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GPL\SEC\18\2026-27
May 27, 2026

To,
BSE Limited
Department of Corporate Service,
Floor 25, P. J. Towers,
Dalal Street, Mumbai
Maharashtra- 400 001

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai
Maharashtra-400 051

Scrip Code: 532457

Symbol: GULPOLY

Subject: Transcript of Earnings call of the Company held on May 22, 2026 for the Quarter and Financial Year ended March 31, 2026

Dear Sir/Ma'am,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulation") read with Schedule III thereof, as amended, enclosed herewith Transcript of Earnings call for the quarter and financial year ended March 31, 2026 held on May 22, 2026 at 04:00 P.M. by Gulshan Polyols Limited (the "Company").

The said Transcript is also available on the website of the Company:

<https://www.gulshanindia.com/transcript-of-calls.html>

This is for your information and record.

Thanking you,
Yours faithfully

For Gulshan Polyols Limited

Dr. Chandra Kumar Jain
Chairman and Managing Director
DIN: 00062221

Encl.: As below



**“Gulshan Polyols Limited
Q4 and FY’26 Earnings Conference Call”
May 22, 2026, 04:00 P.M.**



MANAGEMENT: **MS. ADITI PASARI – JOINT MANAGING DIRECTOR –
GULSHAN POLYOLS LIMITED**
**MR. RAJIV GUPTA – CHIEF FINANCIAL OFFICER –
GULSHAN POLYOLS LIMITED**
**MS. REETIKA PANT- COMPANY SECRETARY –
GULSHAN POLYOLS LIMITED**
**MR. RUTUL SHAH – INVESTOR RELATIONS
CONSULTANT – ATLAS CAPITAL**

Moderator: Ladies and gentlemen, good day, and welcome to the Q4 and FY26 Earnings Conference Call of Gulshan Polyols Limited. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Charvin Zaveri from Share India Securities. Thank you, and over to you sir.

Charvin Zaveri: Thank you, and good evening, everyone. On behalf of Share India Securities, I welcome you all to Q4 FY26 Earnings Conference Call of Gulshan Polyols. We are pleased to have with us the management team, represented by Ms. Aditi Pasari, Joint Managing Director and Mr. Rajiv Gupta, CFO. We will have the opening remarks from the management followed by the question-and-answer session. Thank you and over to you ma'am.

Aditi Pasari: Yes. Hello, everyone. Good afternoon and thank you for joining us today. With me is our CFO, Mr. Rajiv Gupta and Ms. Reetika, our CS, along with Mr. Rutul Shah from Atlas Capital who is our Investor Relations Consultant.

I trust you have had the opportunity to review our financial results and investor presentation. FY26 has been an important year for Gulshan Polyols. This is the year where the investments we made in ethanol have started reflecting meaningfully in our financial performance, improving both our revenue mix as well as overall margin profile.

Over the years, we have steadily evolved from a single product PCC business into a diversified player across biofuels and specialty chemicals. Today, that transition is becoming visible not just operationally, but also in the quality and visibility of our earnings.

Our ethanol business is now the primary driver of the company, contributing over 60% of both revenue and profitability. We have an installed capacity of around 810 KLPD, placing us amongst the larger grain-based ethanol players in the country. One of the key strengths of this segment is its strong revenue visibility.

We currently have an order book of about 18 crore liters, providing healthy near to medium-term visibility alongside long-term off-take agreements for approximately 13 crore liters annually with OMCs extending through 2032.

In addition, our classification as a dedicated ethanol player allows us priority allocation, further strengthening our ability to operate at stable utilization levels in a policy-driven environment. From a cost perspective, the availability of FCI rice has been a key positive this year. We are currently sourcing about 40% of our feedstock through

FCI at fixed prices, which has significantly reduced volatility in input costs.

