



IPO Note

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# TRUALT BIOENERGY LIMITED

Sep 25<sup>th</sup>, 2025



Sep 25<sup>th</sup>, 2025**Details of the Issue**

Price Band	₹ 472 - ₹ 496
Issue Size	₹ 839.28 Cr
Face Value	₹ 10
Bid Lot	30
Listing on	BSE, NSE
Post Issue Mcap	₹ 4,253.33 Cr
Investment Range	₹ 14,160 - ₹ 14,880

**Important Indicative Dates (2025)**

Opening	25 - Sep
Closing	29 - Sep
Basis of Allotment	30 - Sep
Refund Initiation	01 - Oct
Credit to Demat	01 - Oct
Listing Date	03 - Oct

**Lead Manager**

DAM Capital Advisors Ltd

SBI Capital Markets Ltd

**Offer Details**

Offer Size	₹ 839.28 Cr
Fresh Issue	₹ 750 Cr
OFS	₹ 89.28 Cr

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	420	8.46	8.89	50
NII	126	2.54	2.67	15
Retail	294	5.92	6.22	35
Em- ploy.	-	-	-	-
Total	839	16.92	17.78	100

**Invest Now****Company Profile**

Trualt Bioenergy Limited, incorporated in 2021, is a leading player in the biofuels sector, with a primary focus on ethanol production. With an installed capacity of 2,000 kilo litres per day (KLPD), the company ranks among India's largest ethanol producers, holding a 3.6% share of the country's ethanol production capacity as of Fiscal 2025. The company's operations encompass both ethanol and compressed biogas (CBG) production. Its subsidiary, Leafinity, operates a CBG production plant with a capacity of 10.20 tonnes per day (TPD) as of March 31, 2025. To further scale its CBG business, Trualt Bioenergy has entered into MoUs with a Japanese gas company and Sumitomo Corporation Asia & Oceania Pte. Ltd. Trualt Bioenergy currently operates five distillery units in Karnataka, four of which utilize molasses and syrup-based feedstocks. The company is also actively pursuing expansion into emerging verticals, including second-generation ethanol, sustainable aviation fuel, and Mevalonolactone (MVL) and allied biochemicals, reflecting its commitment to innovation and diversification within the bioenergy sector.

**GEPL's Insights & Investment Thesis:**

- Trualt Bioenergy Limited has one of the largest ethanol production capacity in India with 4 molasses and sugar syrup based distillery units with a capacity of 2,000 KLPD, of which 1,800 KLPD is operational.
- The company has executed a 600 KLPD capacity expansion and secured approval from the Karnataka State High-Level Clearance Committee to scale production to 4,600 KLPD.
- Based on the FY25 earnings, relative to the company's post-IPO paid up capital, the issue is priced at a P/E ratio of 29.01x. We believe that the company is fairly valued compared to its peers, demonstrated healthy financial performance, and expanding its capacity. Therefore, we recommend a "Subscribe" rating for the issue.

**Business Highlights & Services**

Trualt Bioenergy Limited is India's largest ethanol producer by installed capacity as of March 31, 2025 (CRISIL), operating five strategically located distillery units in Karnataka with an aggregate installed capacity of 2,000 KLPD and operational capacity of 1,800 KLPD. The company has demonstrated robust operational and revenue growth, producing 1,64,904 KL, 1,41,659 KL, and 1,82,588 KL of ethanol in FY 2023-2025, with corresponding revenues of ₹700.81 Cr, ₹956.36 Cr, and ₹1,433.94 Cr. Trualt Bioenergy has executed a 600 KLPD capacity expansion and secured approval from the Karnataka State High-Level Clearance Committee to scale production to 4,600 KLPD, supported by loan approvals under the Central Government's Ethanol Interest Subvention Scheme. Its strategic expansion includes fungible units capable of producing ethanol from molasses, sugar syrup, sugarcane juice, and grains, alongside the integration of a 200 KLPD second-generation ethanol unit using 800,000 MT of excess bagasse. The company also plans to utilize damaged food grains, surplus rice, and maize to enhance dual-feed operations, optimizing capacity utilization and margins across the year.

Trualt Bioenergy's operational model ensures raw material flexibility and cost efficiency. Through structured supply arrangements with its Promoter Group and open-market sourcing, the company mitigates price volatility, while its bagasse-based cogeneration plants provide captive power, lowering energy costs.



Planned investments in grain storage, handling, and processing infrastructure will further enhance dual-feed ethanol production and operational productivity. With its large-scale production, diversified feedstock strategy, captive utilities, and phased capacity expansion, Truall Bioenergy is well-positioned to capitalize on India's growing ethanol and biofuel demand, offering a compelling investment opportunity driven by scale, operational efficiency, and sustainable energy solutions.

