



Trualt Bioenergy Limited

24th September, 2025

IPO Details

IPO Date	September 25, 2025 to September 29, 2025
Face Value	₹10 per share
Price Band	₹472 to ₹496 per share
Lot Size	30 Shares
Sale Type	Fresh Capital-cum-Offer for Sale
Total Issue Size	1,69,20,967 shares (aggregating up to ₹839.28 Cr)
Fresh Issue	1,51,20,967 shares (aggregating up to ₹750.00 Cr)
Offer for Sale	18,00,000 shares of ₹10 (aggregating up to ₹89.28 Cr)
Issue Type	Book building IPO
Listing At	BSE, NSE
Shareholding pre issue	7,06,31,624 shares
Share Holding Post Issue	8,57,52,591 shares
QIB Shares Offered	Not more than 50% of the Offer
Retail Shares Offered	Not less than 35% of the Offer
NII (HNI) Shares Offered	Not less than 15% of the Offer
Retail (Min & Max) shares	30 Shares & 390 shares
Retail (Min & Max) application amount	₹14,880 & ₹1,93,440
S-HNI (Min shares & application amount)	420 shares & ₹2,08,320
S-HNI (Max shares & application amount)	2,010 shares & ₹9,96,960
B-HNI (Min shares & application amount)	2,040 shares & ₹10,11,840
Basis of Allotment	Tue, Sep 30, 2025
Initiation of Refunds	Wed, Oct 1, 2025
Credit of Shares to Demat	Wed, Oct 1, 2025
Listing Date	Fri, Oct 3, 2025
Cut-off time for UPI mandate confirmation	5 PM on Mon, Sep 29, 2025
Promoters	VijayKumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani
Registrar	Bigshare Services Pvt.Ltd.

Note 1: Application made using third party UPI or ASBA A/C is liable to be rejected. For apply please click on the Link <https://ipo.adroitfinancial.com/> for any kind of assistance please contact to their helpdesk team at 0120-6826800 or mail us on ipo@adroitfinancial.com

Company Profile

Trualt Bioenergy Limited, incorporated in 2021, is one of India's largest biofuels producers, strategically positioned as a prominent and diversified player in the Indian biofuels industry, primarily in the production of Ethanol. The company holds the distinction of being the largest Ethanol producer in India based on installed capacity. At present, they have the largest market share in terms of Ethanol production capacity.

The company's business operation spans across ethanol production and compressed biogas (CBG) production. As on Mar 31, 2025, its subsidiary, Leafinity, operates one CBG production plant with a capacity of 10.20 TPD (Tonnes per day). To further expand its CBG capacity, it has entered into Memorandum of Understandings (MoUs) with a Japanese Gas company, Sumitomo Corporation Asia & Oceania Pte. Ltd. The company also proposed to enter into other verticals, including second-generation ethanol, sustainable aviation fuel, and Mevalonolactone ("MVL") and Allied Biochemicals. As on the date of RHP, the company has five distillery units in Karnataka.

In FY25, Trualt Bioenergy's revenue increased by 54% and profit after tax (PAT) rose by 361%.

Objects of the issue

- ☐ Offer for sale- Rs. 89.28 Crore
- ☐ Funding capital expenditure towards setting up multi-feed stock operations to pave- way for utilizing grains as an additional raw material in ethanol plants at TBL Unit 4 of 300 KLPD capacity – Rs. 150 Crore
- ☐ Funding working capital requirements – Rs. 425 Crore
- ☐ General Corporate Purpose - Rs. 175 crore

Financial Details

Particulars (Amount in Crores)	31-Mar-25	31-Mar-24	31-Mar-23
Revenue from Operations	1907.7	1223.4	762.4
Other income	60.8	56.8	0.0
Total Income	1968.5	1280.2	762.4
Expenses			
- Cost of goods sold	1041.6	771.5	567.3
- Change in Inventories of finished goods, work-in-progress and stock in trade	-52.8	-6.0	-82.7
- Purchases of stock in trade	282.9	38.4	16.8
- Employee benefit expenses	39.9	24.3	8.6
- Finance cost	143.6	143.1	35.3
- Depreciation and amortization	66.9	56.9	20.8
- Other expenses	287.1	207.1	147.3
Total expenses	1809.1	1235.3	713.4
EBITDA	309.2	188.1	105.1
EBITDA Margin (%)	16.21%	15.38%	13.78%
Profit/(Loss) before tax	159.5	44.9	49.0
Tax expense/(credit)	12.8	13.1	13.5
Profit/(Loss) After Tax	146.7	31.9	35.5
PAT Margin (%)	7.69%	2.60%	4.66%
Basic EPS (in Rs.)	20.94	4.25	7.1

Key Metrics	Mar-25	Mar-24	Mar-23
Net Debt (in crores)	1399.9	1661.33	1145.32
EBITDA Margin (%)	16.2	15.37	13.78
Return on Equity (%)	28.27	10.27	27.04

