



“Godavari Biorefineries Limited  
Q3 & 9M FY'26 Earnings Conference Call”

February 19, 2026



**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 INTIME INDIA PRIVATE  
LIMITED**



**Moderator:**

Ladies and gentlemen, good day and welcome to Godavari Biorefineries Limited Q3 and 9 months FY26 earnings conference call. As a reminder, all participant 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 star then zero on your touchtone phone.

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

**Prachi Ambre:**

Good morning everyone and welcome to Godavari Biorefineries Limited Q3 and 9 months FY26 earnings conference call. Today on the call we have Mr. Samir Somaiya, Chairman and Managing Director; 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:**

Good morning everyone. Welcome to the Q3 and 9 month financial year 2026 earnings call of Godavari Biorefineries Limited. Thank you for joining us and for your continued support. I hope you have reviewed our financial results and our investor presentation available on the stock exchange and our website.

Let me begin with the financial highlights for the quarter. In Q3, we delivered a strong improvement in profitability with EBITDA growing by approximately 14% year-on-year, along with a meaningful margin expansion. The profit before tax before exceptional items increased by about 152%, driven by operating leverage, improved product mix and disciplined cost management.

Finance costs declined by 48% year-on-year reflecting our sustained efforts to strengthen cash flows and the balance sheet. Overall, the quarter highlights a clear improvement in earnings quality and the benefit of structural measures implemented over the recent years.

From a segment perspective, the bio-based chemical business maintained a key contributor to profitability supported by a higher share of specialty and value-added products. Notably, the EBITDA margin of bio-based chemicals improved to 7.7% in Q3, FY26 compared to 4.5% in the corresponding quarter last year.

The ethanol segment witnessed some softness during the quarter. The sugar and cogeneration segment being seasonal operated in-line with the crushing cycle. During the quarter, we also advanced several strategic initiatives. A key highlight was the grant of a US patent for a novel anti-cancer molecule, targeting Triple Negative Breast Cancer, highlighting the strength of our research capability.



We also incorporated Sathgen Therapeutics LLC in the US, as a wholly owned step-down subsidiary to market our IP and pursue out-licensing partnerships. In addition, our DME to CO<sub>2</sub> technology initiative is progressing well with pilot plant activities underway. We further strengthened our global sustainability initiative during the period.

Our collaboration with Synthomer to develop bio-based alternatives to fossil-based monomers is progressing well. Through this initiative, bio-based butyl acrylate is being commercialized by them using our bio-based butanol, demonstrating the scalability of our green chemistry platform and reinforcing our positioning as a partner in the transition towards sustainable materials.

Our consumer business is also gaining momentum. Our brand portfolio Jivana crossed INR100 crores revenue during 9 months of FY26, validating our strategy of building a balanced business model that combines the industrial strength with consumer-facing growth. While this segment is still in a scaling phase, we see long-term potential as we expand distribution, strengthen the brand presence and deepen our product offerings.

Looking ahead, our priorities remain firmly anchored around disciplined execution, capital efficiency and scaling high margin businesses. We are advancing capacity additions, debottlenecking initiatives, technology investments and enhancing resilience across cycles. These efforts combined with our continued focus on innovation, sustainability and portfolio optimization, position us well to deliver consistent and sustainable value creation over the long term.

With that, I would now like to hand over the call to Mr. Ashish Sinha who will take you through the financial performance in detail.

**Ashish Sinha:**

Hi, good morning, everyone. Quarter 3 and 9 months FY '26 results, steady progress in strengthening our operating performance with our strategic initiatives translating into improved profitability and margins. Total income for the quarter stood at INR461.9 crores, a growth of 2.5% year-on-year. While revenue growth was modest, earnings quality improved significantly.

EBITDA for Quarter 3 FY '26 was INR45.1 crores compared to INR39.7 crores last year, registering a growth of 13.8%. EBITDA margins expanded by 97 basis points to 9.8%, supported by operating leverage, improved product mix and cost optimization across operations.

