



BALRAMPUR CHINI MILLS LIMITED

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19th August , 2025

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Dear Sir/Madam,

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Subject: Transcript of Earnings Conference call

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Transcript of the Q1 FY26 Earnings Conference Call held on 13th August, 2025.

The same is also uploaded on Company's website at the following web page:

<https://chini.com/investors/concall-transcript/>

Thanking You.

Yours faithfully

For Balrampur Chini Mills Limited

Manoj Agarwal
Company Secretary & Compliance Officer

Encl: A/a



Balrampur Chini Mills Limited

Q1 FY26 Earnings Conference Call Transcript

August 13, 2025

Moderator: Ladies and gentlemen, good day and welcome to Balrampur Chini Mills Limited's Earnings 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. Please note that this conference is being recorded.

I now hand the conference over to Mr. Jenny Rose from CDR India. Thank you and over to you.

Jenny Rose: Good afternoon, everyone and thank you for joining us on Balrampur Chini Mills' Q1 FY26 Results Conference Call.

We have with us today Mr. Vivek Saraogi, Chairman and Managing Director of Balrampur Chini Mills; Ms. Avantika Saraogi, Executive Director; and Mr. Pramod Patwari, Chief Financial Officer of the Company.

We would like to begin the call with brief opening remarks from the management, following which we will have the forum open for the question-and-answer session.

Before we start, I would like to point out that some statements made in today's call may be forward-looking in nature, and a disclaimer to this effect has been included in the results presentation shared earlier.

I would now like to invite Mr. Saraogi to make his opening remarks. Over to you, Sir.

Vivek Saraogi: Thank you. Good afternoon and thank you once again for joining us on our Balrampur Chini Mills Q1 FY26 earnings conference call.

I trust, all of you had the opportunity to go through our results presentation. I will initiate the call, giving a brief update on the current developments in the sector.

According to ISMA, India's sugar production for the upcoming season, that is, 2025-26, is expected to be around ~35 million tonnes, pre-diversion, up about 18% from 29.6 million tonnes in the previous year. These are early estimates based on satellite imagery, rainfall data, and field reports across three key cane growing states. While the overall sugarcane area has increased only marginally, favorable monsoon conditions and improved crop health are expected to drive higher productivity.

State-wise, Maharashtra is expected to see a 42% increase in sugar production, and these are all pre-diversion figures, expected to touch about 13.2 million tonnes. Karnataka, in early estimates, may register a jump of 23%, touching 6.6 million tonnes, while UP, may be remaining stable at 10.2 million tonnes. In UP, there is a

decline in cane area, but we are hoping for a much better yield based on improved crop resilience and better disease management.

This anticipated surplus presents both opportunities and challenges for the sector. To maintain market stability and avoid pricing pressure on sugar, a diversion of 4.5 million tonnes into ethanol and around 2 million tonnes of exports will be the key decisions. This will help balance inventory while supporting India's clean energy objectives. However, with the ethanol prices under juice and B-heavy routes unchanged for two years, the industry continues to eagerly await timely policy support, including revisions in ethanol price and minimum sale price of sugar, MSP, as popularly called. Such measures will be critical to sustaining sector profitability and ensuring timely payments to farmers in a surplus year.

Coming to our Balrampur's business performance, the Company began the fiscal on a steady note, with revenues rising in both Sugar and Distillery segment on the back of higher volume and better realizations. Sugarcane crushing operation during the quarter declined by approximately 66%, resulting in a 65% drop in sugar production and leading to an under-absorption of fixed overheads due to the short season. Our focus remains on strengthening cane availability through development initiatives and varietal rebalancing in future seasons, and I would request Avantika to elaborate more on this when she speaks. At the same time, we are closely tracking policy developments as supportive measures, particularly in ethanol pricing and the MSP, would be instrumental, as previously stated.