At the same time, improved grain availability has softened maize prices, which are now in the range of INR 19 to INR 20 per kg, depending upon the region and the season. This has supported margins across the business. We continue to follow a lean inventory strategy of around 20 days, which allows us to remain cost-efficient while, ensuring operational continuity.

Our by-product, DDGS, continues to be an important contributor to the overall profitability of the ethanol segment. Realisations have improved from previous years, now ranging between INR 21 to INR 22 for maize and about INR 25 to INR 27 for rice, translating into an incremental INR 10 per liter in ethanol economics. While this remains a strong supporting factor, we remain mindful that this is a commodity-linked product and can see some variability over time.

Coming to our grain processing business, which includes sorbitol, starch and fructose, this segment is gradually moving out of the down cycle we experienced last few years, elevated maize prices had impacted export competitiveness and led to margin pressure.

With import costs now correcting, export opportunities have started to improve and we are seeing early signs of normalization. We are currently exporting sorbitol to over 45 countries and we continue to focus on improving cost efficiencies within this segment. One of the key initiatives has been to shift to an RDF-based fuel boiler at our Muzaffarnagar plant, which is structurally lowering our energy costs.

Our mineral chemicals business has continued to perform steadily, supported by stable demand and long-standing customer relationships. This segment remains important to us from a cash flow and margin stability perspective.

As we move into FY27, our focus is clearly on consolidation and improving efficiency across the business. Having completed a large part of our capex cycle, we are now shifting towards optimizing utilization and strengthening our balance sheet.

We are targeting utilization levels of 80% to 90% across our key divisions, which should support revenue growth towards the range of INR 2,600 crores to INR 2,800 crores in this financial year. At the same time, we are focused on reducing working capital intensity and improving cash generation.

Looking slightly ahead, from FY28 onwards, we intend to re-enter a growth phase with a focus on specialty and import substitute chemicals, which will help us move further up the value chain and reduce exposure to commodity cycles. Overall, we believe the business is now transitioning into a more stable, cash-generative

phase, with improved earnings visibility and a stronger operating foundation.

With that, I will now request Mr. Rajiv Gupta to take you through the financial performance in detail.

Rajiv Gupta:

Thank you, Aditi ji, for giving me this opportunity. Now, let me share with the listeners our performance, and I will take them through the P&L as well as the balance sheet developments and segment trends as well.

Starting with the consolidated performance for quarter four, FY26, our revenue for the quarter stood at INR 550 crores, which is up by 7%. Primarily, the main contributor to the revenue growth is basically the ethanol segment. Though there was a subdued performance from the grain processing business, and while the mineral chemical segment remained stable. Our revenue for FY26 was INR 2,314 crores, which is up by 14%.

Now comes to EBITDA. EBITDA for the quarter was INR 65 crores, reflecting a growth of 121% year-on-year. Improvement was largely led by better operating leverage in the ethanol segment, supported by higher utilisation levels and softer input costs.

EBITDA for the full financial year is INR 232 crores, up 131%, demonstrating the company's excellent performance. EBITDA margin expanded by 612 basis points year-on-year to 11.9% in quarter four. This is an important development for us and it reflects a structurally stronger earnings base as our new capacity is stabilized. EBITDA margin for FY26 was 10%, up by 504 basis points.

Profit after tax also improved to INR 38 crores, up 435% year-on-year, driven by improved operating performance and margin expansion. PAT for the full year stood at INR 107 crores, up 334% from last year.

Now, moving to segmental performance, the ethanol segment reported revenue of INR 1,609 crores during the year with EBITDA of INR 201 crores and a margin of 12.5%. The performance was driven by higher value, improved capacity utilisation, and a favourable feedstock mix. The segment remains a primary driver of the company's earnings.

The grain processing segment reported revenue of INR 610 crores, EBITDA of INR 13 crores, and a margin of 2.1%. Margin remains subdued due to pricing dynamics; however, with input costs now moderating, we expect a gradual improvement going forward. The mineral chemical segment reported revenue of INR 93 crores with EBITDA of INR 23 crores, and a margin of 24.2%. The segment continues to deliver stable performance with a healthy margin, acting as a consistent cash flow contributor.

