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**REG: Transcript of Earnings Conference Call for Unaudited Financial Results for
Quarter/ Nine months ended 31st December, 2018.**

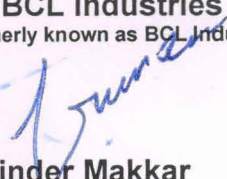
DEAR SIR,

This is further to our intimation regarding Conference Call for Analyst/Investor with respect to the Unaudited Financial Results of the Company for the Quarter / Nine months ended December 31st, 2018 .

The transcript of the conference call held on Monday, 11th February, 2019 with investors/analysts to discuss the Quarter/ Nine months ended 31st December, 2018 financial performance of the Company is enclosed herewith .

**Thanking You,
Yours faithfully,**

For BCL Industries Limited
(Formerly known as BCL Industries & Infrastructures Ltd.)


Gurinder Makkar
Company Secretary



BCL Industries Limited Q3-FY19 Earnings Conference Call”

February 11, 2019

Moderator Ladies and gentlemen, good day and welcome to the BCL Industries Limited Q3 FY19 Earnings Conference Call. 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 ‘*’ then ‘0’ on your touchtone phone. I now hand the conference over to Ms. Nehal Jagda from Valorem Advisors.

Nehal Jagda Good afternoon everybody and warm welcome to you all. My name is Nehal Jagda from Valorem Advisors. We represent the investor relations of BCL Industries Limited. On behalf of the company and Valorem Advisors I would like to thank you all for participating in the company’s earnings conference call for 9M and Q3-FY19.

Before we begin, I would like to mention a short cautionary statement. Some of the statement made in today’s earnings conference call maybe forward-looking in nature. Such forward statements are subject to risks and uncertainties which could cause actual results to defer from those anticipated. Such statements are based on management’s belief as well as assumptions made by and information currently available to management. Audiences are cautioned not to place undue reliance on these forward-looking statements in making any investments decision. The purpose of today’s earnings conference call is purely to educate and bring awareness about the company fundamental business and financial quarter under review. I would now like to introduce you to the management participating with us in today’s earnings conference call.

We have with us Mr. Rajinder Mittal, Managing Director, BCL, Mr. Pankaj Jhunjhunwala Directors of Svaksha Distillery a subsidiary of BCL Industries and Mr. Gulab Singh CFO of BCL Industries. Without much a due, I request Mr. Mittal to give his opening remarks. Thank you and over to you, sir.

Rajinder Mittal Thank you Nehal. Good after noon and thank you for the introduction. We would like to welcome you to the earnings conference call for the 9 months quarter and 3 months for the financial year 2019. We are a diversified company in manufacturing and development with business interest spread across the variety of industries vertically, namely solvent extraction, edible oil, distillation, and real estate. We have transformed from small oil mills to one of the most modern and fully integrated rice and edible oil complexes in India. With a processing capacity of 1000 tons per day. We are the only company in India and the South east Asian region that having forward and

backward integration distillery at small industry plant. Looking forward we continue to build a growing base of valuable customers who are worldwide market leaders in many end use industries. We continue to take advantage of our sceptic supply of key raw material and our improved operation efficiencies could give a satisfactory result and gain substantial cost advantages.

Over all business highlights.

The distillery part I am starting with. Influenced by the National Biofuel Policy 2018, BCL Distillery segment converted part of the capacity of about 120 KLPD ethanol and has already bagged order to the supply of about 3.04 crore liter for the period starting from 1st December 2018, to 30th November 2019. The company performance in the current quarter was boosted with that commencement of ethanol production to OMCs was well accepted and the company wide spread of its quality product from the start of state of art plant. Because of the government of India, initiated to encourage distillery to divert the ENA production to ethanol, the company has already started earning, higher realization of about 15% from its balanced capacity of ENA production. Of 3.64 crore liters, which is further expected to surge in Q4 2018-19. The company has deliberately chosen a part of its ethanol supply in Gujarat to moderate its logistics cost while importing vegetable oil from Kandla for processing its edible oil plat in Bhatinda. An anticipated substantial reduction in logistic cost from the Q4 2018-19. The company is also working simultaneously on 200 KLPD plants at Kharagpur, West Bengal under Subsidiary Svaksha Distillery limited and is expected to commence production by Q3 2019-20. The turn key project of the contract has been awarded to Praj Industries limited Pune.