Our Polylactic Acid (PLA) initiative remains a key pillar for our future growth strategy. In recent years, we have progressed from concept to detailed engineering, secured strategic technological partnerships, and aligned with the project with evolving regulatory and market trends that favor green alternatives to petrochemical plastics. With construction activities now underway, we are building a domestic market by trading imported PLA to see demand, increase awareness amongst manufacturers and converters, and encourage local production of PLA-based end products. This phased market development approach is helping us establish strong early customer relationships and ensure market readiness for a smooth transition to in-house production, targeted for commissioning in Q3 FY27, which is October 2026. Till July end, we have spent about Rs. 927 crore, comprising Rs. 460 crore through debt and the balance from internal accruals towards the total gross capex, which is around Rs. 2,850 crore.

Our long-term strategy is centered on sustainable growth, innovation, and disciplined capital allocation. The Sugar and Distillery businesses have evolved into stable contributors to our performance over the past few years, this year, we await the Government Policy, delivering steady cash flows in challenging operating environments.

Looking ahead, we see the pioneering PLA project as a structural pivot that will diversify our portfolio into bioplastics and position Balrampur at the forefront of India's transformation. By maximizing value from every stick of cane and leveraging our integrated model, we aim to contribute meaningfully towards transition to a circular economy and a more self-reliant sustainable future.

I would now request Avantika to give you an update on cane and maybe a little bit on PLA, and thereafter, Pramod.

Avantika Saraogi:

Good afternoon, everyone. So, just to begin with cane, as already stated, UP has seen a slight decline. Ours is also flattish to, maybe a slight decline. We will be able to give better figures in the next quarter because the display and corrections are still on. But we do not see a very big challenge there.



But having said that, the yields are definitely looking better. This is owing to the distribution of the rain. So, I just want to compare it to last year. Last year we had good rain as well if you quantify it in inch terms, but the distribution was a bit, leaving us to ask for. In fact, in a few of our factories, we had very big floods during the maturity period, and this resulted in a lower crushing and recovery than expected. More effective on recovery than crushing, I would say even over there. And this year the distribution up till now has been actually very, very favorable. This also indicates that there might be a couple of winter showers, which as we have been stating for the past one year, increases the yield and recovery in plant cane. So, we are quite hopeful for the weather conditions this year.

And I just want to also highlight that last year, even though we had about 10% lower cane area, our crushing only dropped by ~1.75%. And this just shows the on-ground activities and work for yield and disease management, which have resulted in our positive even in a bad year. So, where everybody is declining, we are able to sort of get something better out of it. And in favorable weather conditions, I think we should keep the outperformance up. Our pest and disease control is very, very tight. We have negligible, I would say, pest and disease encroachment of any kind. Our ratoon management has actually been a big kicker which we saw a bit of last year and we should see even better in the upcoming season. So, now, even in Eastern UP, we have managed to do a paradigm shift where now the farmers have started to come out and do ratoon management without us having to tell them. So, this actually accounts for 50% of our crushing and this is where we have got the bump up in yields, of course. And this will help keep our crushing stable. Also, I want to mention that the crushing will start early this year since the festivals are also earlier, and the weather conditions are up till now, touchwood, looking good. So, we see a positive year for cane upcoming.

Then if we move on to PLA, I just want to talk a little bit about the market in India about PLA because I think that is a point which comes up in every conversation. So, just to begin with, we will begin our commissioning in October. And in our first year we will probably have about 50% capacity utilization with quality in the first year. So, we are already on our way to importing and selling under our brand name. It is also there in the presentation so this does not need to be written down. We have touched more than 175 customers directly already. We are catering for 50 plus. We have 30 plus trials going on with different companies of good caliber and we are creating a lot of awareness with our 'Bioyug on Wheels'. This is giving us a lot of tailwind when it comes to showing people the possibilities whether it is at the Government places, whether it is at big brands and things like that. The other thing is that we expect that by the time our plant is at full capacity, our plant should be sold out within the country.

Having said that, we will, of course, sort of take the best price that we can get whether it is inside of the country or outside and we do not see at all a challenge there. I just want to also mention that Karnataka and Kerala State Governments are giving a lot of push for circularity, composability and even in the North Rajasthan, Gujarat Governments, all the CPCBs are taking it very positively. And even at the Central Government level, we are getting a lot of positive responses from all the departments. So, we are very confident, and we are very excited to move forward with this.