Truall Bioenergy Limited is a leading Indian biofuel producer, with a strong presence in ethanol and compressed biogas (CBG), poised to capitalize on a rapidly growing market supported by government initiatives like the Ethanol Blended Petrol (EBP) programme and SATAT scheme. The company benefits from assured offtake agreements with OMCs, long-term CBG contracts, and additional revenue from fertilizer by-products (FOM) and ENA sales, while leveraging fungible production capabilities across multiple feedstocks. Backed by an experienced Promoter-led management team with deep industry expertise, strategic expansions, and operational efficiency, Truall Bioenergy is well-positioned to consolidate its leadership, optimize margins, and capture India's renewable energy growth opportunities.

Truall Bioenergy is strategically expanding its ethanol and CBG production to capture the rapidly growing Indian biofuel market. To scale ethanol output and mitigate seasonality risks, the company is diversifying feedstock beyond sugarcane, sugar syrup, and molasses to include grains such as surplus rice, damaged food grains, and maize, while customizing existing distillery units to enable dual-feed production and optimize capacity utilization. Ethanol demand in India is projected to grow at a CAGR of 17.7% till Fiscal 2026, supported by accelerated blending targets and government focus on 2G ethanol. Concurrently, the company is aggressively expanding its CBG footprint through its subsidiary Leafiniti in partnership with GAIL, strategic partners, and Japanese collaborators, with 20 locations identified for phased plant development. This expansion leverages long-term offtake agreements, raw material sourcing from sugar companies, and by-product monetization through DDGS and press mud, creating multiple revenue streams. With a clear focus on scalable production, feedstock diversification, and strategic partnerships, Truall Bioenergy is well-positioned to consolidate its leadership, optimize operational efficiencies, and capitalize on India's growing ethanol and bio-CNG market.

Truall Bioenergy is strategically positioned to capitalize on the emerging Sustainable Aviation Fuel (SAF) market and India's growing biofuel ecosystem. SAF, capable of reducing aviation CO<sub>2</sub> emissions by up to 80%, represents a significant growth opportunity, with India targeting 1-2% SAF blending by 2027-28 and global demand set to scale exponentially. Leveraging existing ethanol production infrastructure, the company is advancing SAF capabilities through technology collaborations, MOUs, and process licenses, aiming to establish a 10 crore litre annual production facility, making it one of the world's largest SAF producers from ethanol. Simultaneously, Truall is expanding its biofuel retail presence, establishing integrated dispensing stations across high-consumption corridors, offering E85, E93, bio-CNG, EV charging, battery swapping, and non-fuel retail services, supported by regulatory approvals and government incentives. These initiatives, combined with strategic feedstock diversification, advanced technology adoption, and first-mover advantages, position Truall Bioenergy to capture high-growth opportunities in aviation and ground transportation fuels, strengthen its market leadership, and create multiple revenue streams while supporting India's transition to sustainable energy.

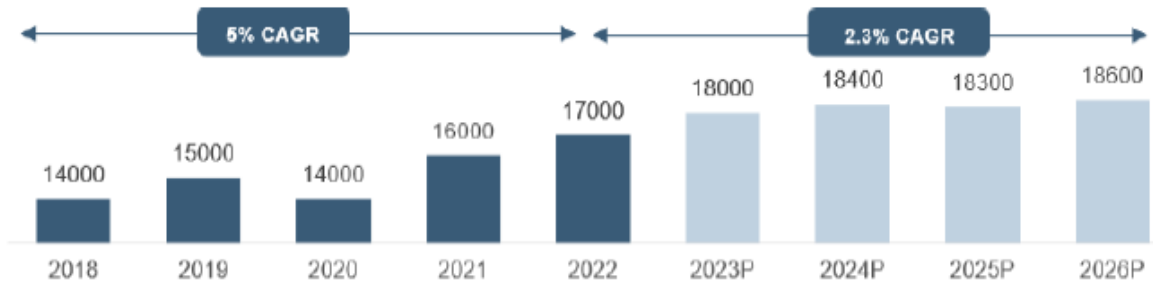
Truall Bioenergy is strategically expanding its product portfolio and exploring new revenue streams beyond conventional ethanol and CBG production. The Company intends to capitalize on emerging opportunities such as ethanol as a cooking fuel, leveraging pilot initiatives by HPCL and global adoption trends, and systematically commercialize FOM, LFOM, potash, methanol, and calcium carbonate derived from its existing operations. In parallel, Truall is scaling SAF, 2G ethanol, and advanced bio-CNG capabilities through MOUs, technology licenses, and partnerships, including agreements with GAIL and other strategic collaborators, enabling phased expansion across multiple locations. The Company is also enhancing cogeneration capabilities, exploring carbon credit consultancy, and piloting dual-fuel solutions for agricultural machinery, creating cost savings and increasing offtake for CBG. Truall's disciplined approach to inorganic growth via joint ventures and strategic acquisitions, combined with targeted research, pilot projects, and end-to-end integration of biofuel and allied products, positions the Company to optimize existing assets, diversify its revenue base, and capitalize on India's accelerating transition toward sustainable fuels.

