TRUALT BIOENERGY LIMITED

BUSINESS MODEL

Core Vertical: Ethanol production (largest producer in India by installed capacity – 2,000 KLPD, 1,800 KLPD operational as of March 2025)

Diversification: Compressed Biogas (CBG via subsidiary Leafiniti), Sustainable Aviation Fuel (SAF), and biofuel retail dispensing

Integration: Raw material security from promoter group's sugar facilities ensures consistent feedstock supply

Policy Alignment: Operations well aligned with National Biofuels Policy 2018, SATAT scheme, and Ethanol Blending Program (EBP)

ADVANTAGES OF TRUALT BIOENERGY

Scale & Leadership
India's largest ethanol producer with 2,000 KLPD capacity, providing economies of scale advantages

Strategic Partnerships
Key tie-ups with GAIL, Sumitomo, Praj Industries, UOP LLC, and Visolis for technology and market access

Policy Tailwinds
Operations aligned with government's push for 20% ethanol blending by 2025 and SATAT scheme for CBG

Product Diversification
Expanding beyond ethanol into CBG, 2G ethanol, SAF, and retail fuel dispensing to reduce dependence

REVENUE MODEL

Primary Revenue: Ethanol sales to Oil Marketing Companies (OMCs) via government tenders

By-products: Extra Neutral Alcohol (ENA), dry ice, liquid CO_2

Diversified Streams:

- Compressed Biogas (CBG) sales under the SATAT scheme
- Future 2G Ethanol (from bagasse)

Future Revenue Plans:

- Sustainable Aviation Fuel (10 crore litres annually planned)
- Biofuel retail dispensing stations with E85/E93, bio-CNG, and EV charging

IPO DETAILS

Market Cap:	₹4,253 Crore
P/E Ratio:	29x (FY25)
Objects of Issue:	₹839 Cr (min.)
Capex for Multi-Feed:	₹150.68 Crore
Working Capital:	₹425 Crore

Industry Peers P/E:	24x-35x
Peer Companies:	Balrampur, Triveni
Debt/Equity Ratio:	2.02
Return on Equity:	28%
ROCE:	11%

**TruAlt's valuation is in fair range compared to industry peers, supported by growth visibility and diversification strategy.*

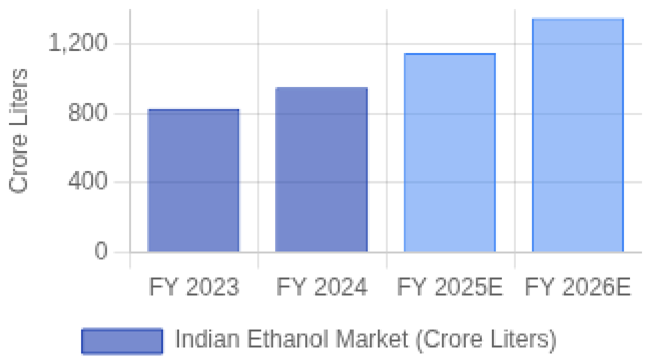
FINANCIAL HIGHLIGHTS (FY23-25)

REVENUE FROM OPS.	PAT	EBITDA MARGIN
₹1,908 Cr	**₹147 Cr**	**16%**
(FY25)	(FY25)	(FY25)

INDUSTRY ANALYSIS & MANAGEMENT TEAM

INDIAN BIOFUELS MARKET

Ethanol Market Growth Projection



Source: Industry Data, FY2023-FY2026E

KEY MARKET INSIGHTS

Ethanol Market: Expected to grow at CAGR of 17.7% from 828 crore liters (FY23) to 1,350 crore liters (FY26)

Compressed Biogas (CBG): Only 97 plants commissioned (June 2024) vs. 5,000 plants planned - huge potential upside

Sustainable Aviation Fuel (SAF): Growing focus on carbon neutrality in aviation with first-mover advantage

Policy Support: Supported by National Biofuels Policy 2018, SATAT scheme, and 20% Ethanol Blending Program

GROWTH DRIVERS

Government Policy

Strong policy backing through blending mandates and viability gap funding

Clean Energy Demand

Increasing demand for low-carbon fuels across transportation sectors

Carbon Reduction

Growing focus on reducing carbon emissions in transportation and industry

Agricultural Benefits

Additional income opportunities for farmers and rural development

MANAGEMENT TEAM

KEY MANAGEMENT PERSONNEL

SAC

Sagar Arunkumar Chag
Promoter & Managing Director
48 years, B.E. in Chemical Engineering (Gujarat University). 20+ years experience in agri-products and bioenergy. Leads strategy and operations.

