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21st May, 2025

National Stock Exchange of India Limited Listing Department, 'Exchange Plaza', C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051.	**BSE Limited** The Corporate Relationship Department 1st Floor, New Trading Wing, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai- 400001.
Symbol: **BALRAMCHIN**	Scrip Code: **500038**

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 Q4 & FY25 Earnings Conference Call held on 16th May, 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
Digitally signed by MANOJ AGARWAL
Date: 2025.05.21 18:10:08 +05'30'
Manoj Agarwal
Company Secretary & Compliance Officer

Encl: A/a

Balrampur Chini Mills Limited

Q4 & FY25 Earnings Conference Call Transcript
May 16, 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. Anoop Poojari from CDR India. Thank you and over to you.

Anoop Poojari: Thank you. Good afternoon everyone and thank you for joining us on Balrampur Chini Mills' Q4 and FY25 Results Conference Call.

We have with us today Mr. Vivek Saraogi – Chairman and Managing Director, Mrs. 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 with you earlier.

I would now like to invite Mr. Saraogi to make his opening remarks.

Vivek Saraogi: Thank you, Anoop. Good afternoon and thank you for joining us on our Q4 and FY25 earnings conference call.

I will initiate the call with an update on the current developments in the sugar sector, followed by our company's key highlights for the period under review.

According to the latest estimates, India's production for season 2024-25 is projected at 26 million tonnes on a net basis after diversion, accounting for a diversion of 3.5 million tonnes. (which means gross 29.5 million tonnes, 3.5 million tonnes diversion, 26 million tonnes net production). This marks a decline from 32 million tonnes net in the previous year, primarily due to reduced cane availability impacted by unfavorable weather conditions across key producing states.

In UP, production is estimated at 9.28 million tonnes, down from 10.35 million tonnes in the previous season, on a net basis. The state faced several headwinds in the first half of the season – Red-Rot disease in the ratoon crop, increased diversion to Gur and Khansari, and lower sucrose content due to erratic climatic patterns.

Encouragingly, the second half saw an improvement in cane availability supported by better yields. Meanwhile, Maharashtra and Karnataka produced around 8.1 million tonnes and 4.2 million tonnes (again on a net basis), respectively.

On the demand side, India's domestic consumption is estimated at approximately 28 million tonnes. Despite the reduced net availability post diversion, domestic requirements are expected to be comfortably met, aided by an opening stock of 8 million tonnes. Consequently, the closing stock of the current year, that is stock as on 1st October 2025, is expected to be around 5.2 million tonnes.

The tight inventory position is anticipated to support firm sugar prices, critical for enabling timely payment to the farmers ensuring liquidity, particularly this firmer sugar price has been helpful amidst no price revision for juice and B-heavy ethanol.

Government's 1 million tonne export quota has also contributed to firming of sugar price for our company around Rs. 41/kg because of the current prevailing price. However, for 2024-25 ethanol year, while diversion of sugarcane juice and B-heavy molasses is permitted, so the restriction on quantum was lifted but there was no price increase given. This marks a shift from the government's prior practice of aligning ethanol prices with changes in FRP making sugar diversion for ethanol unattractive. If this persists, it could undermine the government's E30 blending program by 2030.

On the business front, Balrampur concluded the fiscal year 2025 on a stable note. The sugar segment delivered a strong performance this quarter, driven by healthy margins. However, the distillery segment, as you know, was impacted by government's decision not to revise the ethanol price for juice and B-heavy routes, despite revision in FRP. Our proactive approach to varietal rebalancing and farm engagement helped increase came throughput and achieve a comparatively better recovery to peers. In fact, our crushing was down only 1.73% season-on-season and gross recovery dropped by 0.44%, which is the lowest decline among factories in East UP.

