incomes. So this is a demonstration of capacity.

I think India as a policy level and that's for the policy makers to think through, will have to reflect on what other policy measures it needs to take to continue to secure its energy needs. So that's what I say. It has to be looked at not from a month to month basis, but in a structured basis in terms of what happens year to year because there will have to be more flex fuel vehicles out there and other such changes. So that's one.

The second aspect I would like to reflect on is that you see in these tenders, a lot of ethanol has of course come to the sugarcane sector, but a lot more has gone to what I would call the grain maize rice sector. So this only underscores our strategy that we said that we should need to add fungible maize/ grain capacity to our facility to make sure that we are far more resilient in terms of changes in feedstock mix, policy and climate risks. And so therefore our strategy to add this grain based facility which we wanted to do, it seems to be validated. That's the second point.

The third point about the prices of ethanol which have remained the same is of course something we would have liked to see a price increase in ethanol which we feel is necessary given the fact that cane prices have been asked to have been increased, but ethanol has been kept the same. So this is my response to your question.

**Dhavan Shah:**

Sure sir. And I mean based on your checks with the government, is it likely to come during this season because I think they were about to announce something in October, but that didn't come. So will it come during this season or maybe in the next year itself? Any thoughts on that?

**Samir Somaiya:**

That is best for the government to know. We were hoping for price increases, they did not happen. And as I said it is important for price changes in ethanol as well as MSP of sugar to go





hand in hand with price increases of cane and they have not happened. So that is all I can speak. The government is the one to answer.

**Dhavan Shah:**

Sure sir. And about the chemical business, if I look at the first half, this year revenue growth was roughly 8% versus EBITDA growth was around 45-50 odd percent. So what led to such a high growth in the operational numbers for the chemical business and how do you see the next year? Is there any new products which are going to come on stream from the chemical side?

**Samir Somaiya:**

So my answer to you is similar to what I gave somebody a little earlier that our strategy is in the chemical business two-fold. One is to increase the chemical business and the second is to increase the ratio of bio-based specialty chemicals as a ratio of the overall chemical business. So in the past we have seen the improvement of the ratio to be from 57% to 62% or 63%.

That has led to an improvement in the EBITDA for the chemical sector. We are planning de-bottlenecking and addition of some chemicals and this will show its effect over the next 2-3 years and that's how we will see benefits.

**Dhavan Shah:**

Understood. And any clarity on the cancer drug, de-phase trial and everything?

**Samir Somaiya:**

We have received the report of the safety trials. We are now preparing an application for the initiation of the preliminary efficacy trials. And we are also proposing to set up a US facing step-down subsidiary to help market or find out-licensing partners for the molecule work that we are doing in conjunction with the work that we will do to initiate preliminary efficacy trials.

**Dhavan Shah:**

Sure. Got it, sir. That's all from my side. Thank you, sir.

**Moderator:**

Thank you.. The next question comes from the line of Nishita from Sapphire Capital. Please go ahead.

**Nishita:**

Yes. So my question was on the cancer drug update as well. You mentioned that we are in the efficacy trial stage. So how long is that going to take and when will we get the FDA approval? Like by when do you think we will get the approval from FDA?

**Samir Somaiya:**

Ma'am, thank you for the question. Just to clarify, we have just finished the safety trials. Now we are preparing an application to get approval for preliminary efficacy. Post this, we are looking to out-license this to pharmaceutical partners, so that they take it all the way to the FDA. Because that is a different business in terms of what I will call pharmaceuticals and the trials to take it finally would be much different. Our idea is to out-license it around the stage of preliminary efficacy, which is what we are embarking on now.

**Nishita:**

Okay, okay. Understood. And are we going to develop more drugs for the same, for cancer? We are, like currently we have, we are developing only one drug, right?

**Samir Somaiya:**

We have a, we are, our research team is very strong and we have very good scientists who understand synthesis as well as the work on cell lines to understand the molecules which would be good for drug discovery in cancer. So we are having a good pipeline of molecules that we



continue to explore. Should this one be successful, it will help us seek development of other molecules.