ANC

Arunkumar Natvarlal Chag
Whole-Time Director
70 years, B.Sc. in Chemistry (Saurashtra University). 45+ years in groundnut processing and agri-manufacturing. Oversees production and procurement.

BKR

Bharatkumar Keshavlal Relia
Non-Executive Director
73 years, B.Sc. in Chemistry, Diploma in Pharmacy. 49 years in pharmaceuticals, marketing, and commercial operations. Provides strategic oversight.

MANAGEMENT STRENGTHS

- Technical expertise in biofuels
- Deep agricultural supply chain knowledge
- Extensive industry relationships
- Operational excellence

LEADERSHIP BALANCE

- New-age growth vision
- Seasoned operational experience
- Strategic business development
- Governance expertise

MARKET POSITIONING

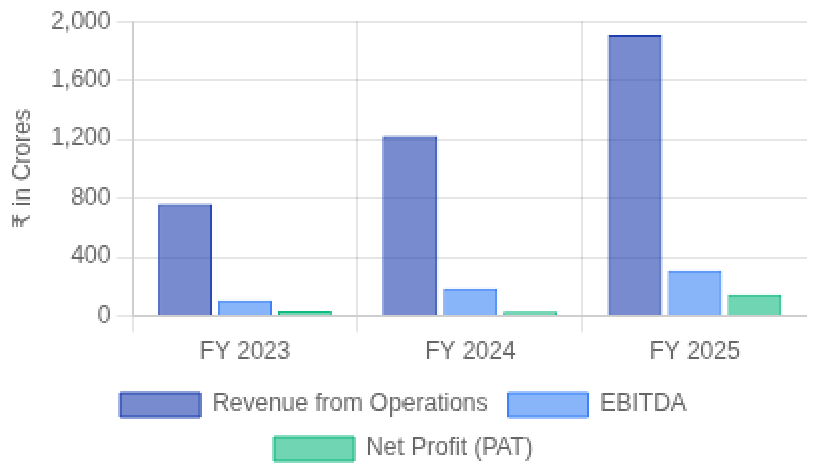
TruAlt Bioenergy is strategically positioned as India's largest ethanol producer with diversification into high-growth segments like CBG and SAF.

2,000	#1	CBG	SAF
KLPD Capacity	Ethanol Producer	Via Leafiniti	Strategic Partnerships

FINANCIAL PERFORMANCE

3-YEAR FINANCIAL SNAPSHOT

Revenue & Profit (₹ in Crores)



Source: TruAlt Bioenergy Financial Reports, FY23-FY25

KEY METRICS

EBITDA MARGINS

14% (FY23)
15% (FY24)
16% (FY25)

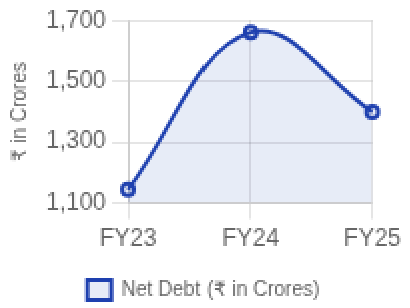
KEY PERFORMANCE INDICATORS

Return on Equity (FY25)	28%
Revenue CAGR (FY23-25)	58.3%
PAT CAGR (FY23-25)	104.8%

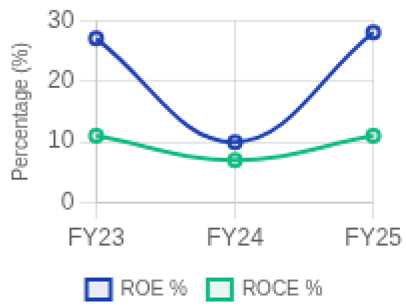
DETAILED FINANCIAL PERFORMANCE (₹ IN CRORES)

Particulars	FY23	FY24	FY25
Revenue from Operations	762	1,223	1,908
EBITDA	105	188	309
EBITDA Margin (%)	14%	15%	16%
PAT	35	32	147
PAT Margin (%)	5%	3%	8%
Working Capital Days	-36	26	26
Return on Equity (ROE)	27%	10%	28%
Return on Capital Employed (ROCE)	11%	7%	11%