Edible Oil segment: The company has remained consistent in the edible oil segment in terms of sale revenue. However due to the late start of pressing season of rice mill, it recorded a low sale of rice bran refined oil in Q3 2018-19. The corresponding effect of this late start will lead to a better Q4 2018 for company edible oil segment. The company listed a margin hike of 0.40% in EBITDA from Q3 2017-18, which was backed by the reforms introduced by the government of India in the Agriculture sector. These reforms also include the government focus on increasing oil seed cultivation and announcement of higher MSPs.

Real Estate: BCL real estate segment continued to resgister remarkable of sale for the financial year 2018-19 with ready to move in stock and the same was witnessed in Q3 2018-19, with a revenue surge in 5 times in comparison to Q3 2017-18. The company has continued to reduce the financial burden by utilizing partial revenue from real estate sales. Our revenue for the Quarter grew from Rs. 235 crores to Rs. 245 crores, which is a YoY increase of 4%. On a yearly basis EBITDA is grown 94.5% to 21.2 crore from 10.9 crores in Q3 2018-19. EBITDA margins have improved from 4.6% for the corresponding quarter last year to 8.64 representing an increase of 401 basis points. PAT has increased by 137% from Rs. 4.8 crores last year to Rs. 11.4 crore for the quarter end of Financial year 2019. PAT margin has increased from 2.04% last year to 4.6% with an increase of 260 basis points. On a 9-month basis revenue has increased by 5% to Rs. 650

crores. EBITDA has increased to Rs. 64.1 crores for 9-month period, representing a growth of 57.9%. EBITDA margins have improved by 330 basis points to 9.8%. PAT has increased 151 percent to Rs. 34.4 crores. Thank you. I would like to open up the floor for questions. Thank you.

Moderator

Ladies and gentlemen, we will now begin the question and answer session. Anyone who wishes to ask a question may please press * then 1 on their touch tone telephone. If you wish to remove yourself from the question queue, you may press * then 2. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. To ask your question please press* then 1.

We have the first question from the line of Shariq Merchant from Quest Investment Advisors Limited. Please go ahead.

Shariq Merchant

Hi Thank you for the opportunity. Sir my first question is on the ethanol segment. If you say that prices for the non-government have also gone up 15%, why has there not been a commensurate increase in margins? Because your cost structure should not have changed.

Management

The ethanol supply has just started commenced from the December. And in December there was a very nominal quantity of ethanol which was dispatched to oil marketing companies. Hence the entire well will be fully reflected in the last quarter of the financial year. As we have the ENA price that has gone up by 14% to 15% approximately, but you see that we, the capacity utilization of the entire plant of this is ENA/ Ethanol plant, has been 72% as compared to the 100% last year, because we had to shut down the plant for the convergence from ENA to Ethanol for about 2 months. So that is the reason that the real benefits have not been received in this quarter and I think we hope to have the full benefit in the last quarter that is Q4. Already the BCL sales for the January month are up by 34%, as compared to the last financial year.

Shariq Merchant

So what kind of margins should we factor in, let's take Q4 as an example. Because that will be the first normal quarter that you will now see. What should be a fair margin that we should look at for this segment?

Management

No I can't comment on what will be the margin. Because there has been some impact on the increase in the cost of the raw materials also. But certainly, there will be a substantial improvement on the financial working of the company as compared to this quarter or nine months' working.

Shariq Merchant

Okay is it fair to say that at least 50% to 60% of the incremental change in selling price will slow down to EBIT.

Management

At least I think we should be able to have the incremental benefit of at least 50%.

Shariq Merchant Okay. Understood. Sir the second thing is on, you have also passed an enabling resolution to the QIP of 60 crores. So just wanted to understand the thought process behind that.

Management You will see that this QIP we had given a resolution last year just has been put for renewal. We don't have as of now any plan to have some QIP. But it is just a renewal of the earlier permission which we had received from the shareholders.

Shariq Merchant Sir if there is no plan then why carry forward.

Management Basically we have done it just to have some time, to deal with some constraint regarding the funding of our Svaksha Distillery, which is a subsidiary at West Bengal, which is the plant under construction. Just to have a safety. It takes about some considerable time to have the shareholder approval and complete all the formalities.