Now, moving to the balance sheet side. Our total debt currently stands at around INR 313 crores. That includes our long-term and working capital together. Our long-term debt remains highly cost-effective with an effective interest rate below 5%, because of ISS, which is the Interest Subvention Scheme. This provides us with a structural advantage in terms of cost of capital.

Working capital borrowings are currently at an interest cost of 7.25%. Owing to prudent financial management, independence of working capital financing has reduced significantly and is expected to remain low through financial year '27 as well.

Overall, the financial performance for the quarter reflects improving operating leverage, better cost structure, and a shift towards a more stable earning profile. With a sharper focus on utilising working capital efficiency and cost discipline in financial year '27, we expect to deliver more consistent and predictable performance.

With that, we would be happy to take over your questions. Thank you very much.

Moderator: Thank you very much. We will now begin the question-and-answer session. Our first question is from the line of Charchit Maloo from Genuity Capital. Please go ahead.

Charchit Maloo: Hi, thanks a lot for the opportunity. So, my first question is regarding the order book. So, as of now, what is the current order book status, and what is the execution timeline going forward?

Aditi Pasari: So, for the ethanol segment, we are currently in ESY '25-'26, which runs from November to October. We had an order book of about 18 crore liters, which translates into revenue of around INR 1,250 crores. So that is the current order book status for the ethanol segment.

We are, however, looking to increase this allocation in the subsequent tenders, which are expected to be released in the month of June. As the next tender cycles, namely C2 and C3, come in, we are confident that we will be able to increase this order book from 18 crore liters to at least 22 crore liters within this financial year.

Charchit Maloo: Understood. My second question is regarding E30 blending. Since the government is planning to increase E30 blending, how prepared are we for that, and what kind of impact could it have on our margins and revenues?

Aditi Pasari: Yes. So, as far as Gulshan Polyols is concerned, we have the capacity to produce 26 crore liters per annum. We currently have unutilized capacity from 18 crore liters to 26 crore liters. So yes, we are very much prepared to increase utilization up to 100% as and when the government gives out the mandate for E30.

- Charchit Maloo:** And do we have any official thing from the government there as well?
- Aditi Pasari:** Yes, officially, there have been statements that the government is considering the rollout of E25, E27, and E30 blends. So, there could be three to four kinds of blends available in the market. We are expecting increased blending going forward, and we also expect the government to come up with new tenders in the near future.
- Charchit Maloo:** And what, kind of, margin difference we can have?
- Aditi Pasari:** So, based on current pricing, I am quite confident that the government will continue to provide FCI rice to the ethanol industry for at least the next two to three years. Based on the fact that FCI is currently holding more than 400 million tonnes of rice, we believe that FCI rice will continue to remain available to the ethanol industry over this period.
- Until then, the balance raw materials, namely maize and broken rice, should remain more freely available, and pricing is expected to remain soft. As long as this scenario continues, we expect to maintain the kind of results that we have delivered in this quarter. We are confident that we will be able to sustain such performance on a quarter-on-quarter basis.
- Charchit Maloo:** Great. One last question, what kind of revenue and EBITDA we are targeting for F27 and F28?
- Aditi Pasari:** For FY27, we are definitely looking at about INR 2,600 to INR 2,800 crores of revenue, which I am expecting that about INR 1,800 crores to INR 1,900 crores should come from the ethanol segment, based on further allocations, about INR 800 crores we are targeting to get from the grain segment, and about INR 100 crores from the mineral segment.
- So, all put together, we should be looking at achieving this figure in FY27. And if I talk about the EBITDA margins, definitely looking at about 10% to 12% EBITDA margins in this financial year.
- Charchit Maloo:** Understood, great. And at the PAT level?
- Aditi Pasari:** About 5% to 6%.
- Charchit Maloo:** Understood. Thank a lot.
- Moderator:** Thank you. The next question is from the line of Sanjay Manyal from DAM Capital. Please go ahead.
- Sanjay Manyal:** Hello, ma'am. Just want to understand, what is our ethanol volume for Q4? My calculation says it should be somewhere around 4 - 4.5 crore liters and it seems to be a decline from previous year, as well as previous quarter. So, what could be the reason for that?