Profit before tax before exceptional item rose to INR21.4 crores from INR8.4 crores in Quarter 3 FY '25, a growth of 152.2%, aided by stronger operating performance and lower finance cost. For the 9-month period, total income stood at INR1430.2 crores compared to INR1298.2 crores last year.

EBITDA improved to INR47.2 crores from a marginal loss of INR1.4 crores in the previous year, with margins strengthening to 3.3% from negative levels. Losses at the PBT level also reduced significantly. This improvement was driven by growing traction in the bio-based chemical segment, better product mix.



Overall, the performance indicates strengthening operating fundamentals and improving margins. We remain positive on the outlook for both the bio-based chemicals and ethanol business given supporting structural drivers.

With that, I would now request the moderator to open the floor for questions.

**Moderator:** Thank you very much. The first question is from the line of Sucrit D. Patil from Eyesight Fintrade Private Limited. Please go ahead.

**Sucrit D. Patil:** Good morning to the team. I have two forward-looking questions. My first question to Mr. Samir is, as GBL scales bio-based chemicals and ethanol, how will you manage risks and uncertainty around future feedstock availability and evolving blending mandates? What strategic choices will ensure the companies stay strong if policy or demand shifts over the next one to two years? That's my first question. I'll ask my second question after this. Thank you.

**Samir Somaiya:** May I ask you just to repeat your question slowly?

**Sucrit D. Patil:** Yes. So, in a gist, I am asking about how you will handle risks in feedstock and regulations in the future, not just the current growth guidance?

**Samir Somaiya:** Got it. Thank you. So, let me first take your -- thank you very much for the question. I want to respond by talking about -- you have asked questions about feedstock, and you have talked about policy. And I assume you're talking about risk for the ethanol program?

**Sucrit D. Patil:** Yes, correct.

**Samir Somaiya:** Okay.

So, the feedstock risk is being mitigated by adding the additional maize/grain-based facility. So, as we look forward, we will be looking at making ethanol from sugarcane juice, B-molasses, or molasses that is cane molasses, and also maize or grain. Maize being a 4-month crop, cane being a 1-year crop. By doing this, we are mitigating climate risk as well as the associated feedstock risk.

That's point one. Government policy leads to two kinds of issues. One policy could be how they alter the pricing when it comes for ethanol delivered from the various feedstocks that they get. Once again, by creating a fungible multi-feedstock distillery, it gives us flexibility to optimize our production and delivery of product based on the prices that they declare.

The other issue that government policy can be would be the blending mandate and secondly also what the demand supply gap can be. So, the government may increase the blend, or it may keep the blend the same, but demand may go up what I will say in line with the increased auto market or the fuel consumption.

Our ability would be to maintain flexibility in feedstock to deliver that product as well as we have also got capacity to make ENA which also goes into the market so that if there is a surplus of our production versus demand, we can maintain capacity utilization by that market as well.



We also supply ethanol to other segments such as the pharmaceutical segment and other segments. And just to say that our chemical division also is a consumer of ethanol and looking at the way the market progresses, we can also look at making ethanol for our own use should the economics prove beneficial. So I hope I answered that first question of yours.

**Sucrit D Patil:** Yes, thank you. Should I ask my second question?

**Samir Somaiya:** Yes, please.

**Sucrit D Patil:** Yes. My second question to the CFO is, again a forward-looking one. Looking ahead, how will you structure GBL's balance sheet and cash flow discipline to withstand commodity price swings and working capital cycles? What financial signals will guide the capital allocation between ethanol, chemicals and sugar to ensure a predictable earnings over the next few quarters? Just want to understand your point of view and plan of action on this? Thank you.

**Ashish Sinha:** Thank you for the question. For the capital allocation, so what we have communicated to the larger audience also to achieve the 3x EBITDA by FY29, we have assumed the capex, estimate the capex of INR325 crores. Out of which what we have planned, the maximum 75% would go for the bio-based chemicals and the 25% allocation would go for the ethanol side.