Shariq Merchant And the last part is on the real estate segment. Going forward, what do you believe is the quarterly run rate that we should look at for real estate sales?

Management You see that, as had been pricing the investors, the company has got an unsold inventory of about 125 to 130 crores which is totally debt-free. So, we are monetizing that because we are selling with the actual realization. We project our company is ready to occupy. So, whatever is the realization that is coming close to the company. We hope to realize this entire amount within 3 to 4 years. So, this kind of flaws will always be coming in from the company in 3 to 4 years also.

Shariq Merchant Sir around sir? Is it around 10 crore a quarter? As of now it was defect from the market. How the market is moving?

Management you can say may be there may be come sluggishness in the Q4. But I am hopeful that we should be able to do as well as regards the real sales segment and hope to monetize the entire real estate value, within 3 to 4 years.

Moderator Thank you. The next question is from the line of Vineet Gala from Panthomath Asset Management. Please go ahead.

Vineet Gala Sir I wanted to understand about the increase in the oil segment assets and liability. Segment and Assets and liabilities they have gone up by 100 crores. What was that sir?

Management Which Liability?

Vineet Gala Segmental Assets, the oil segment from 215 crores has gone up to 330 crores and the liabilities have also gone up by around 110 crores.

Management Which part are you talking about? I am not able to get you.

Vineet Gala Sir in your segmental break up.

Management Our results of QoQ cannot be compared. It has to be compared with the corresponding quarter. Because it says, seasonal type of industry. So, if you compare from the corresponding quarter, only then will it be comparable.

Vineet Gala It is not that we have invested into CAPEX or something. It is

Management That's right. It is only the liquid stocks to be considered, the raw material or the finished goods.

Vineet Gala Alright sir. I wanted to understand, how are we going about the total investment of the cash profit that we are generating, the monetization of real estate. How are we investing that?

Management That major portion is being utilized for the repayment of the debts and you will see that the debt is considerably coming down. And moreover, to put, you can say that part of our shares is towards the investment in Svaksha Distillery, which is a subsidiary of BCL, for the plant coming up at West Bengal.

Vineet Gala Okay but there we have already looking at increasing a stake there or?

Management Not at present. At present the stake is 51% only. And whatever our shares return we are investing there.

Vineet Gala Okay. And sir, what is the current debt level as on Q3?

Management Q3 there is around 200 crores only.

Vineet Gala and break up between long term and short-term?

Management You can consider, long term to be about 80 crores and the rest is in the shape of working capital, fund based and non-fund based.

Moderator Thank you. The next question is from the line of Akash Jhaveri from the investment trust of India. Please go ahead.

Akash Jhaveri Sir, you mentioned that the ENA prices are expected to surge in Q4 also. So, would this be saying 15% to 20% increase you are saying for the ENA prices?

Management You will see that the ENA price has already appreciated by 12% to 15%. The incremental benefit as compared to the last year. Because of the ethanol impact, our 50% capacity has already been diverted from ENA to ethanol. And so is the case with the other companies also. So now the balancing type of things are going on, but there has already been an increase of 12% to 15% in the ENA prices.

Akash Jhaveri This is YoY, right? From Q4 to Q3?

Management From the last financial year we are talking about. The average realization of ENA last year in 2017-18 was approximately below Rs. 40 per liter. So, this year, in this quarter, starting from Jan to March, we should be able to have an average price of about 49 to 51 rupees per liter.

Akash Jhaveri Understood. Thank you.

Moderator Thank you. Participant would like answer the question please press * then 1. The next question is from the line of Yogansh Jeswani an individual investor. Please go ahead.

Yogansh Jeswani I was saying that in page 4 of your presentation you have mentioned that the distillery contributor on 35% of the total revenue. And now that we are talking about a lot of expansion on the distillery ethanol side, so do we see this mix changing significantly coming years? And what it would look like?

Management That expansion is being carried out in a subsidiary of BCL industry. Svaksha Distillery. So, the overall revenue will actually have gone up. That will go up. That will be not in this company. That will be in the subsidiary company Svaksha.

Yogansh Jeswani So on a consolidated level it should add up right?

Management Definitely. The revenue will almost be double. We expect about to have a revenue of 400 crore plus one the production of Svaksha Distillery comes into force.

Yogansh Jeswani So sir, the operational highlights that higher that you have mentioned, that's also a subsidiary or that's in this BCL Industries?