**Nishita:** Okay, understood. My next question would be if you would like to give any revenue guidance for FY '26 and we are going to see EBIT, like we will be EBITDA positive in FY '26, right?

**Samir Somaiya:** Can you actually repeat your question little more clearly?

**Nishita:** Yes, sure. So I was just asking, if you would like to give any revenue guidance for FY '26, any growth guidance and just wanted to confirm we will be EBITDA positive by the end of FY '26, right?

**Samir Somaiya:** On the revenue guidance, I would, you know, there is a lot of uncertainty that is there in the world, as well as what is happening in the Indian industry regarding whether exports are allowed, not allowed. So we are looking at a larger growth over the next two to three years, what we had said last time. We are definitely looking at over the next two to three years a growth in revenue and a growth in the EBITDA.

**Nishita:** Okay, understood. Thank you so much.

**Moderator:** Thank you. The next question comes from the line of Ashish Shah from Alpha Capitals. Please go ahead.

**Ashish Shah:** Yes. Good morning and thank you for the opportunity, sir. Sir, my first question is on the Jivana brand. Like, can you help us understand more on the plan in that segment and how can it drive the growth for us?

**Samir Somaiya:** Yes, the name is Jivana, just to correct you. Jivana is a brand that we started a few years ago and this whole idea is that we wanted to see how our sugar business and associated with that other products would be there to ensure better price resilience and market acceptance in what is sometimes a volatile price environment. So in keeping with that strategy, we have now increased our sugar business from INR28 crores – I mean, our Jivana brand from INR28 crores a few years ago to about INR108 crores in FY '25 and I think in the first half we have done about INR65 crores. So, we are looking at that.

Since now our presence is there in a wide variety of retail outlets, we are also looking at putting other food items there such as brown sugar, such as jaggery, such as turmeric and other products to grow these products. A biorefinery, I would like to repeat, is the use of agriculture feedstock to make food, fuels, chemicals and materials and we explore growth in all these opportunities.

**Ashish Shah:** Got it. Got it. sir Right. And my another question is on the guidance that you had provided in Q4 of FY '25 that your focus is in the deep bottlenecking of the chemical plants. So, you are working on the engineering of your biobutanol program that you have licensed.

So, just what are the progress, like, expected date of completion, cost involved with the deep bottlenecking and what will be the expectation of revenue generation from this de-bottlenecking?



- Samir Somaiya:** So, in the biobutanol -- so biobutanol is not de-bottlenecking. Biobutanol would be a new investment. We are continuing the work on doing the engineering for this project and we are also looking at the customer commitments for undertaking this project.
- There is, if you realize in the last few months, a little bit of headwinds that we see as far as some molecules are concerned. However, our exploration shows that customers remain committed to green transition. We are ensuring that we are going to have strong customer commitments before we undertake a large investment in this project.
- Ashish Shah:** Okay, sir. Thank you so much. That's it from my end. Thank you.
- Moderator:** Thank you. The next question comes from the line of Nilay Kulkarni from Narad Insights. Please go ahead.
- Nilay Kulkarni:** Thank you. Sir, congratulations on the successful conclusion of the safety trials for the anti-cancer molecules. In the Q4 FY25 call, sir, you had mentioned you would report on the cost of the next phase, the preliminary efficacy trials after the safety trials were complete.
- Now that you have reached that stage, could you please quantify the expected capital outlay for these efficacy trials, especially with the US facing subsidiary, etcetera, and the subsequent out-licensing efforts in terms of capital required towards that goal over the next two to three years?
- Samir Somaiya:** I think that's a very nice question that you asked. I forget what the safety study report was. Safety study report was received just recently. So, we are now preparing the application for preliminary efficacy trials. We will be able to now give this to you in the next quarter and give you good estimates for what we think the conclusion, I mean how much it would cost to do the preliminary efficacy trials. And we are right now proposing to set up the US-facing subsidiary. We will also have a greater clarity of what that would entail by the next meeting.
- But the idea is that US is a large market for oncology. It is the largest market in fact. And so it was felt that to find that market it is easier if you have a US-facing subsidiary, so that they can explore with customers and they should be in the face of a step-down subsidiary that we are working on. And we will be able to give good clarity between now and the next quarter or in the next call.
- Nilay Kulkarni:** Thank you, sir. I mean why you can't, I understand we won't have specific numbers right now. But I just wanted to understand if this structure would allow us to be of any capital towards the projected capex of INR325 crores by FY29. In some sense what I am trying to get at is the anti-cancer molecule project, in that regard are we going to be able to free up any capital towards the larger capex goals for the more core activities?
- Samir Somaiya:** I will be able to better give you the number the next time. But the amount of money required for the anti-cancer is not substantial to affect what you are talking about.
- Nilay Kulkarni:** Understood. Thank you, sir. Thank you.
- Moderator:** Thank you. The next question comes from the line of Raaj from Arjav Partners. Please go ahead.