**Samir Somaiya:** So just to reiterate what he is saying, what we are doing is optimizing or adding a maize based facility in ethanol and the other investments that we are looking at is looking at increasing capacity of bio-based chemicals as we go forward.

**Sucrit D Patil:** Thank you and best wishes.

**Samir Somaiya:** Thank you.

**Moderator:** Thank you. The next question is from the line of Pratik Shah from Investing Alpha. Please go ahead.

**Pratik Shah:** Yes. Sir my first question is, given that OMC tender allocations become binding supply obligations for the entire ESY, the ethanol supply year, so once awarded, how is Godavari preparing operationally and even financially to service this mandate volumes, especially in period where margins are under stress due to rising cane cost?

**Samir Somaiya:** I will again ask you to repeat the question. I heard the -- I understood your second part of the question which is how are we planning to service the contracts we have received. Is that correct? If that is it then I can answer that.

**Pratik Shah:** Right.

**Samir Somaiya:** So today the company there is undoubtedly the fact that cane prices have increased, and ethanol blend prices have remained the same. That has affected the margin compared to the previous year, that is for sure. However, margins remain in the positive territory. So the company is looking at sourcing its cane and converting cane juice to ethanol and B-molasses to make the same available for the tender that it has bid for. So, we have bid for a tender for



ethanol understanding the economic scenario and based on the -- what we have received in the bids, we will supply accordingly. And that we will do every year looking at the economics.

**Pratik Shah:** Okay, I got it.

**Samir Somaiya:** And at the same time, I do believe that going forward the country is committed to moving forward on the green transition coupled with the Prime Minister's commitment to go to Net Zero. When that happens, even including in the India Energy Week that happened, there is a commitment to move towards green energy in which bio fuels will be a large part.

So that includes at the policy level what the government will do in terms of firstly just increasing the blend because the use of petroleum itself is increasing and they may be considering looking at higher blends or the introduction, greater introduction of flex fuel vehicles that will continue to happen.

**Pratik Shah:** Okay, I got it. So another question is, so could you explain the key reason behind the delay in commissioning the grain-based distillery? And how this impacts your capacity utilization plans for the upcoming ethanol supply year?

**Samir Somaiya:** The commercialization of the grain-based facility was expected in this quarter. There has been some delay in the receipt of equipment from the vendor. That is now expected in the month of March, which is next month and early April. So we are now confident of the commissioning of the same by next quarter.

**Pratik Shah:** Okay sir, I got it. Thank you.

**Moderator:** Thank you. The next question is from the line of Raj Patel from RK Capital. Please go ahead.

**Raj Patel:** Yes. So thank you for the opportunity. A few questions from my side. So the first one was with the ethanol and the cane. So, as we saw that the ethanol pricing for B-heavy and the juice route have largely remained unchanged for the past couple of years while the cane cost have been continue to rise. So how does this pricing freezing the impact of freezing, impacting the company's distillery margin and the feedstock decision? And apart from that, what are your expectations from the government on the price revision and how have you internally planned scenarios if the government does not come with the revision?

**Samir Somaiya:** The question on what we expect from the government, let me answer that first. The industry has been requesting the government for an increase in the price for ethanol from B-heavy molasses or from sugarcane juice commensurate with the increase in cane price that has happened over the last two to three years for which there is no corresponding increase in ethanol price. So that's one expectation.

The second expectation is that we would like the government to further incentivize the launch of flex fuel vehicles. Flex fuel vehicles today have a different GST treatment than EVs. We would like the government to look at a better treatment of flex fuel vehicles to have this bio fuel related demand increase in our country.



India is very rich in the sun and the soil and the small farmer. So policies we think for bio fuel would certainly help and advance sustainability and our Prime Minister's commitment to achieve a Net Zero target. That is the second. The government we could also request, while flex fuel vehicles also happen, simultaneously working with the auto industry to increase the blend percentage would further increase demand. So these are what I will consider the three expectations of what we would have from the government. Repeating, a better price for ethanol delivered from B-molasses or from cane juice.