Thank you.

Pramod Patwari:

Thank you and good afternoon everyone. I hope all of you had the opportunity to go through the Results Presentation that has been shared.

So, for the benefit of time at our disposal, I will request the moderator to open the forum for Q&A session. Thank you.



Moderator: Thank you, sir. We will now begin the question-and-answer session. First question is from the line of Sanjay Manyal from DAM Capital.

Sanjay Manyal: Hi Sir, I have one question on the ethanol. Since now we have reached almost average 19% kind of ethanol blending, what is your view from the demand conditions, say, in the next few years? What are the discussions with the Government about increasing the blending from 20% to 25%? And how the demand probably will pan out over the next few years? And what probably will be the contribution of sugarcane-based feedstock and grain-based feedstock? So, what exactly is your discussions with the Government on this?

Vivek Saraogi: So, I will answer what Sanjay has asked in a little more. So, if you saw, there was some article recently published by Society of Indian Automobile Manufacturers (SIAM), which was talking about the issues in engines beyond 20% blending. Government of India has come out with a very clear clarification yesterday where they have not only spoken about this misnomer being a misnomer, but they have also very clearly given and detailed the benefits in terms of forex, etc., and they have gone on to say how they back the ethanol program per se. So, even BIS standards are being fixed. Probably they would move from 2026 onwards. They have detailed roadmap, or they are in the process of putting up a roadmap from 20% to 22%, then 25% to 27%. So, demand conditions do not worry me. Government's commitment to the program does not worry me, especially after what we have read. Yesterday's very detailed paper, it is in public domain.

Lastly, what we are dealing with right now is the ethanol pricing. I am very hopeful, especially since Government has said it is such a beneficial program why not do what they have not done for two years? We are in active persuasion with all Government sources for juice, B, both prices and this year being a surplus year. So, let me put my thinking on the table a bit. Last two years, the environment was not that of surplus. Next year, the first year we are entering surplus production. So, the Government's attitude when there is a surplus and when there is not a surplus, very different. So, if you saw the yesteryears, they have given about Rs. 10/kg. I am talking a real time back, maybe 10 years, 12 years, 15 years back, I do not remember. Rs. 10/kg, which is one-third of the export prices subsidy just to handle the surplus and the arrears. So, I think next year we are very positive. And I personally feel that the ethanol price would increase because this is the only thing which will kickstart the diversion and maybe take it to even beyond 4.5 million tonnes. It is the need of the hour, beneficial for the country, and owing to the surplus, I guess there is not much of an option.

And I have also tackled the MSP question, minimum sugar price. We are again actively lobbying for both MSP and exports. But I guess exports will happen when the production figures get much clearer. If you do recall, last year in January, even with a wafer-thin surplus of 1 million, the Government did allow 1 million to go out. So, given the prospect of the surplus being larger, I personally feel that should also happen around the same time. I mean, one cannot commit.

Pramod Patwari: Maybe earlier.

Vivek Saraogi: Maybe as soon as Government gains confidence that the production is as envisaged. So, these are the comments on ethanol demand, ethanol pricing, MSP, and export. I thought it best to brief the House once and for all.

Sanjay Manyal: And sir, what is your view on the proportion because in the last few years, maize ethanol diversion has been a lot higher than the molasses. So, do you think that the Government this year will balance this out?



Vivek Saraogi: Yes. So, two parts to this. The demand could not have been fulfilled by the sugar industry owing to lack of raw material fully. And the year previous to that, they just put a grinding halt suddenly on diversion. So, the demand needed to be fulfilled, maize came and did the gap filling. Now in the current year, if you see, there have been some unintended consequences of maize area increasing. So, Sanjay, get your question correctly, what if there is an oversupply? We will get our share is the answer. Maybe maize gets curtailed for all we know. We get our share because again, we go back to the basics. Basics is there is surplus. Surplus needs to be diverted. If not diverted, sugar price will suffer. That is the reason why this will happen, that is diversion. If your ability is 4.5 million tonnes, the Government will take that. And exports too should happen, provided the production figures reach what we are anticipating.