NET DEBT TREND



PROFITABILITY TREND



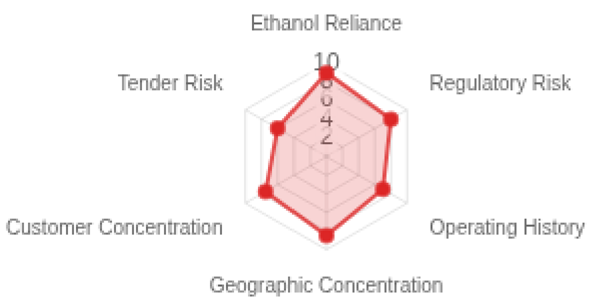
FINANCIAL HIGHLIGHTS

- Strong revenue growth with 58.3% CAGR (FY23-25)
- FY25 PAT jumped significantly to ₹147 Cr from ₹32 Cr in FY24
- EBITDA margin improved consistently from 14% to 16%
- ROE recovered strongly to 28% in FY25 after dip in FY24
- Net Debt reduced from ₹1,661 Cr to ₹1,400 Cr in FY25

RISK FACTORS & GROWTH OPPORTUNITIES

RISK FACTORS

Risk Impact Assessment



Source: InvestorZone Research Analysis, 2025

KEY RISK FACTORS

Heavy Reliance on Ethanol: Main income source, making company vulnerable to price/demand fluctuations

Regulatory Dependence: Adverse changes in EBP or SATAT policies could significantly impact revenues

Limited Track Record: Ethanol production only started in 2022; limited operational history

Geographic Concentration: All distilleries located in Bagalkot, Karnataka → high operational risk

Customer Concentration: Majority sales to OMCs; losing key contracts would severely hurt revenues

Tender Uncertainty: Sales to OMCs through bidding process creates revenue unpredictability

RISK MITIGATION STRATEGIES

Diversification
Expanding into CBG, SAF and 2G ethanol to reduce single-product dependence

Strategic Partnerships
Multiple tie-ups with industry leaders to ensure technology access and market reach

GROWTH OPPORTUNITIES

KEY GROWTH FACTORS

01 Largest Ethanol Producer
India's largest producer with 2,000 KLPD installed capacity, providing significant economies of scale

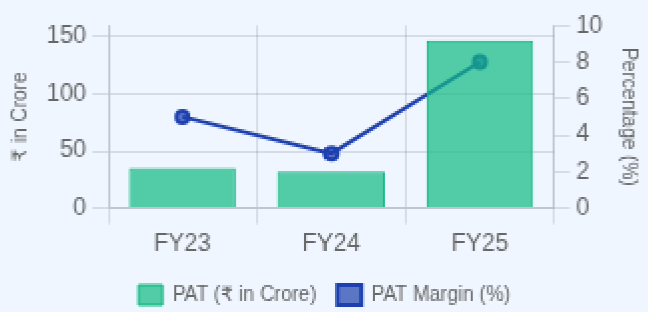
02 Product Diversification
Strategic expansion into CBG, SAF, 2G ethanol, and biofuel retail stations to create multiple revenue streams

03 Strategic Partnerships
Key tie-ups with GAIL, Sumitomo, Praj Industries, UOP LLC, and Visolis for technology access and market penetration

04 Policy Tailwinds
Government push for 20% ethanol blending by 2025, SATAT scheme for CBG, and carbon neutrality initiatives

05 Improving Profitability
Significant improvement in FY25 PAT from ₹32 Cr to ₹147 Cr, demonstrating operational efficiency

PROFITABILITY IMPROVEMENT



Source: Company Financials, FY23-FY25

VALUATION ANALYSIS & PEER COMPARISON

TRUALT BIOENERGY VALUATION

Key Valuation Metrics

Market Capitalization
₹4,253 Cr

Price-to-Earnings Ratio
29.0x
Based on FY2025 earnings

FY25 PAT
₹147 Cr

P/E Range (Peers)
24x - 35x
Balrampur (24x), Triveni (35x)

VALUATION INSIGHTS

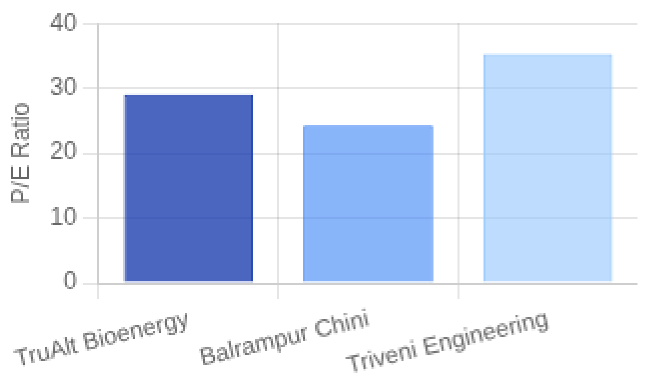
Fair Valuation: At 29x P/E, TruAlt is valued between Balrampur Chini (24x) and Triveni Engineering (35x)