Second would be a better treatment of flex fuel vehicles to incentivize a greater adoption. And third would be increasing the basic blend itself. So this would help across the country and play to our advantages. Your second question or your first question was how is the company dealing with this situation when the prices of cane have gone up and ethanol have remained the same? Clearly, the company remains -- the pressures on margin between the two have definitely increased because cane prices have gone up and ethanol has remained the same.

The company is dealing with it by keeping its capacity utilization strong and making and delivering ethanol as per the blend. Simultaneously, the company has also got ENA capacity to ensure that it meets the needs of its capacity utilization. So this is how we are doing it. The addition of maize based facility will add a fungible source of different feedstock that will better enable the company to optimize its product mix based on feedstock and deliver to the market which makes most economic sense going forward.

**Raj Patel:**

Thank you sir, that was really insightful. My next question was with regards to the spec chem. So as we saw that the spec chem have contributed 62% of the chemical basket in 9 month FY26. So just wanted to understand what are the company's mid-term target for this share and how specific product line are expected to drive the next phase of the high margin growth?

**Samir Somaiya:**

You know, we would like to -- thank you for the question again. The strategy of the company continues to be to innovate and co-create with customers to advance the green transition for our clients across India and the globe. This is an exercise what I will call a patient exercise where co-creation means we work with customers in India or abroad and look at the current fossil feedstock they are making, see what kind of product we are making from a green resource.

And see whether the utilization of that feedstock in their supply chain helps improve their green transition and in many cases also improve product properties. Our recent MOU with Synthomer which is an MOU to show the use of our bio-based butanol for the use of their monomer butyl acrylate is one such exercise in advancing this endeavour of making specialty chemicals bio-based come forward.

So our whole approach is to add capacity as well as de-bottleneck capacity to continue to introduce chemicals, bio-based spec chemicals with our customers either again to reduce imports which come from overseas from fossil based or sell overseas and this remains our long-term strategy. We continue to see commitment of customers across the globe as Synthomer has just shown. It is also an exercise in working and persevering and co-creating



with them because when we create these, these are durable relationships that will last a long time.

**Raj Patel:** Got it sir. That was all from my side. Thank you and all the best for the future.

**Samir Somaiya:** Thank you.

**Moderator:** The next question is from the line of Dhananjai Bagrodia from Alchemy.

**Dhananjai Bagrodia:** Firstly, congratulations on your new initiative. Just want to understand how are the cancer cell in terms of the molecules, how are we on that? And the new food product we were discussing, how is that coming along?

**Samir Somaiya:** I heard your first question on cancer. I'm not sure about the second. I can...

**Dhananjai Bagrodia:** The second -- the food product, the food product because we are...

**Samir Somaiya:** Okay. So again thank you for the question. The company is advancing well in the development of its cancer molecule to find a solution to treating triple negative breast cancer which is currently the hardest to treat breast cancer variety. The way what we are doing -- we have finished our safety trials and are preparing now to apply to the CDSCO for conducting preliminary trials for efficacy in patients.

While we are doing that, we have also now created a fully owned step-down subsidiary called Sathgen Therapeutics in the USA with a CEO and a Chief Scientific Advisor on the Board -- on that company to help find partners for us to be able to out-license this molecule. The two efforts of working towards seeing our efficacy, preliminary efficacy trials and also to find partners for out-licensing this are meant to go hand in hand. This is something that we have done in this last quarter and preparing for the next one.

**Dhananjai Bagrodia:** Okay. And sir then what is our right to win in this?

**Samir Somaiya:** Can you repeat the question?

**Dhananjai Bagrodia:** So in this cancer research, we are a refinery company in ethanol. How are we -- like as an analyst we're supposed to understand how -- what is our right to win because there would be lot of global players also with much larger budgets trying to do something similar?