Segmental wise revenue breakup

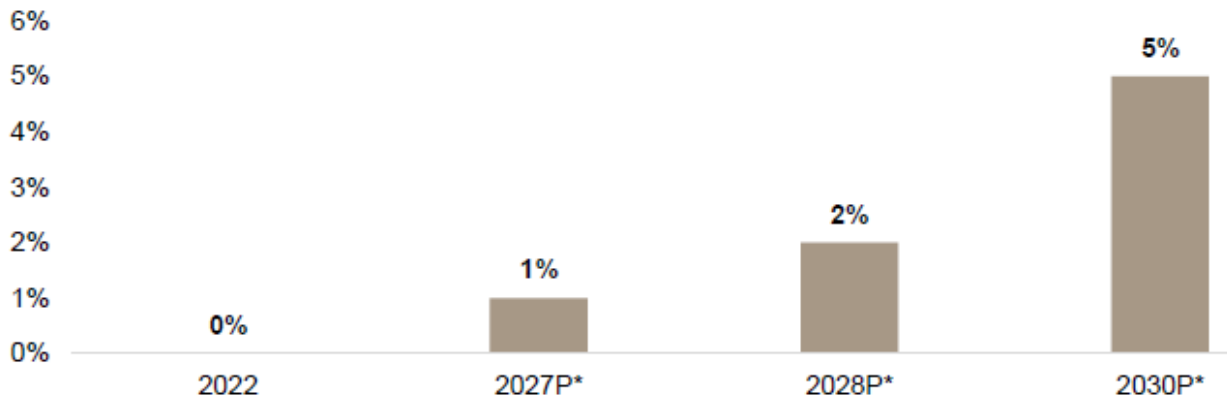
Particular	FY25	FY24	FY23
Revenue from sale of Ethanol (INR Cr)	1,434	956	701
Revenue from sale of CBG (INR Cr)	23	5	
Revenue from sale of FOM (INR Cr)	1	0	
ENA (INR Cr)	284	246	53
CO2 (INR Cr)	6	6	3

Objective of the IPO Issue

- Funding capital expenditure towards setting- up multi-feed stock operations to pave- way for utilizing grains as an additional raw material in ethanol plant at TBL Unit 4 of 300 KLPD capacity for INR 150.68 Cr.
- Funding working capital requirements of INR 425 Cr.
- General corporate purposes.

Industry Outlook**The global biofuel demand overview and outlook****Biofuel demand historical trend and projections 2018-2026 (in crore litre)**

Source: OECD-FAO agricultural outlook 2023-2032

**India SAF blending percentage over the years**

Source: Press Information Bureau



Peers Comparisons

Name of the company	Face Value (₹)	Total Revenue (In Cr)	EPS	P/E (x)	RoNW(%)
Trualt Bioenergy Ltd	10	1,908	20.94	NA	19.07
<b>Peers Group</b>					
Balrampur Chini Mills Ltd	1	5,415	21.57	23.89	11.51
Triveni Engineering & Industries Ltd	1	6,808	10.88	33.07	7.66
Dalmia Bharat Sugar Industries Ltd	2	3,746	47.78	7.75	11.96

Company's Competitive Strength

- Largest Installed Capacity for Production of Ethanol in India.
- Integrated Resource Management, Creating Scalable Operations.
- Strategically Located Production Infrastructure, with a Focus on Technological Innovation and Sustainability.
- Well-positioned to Capture Favourable Industry Tailwinds.
- Entrenched Customer Relationships, Creating a Strong Demand Pipeline.
- Skilled and Experienced Promoters and Management Team, with Committed Employee Base.

Key Strategies Implemented by Company

- Diversify Sources of Ethanol Production.
- Focus on Increasing the CBG Capabilities.
- Commence Production of 2G Ethanol.
- Venture Into Sustainable Aviation Fuel Supply.
- Establish Biofuel Dispensing Stations to Cater to Retail Energy and Flex-fuel Requirements.
- Increase Supply of Products Allied with the Production Processes, such as FOM.
- Grow Through MoUs, Pilot Projects, Joint Ventures and Strategic Acquisitions.

Particular (INR in Cr)	FY25	FY24	FY23
Equity Capital	71	61	61
Reserves and Surplus	698	204	179
Net Worth	769	265	240
Revenue	1,908	1,223	762
Growth (%)	56%	60%	
EBITDA	284	162	79
EBITDAM (%)	14.9%	13.2%	10%
PAT	147	32	35
PATM (%)	7.7%	2.6%	4.7%
ROE (%)	28%	10%	26%
ROCE (%)	11%	7%	10%





## Notes

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