Margin Premium: Higher EBITDA margins (16.2%) compared to peers justifies valuation

Leverage Concern: Higher D/E ratio (2.02) compared to peers (Balrampur: 0.69, Triveni: 0.64) represents potential risk

Growth Potential: Valuation supported by diversification into CBG, SAF and biofuel retailing

P/E RATIO COMPARISON



Source: Company Reports, FY2025 Data

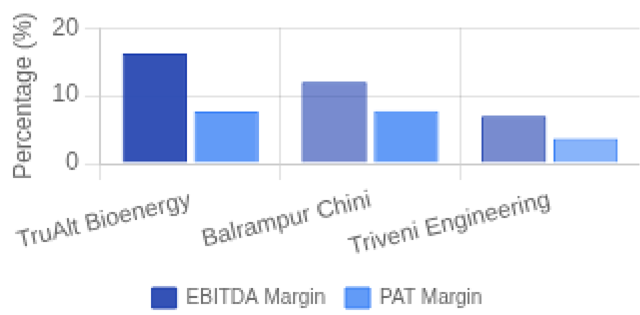
PEER COMPARISON

Financial & Valuation Metrics

Metrics	TruAlt Bioenergy	Balrampur Chini	Triveni Engineering
Revenue (₹ Cr)	1,908	**5,415**	**5,689**
EBITDA Margin	**16.20% ↑**	12.00%	7.00%
PAT Margin	7.69%	**7.72% ↑**	3.67%
ROCE	**10.88% ↑**	10.20%	8.65%
D/E Ratio	**2.02 ↑**	0.69	0.64
MCap (₹ Cr)	4,253	**10,158**	**7,634**
P/E	29.01	24.30	**35.30**

*Source: Company Reports, Stock Exchanges | **Best metrics highlighted***

MARGIN COMPARISON



KEY OBSERVATIONS

- **Highest EBITDA Margins:** TruAlt leads with 16.2% vs Balrampur (12%) and Triveni (7%)
- **Comparable PAT Margins:** TruAlt (7.69%) similar to Balrampur (7.72%), both higher than Triveni (3.67%)
- **Scale Difference:** Revenue is ~3x lower than peers, but showing strong growth trajectory
- **Higher Leverage:** D/E ratio of 2.02 is significantly higher than peers (~0.65), indicating higher financial risk
- **Similar ROCE:** Comparable capital efficiency with peers despite higher leverage

IPO OBJECTS, PEER COMPARISON & INVESTMENT VIEW

USE OF PROCEEDS

1 Capex
₹150.68 Crore

For Multi-Feed Stock Operations to enhance production capabilities

2 Working Capital
₹425 Crore

To support ongoing operations and business growth initiatives

3 General Corporate
Balance Amount

For strategic initiatives, partnerships, and operational flexibility

VALUATION INSIGHTS

TruAlt Bioenergy Limited is currently trading at a fair valuation compared to industry peers:

₹4,253 Cr
Market Cap

29x
P/E Ratio (FY25)

16.2%
EBITDA Margin

PEER COMPARISON

Company	Revenue (₹ Cr)	EBITDA Margins	PAT Margins	ROCE	D/E Ratio	P/E
Balrampur Chini Mills	5,415	12.00%	7.72%	10.20%	0.69	24.3
Triveni Engineering	5,689	7.00%	3.67%	8.65%	0.64	35.3
TruAlt Bioenergy	**1,908**	**16.20%**	**7.69%**	**10.88%**	**2.02**	**29.01**

Data as of latest available financials. TruAlt Bioenergy figures for FY2025.

INVESTMENT VIEW

INVESTMENT POSITIVES

- Largest ethanol producer in India (2,000 KLPD capacity)
- Diversification into CBG, SAF, 2G ethanol, & biofuel retail
- Strategic partnerships with GAIL, Sumitomo, Praj & others
- Strong policy tailwinds for biofuels (EBP & SATAT)
- Significant profitability improvement (PAT up from ₹32Cr to ₹147Cr)
- Highest EBITDA margins among peers (16.2%)

INVESTMENT CONCERNS

- Heavy reliance on ethanol as main revenue source
- Dependence on government policies (EBP & SATAT)
- Limited operating history (ethanol production since 2022)
- Geographical concentration (all facilities in Bagalkot)
- Customer concentration risk (mainly OMCs)
- High debt levels (D/E ratio of 2.02, vs. peers at ~0.65)