Management Which one? What are you talking about?

Yogansh Jeswani the contract that you have for December 2018 to December 2019.

Management That is the BCL industries. You see that we at present do not have proposal to go for ethanol production investment. Because West Bengal is already in scarcity in the ENA production. So, ethanol production will be at BCL industries at the Bhatinda location. Svaksha Distillery will come into production in December 2019 somewhere. So, the entire quantity has to be completed by December 2019. So, this projection is from BCL industry not from Svaksha distillery.

Yogansh Jeswani Understood. And sir, this contract that we have till November 2019 at BCL industry for ethanol, what happens post November 2019. So is there a renewal clause in it, or how are things going to look like post November 2019. What would that situation be like?

Management You see, this expression of interest for the supply for the purchase of ethanol, by the various oil marketing companies are being done on YoY basis. For this year, the total expression of interest was about 326 crore liters which they floated. But they were not able to get the full quantity. So, the government of India has got a target to achieve 20% blending by 2030. But at present in the last year, they were only able to achieve 3.5%. And this year I think they will be, with this current

supply will be close to 5% only. And less demand for that. But the expression of interest has been floated by the oil marketing companies on a YoY basis. Starting from December to November.

Yogansh Jeswani Okay. So, we are confident enough that the demand is high, so we might get another contract.

Management You can take that to be on a very very high side, and the ambitious target fixed by the government, if the things continue. May be that by 2030 we are able to achieve that.

Yogansh Jeswani and sir, can you also let us know a bit on the supply side, like you mentioned that the demand is quite good, but the supply side is still not ready. Can you share some of your thoughts or inputs on why there is a constrain in terms of supply? Is the capacity not yet ready or there are other technical issues which needs to be resolved or is it something related to the economy of the business not being feasible because of these tender related, or something on those lines sir.

Management You see, the Biofuel Policy just announced in 2018 July itself. Earlier the oil marketing companies where only buying ethanol manufacturer from one source that was a molasses. So now they have opened up the field for so many sectors that direct from the cane juice, then from the partial cane juice and then from the damaged food grains to make molasses. So, they have opened the entire.... Earlier the policy was not place and the prices offered by the oil marketing companies was on the very low side. Last year the price was just Rs. 39.50 per liter. As we paid, the average price of say Rs. 50 per liter say this year. So, it depends on what is the event. So now they have played the policy up to 2030 and the capacity building to fulfill the entire requirement will take some time to catch up. Because the setting up period for a distillery or for ethanol manufacturing firm from standalone is about two to three years.

Yogansh Jeswani So basically the supply side is still not ready in terms of the infrastructure.

Management We continue to be say for another 4 to 5 years.

Yogansh Jeswani and what is the supply side at the moment sir? If you have that data handy with you, could you share that?

Management This supply, you can say the expression of interest for the purchase of 326 crore liters was floated. Out of this we were able to procure only about 260 crore liters. Still they have not been able to achieve the target supplier.

Yogansh Jeswani Okay. And sir, out of our capacity, so 50% is going for this policy, right?

Management Almost we can produce around 6.6 crore liter and 3.05 crore liters will be towards the manufacturing of ethanol and rest will go to the ENA. But this year, we will not be able to see hundred percent capacity, because of the closer of the finance for about 60 days for the conversion of ENA to ethanol May be that we may be able to achieve 85% of our capacity utilization as compared to 100% last year.

Yogansh Jeswani Understood. And how much did we spend on that sir, I mean the conversion.

Management Conversion, say a nominal amount of 6 crore rupees. That was funded from internal sources. We did not go for any funding in that sector.

Yogansh Jeswani one last question is I may squeeze in. Just a bit of your commentary on the debt side, are we comfortable, maintaining these 200 odd crores of debt or do we look to bring it down further?

Management Definitely. We have brought it down from the cash payment which we are generating. By way of realizing of the real value of assets which are totally debt free. So, we should be totally a long-term debt free company. Within a period of 3 years, Only the long-term debt. I am not talking about the short-term debt. Long term debt free company, we should be able to achieve this goal within a period of 3 years.

Yogansh Jeswani and this calculation incorporated all the expansion plans or programs that we have in mind?

Management Yes sure.

Moderator Thank you. The next question is from the line of Dharshan Mehta, an individual investor. Please go ahead.

