



**THE SUKHJIT  
STARCH AND CHEMICALS  
LIMITED**

EVOLVING WITH NATURE

Ref: SSC/SVP/SE/2025-26/ **C-1227**

Dt: 18/11/2025

**BY E-FILING**

To, The General Manager-Listing Department BSE Limited 25th Floor, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001  <b>Ref: Security Code: 524542</b>	To, The General Manager-Listing Department The National Stock Exchange of India Limited Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051  <b>Ref: Symbol: SUKHJITS</b>
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**Reg: Transcript of Earnings Call hosted on November 13, 2025**

Pursuant to Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transcript of the Conference Call / post Earnings Call hosted by the Company on November 13, 2025 to discuss Q2 & H1 FY26 results, is attached herewith.

You are requested to kindly take note of the same.

Thanking You,

Yours Faithfully,

For THE SUKHJIT STARCH & CHEMICALS LTD

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## “Sukhjit Starch & Chemicals Limited Q2 & H1 FY-26 Earnings Conference Call”

**November 13, 2025**



**MANAGEMENT: MR. DHIRAJ SARDANA – SENIOR VICE PRESIDENT & CHIEF EXECUTIVE OFFICER, SUKHJIT STARCH & CHEMICALS LIMITED**  
**MR. BHAVDEEP SARDANA – SENIOR VICE PRESIDENT & CHIEF EXECUTIVE OFFICER, SUKHJIT STARCH & CHEMICALS LIMITED**  
**MR. RAKESH CHAWLA – SENIOR VICE PRESIDENT & CHIEF FINANCIAL OFFICER, SUKHJIT STARCH & CHEMICALS LIMITED**  
**MR. AMAN SETIA – SENIOR VICE PRESIDENT (FINANCE) & COMPANY SECRETARY, SUKHJIT STARCH & CHEMICALS LIMITED**

**Moderator:** Ladies and gentlemen, good day and welcome to Sukhjit Starch & Chemicals Limited Q2 & H1 FY26 Earnings Conference Call hosted by MUFG Intime.

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. Please note that this conference is being recorded.

I now hand the conference over to Mr. Aman Setia. Thank you and over to you, sir.

**Aman Setia:** Thank you, ma'am. Good evening, ladies and gentlemen. I, Aman Setia; Senior VP, Finance and Company Secretary of the Sukhjit Starch & Chemicals Limited, extend a warm welcome to all of you joining us today to discuss our Q2 & H1 FY26 Results. We appreciate your continued confidence in the company. Our results have been uploaded on the Stock Exchanges as well as our website for your kind reference.

Joining us today from the Management Team are Mr. Dhiraj Sardana – Senior VP and CEO, Mr. Bhavdeep Sardana – Senior VP and CEO, and Mr. Rakesh Chawla – Senior VP and CFO.

To begin, I shall invite Mr. Rakesh Chawla to present the Financial Highlights for the Quarter and Half Year Ended September 2025. Thank you.

**Rakesh Chawla:** Good evening, everyone and thank you, Mr. Setia. During Q2 Financial Year ‘26, Sukhjit recorded a revenue from operations of INR 312.68 crores against INR 367.20 crores in the previous quarter. EBITDA for the quarter stood at INR 20.05 crores against INR 19.89 crores in the previous quarter. Net profit at INR 4.07 crores against INR 4.75 crores in the previous quarter. Revenue from operations during H1 stood at INR 679.88 crores against INR 753.7 crores in the previous quarter. EBITDA for the half year stood at INR 39.9 crores and net profit at INR 8.82 crores.

We maintained healthy capacity utilisation across all our plants supported by better maize procurement. Inventory and working capital levels were managed prudently through tighter supply chain coordination and efficient raw material planning. I will now hand over to Mr. Dhiraj Sardana for an update on the business environment and operational development. Thank you.

**Dhiraj Sardana:** Thank you, Mr. Chawla. Good evening, everyone. The 2nd Quarter witnessed steady improvement in demand from key sectors including food processing, paper and textiles, while the pharmaceutical and packaging segments continued to show resilience. The starch industry in India has remained stable overall. Maize prices have started softening gradually through September end due to better arrivals from the Kharif crop and supportive government policies encouraging higher maize cultivation. This has helped in moderating our input costs. On the production side, our units operated efficiently supported by steady raw material supply and energy cost rationalisation measures. With the raw material environment stabilising and demand remaining firm, we are sensing signs of sequential improvement in operating performance. This

sets the constructive tone for the second half of FY26. I will now request Mr. Bhavdeep Sardana to share some more insights into strategic initiatives and business outlook. Thank you.