**Samir Somaiya:** So Godavari has always been an innovation led company and chemistry and biology has been our strong suit. Now over the last 15 years that we have been working, a total expenditure for developing this cancer molecule has only been about INR18 crores over all these years. So we have been what I will say very frugal in our investment towards this. If you look across the world then companies spend lots of money to take a molecule from pre-clinical into clinical.

So, we are happy to state that our molecule has passed through all its pre-clinical tests which starts with cell lines, then goes into small animal testing and also come into clinical trials and finished the safety test successfully. Now we are not a pharmaceutical company. Our aim is to find large companies or small who are ready to out-license this from us while we do a



preliminary efficacy study to establish that it is having better outcomes for those suffering from triple negative breast cancer.

When we met people before, they wanted to know whether it is safe and whether there was a genetic mechanism of action we knew. And whether we also knew the preliminary efficacy in patients suffering from this. In the last couple of years, we have established that it is safe in humans, one, and second, we have also found the mechanism of action.

So these two are done. The third step would be to show that it is actually working in humans like it has shown to have worked in animals and if it does, then people would be ready to out-license it and that's what we would do only utilizing our chemistry and biology and science skills to take forward.

**Dhananjai Bagrodia:**

Okay sure. We could speak offline; I had some more questions. And sir regarding the food business, how is that coming along? How are we working on that?

**Samir Somaiya:**

So the whole aim for us, if I go back in time was to transition from a company that is selling sugar in the wholesale market to transition to sell sugar to customers B2B as well as B2C in a brand and also to put associate products in the brand. Over time we are now having a very good portfolio of B2B customers whom we work with that helps us have long-term visibility in sugar and have that market.

And secondly, the brand Jivana also has now been developed well which is now selling quite well and we have just crossed INR100 crores of sales in the first 9 months. The idea was also to sell related products in the Jivana brand such as brown sugar, such as jaggery and other products that we are doing. So this is where we show ourselves stability and growth together in a market such as sugar, which combined with working with as I said industrial and B2B and the brand gives us greater stability and growth in the market.

**Dhananjai Bagrodia:**

Sure. So this is more of a journey to become more value-added and for selling just basic now we can. And just to understand how are we doing in terms of outlets? How is the distribution reached and anything along those lines?

**Samir Somaiya:** I don't have the number of outlets.

**Ashish Sinha:**

As at December '25, we are operating at approximately 7,500 plus outlets. Which is in the last quarter it is 7,000 plus outlets. So we are keep increasing the outlets part.

**Dhananjai Bagrodia:**

Sure. And sir how much are we looking to spend on this channel because see this is a little competitive sector. There are already quite a few large incumbents in this. How are we looking to do this?

**Samir Somaiya:**

Our aim is to always look at whether we are adding value to the overall product basket and looking at value in terms of also overall price stability. You see when you have a branded product, the prices of the brand are sticky going up and going down. And we want a little more stability in the way we approach the market and growth in the product itself. And so that's the - so your question is reflecting to the brand or you're talking about overall sugar market?