In line with our commitment to sustainable and value-added diversification, we are making strong progress on our PLA project, which forms an integral part of our broader strategy to build a future ready and fully integrated business model. The 80,000 tonne capacity of our PLA plant is on track for commissioning by Q3 FY27 with a capex of Rs. 2850 crores (gross) or net figure is Rs. 1750 crores accounting for government subsidy of 50%. Supported by state's pioneering bioplastic policy, the project benefits from a robust incentive framework, further strengthening its long-term viability. The facility will produce 100% bio-based PLA using sugar as feed stock and is expected to generate around Rs. 2000 crore annual revenue, and hopefully, since it's the first time we are entering into this business, that's why the word hopefully, EBITDA margin of ~35%.

Powered entirely by renewable energy, the plant will not only drive sustainability but also create significant employment opportunities in manufacturing and research. By leveraging our agri-based value chain, the project positions us to meet India's rising demand for green alternatives and reinforces our role in advancing nation’s circular economy and climate goals.

Over the years, our integrated operations have consistently adapted to evolving industry dynamics. The upcoming PLA project is a natural evolution of our strategy to extract maximum value from each stick of cane by advancing our green transition. With growing regulatory support and consumer demand for bio-based alternatives, we are confident in our ability to sell the product and deliver long-term sustainable growth.

Looking forward, our focus remains on value maximization, sustainability, and discipline capital allocation. Our diversified and future-ready business model positions us to deliver long-term growth and deliver value to our shareholders. This brings me to the end of our discussion.

Avantika, now I request you to give an update on the cane.

Avantika Saraogi: Good afternoon everybody and thank you for joining the call. Thank you for having me here. So, an update on the cane is that I just want to look back a little bit on the performance and then talk about the future. So, while UP cane has declined to the tune of maybe around 2.5% on average, Balrampur's cane availability has only reduced by 1.74%. This is testament to all our actions that we have done and we continue to do in terms of disease, insect, pest containment, varietal balance, the right variety in the right place, the right thing for the right farmer, including soil type, including upland, lowland, including waterlogging, everything. So, this is something that is now part of Balrampur's DNA and of course, ratoon management as well. So, I think we should be outperforming industry benchmarks. That's all I can say.

Also on the recovery front, I want to highlight that while UP has had an odd 0.62% drop, Balrampur has only had 0.44%. This is on a gross sugar available in the sugar cane. It's called Pol % cane, which is only what we can measure today because of the ethanol diversion. So, while our drop difference is only 0.16% as compared to UP, but if we see it in absolute terms, our recovery is 0.7% better than UP average, again testament to our cane quality and our cane quantity as well.

Looking forward, our varietal balance is of course changing. Now we only have as also forecasted previously, now we have only 6% of 0238 which is affected by red rot. All the other varieties are very healthy and all the new varieties which are also put into the stream are acclimatizing well and now hopefully we should see some yield enhancement if weather is on our side definitely and even if weather is not on our side, we should see the lowest drop. This is sort of what we work with.

So we are open to questions and thank you very much.

Moderator: Thank you. We will now begin the question and answer session. We will take our first question from the line of Shailesh Kanani from Centrum Broking Limited.

Shailesh Kanani: Congrats sir, on good set of numbers, given the challenges we have faced during the season. So, my first question is with respect to sugar volumes. How do we see that shaping up for the year FY26, given that inventory levels are higher in spite of a 20% increase in the sugar sacrifice for the year?

Pramod Patwari: Shailesh, as of 31st of March, we are holding around 7.1 lakh tonnes of sugar and in the month of April, we also produced something. If you take that into account, it will be around 7.5 million tonnes. This entire inventory will be liquidated within November. Thereafter, depending upon the quota allocation, we will have to assume something. But if you see our last 2 years data, we have been in the region of selling around 9.4 lakh tonnes of sugar on an annual basis.

Shailesh Kanani: Just to add the reason I was asking that the 9.4 lakh tonnes average what we had, we had little bit of a lower side when the inventory was little bit lower side. This time around we have little higher inventory. So, I was just wondering if we can see an uptick on the volume, that way?