Dharshan Mehta Sir, thanks for taking my question, I had a fundamental question about what would be the raw material for our distillery and where do we source it from?

Management So the raw material for the manufacturing of ENA or grain based ENA are the maize, millet broken rice, damaged wheat, etc. So, in Punjab we have a portion of food grains is quite plenty and we have to source it from the various rice mills, and you can say the grain market for the maize part and the millet part. And this is a byproduct of the rice, this is the broken rice which is being used for waste, as a raw material to manufacture.

Dharshan Mehta Okay, so sir, nothing comes from our edible oil segment, right? I mean when we pay according to get it?

Management You see the company has got a rice mill and the byproducts of the rice mill and the byproduct of mill and the byproduct of Solvent extraction plant there is a dual rice bran. Those are used in the manufacturing but those are not resources. The quantum is not for significance. So that we can depend. That is may be, had we borrowed 2% or 3% of the total purchase.

Dharshan Mehta So sir, when we say we are backward integrated, what do we mean by that?

Management Our vegetable oil plant is totally integrated. We start with the oil seed, we crush it in the oil mill, then it goes to the solid extraction plant, then goes to physical refining, then goes for the chemical refining then the Vanaspati manufacturing, the rice mills the Rice- Bran is used in the

oil extraction plant, the husk is used in the boilers to generate power and the broken rice and the damaged food grains which are not fit for consumption goes to the distillery.

Dharshan Mehta **Okay** and sir I just wanted to understand about our logistics cost since we have said that we have said that we would be able to reduce it, can you explain how would it be reduced?

Management You see that the destination of the company has chosen the Gujarat side knowingly, for the supply of ethanol. Earlier the logistic part that now we are heading tie up with the transporter for the one-way tariff. That is, they load this vegetable oil cargo which is being imported by the company for the manufacturing of its refined oil plant, and this too one-way tariff only. Now with this they will be carrying ethanol from farm location to the Gujarat location and on the return we will be carrying out this palm oil or Soya bean oil and other vegetable oils being imported by the company.

Dharshan Mehta Okay, so since you are giving 2-way tariff you would be able to negotiate in a much more better way. Okay

Management The logistic cost has to come down right!

Moderator Thank you. The next question is from the line of Vineet Gala from Pantomath Asset Management. Please go ahead.

Vineet Gala Sir I had a follow up question, so what are the ENA prices in North India and West Bengal?

Management You see that the prices throughout the countries are almost the same. The price in ENA is about Rs. 50.50 to Rs. 51 per liter. But these are all ex- distillery prices. The ex-location. The West Bengal is quite deficient as regards the production of ENA is concerned. And they have to depend up on the other space for their requirement. So, the bottler located in West Bengal, if they buy from Punjab, they have to incur an extra cost of Rs. 5 to Rs. 6 extras on account of the freight. And another Rs. 4 per liter is the port duty by the state government. So, 8 to 9 rupee per liter is the extra cost burden which the bottler of West Bengal are paying. Since we will be producing ENA there, we will be able to at least write off 50% to 60% of the cost which are being incurred by these bottlers or consumer in West Bengal.

Vineet Gala Okay. Sir, and these prices where there in Q3 as well sir?

Management in Q3 these prices where not there. Only you can say December there were somewhat improvement in the prices, January further and this now has fully materialized the we didn't get benefit of the increase of price of the ENA in these full quarter. May be one month or so.

Vineet Gala Okay so is it correct the tin the first half of this year, the ENA prices where on Rs. 44? So that means they have gone up by say Rs. 6

Management No. The first half of the year the prices were around Rs. 42 to Rs. 43. Not more than that. And not they have gone up to Rs. 50. Rs. 10 per liter is what you can say is the difference per liter in the end of the Q3.

Vineet Gala Sir, considering this, we should have shown some margin improvement, right? because our margin in the Q1 was around 11% to 12%.

Management No. This is not the question of showing. This is the actual worth which ever has reflected in the books.

Vineet Gala Yes that only. I am sorry. So, if in Q1 we had around 11%, then.