- Dhananjai Bagrodia:** No, no, for the brand and how much are we willing to spend on that brand building and how are we planning to see that because our food products are something which we've been talking about on our PPTs also. So how are we thinking as a company regarding the same?
- Samir Somaiya:** So we are being frugal in that expense as well, continuously benchmarking with the business we do in the other selling of sugar whether we do it in the open market or we do it with institutional sales or we do it when the export market opens up. So we are frugal.
- Our objective is clear to have brand visibility and to make sure that we have stability and growth in a market where we are seeing sugar supply and demand issues. So we want to carve out a place for ourselves where there is a demand for our product whether it be the brand or whether it be an institutional purchaser.
- Dhananjai Bagrodia:** Okay. And sir going...
- Samir Somaiya:** We're not burning cash on this, if that is your question.
- Dhananjai Bagrodia:** Yes. I don't understand how much -- so we're not burning cash on it and how much are we willing to see to steadily grow in this business we might need to do a lot of capex to grow. So any thoughts on what numbers it could be? Other they won't be meaningful for us then?
- Samir Somaiya:** We are not burning cash on this. That's I mean that's a straight answer to you. We are growing the business and not burning cash on it.
- Dhananjai Bagrodia:** Okay fine. And incrementally how much are we willing to spend on this business?
- Samir Somaiya:** It would be single digit crores if you want an answer like that.
- Dhananjai Bagrodia:** Sure. Done. And it's a pleasure and thank you so much for this.
- Moderator:** Thank you. The next question is from the line of Pankaj Prason from HNI Investments. Please go ahead.
- Pankaj Prason:** Good morning Samir ji. Morning team, Godavari.
- Samir Somaiya:** Good morning.
- Pankaj Prason:** I think hope you all are doing well?
- Samir Somaiya:** We are doing very well.
- Pankaj Prason:** Great. Great to hear. And congratulations on the new innovations you are putting in the market. So earlier the cancer drug and dimethyl ether then now this new monomer bio-based monomer. So just I want to understand how the things will go forward from here in terms of the base business. I understand that our ethanol, grain-based ethanol capacity is coming in the first quarter instead of the last quarter of this year. So slight delay. That is the nature of business, that is not a worry at all. So that is one thing.



Just can you throw some light on the -- when we are going to finish the commercial plant for the dimethyl ether? And what kind of the market do you look? How big it can be? In the same line, this bio-based monomer, how big this market can be over next 5, 6, 7, 8, 10 years?

And if you can throw some light because since you have already mentioned that you are always focused on the innovation. So can you just throw some light on the pipeline of innovation you might have done already? So it will be better for shareholder like us to stay invested for long and it gives us more confidence etcetera.

**Samir Somaiya:**

So thank you for your questions. You asked about two specific products that we are working on. Dimethyl ether, you talked about our monomer -- not our monomer, the butanol we make that will go for butyl acrylate, and the third you asked for our pipeline. So I'll answer your questions one by one.

Dimethyl ether as we mentioned in the last call is a -- in the pilot phase. This is a project we are doing in partnership with ICT, that is Institute of Chemical Technology. And after successful work in the laboratory, we have installed a pilot plant to understand the chemical reaction kinetics and establish how it would work so make it successful and once successful plan a scale up. So the project is currently undergoing pilot trials and progressing. So that's point one.

The demand that we see for this, that is the combination of carbon dioxide with hydrogen to make dimethyl ether which can be used as a energy substitute for diesel or LPG. That is its largest demand although it can also be used as a chemical intermediate. There is great interest in this technology because it is a platform technology.

Platform technology in the sense the whole world is looking at two things. They're looking -- the whole world is looking at many things. But I will talk about two of those things that the world is looking at. One is mitigating climate change and second is meeting energy needs. Now this is a very exciting technology that meets both these things at the same time. Because it is a carbon capture process and it converts that carbon which is captured into energy that the planet needs.

Circular, climate change addressing and energy security. So it is a platform technology. Repeating the point, it is currently under pilot trials, and the trials are progressing as planned. So this is what my first question is. It's a company as a company we are in research and in development. So research and development does take time, but it is a very exciting area that we are in.

The second point is the -- our recent MOU with Synthomer. Now butanol is a product that we have been working on. It takes time to talk to customers to use a bio-based substitute in place of what they have been using for decades. So we have been working with this company for some time, and we are very pleased that they are now ready to introduce this and have signed an MOU with us to introduce this into their product formulations to make bio-based butyl acrylate as they go forward.



I will remind you that we have also signed a licensing deal with Catalyxx that would help us also make bio-based butanol. Now it is always important that the creation of the market and the investment of capital have to go hand in hand. We want to ensure that when we do make the investment, we also have customers who are ready to do the offtake. So this is a great milestone that we have achieved in addition to the having the licensing deal signed. So that's point two.

The third is your question of the pipeline. As a research company, we have a continuous pipeline of products. That pipeline of products are two types - working with customers who want to advance their lower carbon footprint, working with customers who want to see whether our products which we are making today can substitute to improve their performance because you could have a substitute with better performance, and also working with customers to see new molecules they're working that can be used into their supply chain.

