

Date: May 09, 2025

To,

**The Manager – Listing  
Dept of Corp. Services,  
BSE Limited  
P.J. Towers, Dalal Street, Fort,  
Mumbai – 400 001  
Scrip Code: 543593**

**The Manager – Listing  
National Stock Exchange of India Ltd.  
Exchange plaza, Bandra Kurla Complex  
Bandra East  
Mumbai – 400 051  
Symbol: DBOL**

Dear Sir/Mam,

**Sub: Transcript of Earnings Conference Call held on May 05, 2025**

In compliance with regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Transcript of Earnings Conference Call on Audited Financial Results for the quarter and year ended March 31, 2025, held on **Monday, May 05, 2025.**

In Compliance with regulation 46, the same is also available on the Company's website i.e. [www.dhampur.com](http://www.dhampur.com).

You are requested to take the same on record.

Thanking You

Your Sincerely,  
**For Dhampur Bio Organics Limited**

**Ashu Rawat  
Company Secretary & Compliance Officer**



**“Dhampur Bio Organics Limited  
Q4 FY '25 Results Conference Call”**

**May 05, 2025**



**MANAGEMENT:**

**MR. GAUTAM GOEL, MANAGING DIRECTOR**

**MR. NALIN GUPTA, CHIEF FINANCIAL OFFICER**

**SKP SECURITIES LTD**

**MR. VAIBHAV PACHISIA | SKP SECURITIES LIMITED**

**Moderator:** Ladies and gentlemen, good day, and welcome to the Dhampur Bio Organics Limited Q4 FY'25 Results Conference Call hosted by SKP Securities. 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 this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Vaibhav Pachisia from SKP Securities. Thank you, and over to you, Mr. Pachisia.

**Vaibhav Pachisia:** Thanks, Michelle. Good afternoon, ladies and gentlemen. It's my pleasure to welcome you on behalf of Dhampur Bio Organics Limited and SKP Securities Limited to this Q4 FY '25 financial results conference call. We have with us Mr. Gautam Goel, Managing Director; and Mr. Nalin Gupta, CFO. We will have the opening remarks from Mr. Goel, followed by Q&A session. Thank you, and over to you, Gautam Ji.

**Gautam Goel:** Thank you. Good afternoon, everyone, and thank you for joining us today, and thank you, Vaibhav, for the introduction. We are here to discuss DBO's operational and financial performance for the quarter and full year ending 31st March '25. The results and investor presentation have been uploaded on the Stock Exchanges and our website. I trust you've had an opportunity to review them.

On the sector overview, the sugar production for the current season for the country is estimated at 26.2 million metric tons. This excludes 3.2 million metric tons diverted for ethanol. Approximately a 15% decline year-on-year. This reduction is driven by lower output across Maharashtra, UP, and Karnataka. The production for Maharashtra is expected to be 8.1 million tons versus 11.1 million tons last year. UP at 9.25 million tons as compared to 10.4 million tons last year. And Karnataka at 4.2 million tons as compared to 5.2 million tons last year.

Closing stock is expected to be around 5 million metric tons, while the domestic consumption is estimated at approximately 28 million metric tons. The government permitted 1 million metric tons of sugar exports this season, of which about 700,000 tons is expected to be exported. However, we do expect about 200,000 to 300,000 tons of sugar not to be exported in the current year.

Following the export announcement, the ex-mill sugar prices rose by approximately INR 3 per kg, which was a much-needed boost required to cover the cost of production, and this also helped bring down the cane price arrears. The Government of India has recently announced an increase of INR 15 per quintal in FRP for the season 25-26, which will enhance the cane price to INR 355 per quintal.

The industry continues to advocate for price linkage between sugar, ethanol, and FRP to improve the long-term stability.

The ethanol update, a total of 1,053 crores liters has been allocated by OMCs during ESY '24-25, ethanol season '24-25. The feedstock mix is as follows: Sugarcane juice quantity allocated stands at 195.61 crores liters, B-Heavy molasses at 132 crores liters, C-Heavy molasses at 13 crores liters, special food grains at 119 crores liters, damaged food grain at 107 crores liters, and maize at 485 crores liters. The sugar sector accounts for 341 crores liters, which is approximately 32.4%. And the grain sector at 712 crores liters, which is the residual 67.6%.