- Aditi Pasari:** So, the previous year we had a total allocation of about 21 crore liters, while this year it is 18 crore liters. We are also expecting further allocations in the remaining two quarters of ESY '25-'26.
- Since the government has already given out the mandate for increasing blending, we expect further tenders to be announced, and additional allocations to be received by the company in the next two ESY quarters. This should help us make up for the revenue shortfall witnessed in Q4.
- Sanjay Manyal:** Okay. So, the 18 crore liters allocation that you received is for the period from November to October. Out of that, how much has already been fulfilled till March?
- Aditi Pasari:** About 50%.
- Sanjay Manyal:** Okay. So, 9 crore liters volume we can expect over the next two quarters broadly.
- Aditi Pasari:** Yes.
- Sanjay Manyal:** And if we get additional orders and probably that will add to the volumes only, if I'm not wrong?
- Aditi Pasari:** Yes, we will get additional orders. We are very confident because the government is increasing blending, and it will have to come out with new tenders.
- Sanjay Manyal:** Right. And EBITDA per liter if I just calculate, it should be somewhere around INR 13 a liter, if I am not wrong?
- Aditi Pasari:** At the EBITDA level, if I say around 12%, that translates to about INR 10 to INR 11 on average.
- Sanjay Manyal:** Okay. And does our result in the quarter includes any subsidy amount?
- Aditi Pasari:** In quarter four, we have not received any subsidy. There's only the operational profit.
- Sanjay Manyal:** Okay. And are we expecting any, kind of, subsidy over the next few quarters?
- Aditi Pasari:** In quarter one, we are expecting an additional INR 5 crores capital subsidy underneath policy for our Assam plant, and the PLIs should come by the end of the year.
- Sanjay Manyal:** And what would be that amount?
- Aditi Pasari:** The total PLI due between Assam, and MP is about INR 30 crores per annum.
- Sanjay Manyal:** Okay. Thank you for that. And just last one from the grain processing segment, I believe this was one of the segments where you were

struggling from last few years with the low margin. In the current quarter, it seems to be a profitable segment. What is the outlook on this in FY27? Given the fact that some bit of profitability is now achieved in the current quarter, what kind of margins and growth, are we expecting in this business?

Aditi Pasari:

So, definitely, I feel the worst is over for the grain processing division. And already the signs of improvement have started showing up in this quarter. And going forward, I am expecting further improvement on the sorbitol, fructose and starch front.

So, in FY27, I definitely have a target of being able to achieve about 5% EBITDA on this segment, which will amount to about INR 40 crores at the EBITDA level on a revenue of INR 800 crores.

Sanjay Manyal:

Okay. And just maybe last question, if I can ask. So, what we understand that you are almost very close to the full utilization of all your segments, at least ethanol is 80% plus and even the other segments.

How should we build in the growth over the next, say, in two, three, four years period, given the fact that your utilizations are already full, means what kind of a capex, or any diversification, which we are probably taking over the next four, five years?

Aditi Pasari:

Yes. So, capex will start coming in FY28. We are already evaluating new products, mostly in the specialty chemical space, which will be maybe a little bit of capacity enhancement of our existing products, maybe sorbitol and fructose.

And secondly, we are also looking at introducing new products, which are import substitutes, but in the green processing division. So, the fresh capex will come in FY28. Until then, we are looking at improving the cash flows in the next four to five quarters.

So, with the current setup, we are very confident that, depending on the market conditions and the order book, revenue of about INR 2,800 crores is very much achievable. Even up to INR 3,000 crores can be achieved with the current setup at 100% utilization.