Fourth is also making other molecules in the cancer biology such as the new patent that we have just secured for triple negative breast cancer. So it is a continuous pipeline of molecules that we are working on and customers that we are working with and these will lead to better capacity utilizations, new capacities and new business.

**Pankaj Prason:** Great. So, my next question is, I think, in just before the last con call you have mentioned that by 2029, you are likely to achieve close to INR3,000 crores top line with 10% to 11% EBITDA level. So, that is -- right in that direction we are progressing?

**Samir Somaiya:** We had said that we would achieve a 3x EBITDA in 4 years' time exactly, and we are working to working towards that goal. Yes.

**Ashish Sinha:** Just to highlight the 3x EBITDA with FY'25 numbers. Yes.

**Pankaj Prason:** Yes. So, either that roughly goes beyond little -- beyond INR300 crores, what I calculated?

**Samir Somaiya:** So, we are not privy to your calculation, but we are working to towards what we had said.

**Pankaj Prason:** So, then there is -- this is business, it will always be volatile, that is not whatever you say that will happen. It is always an expectation.

**Samir Somaiya:** Thank you sir. Thank you for that understanding.

**Pankaj Prason:** Yes, we understand very well. One more question that we have that one product?

**Moderator:** Sorry to interrupt sir. Please rejoin the queue for more questions.

**Pankaj Prason:** Hello?

**Moderator:** Hello? Yes sir. You may rejoin the queue for more questions.

**Pankaj Prason:** Okay. So, only last question from my side.

**Samir Somaiya:** Yes, sir we are here.



**Pankaj Prasoon:** Yes, so last question from my side. So, just I wanted to know any development on that bio-composite product which is replacing plastic, MDF and plywood. So, do we plan some strategy on that because that product is ready for us?

**Samir Somaiya:** Right now, we are working on the bio-based chemicals, the dimethyl ether, continuing the grain based ethanol implementation and the cancer biology development.

**Pankaj Prasoon:** Okay. Fair enough. Well sometimes we will catch up to you separately.

**Samir Somaiya:** Thank you.

**Moderator:** The next question is from the line of Rangan from Brilliant Securities. Please go ahead.

**Rangan:** Good afternoon, sir. So, -- and paid at the time of public issue 353, and it is the duty of the promoters to see that the market capitalization is well above that. So, be that it as may be. Now I'd like to know that for the 9 months period after writing of some exceptional income-- what is that exceptional write off INR34 crores or something like, that it is something, and you have made about INR9.64 EPS for the 9 months against last year INR21?

But last year against INR21 rupees EPS minus EPS, you have made minus 5.11. That means about INR16 rupees you have made. But current year also you will be making like that, and what is your estimation. Now the expansion is going on and till what time the expansion will go on, what is the current expansion for this year, how much amount capitalization and next year also how much, and when it will stop?

So, that it will be a... where the cash flow will be much better. And how much turnover you can make at the end of the year say 2-3 years from now on. After that what will be the sugar turnover and other things turnover, what be the percentage like that? Thank you.

**Samir Somaiya:** Sir you have asked a lot of questions in that. I will make a simple statement in response. We are progressing to add capacity in grain based ethanol which is happening right now. It was targeted to be completed in this quarter. It will be commissioned in the next quarter that is what is happening.

We are also continuing to invest in debottlenecking and addition of investments in bio-based chemicals to expand our size of the bio-based specialty chemicals as well as the margins of the segment that is point two.

The question that you talked about regarding exceptional items, we explained that in the last quarter call where there was an addition -- we had to pay additional costs regarding harvesting and transport charges relating to something that happened in Maharashtra the year before, and that is what we already explained in the last call. I could refer you to listen to the call itself for that.

In this particular quarter, we've had to make an estimate for the costs that we may have to incur due to the implementation of the new labour code. And so that is why we have made an additional provision in this quarter. But we are very bullish going forward.