Coming now to DBO's performance highlights for the financial year '25. We recorded a revenue of INR 2,714.40 crores in FY'25, a 14.96% increase year-on-year, driven by growth in sugar and country liquor segments, which were up 9.94% and 55.63%, respectively. EBITDA for FY'25 stood at INR 144 crores as compared to INR 162 crores last year. The PAT for FY '25 stood at INR 12 crores as against INR 49 crores last year. The Board has approved a dividend of INR 1.25 per share for the current year.

Sugar production declined to 3.1 lakh metric tons versus 4.23 lakh metric tons last year. 3.37 lakh tons of cane was diverted towards ethanol production this year. There was no diversion of sugarcane syrup or grain in the previous financial year. Disease and pest-related issues adversely impacted our net recovery, which fell to 9.8% versus 10.32% last year.

Ethanol produced during FY '25 stands at 60.98 million BL as compared to 93.00 million BL in the previous year. Power generated during FY '25 is 22.3 crores units versus 30.3 crores units in FY '24. The country liquor sold during FY '25 stands at 37.6 lakh cases as compared to 25 lakh cases in FY '24. We remain committed to improving agronomical practices by working closely with farmers to adopt high-yielding varieties and continue to address internal bottlenecks.

Now with that, I now invite Nalin, our CFO, to walk you through the financials in greater details. Thank you.

**Nalin Gupta:**

Thank you, Gautam, and good afternoon, everyone. I will take you through the standalone financial highlights for the fourth quarter and full year FY '25, followed by a detailed update on our segmental performance. Starting with the company level financials. Revenue for Q4 FY '25 stood at INR 702 crores as compared to INR 595 crores in the same quarter of the previous year, backed by strong performance across all segments.

EBITDA for the quarter stood at INR 100 crores as compared to INR 87 crores in Q4 FY '24. Profit after tax stood at INR 40 crores. For the full year '25, revenue was recorded at INR 2,714 crores as against INR 2,361 crores in the previous year. EBITDA for FY '25 stood at INR 144 crores. PAT, profit after tax, for the year was INR 12 crores.

Now moving to the segmental highlights, beginning with the Sugar segment. Revenue for the Sugar segment for Q4 FY '25 was INR 443 crores as compared to INR 438 crores in Q4 FY '24. EBIT for Sugar segment was INR 83 crores in this quarter as against INR 68 crores last year. Sugar revenue stood at INR 1,748 crores in FY '25 as against INR 1,590 crores in FY '24. EBIT from Sugar segment for FY '25 was at INR 109 crores as compared to INR 79 crores in FY '24. Sugar production for FY'25 stood at 3.1 lakh tons as against 4.23 lakh tons in FY '24.

Net recovery for the year stood at 9.8% as compared to 10.32% in FY '24. We sold 3.5 lakh tons of sugar in this year as against 3.03 lakh tons from which was sold last year. Average realization was INR 39,317 per ton in this year as compared to INR 38,350 per ton in FY '24. As of 31st March '25, sugar inventory stood at 2.22 lakh tons, which has been valued at INR 37,662 per ton as against 2.69 lakh tons, which was valued at INR 34,715 per ton last year. We exported 71 million units at an average realization of 3.44 per unit in FY '25 as compared to 96.81 million units at 3.44 per unit in FY '24.

Now turning to the Biofuel and Spirits segments. Revenue for the Biofuels in Q4 FY '25 stood at INR 116 crores as compared to INR 99 crores in Q4 FY'24. EBIT was at INR 4 crores. For the full year, Biofuel segment revenue stood at INR 343 crores in FY '25 as compared to INR 521 crores in FY '24. EBIT from this segment was INR 11 crores versus INR 56 crores last year. We produced 60.98 million bulk liters of ethanol this year, out of which 19.23 million bulk liters from B-Heavy, 22.82 million BL from syrup, and the balance from C-Heavy molasses.