- Raaj:** So sir, from the 200-kl plan, which you are going to commercialize in Q4 FY26, sir, how much sales are you expecting from the plan for the full year FY27?
- Samir Somaiya:** I think I heard you right. I am going to repeat. You are saying from the 200 KLPD plan, what is the sales I am expecting in FY27? I am just repeating, is that correct?
- Raaj:** Yes, yes.
- Samir Somaiya:** Yes. So you know the sales will reflect on the tenders that the OMC will bring out for the same. We are expecting every year the OMCs do bring out and they will also bring out tenders for the next year, which will be in probably September next year for the balance half of FY '27. We can only answer that once we are commissioned and when we look at the tenders that they give for the future requirement of oil blending in the ethanol program. The capacity we know the capacity will be about 60 million liters on an annual basis.
- Raaj:** All right. If you get the tender, then will you be able to do sale of around INR400 crores in the first year itself or it will take 1 or 2 years to scale the plant?
- Samir Somaiya:** So it will depend on -- it will depend repeating on the tenders that are floated in the second half of this year and then the beginning of next year for the following season. The factory will be capable of making the production.
- Raaj:** Got it. And the production will start from Q4 FY '26, right?
- Samir Somaiya:** Yes, the factory will be ready and production will commence in Q4.
- Raaj:** And sir, about this anticancer drug, so how much overall time will it take for this to reflect in our sales or something like that?
- Samir Somaiya:** Our assessment of the preliminary efficacy trial will be in the range of two years. And we would be attempting to -- and of course, this has to be successful. The preliminary efficacy trial has to be successful. And parallel to this effort of preliminary efficacy trial, we are proposing to set up the U.S.-facing subsidiary. So in parallel, it will then start talking to potential out-licensing candidates so that we keep them informed of the progress and find if there is interest, how we can do the out-license.
- Raaj:** All right. So after two years, you will out-license it and then Phase I, Phase II, Phase III, all the things happens. I think overall, it will take around...
- Samir Somaiya:** Safety is Phase I, safety is already Phase I, which is complete.
- Raaj:** All right, all right. So overall, if I'm right, roughly it should take around five to six years more for it to reflect in. Is the assessment right?
- Samir Somaiya:** No. Our aim, I'm just saying provided preliminary efficacy is successful, our aim would be to find an out-licensing candidate in the next two to three years. That would be our aim.
- Raaj:** All right, sir.