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Competitive Strengths

- **Largest Installed Capacity for Ethanol** - As of March 31, 2025, Trualt Bioenergy is the largest producer of Ethanol in India in terms of installed capacity. They have established five distillery units in Karnataka. Its large ethanol production capacity, along with planned expansions using different raw materials and sustainable energy options, provides a strong advantage to capitalize on the growing demand for ethanol and biofuels.
- **Strategic Production Infrastructure** - The Company owns five distillery units and operates four of them in the Bagalkot district of Karnataka, which holds a significant position as part of India's sugar belt. The state is a major player in sugar production, which provides a readily available feedstock for Ethanol manufacturing. This strategic location provides access to key customers and skilled labor, while also offering logistical advantages by reducing transit time and costs, thereby enhancing operational efficiency.
- **Strong customer relationship** - Trualt Bioenergy benefits from its Promoters' customer relationships built through their association with Ethanol production, which the company has further strengthened. They supply ethanol to government-owned Oil Marketing Companies under the Ethanol Blended Petrol program, and their subsidiary has long-term contracts with OMCs for supplying compressed biogas. They also supply extra neutral alcohol (ENA) to liquor makers, which gives them higher realization and creates short payment cycles.
- **Integrated Resource Management, Creating Scalable Operations** – The company has an easy access to raw materials for ethanol production. Most of the sugarcane juice, sugar syrup, and molasses come from sugar mills owned by the Promoter Group. Even after capacity expansion, Promoter Group can supply enough raw materials. As of March 31, 2025, the Promoter Group's sugar mills had a crushing capacity of 79,000 tonnes of sugarcane per day. In Fiscal 2025, ethanol capacity was 1,800 KLPD, the company used about 3.75 lakh MT of sugarcane juice/syrup and 3.61 lakh MT of molasses.
- **Well-positioned to Capture Favorable Industry Tailwinds** - The Industry is benefiting from strong tailwinds such as government push for ethanol blending, support for compressed biogas, rising demand for renewable energy, and focus on reducing crude oil imports. Trualt is leveraging these drivers by being the largest ethanol producer and expanding into compressed biogas through joint ventures

Key Risk Factors

- **Heavy dependence on sale of Ethanol** – The company primarily focuses on ethanol and derives a significant portion of the revenue from its sales. In FY25, approximately 80% of the company's revenue came from ethanol. Any reduction in ethanol sales, whether due to lower demand, increased competition, loss of market share, or other macroeconomic factors, could adversely impact its business, operations, cash flows, and overall financial condition.
- **High Customer Concentration** – The company derives significant portion of revenue from the limited number of customers, and in particular from the Oil Manufacturing Companies. In FY25, 72% of the company's revenue was derived from Oil Marketing Companies (OMCs), and 99.78% of its total revenue came from its top 10 customers. The loss of one or more such customers, or a reduction in their demand for the products may adversely affect the business, results of operations, financial condition and cash flows.
- **Risk from Production Disruptions** – The company's business is dependent on production units and each of them is located in Bagalkot, Karnataka. Any unscheduled, unplanned or prolonged disruption such as water shortage, excessive heat, condition of soil and monsoon, adverse weather conditions, crop disease and pest attacks, earthquakes, other natural disasters, any significant social, political or economic disturbances could reduce the company's ability to supply their products and can adversely affect the sales, business and financial condition. While there have been no such instances in the past, but there is no assurance that such instances may not happen in future.
- **Reliance on Group Companies for Raw Materials** – The company has entered into supply contracts with Nirani Sugars Limited, a member of the Promoter Group, and with MRN Bhima Sugar & Power Private Limited and MRN Canepower & Biorefineries Private Limited, for the supply of a significant portion of its raw material requirements. Any termination of such contracts, failure to renew them on favorable terms or at all, or non-performance of obligations under such contracts may impact the company's business, financial condition, cash flows, and results of operations.

Comparison with Listed Peers

Name of the Companies	Market Price	Face Value (per Share)	P/E Ratio	EPS (Basic)	EPS (Diluted)	RoNW	NAV (per Share)
Trualt Bioenergy Limited	NA	10.00	29.01*	17.10**	17.10**	19.07%	108.87
Peers:							
Balrampur Chini Mills Ltd	490	1.00	23.67	21.65	21.57	11.51%	187.99
Triveni Engineering & Industries Ltd	348	1.00	35.02	9.88	9.88	7.66%	144.34
Dalmia Bharat Sugar & Industries Ltd	366	2.00	7.83	46.7	46.7	11.96%	399.62

*P/E Ratio calculated based on upper band price.

** EPS calculated including fresh issue shares.

Summary

The biofuels market in India is projected to grow at a CAGR of 12.5% from 2024 to 2025. This growth is being driven by government initiatives, rising demand for renewable energy, depletion of fossil fuels, and the adoption of biofuels in the transportation sector. A key initiative, the Ethanol Blended with Petrol (EBP), was launched to reduce crude oil imports, lower carbon emissions, and provide a boost to the agriculture sector.

Trualt Bioenergy is engaged in the production of biofuels, with a primary focus on the ethanol sector. Its product portfolio includes: (i) 1G Ethanol, (ii) Compressed Biogas, and (iii) Extra Neutral Alcohol. The company holds the largest market share in ethanol production capacity at 3.6% and is the largest ethanol producer in India, with an installed capacity of 2,000 KLPD. It operates five distillery units located in the Bagalkot district of Karnataka.

The company plans to use IPO proceeds to set up a multi-feedstock system at TBL Unit 4 (300 KLPD capacity) and to fund its working capital requirements.

Going forward, Trualt Bioenergy intends to expand its operations and venture into 2nd Generation (2G) Ethanol. The company also plans to move further up the value chain by using Ethanol to produce Sustainable Aviation Fuel (SAF). In October 2024, it signed an MoU with Sumitomo Corporation Asia & Oceania Pte. Ltd. to set up four compressed biogas plants, each with a capacity of 20 TPD.

Trualt has also entered into a strategic joint venture agreement with GAIL, under which GAIL will acquire a 49% equity stake in Leafiniti Bioenergy Pvt. Ltd. (LBPL), a subsidiary of Trualt. In the first phase, the joint venture will set up six compressed biogas plants, each with a capacity of 12 TPD. The company has received approval to expand its capacity up to 5,100 KLPD; however, it currently does not have any plans to undertake such expansion.

Therefore, it is recommended to **"Subscribe"** to the IPO for long-term investment, considering its valuation and growth potential.

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