Ethanol sales for FY '25 were 50 million bulk liters at an average realization of INR 60.61 per liter as compared to 82.68 million bulk liters at INR 58.81 per bulk liter in FY '24. Of the total sales, 17 million bulk liters came from B-Heavy ethanol with an average realization of 59.7 per bulk liter. Ethanol stock as on 31st March '25 stood at 4.62 million bulk liters as compared to 7.75 million bulk liters last year.

Now moving on to Country Liquor segment. Revenue from Country Liquor segment for Q4 FY '25 stood at INR 265 crores as compared to INR 148 crores in Q4 FY '24. EBIT from this segment for the quarter was INR 4 crores as compared to INR 2 crores in Q4 FY '24. For the full year, Country Liquor revenue stood at INR 925 crores as against INR 594 crores in FY '24. EBIT for the full year from this segment stood at INR 14 crores as compared to INR 9 crores in previous year. We sold 37.64 lakh cases of Country Liquor in FY '25, up from 25.04 lakh cases in FY '24.

Long-term borrowings as on 31st March '25 stood at INR 309 crores as compared to INR 241 crores as on previous year, while short-term borrowings of the company are at INR 844 crores as compared to INR 806 crores as of previous year. With that, I would now request the moderator to open the floor for the questions, please. Thank you.

**Moderator:** Thank you very much, sir. We will now begin with the question and answer session. The first question is from the line of Niteen Dharmawat. CFA from Aurum Capital. Please go ahead.

**Niteen Dharmawat:** Thank you for the opportunity. So what is the outlook for sugar realizations in the domestic and export market this year because there is some price hike that we have seen in the sugar? So can you please elaborate on that?

**Gautam Goel:** Sorry, I couldn't understand. You said outlook for domestic and export?

**Niteen Dharmawat:** Correct.

- Gautam Goel:** So, I would imagine, for the export, as you are aware, the government gave permission to export 1 million tons. It is our belief about 700,000 tons to 800,000 tons of the sugar that will get exported. We, as a company, decided to sell our export obligation. We've sold pretty much 99% of our export obligation. We have small percentages which we have to export to our institutional clients.
- We think there will be about 200,000 tons of sugar, which will not get exported. On the domestic front, I think the prices should remain firm. They have been holding steady. The closing stock is manageable and the FRP increase should also help keep the prices stable to firm.
- Niteen Dharmawat:** Fine, sir. And are there any anticipated changes in government policies with respect to sugar MSP, though we've already seen the retail market sugar prices have gone up? Do you see any changes over there?
- Gautam Goel:** We have been asking about a linkage as an industry that there should be a linkage of sugar prices and ethanol prices with the cane price. But as of now, we don't have anything firm to suggest.
- Niteen Dharmawat:** Understand. And what is our current debt level overall and capex plan for 1 to 2 years? What is the funding requirement for that? Because we have kept capex on hold in the previous call, you mentioned about it. So is there any change on that?
- Gautam Goel:** So there's no change in that. There should be marginal capex on of any substantial wear and tear. I think, the work as we mentioned, will be on cane development and increasing the cane quantities either by better yields or better planting. But for the foreseeable future, we don't have any major capex planned this year.
- Niteen Dharmawat:** Thank you so much. And wish you the best.
- Moderator:** Thank you. The next question is from the line of Nitin Awasthi from InCred. Please go ahead.
- Nitin Awasthi:** Hello, sir. I wanted to understand a few things on your Country Liquor segment as a whole. So the whole market as of now in UP would be somewhere around 110 million cases. Would that number be right?
- Gautam Goel:** I think it's about INR 100 crores, yes. So UP is broken into 2 parts. One is the grain UPML and Country Liquor. If my memory serves me correct, it was about 100 lakh cases, like you said.
- Moderator:** We'll take the next question from the line of Vikram Suryavanshi from PhillipCapital India. Please go ahead.
- Vikram Suryavanshi:** Yes, hi. Good evening, sir. Congratulations for good performance given the challenging time we have. In this quarter or full year, what was the export sugar revenue or volume, what you can share?
- Gautam Goel:** Sorry, we lost you. You said export revenue. Thank you for your good wishes, Vikram. And we missed you in between. You said export revenue?