And beyond that, yes, fresh capex is required, which we have already started planning. We have already bought a piece of land in Narsinghpur, Madhya Pradesh, of about 100 acres. So, we are looking at setting up and evaluating a large project on that land, for which the capex will start in FY28. Until then, we are going through various proposals and evaluating different products.

Sanjay Manyal:

Okay, perfect. Thank you. Thank you very much for all this.

Moderator:

Thank you. The next question is from the line of Mukesh Panjwani from WC Securities. Please go ahead.

Mukesh Panjwani: Congratulations on a great set of numbers. In your presentation, you have mentioned from FY28 onwards, we intend to re-enter a growth phase with a focus on specialty and import-substitute capital. So, can you throw some light on this?

Aditi Pasari: Yes. As I just answered, so, we are looking at doing some fresh capex in the specialty chemical space. It will be mostly import-substitutes, introducing new products, something which is not being produced in the country. We have bought a piece of land, about 100 acres in Narsinghpur in Madhya Pradesh.

We are looking at a mega project in that area, maybe looking at a capex of about INR 500 crores going forward, which will mostly be in the grain processing segment in the specialty chemical division. So, we are in the process of evaluating different projects as we speak.

Mukesh Panjwani: Okay. Thank you. That's all from my side, and all the best.

Moderator: Thank you. The next question is from the line of Pushkar Jain from Mili Capital. Please go ahead.

Pushkar Jain: Yes. So, ma'am, given the recent softness in maize mandi prices, is there a risk that farmers may reduce their sowing acreage next season or what is your outlook in general about the maize prices also, because of the unusual rains in the north, is there any impact on the quality that we are getting?

Aditi Pasari: In agribusiness, we are very used to these things. We have been actually producing, procuring maize for the past 25 years. We have always been a grain processing company. First, we were making sorbitol, then starch, then fructose, now ethanol.

So, grain is not new to us. The fluctuations in grain prices is not new to us. And any kind of rains hampering the crop is not new to us. But now, those things are actually quite old. The farming techniques have very much evolved. And crops are not getting affected as the way they used to be.

And even the logistics have improved so much today that maize is being produced in different months across different parts of the country. It is not just Bihar producing maize anymore. Assam is also producing maize, and even UP is producing maize in this season. So, we are sourcing from many different regions now. As a result, the impact of climate conditions is not as significant as before.

And as far as the farmers are concerned, they are very happy with the prices they are getting, the income they are earning, and the improvement in their cash flows. The ethanol industry and the starch industry are paying farmers within 10 to 15 days, which ensures a very healthy circulation of money from the crop.

And a maize crop is grown within 90 days. So, farmers can use the same land for about three to four crop rotations. Going forward, the yield per hectare for maize should continue to improve.

Pushkar Jain: All right. So, any outlook on the prices for maize in next one, two quarters?

Aditi Pasari: So, currently, prices are ranging between INR 19 and INR 22, depending on the region. Right now, in the north, we have the Rabi crop season. So, we are getting more favorable prices in the northern plants from crops sourced from Bihar, UP, and Assam. In those regions, prices are around INR 19 to INR 20, while in MP, prices are around INR 22.

However, in the second half of the year, when the Kharif crop comes in, this trend is expected to reverse. MP is expected to receive better-priced crop at around INR 18 to INR19, while Assam and Muzaffarnagar may see prices of around INR 22.

So, this will keep changing depending on the geography. But broadly, this is the range which, in my view, should continue for the whole year.

Pushkar Jain: Our break-even cost for ethanol would be maize at INR 27, INR 28, right?

Aditi Pasari: No. At EBITDA level, positive EBITDA at INR 24.

Pushkar Jain: Okay. Thanks a lot, ma'am.

Moderator: Thank you. The next question is from the line of Nirav Bhanushali from Systematix PMS and AIF. Please go ahead.