Pramod Patwari: So maybe 10 lakh tonnes is what we can, but this is a guess as of now.

Shailesh Kanani: Yes. So that is what I was thinking.

Vivek Saraogi: We are hoping for a little higher volume for sure.

Shailesh Kanani: Yes, absolutely. So my second question was with respect to sugar prices. We have seen a marginal uptake for FY25 broadly in line with our increasing cost of production. And FY26 looks to have started on a promising note with already sugar prices above FY27 average by around Rs. 2 per kg. How do we foresee this average playing out for FY26?

Vivek Saraogi: So right now, as we have informed you, our price is around Rs.41/kg. I think this is what has been prevailing in this quarter, approximately around this range. So, I would say that this price level should definitely maintain. And the rest would depend on the government's policy for next year. So, if at all, we'll see a marginal uptick in the coming months.

Shailesh Kanani: That's helpful. Sir, one data point from the PPT, there was a slight year-on-year dip in the transfer pricing of syrup, whereas sugar prices in general have gone up. So what are the rationale behind that sir?

Pramod Patwari: Last year, the production was restricted on account of that the conversion cost was on a higher side. The loaded conversion cost on the syrup quantity was on a higher side.

Shailesh Kanani: So, this question is for Avantika ma'am. Ma'am, we have kind of earlier indicated about increasing our catchment area as well, And, in our earlier commentary, we have also said that Eastern UP has better scope in terms of improving the catchment area, vis-à-vis other parts like Western UP. How are we placed over there? If you can throw some light on that aspect of increasing the crushing?

Vivek Saraogi: So. I will try and take this question, then Avantika can come in. So if you've seen the honorable Chief Minister's statement off late, he has said that he would reallocate area from defaulters to good paymasters. So, one definitely remains hopeful on that front. And those areas itself have a lot of scope to develop because they have been belonging to not so good paymasters and therefore the farmer does not develop cane there. On our cane area, we are working hard and Avantika rest on to you.

Avantika Saraogi: So our ultimate goal is cane availability right, how much can I crush. So that is not always dependent on areas. We have actually seen that it depends more on yield than on area in the past 3 years at least I can say that pretty confidently. So even when our area was increasing, the cane was not increasing. But as the area stays a bit stagnant, the yields start to also improve a little bit. So, it's a sort of balancing act. And at the end of the day, our cane availability should remain strong.

Vivek Saraogi: If I am to hazard a guess and please mark my language, it says hazard a guess. Next season probably we will see some uptick and thereafter a very decent uptick.

Shailesh Kanani: Yes, that is what actually I wanted to understand.

Moderator: The next question is from the line of Sanjay Manyal from DAM Capital Advisors Limited.

Sanjay Manyal: I have a few questions on ethanol part. Given the fact that there is no increase in the ethanol prices, is it safe to say that now the industry-wise capacities are enough to sort of meet 20% blending? And the government was not very keen, it seems, that they will take this 20% to further up, because there was one statement by the Oil and

Gas Minister that there is no such plan as of now. So, you think that now government is comfortable about the fact that there is enough capacity to meet 20% and they will not give any price hike or they're not sort of keeping the formula of FRP linkage with ethanol price.

Vivek Saraogi: Okay, I will answer this in two parts. I don't think that messages in that manner, which you said I think there's a statement of saying E30 by 2030, I mentioned that in my opening remarks. So, let's understand what happened this year. To the best of our knowledge, the OMCs and the Petroleum Ministry got a bit stingy and they wanted to maximize profits. The impact of that will be very severely felt in future if they do not repair the mistake. So even now, if I go back to mathematics for the oil company, the maize-based ethanol is being bought at Rs.71.86 per liter and the juice ethanol is at Rs. 65.61 per liter. So there is no basis of paying Rs. 6 per liter higher for maize ethanol. There was a misnomer that the sugarcane is a bigger water guzzler than maize. Now that has ended, that debate has conclusively ended in parliament and with the inter-ministerial committee study. So, we are back on even keel or we are in an advantage against maize on the concept of cultivation. Secondly, this hurt and this pain point has now to the best of our knowledge been understood by the government. So one cannot repair the past, but I think the future remains linkage back to FRP, but too early. But one is definitely over. Avantika, you want to add?