Sanjay Manyal: Right Sir, one question I have on the sugar recovery side. Last year, across UP, we have seen a significant decline in the recovery, even though, as you mentioned, the rainfall was well spread. So, is it possible for us to go back again from 11.3% to 11.7%, or are the new varieties have been hampering that?

Vivek Saraogi: Avantika?

Avantika Saraogi: So, I think definitely there is a chance and up to now a good chance for that to happen. Our varietal balance is on a really good front, I would say. The Red-Rot laden 238 is only about 7%, which is super healthy. That will also allow us to get the maximum output it can give. And the rest of our varieties are, I would say, among the best in the state, even the best in the country. But we are very, very hopeful.

Vivek Saraogi: But if I were to hazard a guess, I think we dropped by about 0.40% last year approximately?

Pramod Patwari: 0.45%

Vivek Saraogi: So if we went to 11.3%?

Pramod Patwari: 11.28%.

Vivek Saraogi: 11.28% from 11.72% something like that. So, I would definitely feel very positively inclined towards the recovery, but maybe not 11.72% in one year, maybe two years. But yes, it has a definite uptick from 11.28%. Halfway maybe. It is too tough to say.

Avantika Saraogi: No one can say.

Vivek Saraogi: Yes. But positively inclined towards increase in crushing from last year's figure and positively inclined towards recovery.

Pramod Patwari: So, as we speak today, the weather is conducive for it.

Vivek Saraogi: 100%. But let two months pass.

Pramod Patwari: Yes.

Sanjay Manyal: Right, sir. And my last question is on the PLA. So, as you mentioned that you have been importing PLA to sort of develop the market. So, at what price or what would be the landed cost of PLA? And will in future that imported price will define your realization for the product?



- Avantika Saraogi:** So, actually, we are not at liberty to disclose the figures like this due to NDAs and things that we have. But obviously, since we are importing ourselves and we are doing everything, we are very cognizant of everything as we go. Sorry, I cannot give you too much of details.
- Vivek Saraogi:** I will just try and put the basics on the table again. So, the demand generation and the price would go hand in hand. We are hoping for a lot of mandates from the Government which is in their own sort of thinking and within their own mindset. Maybe it is from some departments which will eat up more than we can make. And therefore, it should be positively inclined towards the price. So, we are hopeful on both sides, our ability to produce and our ability to sell. And you know the price fluctuates, let us say, yesterday the price was lower than what we thought. Tomorrow it might not be. Maybe Government puts in some restrictions to sort of beef up the Indian industry. So, there are lots of things we are working on.
- Moderator:** Next question is from the line of Prashant Biyani from Elara Capital.
- Prashant Biyani:** Mr. Saraogi, what would be your view on any changes in SAP that may happen this year?
- Vivek Saraogi:** Yes, so SAP is in all likelihood would go up. I will be brutally honest, SAP might go up for two years and that may not be all that bad if supported by the measures which we have spoken about, which I briefed on Sanjay Manyal's questions. Because (a) it will help our crushing to go up; (b) that may be the need of the hour for the upcoming UP Election. And it will also give us a lot of raw material for our ethanol. And we are hoping, see, in a period of 10 years, you do go through a couple of years of glitches. So, I am hoping it is a glitch. My evidence would be this year's ethanol pricing. If it happens, I would be delighted. And we hope that our recovery in two years will make up for cost increases.
- Prashant Biyani:** Right. And sir, a slightly related question, the lower acreage of cane that we are seeing in UP, is it result of the varietal changes happened from 0238 to others, farmers have seen lower yields on newer varieties and hence, it is resulting in decline in their income. Is the lower acreage relating to that and any SAP increase can compensate for that?
- Vivek Saraogi:** Yes. Avantika?
- Avantika Saraogi:** So, see, it is never just one factor, right, for a whole state. So, definitely, this has a part to play. Secondly, people are trying to experiment with a different blend of crops a little bit to see how they can get a better realization. And definitely the SAP going up will increase the acreage back. I think the acreage has bottomed out for UP, to be very honest. There does need to be a healthy balance of crops to see price of each and every crop. Otherwise, oversupply of any crop is not good.
- Vivek Saraogi:** So, I will just complete my thought on this. The idea is a variety also finds its home. It finds its yield. It finds the correct soil, the correct time to be planted. So, how much ever we say, until the farmer faces the brunt of negativity and some see the fruits of positivity, that I think is now, let us say 14201, it is a beautiful variety. It must be planted at the correct time. So, those who planted it at the correct time last year saw fantastic yields. So, I think all these small experiments with SAP will definitely take our area up and our payment. I will leave it there.
- Prashant Biyani:** Sure. And sir, one unrelated question, mainly relating on the Government side. Sir, any Government-to-Government exports which happened, time and again, we hear you are exporting to South Asian countries and few other geographies. How does the