Nirav Bhanushali: Yes. Thanks for the opportunity, and congratulations on the good set of numbers. My question was regarding the capex that you mentioned, where you are planning to spend around INR 500 crores. So, how should this be distributed across FY28 and FY29, and what would be the expected equity-to-debt funding ratio for the same?

Aditi Pasari: It is going to be a combination of everything. We still have to finalize those details and obtain Board approval. The capex will likely be spread across FY28 and FY29, over a period of two to three years, since it is going to be a mega project.

So yes, it is going to be a combination of both debt and equity funding. It may also require some fundraising, and we are currently evaluating all available options.

Nirav Bhanushali: And secondly, what kind of IRR are we expecting from this capex, and which products are we planning to manufacture through this large investment?

Aditi Pasari: So, any product that we evaluate should ideally have an EBITDA margin of around 15%. That is the basis on which we evaluate and

finalize products. Based on that, we can expect a ROCE of around 22%. But again, everything depends, as we are still in the process of finalizing the project.

Nirav Bhanushali: My second question was regarding blending targets. Currently, the government is close to E20 blending, and there have been discussions around E23 and E27 being fast-tracked. So, if you could give some guidance or range on that.

Aditi Pasari: Ethanol remains a very favorable policy area for both the government and the country in every way. With crude prices remaining at elevated levels, it is only favorable for the government to increase blending levels as much as possible.

The country has already demonstrated how efficiently it has achieved E20 blending, while the ethanol industry is still operating with unutilized capacities. Therefore, it is very favorable for the government to further increase blending levels to E22, E25, E30, and even E100 and E85.

So, there are various models that the government is currently evaluating and may roll out in the near future. In fact, this year itself, there is expected to be a trial of E100 at about 100 petrol pumps across the country. Next year, this could increase to around 5,000 petrol pumps nationwide.

The government is strongly in favor of increasing blending. And as a country, we are very proud that we have been able to compete with leading global ethanol players such as the USA and Brazil in achieving such high blending levels within a relatively short period of time.

Nirav Bhanushali: Okay. Thanks. Thanks for answering my question. And best of luck for future.

Moderator: Thank you. The next question is from the line of Charvin Zaveri from Share India. Please go ahead.

Charvin Zaveri: Yes. Thank you for the opportunity. So, my question was, among the company's three major segments, which are ethanol, grain processing and mineral processing, which segment do you think, will be contributing the highest incremental EBITDA growth over the next two, three years?

Aditi Pasari: Of course, for next two years; this year, the ethanol segment has been the major revenue contributor as well as the profitability contributor. And I expect the same trend to continue over next two to three years.

And this mix will change once we are coming out with our new capex, and we are into the next growth phase. But until then, I'm expecting ethanol segment to be leading the revenue as well as the profitability for next two to three years.

Charvin Zaveri: Okay. And also, could you elaborate more on the specialty chemicals opportunities that you said that you'll be evaluating after FY 28? How much margin and growth will it be contributing going forward?

Aditi Pasari: We are looking at coming up with a mega project involving a capex of about INR 500 crores, which should be able to generate revenue of about INR 1,000 crores to INR 1,500 crores. Our vision for the next four years is to take the company's revenue to around INR 5,000 crores. So, that is the long-term vision for the company.

Charvin Zaveri: Okay. Thank you so much.

Moderator: Thank you. The next question is from the line of Het Ghorecha from Fintura Investments. Please go ahead.

Het Ghorecha: Good evening. And thank you for the opportunity. So, congratulations to the Management on delivering a strong set of numbers. So, my question is regarding the raw materials, could you share the current raw material mix for the business and specifically how the release of FCI rice has impacted the cost and overall procurement economics, and business quarters?

Aditi Pasari: So, the government has mandated that the ethanol industry lift 40% FCI rice for ethanol production. This has increased the availability of balance grains in the country and also softened maize and damaged broken rice prices. As a result, especially during Q3 and Q4 after the mandate was implemented, we saw a sharp decline in maize and rice prices, which directly benefited the profitability of the company.