- Vikram Suryavanshi:** So export revenue or quantity because since we also got allocation of exports, so was there export sale accounted in this quarter?
- Gautam Goel:** So, we didn't export, we sold pretty much all our quota, which got accounted in this quarter and some of it probably all got accounted in this quarter. We have very small, 1% or something, very small quantities, a couple of negligible quantities of sugar, which we hope to export to some of our institutional clients with who we are in different stage of negotiations and QC approvals.
- Vikram Suryavanshi:** Okay, okay. Okay. I was trying to see the impact of additional quota because of export. Or will this be run rate for next quarter also as a sales volume? So from that point, I was trying to understand.
- Gautam Goel:** So the quota that we have sold, we will continue to get the additional release on account of the sugar that got exported out of our quota. So we expect 1000 to 1500 tons of sugar to be coming into our releases on account of the quota sale.
- Vikram Suryavanshi:** Okay. And what we have seen the significant impact in the recovery, how are the early signs in terms of varietal replacement or probably coming back to the normalizing of the recovery rate in the coming cycle? If you can give some feedback on that?
- Gautam Goel:** So see, varietal replacement is going on at full speed. So the ratoon, of course, there will be more 238, but I think we do hope that the most interested part of 238 would have been uprooted. On the plant cane, from our perspective, a sizable at least about 30% or 35% of the variety has been replaced this year. And we continue to work hard to maximize productivity and recovery by managing both red rot and pest. So fingers crossed, we hope to come back with a stronger recovery in the coming years.
- Vikram Suryavanshi:** Okay. And with a view to increasing the sugar prices, how is the outlook on ethanol expected in terms of coming season? So we'll try to maximize it or still probably think since sugar is giving better profit, how that ethanol volumes will pick up in coming season? And situation from the grain to power that dual feed also, if you can give some outlook?
- Gautam Goel:** Vikram, Yes, so like it's a great question because our grain plant is pretty much ready for operation. We have got the call that the latest tender with the OMC is released with FCI rice. We have about 25.5 lakh liters, which we will be supplying from our grain ethanol plant.
- In the coming year, we do anticipate being using at least 30% or 25% to 30% of our distillery capacity to supply ethanol with grain. We don't anticipate at this point of time, I mean, it's too early to say what the final pricing will be. But probably if the current trend continues, we will not be diverting sugar into syrup. It could be a combination of B and C, but let's see what the prices for the coming year are.
- Vikram Suryavanshi:** Understood. And I think just last, I think, because FRP for cane has been increased, but I think for us, SAP is more important. So, till the SAP is announced, or is it like a similar increase we can see in SAP also, how we are factoring that? And, we have really failed to understand that

ethanol price has not been revised for 2 years. But what is the government thought process for not increasing it or even for MSP also?

**Gautam Goel:** You know, we hope that what you say, the government will also listen to you. We have been pursuing them aggressively both on the account of sugar prices and ethanol prices. So I think the export decision was in the right direction. The government did feel that the prices needed to correct to get the industry back in its proper health. And hopefully, the same thought process will prevail when the time comes to refixing the ethanol prices. But I'm sorry, I can't give you any comment on government thinking.

**Vikram Suryavanshi:** Okay. Sure, sure. Thank you.

**Moderator:** Thank you so much. The next question is from the line of Nitin Awasthi from InCred. Please go ahead.

**Nitin Awasthi:** Hello, sir. Hope I am audible this time around.

**Gautam Goel:** Yes.

**Moderator:** Yes, sir, you are audible.

**Nitin Awasthi:** Okay, great. So, as I was asking earlier, so we would be having around 4% of the whole industry market share. However, this liquor that we're selling is mainly to meet our levy obligation. So profitability is not something that is looked at in this whole pie. Is that understanding correct?