Avantika Saraogi: If we just compare agri-based feedstocks for anything, whether it is for ethanol or for SAF or for PLA for that matter, sugarcane remains to be the most environmentally efficient crop, whether it is land use, whether it is water use, whether it is carbon footprint or whether it is even remuneration on a long-term basis to the farmer itself from one same piece of land year-on-year. So there is no denying that. Maybe people might sort of try to move away but ultimately they have to come back because this logic is infallible.

Vivek Saraogi: I think government has understood this concept. The display of the understanding should be evident by next year or when the ethanol price is fixed.

Sanjay Manyal: In a similar context, you mentioned about the maize ethanol price at Rs. 71.86 per liter. So how is the economics given the fact that maize prices have also come down and probably enough availability of rice? How are the margins in grain ethanol and what are our plans? Because I think we still have fungible capacity to the tune of Rs. 10 crore. Maybe we'll do only Rs. 5 or 6 crore liter. But what is our plan and what are the margins in the grain ethanol?

Vivek Saraogi: Pramod will take that.

Pramod Patwari: Sanjay, our intention was always to utilize this maize capacity or the rice capacity in the off season and the capacity is not more than Rs. 6 crore liter. If we have full availability of molasses or B-heavy molasses or juices available.

Vivek Saraogi: I would say, because you need some shutdown time, more Rs. 5-5.5 crore liter. So, maize is equal to balancing factor post juice in Maizapur. We have one single capacity. Two, maize price has not reduced, it remains stagnant. What I did is give a comparative between what the OMC buys maize ethanol at and juice ethanol at. That is what I did. Just to sort of drill down the logic that if one is looking at profitability for OMC, even on that front, now we stand out very conclusively, water we stand out conclusively. Any projection to meet any demand E30 by 2030, not possible without this. Rs. 40,000 crore invested, we have highlighted that. Surplus sugar diversion, one could not do this when there is no excess, but when there is excess, I think again that will work in our favor. So all the factors are pointing towards back to FRP linkage from next year.

Sanjay Manyal: And sir if you can just quantify, is it possible to quantify grain ethanol margin either from the maize or the broken rice?

Vivek Saraogi: So we don't do broken rice because maize is better. Pramod?

Pramod Patwari: Sanjay, it will vary on a company to company basis. Our intent is to utilize our capacity.

Vivek Saraogi: Pramod, this year maize as raw material has been better available and lower price. We will definitely make money.

Pramod Patwari: But it cannot be compared with a person who is in full year maize capacity, who is utilizing this capacity on a full year basis on maize.

Vivek Saraogi: But Pramod, I would differ a bit, but we have our own energy source which they don't. So we are far more efficient there.

Sanjay Manyal: Perfect. So just one more question on the recovery part. I think, so is it that entire industry, specifically in UP is witnessing this lower recovery because they are now shifting from Co-0238 to newer varieties? So safe to assume that we are nowhere near Co-0238 neither in terms of sugarcane yield or recovery?

Avantika Saraogi: No, no, no. I think this is not the right way to look at it. In my opinion, it's a sort of a temporary phase when there is a shift happening as you know or maybe you don't know, but acclimatization of any new variety in any new place takes a little bit of longer time. There is no single variety released by the sugarcane institute until and unless it is not performing in terms of yield and recovery as much as 238. That is the new benchmark. So, in terms of potential, they all can have that thing but if I remind you even for Balrampur, it took us about 5 to 6 years to get everything from 238 which we started to get. I think it was back in 2019 or something like that. So the thing is that it takes some time. The sad part about sugarcane is that it's a one-year crop. So, everything takes longer to come to fruition. But this is not the right thought process at all. The future looks very good because the research and the varieties which are coming out, actually have very good potential and that too for more varied circumstances as well.