Our advancement of increasing our products in the green transition which include the ethanol blend as well as the bio-based chemicals are showing definitely ways in which we are going to grow the business and take it forward in the next few years.

**Rangan:** I am told the ethanol mixing there is some problem...

**Moderator:** Sorry to interrupt gentleman. Sorry to interrupt. Yes, please rejoin the queue for more questions.

**Rangan:** See I am told because some ministers have told that there is some problem in the mixing of ethanol in the cars everything like that and some -- there was some news like that. What happened to that? Can you tell me?

**Samir Somaiya:** Sir I am aware that E20 is working across the country and flex fuel cars are operating all over in Brazil particularly which can take any degree of ethanol. This is already established globally. Introduction of flex fuel cars in the country will also make any blend of E22, E100 possible. Other than that what has been spoken by others, I am not aware of and cannot comment on.

**Moderator:** The next question is from the line of Rajiv Jain from Rkains Investments. Please go ahead.

**Rajiv Jain:** Yes. Thank you for the opportunity. So, firstly, for the ethanol business, the roadmap includes both capacity expansion and portfolio diversification through upcoming grain or maize based distillery. So, how do you expect utilization level to trend over next 2-3 years, and especially given current overcapacity in the market and no revision in ethanol prices, if we see?

**Samir Somaiya:** I am very optimistic about the green transition. I do expect that the country -- let's take a step back. The country had targeted for an E20 installation by 2030. And then we have advanced and reached that target by 2025. So, the policies that were in place were looking at a ecosystem for the use of an ethanol blend at a target of 2030. So, just let's just keep that first thing in perspective.

So, what India has created is an enormous advantage of creating a domestically grown green energy source, where the supply is 17 billion litres, against a articulated demand of 10 to 11 billion litres. That's just -- so that's first point. It now enables the government to imagine a future which can once again be ambitious to reset the next target for blending.

Now that can take two forms. Either they change the blend itself, or they create an environment in which flex fuel vehicles come out much more. So, -- and don't forget the third aspect is India continues to grow. The projections by the car companies and automakers is an enormous growth in the auto sector in the next 10 years.

With that growth in the auto sector, there will be an increase in petrol consumption which will also require great increases in the E20 blend itself. So, I am extremely bullish about this sector. I am not looking at what happens year-on-year, but you have to look at it in larger time snapshots. India has reached E20 five years ahead of schedule.



It gives the increased supply of ethanol across the country with multiple feedstocks, gives the government a chance to look at bolder targets as it go forward with the increase in the requirement of mobility of the country. So, I am very positive about this sector, and I think this sector is good for growth and it is important to look at it in longer time snapshots than what would happen in a year's time.

**Rajiv Jain:**

Understood sir understood. Thank you for your elaborate answer. Secondly, with our presence now across 7,500 plus outlets and entry into multiple new states. So, what is the retail expansion roadmap for FY'26?

And how does the company plan to strengthen their shelf presence and repeat purchase behaviour across general trade, modern trade and e-commerce platform as well?

**Samir Somaiya:**

I would like to say that our sales of our brand have also surpassed our expectations. Given that we are now going to look back at the portfolio and see how we deal with this opportunity that it presents to us. Did that answer your question or not?

So, my answer to you is we reached this 7,500 outlet a little quicker than we had imagined. So, now with this success of reaching this, we are now going to go back to the drawing board to see what we should do next.

**Rajiv Jain:**

All right sir. Thank you. That's really nice to hear. Thank you and all the best for the future.

**Samir Somaiya:**

Thank you.

**Moderator:**

Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to Mr. Samir Somaiya for closing comments. Over to you sir.

**Samir Somaiya:**

I want to thank everybody for taking the time and being here for our conference call today. I look forward to speaking with you all soon. Thank you.

**Moderator:**

Thank you very much. On behalf of MUGF Investor Relations team, that concludes this conference. Thank you all for joining us today and you may now disconnect your lines.