Management as I already explained to you. That the due to the conversion of this plant from ENA to ethanol we had to shut down the plant in between. This is a highly inflammable plant. The erection work cannot continue when the plant is in operation. So, we have to shut down the plant, clean it wash it and make it totally free and then only we can do the construction. And the capacity utilization for these 3 quarters for the 9 months is down by almost 28% as compared to the last you can say 9 months working, with the hope to regain, you can say cover up in these 3 months. So that's why the full benefit of this policy or this increase in the ENA or ethanol prices had not been fully discounted. And once the supply of ethanol has already commence from January in full capacity, so the entire benefit we will be able to have in the last quarter of this financial year.

Vineet Gala So the last question is, what is the price of ethanol outside the contract.

Management There is no market for ethanol outside the contract.

Moderator Thank you. The next question is from the line of Aditya Yadav from Transcend Capital. Please go ahead.

Aditya Yadav Good afternoon to the management team. Hello.

Management Good afternoon!

Aditya Yadav Sir, firstly, I have a question on the existing ethanol capacity which you have in Bhatinda. You said you have a total capacity of 6.6 crore liter. So, you said you spent a nominal capex on tweaking some part of the plant into ethanol.

Management Yes. Converted some part of the plant. About 50% of the capacity has been converted from ENA to Ethanol, about 6 crores were spent.

Aditya Yadav So right now as it stands here, ethanol capacity is 3.3 crore and the rest will be for ENA.

Management Yes.

Aditya Yadav Okay. So, and may be further down the line, a year or so when your new subsidiary plant comes online will you be looking to tweak this further to fully ethanol?

Management Yes, it depends on the market scenario. If the prices of ENA are more; we have got the flexibility, but the contractual obligation is there. At present we do not have any plan to convert 100% of the capacity to ethanol. Because we have to cater to our north customer as regards the dependent on us.

Aditya Yadav Like this liquor bottler in the north India you mean. Okay. And sir, regarding the Svaksha Distillery, what is the total capex ?

Management The total capex is 147 crores including the working capital margin. And 90 crores we propose to fund from debt and 57 crores from the promoter's equity.

Aditya Yadav and out of 57 crores, you will be paying half of it?

Management yes, around a half of it. BCL will be investing around a half of it. Around 28 to 29 crores.

Aditya Yadav Yes. And how much of that have we already spent?

Management Total we have spent about 28 crores on the project.

Aditya Yadav So BCL has already spent around 28 crores.

Management No. Not BCL. Over all the district subsidiary.

Aditya Yadav Okay the subsidiary has spent around 28 crores,

Management Yes. and we have contributed almost 50% to that.

Aditya Yadav Okay. So, we still have some commitments remaining on the equity side of the subsidiary.

Management Yes, So that is the surplus cash perceived from this sale of monetizing of the real state activity being, put in an investment in the subsidiary.

Aditya Yadav and sir, is there further real estate value with the company?

Management Yes. Still the company has got more than 100 crores of the real estate value realizable value and we hope to realize this in 3 years' time.

Aditya Yadav Okay. Apart from the ready to move inventory which you have, you have further 100 crore rupees?

Management No I am talking of the ready to move inventory about. This is totally debt free. What ever amount comes realizes its being put into the system, for the repayment of the debt and further investment.

Aditya Yadav and apart from this inventory sir, do we have any further undeveloped land as well.

Management No we don't have it. That will be all developed. You can see the plots and the villas are all developed. We do not have any further money to put into the real estate, or undeveloped land or raw land as such.

Moderator Thank you. The next question is from the line of Vine esha Rai and individual Investor. Please go ahead.

Vineesha Rai Hello sir, I had a simple question. It was, are we categorized as B heavy molasses or is the Ethanol captured from the Agro waste?

Management From the damage's food grains. B heavy molasses is from this, parcel cane juice. And the molasses part is C heavy molasses. So, we don't come under that category. There is a separate category, called the Ethanol from the damaged food grains. Their category is prices at millets, maze damaged food grains, broken rice etc.

Vineesha Rai So, sir, what would be the per liter realization of such category?

Management Rates as per the oil marketing companies is Rs. 47.13 per liter.

Moderator Thank you. The next question is from the line of Aditya Yadav from Transcend Capital. Please go ahead.

Aditya Yadav Thank you for the follow up question. You have discussed that with you plant coming online in West Bengal, you will have 8 to 9, I mean the bottlers in West Bengal incurring additional 8 to 9 rupees extra on the import tax and other duties, and that kind of cost advantage will be there with your plant coming online. And So what kind of benefits might be passing onto the consumer, or will keep a substantial portion of the...