Vivek Saraogi: So if I may just add to that, if you see two of our plants in Kheri district, they almost had last year's recovery. So we suffered not because of variety, we suffered because of severe rains in October.

Avantika Saraogi: And also agro-climatic conditions, sometimes it rains too much. Like I think we mentioned this in the past, is that how it rains and when it rains. So last 2 years in fact, which I would like to give the good news right now is that from October until June, we did not see a drop of rain last time. This year already in May, it has rained. April, May combined it has rained three times.

Vivek Saraogi: It looks better than last year crop condition. If it does not flood in September, October, we should see much better recovery.

Avantika Saraogi: So it's more agro-climatic, otherwise a full state cannot just go down like this.

Sanjay Manyal: Okay, okay, understood. That was pretty clear.

Moderator: The next question is from the line of Nitin Awasthi from Incred Capital Financial Services Limited.

Nitin Awasthi: I would like to know a few things on the PLA front. We have given of course an estimation on the EBITDA that we're looking at, we've also given an estimated timeline and an estimated topline. Could you give us how much is the estimated cane which will be required to for this capacity to run which is an optimal capacity of 80,000 tons per annum?

Avantika Saraogi: So actually it's not sugarcane which is the main feedstock, it's sugar. It will get linked to that only. It will get linked to, but it depends on recovery, how can I say sugarcane, right? So, sugar is basically we have said around 1.7x of 80,000 tonnes which is around 1.25 lakh tonnes.

Pramod Patwari: This year we diverted 2 lakh tonnes of sugar towards Ethanol.

Vivek Saraogi: Okay. So you can, I think I like what Pramod has said. If this year we diverted 2 lakh tonnes of sugar and assume we were doing this PLA business this year, we have diverted 3.25 lakh tonnes. Extra diversion of 1.25 lakh tonnes of sugar towards PLA.

Avantika Saraogi: Yes, so you can look at it as how much less sugar in circulation rather than sugarcane. That's the easier way to look at it.

Nitin Awasthi: Understood because of course then you will also have the molasses which can be used for the ethanol plant. Okay, got that. The next thing I wanted to ask is I think this time around before the season starts, we are seeing the lowest spreads between FRP and SAP. Has that caused any agitation in the state or is it under new normal that the spreads are going to reduce in the future?

Vivek Saraogi: So from where is the word agitation coming? I have not heard of it.

Nitin Awasthi: No, so basically the gap between FRP and SAP used to be quite substantial compared to the new FRP announcement which has happened?

Vivek Saraogi: No, so you can't plot trends like this. But our honorable Chief Minister is an extremely practical person. But one does not believe SAP to remain constant. So you cannot derive a mathematical relationship if that's what you're looking at. But yes, sugarcane price in UP is declared with a far more practical mindset of our Honorable CM.

Nitin Awasthi: Understood sir.

Moderator: The next question is from the line of Dhvaneet Savla from Savla Family Office.

Dhvaneet Savla: So, I have two questions. First is, since the FRP revision and as sir had explained wonderfully on the difference between the ethanol coming from maize and from sugar. So is it my assumption fair that the upward revision should be somewhere in the range of what the current prices on maize based ethanol is or are we looking at something higher? And my second question is with regards to what are the precautions which we are taking since red rot has affected entire Eastern UP, as far as I know, so what kind of precautions are we taking that this kind of thing should have lesser impact going ahead?

Vivek Saraogi: So 2 questions. One is FRP linkage will have nothing to do with maize price. That is just the ability to raise ethanol price looking at 2 sources of ethanol was my communication. And East UP has a minimum red rot in the state, minimum. And for us, Avantika, how much do we have left?

Avantika Saraogi: We have only 6%.