And as we have seen over the last two quarters, operational profits in the ethanol segment have risen sharply. We expect a similar trend to continue over the next two years, as long as FCI rice remains available to the ethanol industry.

Het Ghorecha: Okay. Thank you.

Moderator: Thank you. The next question is from the line of Ayushman Thakkar from 18U Advisory LLP. Please go ahead.

Ayushman Thakkar: Good evening, everyone. And first of all, congratulations to the management on delivering such a strong set of numbers. So, I had a question regarding the working capital. Could you please help us understand the reason behind the inventory buildup witnessed in quarter four? And following up to that, whether this is a temporary phenomenon or something more structural in nature?

Aditi Pasari: So, this is a pattern you will actually see every year that there is inventory buildup in quarter four. That is because the OMCs tend to increase their lifting from the sugar industry as compared to the grain division, because sugar ethanol, is available only till March and maximum April. After this, we are fully dependent on the grain ethanol manufacturers.

So, this is a typical theme, which we are seeing since last two years that in March end, we tend to sit on some ethanol inventories. The lifting is comparatively slower, but however, in the subsequent quarter, this has always evened out.

Ayushman Thakkar: Understood. And I had one question regarding the order book. Was the order book allocation in line with your expectations?

Aditi Pasari: Current order book is definitely lower than what we had applied for and expected. Last year, we had an order book of 21 crore liter. And this year, we wanted to get allocations for 23 crore liter against, which we received for 18 crore liter.

However, we are very confident that in the next two quarters of this ethanol year, we will be able to make up this gap, because the government is very robust and very positive in increasing the blending. And as it will increase its blending, its requirements for ethanol will increase, and they will have to come out with further more tenders, and based on which we will be able to increase our allocation.

Ayushman Thakkar: All right. Understood. Thank you so much and all the very best for the future.

Moderator: Thank you. The next question is from the line of Kavya Padia from Analam Capital. Please go ahead.

Kavya Padia: My question is, how exposed is the company to the export market volatility and that particularly from China?

Aditi Pasari: So, the company exports sorbitol to about 45 countries. Right now, exports of sorbitol and starch from India have improved, as the industry is now able to compete better with China and other countries due to the softening of maize prices across the country.

As a result, the products are now more price competitive. Hence, exports of starch and starch derivatives have increased, and the company is also able to achieve better realizations and margins on these products.

Kavya Padia: Okay. Thank you.

Moderator: Thank you. The next question is from the line of Sachin, an Individual Investor. Please go ahead. Mr. Sachin, your line has been unmuted. Please go ahead with your question.

Sachin: Yes. Congratulations on the good set of numbers. I have a question regarding the ethanol segment. Just now, you mentioned that the government is actively planning to move towards E30 blending, and there are also discussions around E85 and E100. So, considering that, while we currently have excess ethanol production capacity, and with the government continuously increasing blending targets,

do you foresee any kind of oversupply or undersupply situation in this segment over the coming years?

Aditi Pasari: See, the demand will be met with supply. That is for sure. I mean, ethanol industry has been supporting the government's demand over the last three years, and government wants 20, ethanol industry is ready with 25.

So, I don't ever see that demand will be more than supply. That problem of the government is over. So, the ethanol industry has come out in a very strong way, and is able to produce more than 2,000 crore liters with existing capacities and the capacities that are already in the pipeline. Hence, I don't see government having any issue with getting supplies of ethanol in the next few years.

Sachin: Okay. So, are we looking at any, kind of, capex in ethanol segment also?

Aditi Pasari: We are not close to it, but yes, with time, we may look at enhancing some capacities if required.

Sachin: Okay. Thank you so much.

Moderator: Thank you. The next question is from the line of Kinjal Jain from Investnova Advisory. Please go ahead.

