

- Ethanol constituted 93% of alcohol sales during FY 23.
- Sale of Ethanol / ENA produced from sugarcane-based feedstocks (majorly B-heavy) constituted 75% of the total alcohol sales for FY 23, while Ethanol / ENA produced from grain contributed to the balance 25%.

Our Ethanol business highlights in FY 23

- Milak Narayanpur (MNP) distillery unit was commissioned in time, and the production capacity ramped up to 100% in a short span of time.
- MNP grain plant was also commissioned in time and the capacity was augmented in a very short span of time.
- MNP distillery was operated with all feedstocks – B-heavy Molasses, Syrup, Grains, in FY 23.
- MZN grain distillery has been producing ENA and Ethanol. MZN grain distillery has been approved by UP Excise to produce 75% Ethanol and 25% ENA out of its total production capacity.
- MZN grain distillery manufactured superior quality ENA, which was supplied to IMFL manufacturers across UP besides being utilised for captive consumption.
- Efficient supply chain logistics were established for the procurement of grain from open market as well as from FCI, which helped accelerate the production targets and streamline the plant operations in multi-feed sector.
- The Triveni DDGS quality is well accepted in the market and is being sold to marquee institutional customers contributing to 25% of sales volumes.
- Efficient water treatment & recycle system reduced our ground water consumption far below the norms
- Zero Liquid Discharge & meeting stringent Environmental norms at distilleries.

Outlook for Ethanol Industry and our Alcohol Business

OMCs have started E20 at more than 1,000 outlets across the country from April 1, 2023. We believe the continued enhancement in ethanol blending percentages will lead to robust demand.

According to the Food and Consumer Affairs Ministry, the ethanol production capacity in India currently is ~1,000 crore litres, which is expected to go up by 25% to 1,250 crore litres by the end of 2023. In order to achieve the target of 20% blending by 2025, ~1,000+ crore litres of ethanol will be required. With ~300+ crore litres for other usage, there is need to create capacity of ~1,700 crore litres, assuming plants operate at 80% efficiency. This provides visibility to the industry for incremental investments in distillation capacities.



The Ethanol Blended Petrol programme would also have the following impact on the economy:

- It would benefit maize and paddy farmers, addressing their surplus grain problem; about 16.5 million tonnes of grains will be utilised
- Diversion of sugar to the production of ethanol would help in mitigating surplus sugar situations, bring down dependence on imported crude, provide stability in sugar prices, improve financials and liquidity of sugar mills, and ensure timely payment of sugarcane dues to farmers
- It will bring new investment opportunities to set up new distilleries in rural areas and help in job creation in villages
- It will lead to improvement in air quality by reducing Carbon Monoxide emission by 30-50% and Hydrocarbon by 20%
- It would help save foreign exchange on account of crude oil import bill and would reduce dependence on imported fossil fuel, thus helping in achieving the goal of Atmanirbhar Bharat in the Petroleum sector

At Triveni, we expect to produce ~21 crore litres of alcohol in FY 24. Of the two new dual-feedstock distilleries, we expect the Rani Nangal distillery to be commissioned by Q4 FY 24 and the Sabitgarh distillery thereafter. The Company has decided to commission these sequentially, and this also meets the strategic objectives of the business where the Company retains some flexibility based on the relative pricing and margins of each of its raw material. Depending on the timing of the Sabitgarh distillery, the Company expects production ranging between 28-32 crore litres in the following year, i.e. FY 25.