sale happen actually? And at what price does it happen? Is it through companies, through Government's buffer stock, or through trader's stock?

Vivek Saraogi: It would not impact any sugar companies. So, you can let this question go.

Moderator: Next question is from the line of Nikhil Agrawal from Kotak Non-Discretionary PMS.

Nikhil Agrawal: Just a quick question on the PLA. We have seen earlier that many companies have used bagasse to make biodegradable paper products. While the products do look quite impressive, but the price point is where the demand gets impacted. My point being, do you actually see customers paying a premium for the product that you are making because in the case of biodegradable products, I do not see that working out. You have given examples of Starbucks, but that is fine. What about other users?

Avantika Saraogi: So, I just want to remind you of one very simple thing that our production capacity will be 80,000 tons and India's consumption of plastic is 15 million tons. So, first, let us put that into great perspective. Secondly, the short answer to your question is yes. People will pay a premium where they see functionality and opportunity to create a better atmosphere and if they don't do it willingly the Government will step in. And there are many big companies who want to lower their virgin plastic consumption, unrelated to any Government mandate also. So, while I understand what you are saying, it does not affect, it is not even a drop in the ocean. So, this question is not relevant in my mind, to be very honest.

Nikhil Agrawal: Okay. Got it. I will maybe take this up with you offline.

Vivek Saraogi: Yes.

Nikhil Agrawal: Another question on the cane production, just wanted some clarity. For FY26, you said that it was 18% up compared to last year. Is it expected to be 18% up on an overall basis?

Vivek Saraogi: That we spoke about the country level.

Nikhil Agrawal: Right. 18%. And what about UP?

Vivek Saraogi: UP we said would be flat.

Moderator: Next question is from the line of Shailesh Kanani from Centrum Broking.

Shailesh Kanani: Congratulations on the performance, even though it was a low crushing quarter this time around. My question is, in our PPT, we have mentioned that the utilization rate of production capacity in bioplastic worldwide is 58%. So, that number seems to be a little bit on the lower side. So, can you highlight top reasons for the same and how our facility would be a little bit different? how are we going to tackle those hurdles?

Avantika Saraogi: So, definitely, 58% is on the lower side. So, it is basically coming from China, this thing. If we look country wise, I do not think this figure is like this at all. China has one single facility of 300,000 tons, which is not able to ramp-up capacity is what I understand. Not for want of a market, but for want of their own internal technology or whatever those things are. So, I do not think that this is the way to sort of look at this question. The market is definitely there globally. We are barely 1% in bioplastics and PLA would be even like half of that, so 0.5% of global consumption. So, that is one thing. And we do not see this as a challenge arising. In fact, we get more questions like, when will you be able to supply us full, so that we can change over full. State Governments, central Governments, everyone is looking to this. And like I was



mentioning earlier also, states like Kerala and Karnataka are pioneering their own PLA based milk package, water bottles. This is without anything related to Balrampur's effort. So, things are happening automatically as well. And they are in that case, much more expensive at the end of the day than what we would end up being when we have domestic production. So, the only question we get asked, when will your domestic production start, so that we may actually make a strategic shift. This is where we are coming from.

Shailesh Kanani: Fair enough. Just one clarification in your opening remarks. Ma'am, you said that we said that we would be 50% utilization within the first year. So, I assume that is 12 months, not that financial year FY27, right?