Kinjal Jain: Yes. Thank you for the opportunity to ask this question. I have two questions. The first one is regarding the ethanol segment. A significant part of the recent improvement in profitability appears to have been driven by favorable dynamics in the ethanol segment, right?

So, could you help us understand how sustainable the current level of profitability and EBITDA margins in the ethanol business are over the medium term, especially as blending levels mature and industry supply increases?

Aditi Pasari: We are very confident that we will be able to sustain these margins over the next two to three years and continue delivering similar EBITDA levels on a quarter-on-quarter basis. We remain confident that the government will continue supplying FCI rice to the ethanol industry, and as long as that continues, the overall grain ecosystem should remain balanced, while maize and broken rice prices are expected to remain soft. So, as long as this situation continues, we are confident that we will be able to sustain these margins over the next two years.

Kinjal Jain: Okay. And my second question is, given the increasing uncertainty in export markets and continued competitive pressure from Chinese players across several segments, could you help us understand how exposed the company is to export market volatility, and what measures are being taken to maintain competitiveness and protect margins going forward?

- Aditi Pasari:** Actually, our exports are quite small as compared to the overall revenue basket. We are currently exporting sorbitol worth about INR 100 crores to various countries, which is still a relatively small share of the business. So, we are not significantly affected by Chinese pricing or volatility in a major way, and we are not highly exposed to such risks. Most of our suppliers are domestic, with around 80% to 90% being sourced locally. Therefore, we do not remain heavily exposed to export-related pressures.
- Kinjal Jain:** Okay, got it. Thank you.
- Moderator:** Thank you. The next question is from the line of Negesh Motamari, an Individual Investor. Please go ahead.
- Negesh Motamari:** Good evening, madam, and congratulations for the good set of numbers. I just wanted to know, what is the increase in the non-current investments in this financial year, ma'am, from INR 16 crores, it has been increased to INR 47 crores. Is it elsewhere?
- Aditi Pasari:** Which figure are you seeing?
- Negesh Motamari:** Non-current investments. Last year, it was INR 16 crores.
- Aditi Pasari:** These are the mutual funds?
- Negesh Motamari:** Yes.
- Aditi Pasari:** So, we have invested some funds in mutual funds. Basically, we are maintaining a positive working capital cycle because we have certain commitments with the banks, under which we are required to maintain minimum utilization levels of working capital facilities. Hence, we have utilized and invested some surplus funds in mutual funds.
- Negesh Motamari:** Okay. And can I know when you expect to become a debt-free company going with the rate of income and other things? Any idea?
- Aditi Pasari:** Well, the next two years. Definitely, we could be a debt-free company by FY29. I am confident of that. But our long-term debt will continue till FY30. Our repayments are due for a Assam plant, which will continue until FY32, actually. It is an eight-year plan. So, yes, that will remain. Apart from that, I am quite confident, next two years, we will be debt-free, bearing apart from the long-term loan on Assam plant.
- Negesh Motamari:** Okay. And how long will the PLI incentive be coming to you?
- Aditi Pasari:** For MP, we will get for seven years; Assam, we'll get for three years.
- Negesh Motamari:** Okay. Because this 4.6% PAT margin includes PLI we received, right?
- Aditi Pasari:** Yes.

Negesh Motamari: Okay, ma'am. Thank you. That's it from me. All the best.

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

Aditi Pasari: I would like to thank everyone for joining this call and asking very valuable questions. Interacting with investors always improves our own understanding of the business as well as market sentiment. I am very grateful to Atlas and Share Capital for organizing this call for us.

Please feel free to reach out to our Company Secretary, as well as Rutul, who is our Investor Relations Consultant, for any further clarifications.

And all I would like to say is that the company is currently in a strong recovery phase, and we are very confident that we will continue to deliver a good set of numbers quarter-on-quarter and create value for both the company and its shareholders. Thank you very much.

Moderator: Thank you. On behalf of Gulshan Polyols Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.