**Bhavdeep Sardana:** Thank you. Welcome to our call. As mentioned, we had stable operations supported by good raw material availability and visibility going forward. We can see green shoots in the economy and from the key end user segment. 22<sup>nd</sup> September marked a date of GST rationalisation and gave us an impetus in looking at as we go into the next quarter, we hope that we catch the consumer demand. On the efficiency front, we planned various multiple cost optimisation measures, improving yield and energy efficiency. We have recast our product portfolio to service the demand in this what has been a challenging quarter and going forward to optimise profitability. And we hope that the results will follow. Without taking more time here, I open the floor to questions.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. The first question comes from the line of Saurav from Banyan Capital. Please go ahead.

**Saurav:** Just one question in terms of from an industry perspective. Any change since the last quarter? Because exports, we are not competitive given the raw material and given the excess supply and obviously that reflects on the margins also. So, any change and secondly, how are you thinking about that from an overall business standpoint?

**Bhavdeep Sardana:** So, thank you. I remember our conversation in the last call. The industry is at a pivot point and I think the competitiveness of Indian starch manufacturers exporting, I think it's restarted again. Maize cost in India is at a level which is equal to or equivalent to what our competitors in other countries would be getting at. So, I think that's a very good sign. And I think for the short term, we will start seeing export activity and it will build up in the medium term. So, I think one quarter, this quarter onward, I think export should start to pick up as and when the export customers get into their ordering cycle.

**Saurav:** Also, how do you think about, the big delta here is in terms of the niche pricing? So, again, just wanted to get your thoughts. So, today the price is X, but what do you think would be sustainable, let's say, over the next few quarters? Obviously, there are multiple moving parts, but just wanted to get your sense on how you are thinking about it, because that's a critical aspect from a business standpoint for you.

**Bhavdeep Sardana:** As a company, from what we have seen amongst the moving parts, which you mentioned, there is the government sourcing policy for ethanol. There is a glut in the ethanol market from 1,600 crores litres offered. The government only took 1,000 crores litres. 50% of what the government bought is from maize. Saying that government wants to offer, empty the old paddy stock, the rice stock, which they carry to make way for new crops. So, that has a play. And with the recent spikes in maize prices, which we have seen, there is a considerable area under acreage increase in certain areas. So, we are seeing a crop which is now touching 40 million tonnes. And with



these policies in place, at least for the next couple of quarters, I am hopeful that the current trend of India's price of maize will be in line with the global pricing.

- Saurav:** Thank you. That's very helpful.
- Moderator:** Thank you. The next question comes from the line of Malini Gupta from LAT Capital. Please go ahead.
- Malini Gupta:** Hello, sir. Thank you for giving me the opportunity. I have one question. Despite the lower raw material cost, the margins remain subdued. So, if you can give us some brief on that, what are the factors that offset the benefit of the softer maize prices?
- Bhavdeep Sardana:** See, maize prices have started softening now in the last month. So, for September, there was not that much of a big dip. However, as a company, we try to protect our profitability. So, you can see that there were defensive sales. Our sales numbers are down, but we wanted to remain profitable. We did not get into a price war, etc. But we also had, as soon as the government announced GST rationalization and it came up with an indicative list of which products will come. So, there was a pause in demand from the trade for a period. And by the time after the 22<sup>nd</sup> of September, when business restarted, in a way, the demand has been good.
- Malini Gupta:** So, one more question I had. What is your margin outlook for H2 and when do you expect normalization towards the historical levels?
- Bhavdeep Sardana:** See, I am expecting improvement from here on. How much improvement, I will not have a guess. But I can safely say that things are improving. And if the government policies continue the way they are, and if India's exports, which we are hoping our industry exports start, the capacity utilization across the industry will increase. And it will further add to margin improvement for the entire industry, not only Sukhjith.
- Malini Gupta:** Are there any operational cost control initiatives which you are going to implement in the near future?
- Bhavdeep Sardana:** Pardon? Operational cost?
- Malini Gupta:** Yes, sir. Any initiative to control the cost?
- Bhavdeep Sardana:** That is an ongoing process. It is an ongoing process. And we are always looking at where we can save and add to our margins. So, that is an ongoing process.
- Malini Gupta:** Sure. Thank you, sir.
- Moderator:** Thank you. The next question comes from the line of Varun Mishra from SK Investments. Please go ahead.