- Moderator:** Thank you. The next question comes from the line of Dhiraj Shah from RJ Investment. Please go ahead.
- Dhiraj Shah:** Hello, thanks for the opportunity. Sir, I just have two questions. Firstly, ISMA highlighted that under the ethanol supply year for '25-'26, it was 289 crores liters, which stood at approx 28% of the ethanol that have been allocated from sugar-based feedstock, while 760 liters will come from grain-based sources. So what is your take on that? Could you throw some light on that??
- Samir Somaiya:** It reflects that the government has given a better, shall I say, quantity of ethanol to the maize-based distilleries. So this underscores what I said is our desire and our intent and the project of commissioning our grain-based facility for maize and other grains. So this gives us resilience going forward in the future to be able to supply ethanol into the ethanol blending program for a multi-feedstock facility. That's what it has reflected.
- And as far as the business is concerned, cane juice to ethanol, B-heavy molasses to ethanol are all provided this year to the industry from the sugar cane sector as well. So we are participating in the same.
- Dhiraj Shah:** Understood. Sir understood. And secondly, there was news that Centre has decided to allow export of 1.5 million tons of sugar for 2025-26 and Union Food Ministry has also decided to remove 50% of export duty on molasses. So how will this help us? If you could shed some light on that, that would be helpful.
- Samir Somaiya:** So this policy once passed and announced, will definitely provide the industry by giving us an outlet to balance the sugar balance sheet and that will therefore lighten the balance sheet for the country and provide a good environment for the sugar prices going forward. That's one.
- Likewise in molasses, when there is a high sugar cane crop, the molasses that you will have will also be in surplus. So that removal of that duty would also help the sugar mills to export molasses and get better realisation.
- Dhiraj Shah:** Understood. Sir, understood. Thank you for this. That was all from my side. All the best for the future quarter.
- Samir Somaiya:** Thank you so much.
- Moderator:** Thank you. The next question comes from the line of Prasoon Pankaj, an individual investor. Please go ahead.
- Prasoon Pankaj:** Yes. So my question is on the dimethyl ether. Can you explain what it is about and how it is going to play out? And what are the fuels, which is going to be replaced by this dimethyl ether? Can you throw some light on this innovation?
- Samir Somaiya:** Thank you for the question. The whole world is looking at a future in which it has to look at circularity and a de-fossilised world. Carbon dioxide is right now looked at as a gas that is contributing to global warming.



Our effort was to look at carbon dioxide as a resource. Can carbon dioxide itself be a feedstock to create circularity? So our work with ICT has been to take CO<sub>2</sub> and convert it by reacting with hydrogen in one single step to make dimethyl ether.

Dimethyl ether is a gas at room temperature and like LPG it would have to be compressed and it can replace or easily be blended into LPG and be used as an energy feedstock. It also has applications in chemicals but I am right now referring to the use in energy.

So a successful -- right now we have done the pilot. Now we are doing the pilot, right now. We have done the lab work. We're now doing the pilot. After successful work on the pilot that would take it to think about scale.

The implications of this are CO<sub>2</sub>, which is being thrown out into the air as a resource, can be converted to dimethyl ether and be used for energy. This has great, I will say, implications for a company like Godavari Biorefineries, because in our ethanol facility we are emitting CO<sub>2</sub>. So that is there. So, CO<sub>2</sub> -- this is true for all fermentation facilities as well. Also CO<sub>2</sub> is emitted in power plants which are also burning coal. So this has implications for our company, for the industry, for the country, and I think it has also implications for the whole world.

**Prasoon Pankaj:** So, can it be replaced with diesel also?

**Samir Somaiya:** Yes, it can also be there to supplement diesel and LPG as said before. But again to tell you we have the lab phase is done. We are now doing the pilot phase. Upon successful completion of pilot phase, we would then look at options to scale this up.

**Prasoon Pankaj:** So, you will out license this technology to other sugar cane companies and industry also?

**Samir Somaiya:** Post success, we will look at opportunities that technology like this which has global impact has to find place globally. But we have to first get there.

**Prasoon Pankaj:** So, in initial conversation I missed. So I believe that there will be no current quarter kind of surprises going forward we will see, right?

**Samir Somaiya:** The one-time one is the one-time one. If that's what you are talking about. The exceptional item we see it as a one-time cost.

**Prasoon Pankaj:** How do you see the trend in the biochemical side?

**Samir Somaiya:** You know biochemicals we are making a variety of biochemicals and each of these biochemicals finds its applications in a variety of countries, geographies and gives applications and each of them have their own economics.

Our last quarter has shown very good compared to the Y-o-Y. It is a dynamic world. Right now we have seen different geopolitics also at play. So, different molecules are having different opportunities. On a structured and long-term basis, we are very positive.

**Prasoon Pankaj:** Best of luck.



**Samir Somaiya:** Thank you so much.

**Moderator:** Thank you. Ladies and gentlemen, in the interest of time, that was the last question for today. I would now like to hand the conference over to Mr. Samir Somaiya for closing comments.

**Samir Somaiya:** I would like to thank everyone who has come today on the call, showed interest in the company and thank you very much.

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