Vivek Saraogi: No, we are hoping six months. In that six months stabilization, etc.

Avantika Saraogi: So, ramp up to maybe total 100% in six months is what we want. So, it is too early to say.

Vivek Saraogi: Let me attempt to answer the way I know best, that is straight. It is something new. Is it something alien to us? A lot of it is fermentation, so it is not so alien. Our excellence has been lifetime in manufacturing. So, we are hoping that with the best technology partners and our watertight contracts, we should be able to deliver the quality of PLA which is desired. We should do that. I do not doubt that. The effort being put into marketing, the liaison or the dialogues with the states and various departments of the center, etc., and the mandates are moving in the right direction. So, if I am an outsider, it is a leap of faith on the management. So, trust us and we should perform. It is something new for us also. But it is not a shot in the dark. It is a well-researched, well-thought out, and well-planned program.

Shailesh Kanani: Yes, thanks. That is helpful. Absolutely, we have confidence in the management of Balrampur to deliver this. Thanks for that answer. Sir, coming to our grain ethanol volumes, this quarter around, I think we have done highest in terms of quarterly run rate, right? And also, I believe from the increase in the average realizations we have done predominantly through maize. So, can you just kind of give some unit economics in terms of how profitability, availability, and costing is for various feedstocks and how maize is looking at the current prices?

Pramod Patwari: Shailesh, going forward also, for a period up to October, before the start of the new season, we will predominantly do maize-based only. Now, to give a profitability indication on the basis of two months of performance is not the right thing. Maybe at the end of next quarter's earnings call, we will be in a better position to present that. The main reason why I am saying this is, it all depends upon the procurement price of maize.

Vivek Saraogi: In the next year. Right now, we procured everything.

Pramod Patwari: Yes.

Vivek Saraogi: And just to tell you this will never move the needle for Balrampur. It is good because it covers our fixed cost of the distilling and gives you some money. So, this is a good filler for our Mirzapur unit, yes, well desired. But this is not a game changer either way for the Company. Am I right, Pramod?

Pramod Patwari: Maximum is around 5 crore liter on an annual basis.

Vivek Saraogi: So if you supply 5 crore liter you make Rs. 3/liter to Rs. 15 crore. Yes, it is very welcomed with the coverage of fixed cost but that is the range basically.



Shailesh Kanani: Just the reason I was asking is that because this is the first time we have seen those volumes and in the past our commentary always has been what you have highlighted, right? It is not a profitable route. So, I was just wondering in case there has been a sharp drop in prices, or we have got feed stock remunerative. Yes, so I thought I will just clarify that.

Vivek Saraogi: It was a very brief, short drop in prices. But as businessmen, we decide to procure when the price hits what we think may be the right price. And today, if you go to buy, it is more expensive.

Pramod Patwari: Yes. Shailesh, even if we are able to procure the entire requirement of maize, the sell price of DDGS is extremely important.

Vivek Saraogi: Yes, that is because of so many distilleries. Earlier, when we began the business of this grain, our DDGS price for rice was around Rs.26/kg?

Pramod Patwari: Rs. 29/kg.

Vivek Saraogi: It went up to Rs. 29/kg. So, today that is what, Rs. 19/kg - Rs. 20/kg?

Pramod Patwari: Rs. 17/kg - Rs. 18/kg.

Vivek Saraogi: Rs. 18/kg and our maize DDGS price is Rs. 15/kg - Rs.16/kg.

Pramod Patwari: Rs. 15/kg.

Avantika Saraogi: And without bagasse as the energy source, it is even worse. If coal is your energy source, then you are gone.

Shailesh Kanani: Yes, fair enough. Thanks for that clarification. And just last question from my side. I was a little curious. I just wanted to confirm my understanding is right or not. Our net recovery numbers for the quarter, I know the crushing is very small and it is miniscule, but it was 11.38% versus 11.15% last year, right? And last year, diversion was kind of a little limited, right? So, is it predominantly because our facility in our earlier calls we have had said shifted from B to C, that the net recovery post-diversion was a little bit on the high side this time?

Vivek Saraogi: No. So, any recovery figure we give you is apples-to-apples. So, it is reduced to C.