- Varun Mishra:** Hi, sir. I had a couple of questions from my end. So, like, what is the current maize procurement price and how has been the trend since Q1, if you could help with that?
- Bhavdeep Sardana:** So, Q1 price at the farmyard was around between 22 and 23. Today, it is between 19 and 20.
- Varun Mishra:** All right, sir. And a follow-up on that question. Like, what is the current inventory coverage in terms of, in months? And do we see any risk from the ethanol-based maize diversion?
- Bhavdeep Sardana:** So, I think I have answered that before and it has been answered many times. As a policy, we try to have a coverage between 40 to 60 days depending upon the opportunity we see at each unit.
- Varun Mishra:** All right, sir. I am so sorry. I might have joined a bit late. Sorry, sir. And, are you seeing any, like, regional supply constraints or any transport cost pressures, like, which is impacting our procurement efficiency?
- Bhavdeep Sardana:** No, not at all. I think it is improving. The freight costs are also getting reduced and will get further reduced with the government initiatives. There is no constraint whatsoever in terms of maize availability. Maize is grown in areas which are in proximity to our plants. And the seasonality in the maize arrivals has a big effect. So, right now, central India is going through a maize arrival season. And, rather, it is just starting. It has been about 20-20 days and it should carry on for the next 40-45 days. And we should see a good, healthy maize crop.
- Varun Mishra:** All right, for the maize sourcing, do we have a fixed price or could you give a split for that? How much comes in the fixed price and how much is under forward contracts?
- Bhavdeep Sardana:** So, there is no fixed price. It is a dynamic price. We see the trends. We offer to our aggregators. We tell them this is what we want to buy. And it is like how any contract is set. So, we do it that way.
- Varun Mishra:** All right, sir. That is all from my end. Thank you. All the best.
- Moderator:** Thank you. The next question comes from the line of Anika Deshmukh from VSK Advisors. Please go ahead.
- Anika Deshmukh:** Good afternoon, sir. Thank you for the opportunity. I have a couple of questions. First being, like, the consolidated revenue decline sequentially and year-on-year. So, could you help me break down that how much of this decline was due to lower volumes versus pricing pressure?
- Bhavdeep Sardana:** I won't give you the exact mix, but it is a mixture of both. So, maize prices, maize starch prices have also corrected. And our plant utilization, we wilfully chose to scale down rather than produce. And in the advent of a weak market scenario, especially during the September period when there was a certain uncertainty or there was a hesitancy in the trade due to GST rationalization happening.

- Anika Deshmukh:** All right, sir. Thank you. Another question being that, are there any specific end user sectors like FMCG, textile or paper where demand softness was more pronounced?
- Bhavdeep Sardana:** I am sure if you heard all the CEOs of FMCG companies, their various segments got impacted. Naturally, that impacted all other ingredient suppliers as well. However, certain sectors continue to do very well. Paper and packaging, pharmaceuticals have shown resilience and demand. And I think with the GST rationalization, even FMCG has come back into a fairly bullish cycle than before.
- Anika Deshmukh:** All right. Thank you so much. All the best.
- Bhavdeep Sardana:** Thank you.
- Moderator:** Thank you. The next question comes from the line of Deepak Shah from Investing Alpha. Please go ahead.
- Deepak Shah:** Thank you for the opportunity, sir. So, I would like to know, like, what is the current revenue mix between native starch derivatives and byproducts?
- Bhavdeep Sardana:** So, we don't share that. That's confidential.
- Deepak Shah:** No problem. I can understand. My another question would be any progress in products approval with FMCG or pharma clients for higher margin derivatives?
- Bhavdeep Sardana:** So, we are on it. We have had some onboarding. So, it's a regular process. It's business as usual for us. We are looking. We are always looking to add new customers, new clients across our units and so we keep adding. And it's a cycle which we go through regularly.
- Deepak Shah:** What will be the typical approval cycle and potential revenue in timeline?
- Bhavdeep Sardana:** It depends on customer to customer. And say somebody who is small with a single unit or a small requirement, it could be as fast as 2 months. If it's somebody more complicated and they want to integrate you in a global supply chain, then it could take up to a year.
- Deepak Shah:** That's it for my side. Thank you.
- Moderator:** Thank you. As there are no further questions from the line of participants, I now hand the conference over to the management for closing comments.
- Aman Setia:** Thank you, ma'am. I, on behalf of Sukhjit, would like to express my gratitude to all of you for joining us today, sparing your precious time for us. We hope to see you back in our next call. If you still have any queries and questions, you may write to our investor relations agency, MUFG, Intime India Private Limited. Thank you, ladies and gentlemen. Thank you so much.



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**Moderator:**

On behalf of MUFG Intime, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.