Management That's correct, whatever benefit if we are able to drive, has to be part of the 100% retained by the company. We hope to have about 60% to 70% benefit increment from this location. If they are incurring about, there will be some cost of that plant also, for movement, depending upon the location of that you can say. Bottling unit. The 100% price difference of Rs. 9 per liter is minus the cost incurred with the local transportation. So, but we will as a substantial sample of it.

Aditya Yadav Would it be fair to assume that 3 to 4 rupees per liter extra can come for that.

Management Definitely sure. It will be more than that.

Moderator Thank you. The next question is from the line of Suresh Agarwal an individual investor. Please go ahead.

Suresh Agarwal Good afternoon sir. What is the price of molasses as on date sir?

Management Molasses price I am not sure because we are not dealing with molasses. I am not so sure of the price. We have the price of the ethanol to be supplied from this molasses. That is Rs. 43.40 per liter.

Suresh Agarwal Sir which one is more remunerative? ENA or Ethanol?

Management No. ENA and ethanol has to balance itself. Basically, the price realization to the company on account of ENA and Ethanol you can say average annualized basis will be almost the same.

Suresh Agarwal for us, the realization from both the products are same.

Management Yes, the product mix of both he products is always beneficial for the company. That is half of the price shown for the full year. You can deal with half of the capacity you can say very nominal. We can have the better than negotiation part of the rate as the supply constraints are there.

Moderator Thank you. The next question is from the line of Suresh Agarwal, an individual investor. Please go ahead.

Suresh Agarwal Sir, one more thing. The amount which you have realized from the inventory of your real estate, that you have utilized for debt retiring or what in this quarter?

Management That has been utilized in Svaksha Distillery. They are on the decreasing side. Out long-term debt is on the decreasing side. The Long-term debts liability within a period of 3 years.

Suresh Agarwal If you compare from last quarter to this quarter, then how much debt have we decreased?

Management About 8 crores.

Suresh Agarwal and about the capex which you have met in the West Bengal Distillery, that is around 14 crores from our side is it not?

Management about 14 crores to 15 crores from our side.

Suresh Agarwal Means 23 crores actually we have utilized from our proceeds, is it not?

Management No, another 6 crores from the internal sources from conversion of this ENA plant to ethanol that also has been utilized for this internal work itself.

Suresh Agarwal What was the realization this quarter form the real estate?

Management This quarter realization as mentioned is 11 crores.

Suresh Agarwal Only 11 crores in December quarter?

Management Yes.

Moderator Thank you. The next question is from the line of Suresh Agarwal. An individual investor please go ahead.

Suresh Agarwal Is there any increase in the cost procurement in this quarter, like our purchase cost.

Management There is increase in the cost of the raw material. Definitely with the increase in the MSP but that is not so substantial to you know what the entire incremental benefits. The 30% to 35% this increase e in the cost of raw material. But the company still holds about 60% to 65% of the incremental benefit.

Suresh Agarwal What's the future ahead sir?

Management With the increase in the prices of this kind of food grains production is likely to go up and we don't foresee any further increase in the cost of raw material with the increase in production. So, it will be more lucrative for the farmers to go for this kind of maze, millets and the other products.

Suresh Agarwal Since the MSP price is going up!!

Management That has already been factored. Now this maze and millets are being sold at above the MSP. Its not below the MSP now.

Suresh Agarwal Sir your distillery in West Bengal, that will be for what purpose? ENA and this Ethanol?

Management No. it will be purely for ENA. As the state of West Bengal is deficient in ENA. The requirement is about 8 lakh liters, and their production is only 2 lakh liters. So, after we come into production, so there will be only 50% of the production as compared to the requirement. So, it will always be beneficial for us to manufacture ENA and not the ethanol at West Bengal location.

Suresh Agarwal That will also be based on this raw material

Management Yes.

Moderator Thank you. Ladies and gentlemen as there are not further questions from the participants, I would not like to hand the conference over to Mr. Rajinder Mittal from BCL industries for closing comments.

Rajinder Mittal

Thank you everybody for participating. Thank you.

Moderator

Thank you very much sir. Ladies and gentlemen, on behalf of BCL industries Limited that concludes this conference call. Thank you for joining us. And you may now disconnect your lines.