Vivek Saraogi: Yes, only 6%. So that's the peak of red rot.

Avantika Saraogi: Which we can easily monitor and almost baby. Red rot is a thing of the past for us, for Balrampur.

Dhvaneet Savla: Okay. My question on the FRP was not based on the FRP but based on the price revision which if we are looking at anything, it should be above what the maize-based ethanol is, right?

Vivek Saraogi: So that is what logic demands. You are totally correct that is what logic demands. That is what past precedent demands. I am not sure it is going to go up that fast, that soon, but yes, at least to the extent of FRP raise this year, one is definitely hopeful.

Dhvaneet Savla: So, somewhere in the range of 10%?

Vivek Saraogi: I'm not fixing them, too early but yes positively inclined towards the FRP percentage increase levels.

Moderator: The next question is from the line of Disha from Sanco Capital Funds.

Disha: Sir, my question is what is the reason for lower sales volume in ethanol for current season during FY25?

Pramod Patwari: I am sure you are aware of the fact that last year there was a restriction on production of ethanol out of juice and B-heavy. As a result of which, our capacities were underutilized in FY25. Ethanol year runs from November to October. Initial part of the year, we were able to run our distillery on juice and B. Thereafter it was restricted.

Disha: Okay. What are the economies to decide to run ethanol on C-heavy basis and if you can just advise on margin percentage on maize or how do we decide?

Pramod Patwari: These are clearly stated in our presentation in a very detailed manner and every year’s planning depends on the availability of sugarcane, what is the potential export price, what is the potential ethanol price.

Disha: What is the quantum of cane crush we are planning for FY26, next year, next season?

Vivek Saraogi: So, we don't plan for cane crushes on availability of cane. Too early, I did indicate that there might be a marginal uptake beyond which there is no guess I can make today.

Moderator: The next question is from the line of Krishan Parwani from JM Financial Limited.

Krishan Parwani: Just on the PLA front, because I think that's where our intention is to go in the future. So, you have given an estimated topline of Rs. 2000 odd crore, I believe the realization comes out to about $2.5 to $3 a kg. So, just wanted to understand if you expect the PLA prices to sustain at this current levels?

Avantika Saraogi: So that's a good question actually. It's hard to sort of predict one and a half years out what the prices will be, but it comes to a $2.5 only on capacity. But this is of course going to depend on the market forces and where we land. And historically it's even gone to $4. So, what is to say it can't go to $4? So, the point is that $2.5 is not a bad assumption in my opinion, but that is what the 80,000 into 250 is 2000. So that is what we try to predict. But having said that, it's not completely in my control.

Vivek Saraogi: But yes, Krishan, one is working towards various ideas. The government of UP has given a brilliant bioplastic policy. With the center, our agenda is to get the correct mandate in place. That would drive demand and therefore the price at these levels is not unreasonable to estimate.

Krishan Parwani: Yes, fair point. I think prices in China until about December 2023 was in the range of $3 to $4. So at $2.5 seems like a more realistic assumption, which is fair. Secondly, just continuing on that bit because I think you mentioned there is also government support. We know that already. So just wanted to understand the kind of geographical volume split that you expect of your overall volume. Let's say of 80,000 tonnes, how much do you expect domestically and the exports?

Avantika Saraogi: So the goal is of course all domestic because if you're trying to go green, it hardly makes sense to sort of export it directly. Having said that, the export market does have a demand, but we would not probably like to export directly without one step of at least value addition of a compounding or a converting done within the country. So while it might ultimately land up in a different country, we would like to probably sell domestically because anyway, there's a lot of compounding and converting for the world, it does happen in India. In fact, I think India is one of the largest film producers in the world with plastic PP and PET and things like that.

Krishan Parwani: Okay, so yes, think probably natureWorks tried with the BOPET and BOPP in the beginning of 2000s. And then it requires lower modification, so probably you are hinting towards that. Okay, got it.