Pramod Patwari: So, for pre-diversion, this quarter we had 11.57% vis-à-vis 12.18% in the corresponding quarter of last year.

Moderator: Next question is from the line of Krishan Parwani from JM Financial.

Krishan Parwani: So, a couple from my side. First, on the long-term debt for PLA that you have raised Rs. 460 crore, it is mentioned in presentation that repayments of the term loan will begin from Q3 FY29. So, till that time, there will be no interest outflow. Is that correct? And when will the 5% interest payment will start?

Pramod Patwari: So, the principal repayment will start as we mentioned in the PPT, but we are paying interest on a monthly basis. We will get the 5% interest subvention claim from the Government of UP after the commencement of our commercial production.

Krishan Parwani: Okay, after the commencement. Okay, got it. And just as a continuation on the same point, what is the projected borrowing for FY28 and the expected interest outflow once



PLA is up and running? Because I think you had mentioned it earlier in passing, so I just wanted to understand that better.

Pramod Patwari: So, this entire Rs. 1,650 crore will be borrowed within FY27. Maybe Rs. 1,500 crore within FY27 and Rs. 150 crore, Rs. 200 crore in 1st Quarter of FY28.

Krishan Parwani: Okay, fair enough. And I think Vivek ji, you mentioned in your opening remarks and probably to answer to one of the earlier participants as well. Did you mention that you expect the PLA plant to run in optimum utilization within 1 year to 1.5 years of commercialization starting October 2026?

Vivek Saraogi: I would be very disappointed if it took me 1.5 years or 1 year.

Krishan Parwani: Okay, I mean, we would be delighted to see this.

Vivek Saraogi: The target is max six months.

Krishan Parwani: Okay.

Vivek Saraogi: Let me explain why. We have the world's best people who have supplied globally and who have succeeded globally, right. They are part of our process. There is watertight contract on their head. And plus, we fancy ourselves as good manufacturers with sharp eye on detail, having done fermentation business all our life long, which is the distillery part, which is a significant portion of this business. So, six months.

Krishan Parwani: Okay, that is great news, sir. And we are equally excited for that ramp up. That is fast. So, in that context, have you kind of internally planned for a Phase-II, because six months, and then that gives you a strong visibility for the coming years as well. And also, the enough cash flows of the capex that you are already putting in.

Vivek Saraogi: Our Balrampur's DNA and personality is, we focus on achieving one and then looking at the second. I do not want to dream so much. I want to achieve and then dream. Having said that, there is enough scope left in the plant to expand, in this very layout and construction.

Avantika Saraogi: So, of course, when we have planned, we plan to go bigger. But things have to play out until we are able to do that, which is definitely the desire.

Vivek Saraogi: So, as I said, have faith.

Krishan Parwani: We do have that for sure.

Vivek Saraogi: We are putting our best foot forward. And let me just assure you, we are putting our best foot forward with the best possible people everywhere.

Krishan Parwani: Okay. Noted, sir. And given, with your expertise in fermentation and given for polymerization you will also get lactic acid. So, is there a possibility of exploring other chemical compounds? Is R&D already looking at it or do you intend to look at those possibilities in the future, such as like propylene glycol, etc.?

Avantika Saraogi: Definitely, the short answer is yes. R&D was a forgotten subject in Balrampur, and today it is a hottest new topic. So, I think we are all over a lot of things. At first, we are all over our existing process, which is to upcoming. And then all of the possibilities are definitely at play.



Vivek Saraogi: We have good R&D team internally, external consultants. We are on the job.

Moderator: As there are no further questions, I would now like to hand the conference over to the Management for the closing comments.

Vivek Saraogi: Thank you, everyone. And I must appreciate the line of questions put forward this time by our investors. It delights me to hear such pertinent and to-the-point questions. Thank you very much for your understanding.

Avantika Saraogi: Thank you very much.

Pramod Patwari: Thank you very much.

This is a transcription and may contain transcription errors. The transcript has been edited for clarity. The Company takes no responsibility for such errors, although an effort has been made to ensure a high level of accuracy.