**Gautam Goel:** So, Nitin, I think now we've reached a stage in the short span of 2 years where we are going to be selling, now, at the current run rate, we should be selling beyond our levy obligation. In fact, we have now started buying levy molasses. We have distillery capacity. So we do hope this will also help towards augmenting the profitability in the coming years.

**Nitin Awasthi:** Understood. So, this is where I was getting at. So the current year, we were basically close to our levy quota. And now we have expanded our capacities. We are at 8 million cases capacity, which is currently up and running, if I'm not wrong.

**Gautam Goel:** Yes. So, our grain plant is coming on stream. So, we will have the opportunity with some of that capacity is earmarked for UPML. And our distillery capacities are also available now that, you know, with the current format we don't anticipate much of syrup diversion. So we expect to be continuing to buy levy molasses to feed the enhanced, you know, and to try and gain some more market share.

**Nitin Awasthi:** Understood, sir. The 100 KLPD grain plant that we have, we are allowed to produce ENA from that plant to make UPML?

**Gautam Goel:** Yes, we are not in the B2B sort of] our grain plant is dual, I mean, it has both ENA and ethanol, and we could be using some of it for potable liquor purposes.



- Nitin Awasthi:** Understood, sir. And for the profitability to grow, going ahead, would the absolute realization per case be higher, hence, you have a bottom line coming because currently, at the price, you are hardly having any PAT? So, would be crossing INR 300, INR 350 a case, somewhere around there?
- Gautam Goel:** So see, it's a combination. Right now, basically, we do expect certain, you know, cost savings to come in. We have to continue to increase market share. But see, our capex is only on the bottling capacity, not so much on the distillery capacity. So we do hope to increase profitability by cost reduction, improved margins. But I think the principal focus is to get market share at this point of time.
- Nitin Awasthi:** Understood, understood. So if you go complete utilization at 8 million, what would be your position in the UP market?
- Gautam Goel:** I think that's, you know, too optimistic to imagine that we'll do 100% capacity. You know, we have to have a ability to take advantage of opportunities. But we hope to get to 5% to 6% in the coming year is what our internal target are. We at least get a 30% to 40% year-on-year growth.
- Nitin Awasthi:** And that would make you which number as a player in UP market?
- Gautam Goel:** As of now, we are, I think, number 7. I think we should be 6, between 5-7 we should remain in that level.
- Nitin Awasthi:** Understood, understood. Thank you, sir.
- Gautam Goel:** Thank you.
- Moderator:** Thank you. The next question is from the line of Suraj Khaitan from SKP Securities Limited. Please go ahead.
- Suraj Khaitan:** Thank you for the opportunity. Sir, my question is, what is your outlook for the next sugar season regarding cane availability and yield, given we will be 1 more year from red rot impact?
- Gautam Goel:** Yes. Suraj, so we are working hard. Our planting is pretty much over. We have our cane teams and all of us are working hard to maximize the availability for next year by ensuring that the yields of our existing cane crop, whether ratoon or plant are sort of at the higher end of the spectrum.
- So next year, you know, UP as a whole, and we don't anticipate much of a bounce back. And for us, I think the overall increase in area is not really there. So whatever increase we will get will be on account of better yields. And if the weather continues to remain favorable and our cane development efforts bear fruit, we should hopefully remain stable, stable to a little bit up.
- But very early to say right now. It's too early. I think we'll get a clearer picture in the month of August, September when the monsoons and all have all played out.

**Suraj Khaitan:** Thank you. Thank you for the answer, sir.

**Gautam Goel:** Thank you, Suraj.

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

**Udit Gupta:** Good afternoon, sir. Sir, I've heard that this year the farmers are shifting to other crops like corn or poplar. Sir, how is the acreage in our area expected next year? And is the acreage expected to fall?

**Gautam Goel:** Yes, hi. So you're right in some ways that there is some migration of farmers to other crops. So we too have experienced some of that in our areas, namely in Asmoli and Mansurpur and Meerganj , you know, not so much in West UP.

But we have been able to minimize that impact. And as I was mentioning before, we hope whatever that 3%, 4% drop in planting area in these 2 units, we should be able to recover that and more with better yields. That is what all of us are working hard towards.