Avantika Saraogi: I mean that's one of the applications that we are definitely working on. We're working on at least 10. So this is just one of those.

Krishan Parwani: Yes, got it. I mean, yes, it could be disposable tableware or extruded blister

Vivek Saraogi: Yes, even bottles, even bottle caps.

Avantika Saraogi: Even textiles, even fibers, even, you know, I mean, there's no end, honestly.

Vivek Saraogi: Syringe.

Krishan Parwani: Yes, I am aware. Just a continuation of follow up if I may. Would our PLA require USFDA certification for food grade products or how are we looking at it?

Avantika Saraogi: No. It's not required for food grade. Food grade certification is required for food grade like FSSAI and things like that in our country. Post that USFDA might be required for the compound or the converter who is then finally making the product. For us, the food grade, in fact, the compostability and FSSAI approvals are already well underway. So, it doesn't affect us directly those things. I also wanted to put in an interesting metric since you're talking about PLA and its applications. So India's consumption of straws alone is 100,000 tonnes of resin and PLA straws have been approved by BIS and this is a very big win, I would say as of last month or so, and it should be gazetted soon and this is sort of a, I just want to show that our volume is only 80,000 tons. India's one single application also if we capitalize on, the market is 100,000 tonnes large. So, I am not too stressed on where the PLA will go per say.

Krishan Parwani: Fair point.

Vivek Saraogi: And one more thing, Krishan, is we are targeting applications where the impact on the final price of the product will not hurt. So, let's say a cap for a bottle that's going to go into sort of negligible territory. It's not going to hurt. So we are targeting those applications where the consumer will not feel anything plus there would be that compostable bioplastic in play. So, we also remind everyone that first policy of Gujarat allowed solar to be sold at Rs. 15 per unit because then capital cost was Rs. 12 crore, PLF 18%-20%. We set it up. So I know it. Thereafter, technology involved cost of production, the scale came down and things came back to even keel. And today we know the price of solar. So we are not looking to remain, just dependent on support all the time. The initial support for evolving the technology, size etc., we hope to run on our own with no crutches.

Krishan Parwani: Thank you Vivekji, thank you Avantika for patiently answering my questions.

Vivek Saraogi: We appreciate your insight into the whole PLA business.

Krishan Parwani: Thank you sir. Means a lot.

Moderator: The next question is a follow-up from the line of Shailesh Kanani from Centrum Broking Limited.

Shailesh Kanani: Just a couple of data-keeping questions. In general, what are we seeing in terms of ethanol volumes for the FY26? And second, Avantika ma'am said that our dependence on 0238 is 6%. I believe that was somewhere in the range of 25% odd. So it is substantially down, so I've heard it right.

Avantika Saraogi: Last year, we crushed about 12%. This year we crushed half of that. The recovery is on the 238. So, we do mid-season analysis on a sort of weekly basis on varietal performance. So 238 recovery was not great is the point that even the healthy 238 recovery was not as good as it used to be. It was okay. But other varieties were also performing that well. So I think the 238 question for Balrampur as a company should not be asked.

Vivek Saraogi: So we are rather insulated on 238 and we look forward to a good cane crushing era in years to come whether or not playing truant.

Pramod Patwari : And on the ethanol volume front it will depend upon what kind of price increase we see for juice. Then only we can say.

Vivek Saraogi: Yes, we will see our mathematics, right. So, assume you have good sugar price, and you have good export price. We have as a company enabled all flexibility in all our units by making investment. So Maizapur can also run at maybe B-heavy, no problem. C-heavy, no problem. So, we have that fungibility created. A decision to the best economic sort of advantage we will come to which gives us maximum benefit.

Shailesh Kanani: Fair enough, sir. Thanks a lot. That was helpful.

Moderator: Thank you. As there are no further questions, I now hand the conference over to management for closing comments. Over to you, sir.

Vivek Saraogi: Thank you very much and we hope we have answered your questions, always ready to answer more. Thank you.