**Udit Gupta:** So the drop in acreage could be about 3%, 4% for us?

**Gautam Goel:** Not for us. I mean 3%, 4% in the 2 of our units, not in the Mansurpur unit, which is in West UP.

**Udit Gupta:** Okay. So overall, the number would be about 2%, 3% ?

**Gautam Goel:** But that's only on planting the ratoon. There will be some uprooting of ratoon, which was infected. So Yes, you could say 2%, 3% drop overall, but we hope to make that in with better yields.

**Udit Gupta:** And sir, recovery is also expected to improve this year, I mean, next year, next season?

**Gautam Goel:** We hope so. I mean, for sure, we really hope the recovery should improve next year for us.

**Udit Gupta:** And sir, this grain distillery that you were just talking about that it should contribute about 20%, 30% or something. I got disconnected that time. Sir, this is likely to run on corn or rice or, sir, what do we plan to run it on?

**Gautam Goel:** Our distillery is capable to run both on rice and on corn. Depending on the tender, the feedstock availability, we will switch accordingly.

**Udit Gupta:** Right. And sir, by when will we start that grain distillery?

**Gautam Goel:** Now we are contracted to supply the Q3 cycle of FCI rice. So I think we should be starting a grain distillery by end of the month, early next month. And 25.5 lakh liters of grain FCI rice ethanol that we have to supply, we'll start supplying that from that part.

- Udit Gupta:** Sir, we'll buy the damaged rice from FCI and then supply that?
- Gautam Goel:** We have already got the allocation. So there was a tender that buying the damaged rice is as per the government protocol, and we've got a quantity for 25.5 lakh liters has been approved. And accordingly, the FCI rice will be allocated to us.
- Moderator:** We'll take the next question from the line of Ankit Minocha from ADZ Ventures Family Office. Please go ahead.
- Ankit Minocha:** Yes. My question is with regard to the red rot disease. I mean, the scenario on ground, is it worse than H1 of next year as in does H1 of the current year look worse than H1 of last year? Or does it look better?
- Gautam Goel:** Ankit, it is a little early to say because the true impact of red rot is only a certain post monsoons. It's a waterborne disease. But if all the measures that all of us are taking, including the farmers, we hope the impact will be lesser this year.
- Ankit Minocha:** Okay. And what is the reason for the margin for the ethanol segment to be lower than usual?
- Gautam Goel:** It was again because of lower, you know, the impact of recovery. Therefore, there was lower sugar available in the molasses. We diverted syrup also. The impact of recovery, which increases the cost of production of sugar, also increases the cost of production of ethanol, especially when you're making it with syrup of B-heavy.
- Ankit Minocha:** Understood. And I also saw that you just announced a dividend. But with the debt, I mean, was the dividend the ideal capital allocation strategy? And considering where the share price has reached, any consideration regarding buybacks or additional stake?
- Gautam Goel:** So dividend is, you know, as per our dividend policy, a certain percentage of our profits. We do hope to give and our debt equity ratio is fairly comfortable. As we already mentioned, we have no real capex plans in the future, in the sort of foreseeable future. So we are not overly concerned with the debt amount, and we do think that will come down substantially now that we don't have any real capex planned.
- So at this point of time, once again, like we said, let's bring our debt down and let's get the numbers and then we'll look at buyback post that.
- Moderator:** Thank you, sir, for answering those questions. Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to Mr. Gautam Goel: for closing comments. Thank you, and over to you, sir.
- Gautam Goel:** Thank you. Thank you all. Thank you very much. And if you have any questions which remain unanswered or for some reason you could not ask them, please feel free to send them to us on e-mail, and we will reply to them at the earliest possible. Once again, thank you very much.

**Moderator:** Thank you, members of the management. On behalf of SKP Securities, that concludes this conference. We thank you for joining us, and you may now disconnect your lines. Thank you.

*Disclaimer: E&OE. This transcript has been edited for factual errors. In case of discrepancy, the audio recordings uploaded on stock exchange on 05th May 2025 will prevail.*