



Press Release

True Green Bio Energy Limited

(Erstwhile CIL Nova Petrochemicals Limited)

February 04, 2026

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Facilities	346.00 (Increased from Rs. 250.00 crore)	IVR BBB- / Stable (IVR Triple B Minus with Stable Outlook)	IVR BBB- / Stable (IVR Triple B Minus with Stable Outlook)	Reaffirmed	Simple
Short Term Facilities	5.00	IVR A3 (IVR A Three)	-	Assigned	Simple
Total	351.00 (Rupees Three Hundred Fifty-One Crore Only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics Ratings has reaffirmed its 'IVR BBB-' ratings on the long-term bank facilities of True Green Bio Energy Limited (TGBEL) and also, assigned 'IVR A3' rating to short term bank facilities.

The ratings reaffirmation reflects successful commencement of operations from October 06, 2025, with continued long term offtake agreement with oil marketing companies (OMCs), location advantage, established track record of the group. The rating remains constrained by susceptibility of operating margin to volatile raw material prices and operational & safety hazards.

The 'Stable' outlook considers the Infomerics expectations that company will benefit from further ramp-up of the operations, revenue visibility on the back of long-term contracts with OMCs.



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Key Rating Sensitivities:

Upward Factors

- Substantial and sustainable growth in scale of operations and profitability leading to improvement in the cashflows
- Efficient working capital limit utilization leading better than expected liquidity position.

Downward Factors

- Substantial decline in revenue and/or profitability impacting cashflows
- Any substantial unplanned capex leading to deterioration of overall capital structure and debt protection metrics

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Successful commencement of operations with continued long term offtake agreement with OMCs ensures revenue visibility**

The project officially achieved its Date of Commercial Operation (DCCO) on October 06, 2025. This achievement signifies that the plant has been mechanically completed, successfully commissioned, and is ready for continuous commercial production, in line with the terms of the financing agreements. TGBEL successfully started dispatching ethanol to the major Oil Marketing Companies (OMCs) as per the allocated quantities and schedule for Nov'25 to Jan'2026. The company has received Letters of Allocation (LOA) from all three major OMCs (Indian Oil Corporation Ltd., Bharat Petroleum Corporation Ltd., and Hindustan Petroleum Corporation Ltd.). These LOAs confirm the assured offtake of the produced ethanol up to January 2026. Annually the offtake agreement of 6.204 crore litre of ethanol will be done by the OMCs jointly, i.e., 100%. Over and above this amount the company can sell through tenders to any government or private agencies. This continuous and confirmed allocation provides robust revenue predictability and stability to the project. TGBEL has also received the In-principal approval from Gujarat State Biotechnology Mission under Biotechnology Policy 2022-27.



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- **Locational advantage**

The manufacturing facilities of TGBEL is situated in Gujarat. The Company will be able to procure the raw material for the project given the number of rice mills and FCI godowns in the region thereby providing easy availability of grains to run a grain-based distillery. Accordingly, proximity to the source of raw materials & end user market provides a competitive edge. The project site is well connected through roads, railways, market, communication, power & water resources. The said factors shall provide ease in raw material sourcing and dispatch of product. The site is well connected with road and rail network.

- **Established track record and experienced promoters**

True Green Bio Energy Limited is a part of Chiripal group; a family-owned business founded by Mr. Ved Prakash Chiripal. He is the founder member of Chiripal group and has been involved in developing the group from 1972 to present. He has experience of five decades in various industries such as textiles, petrochemicals, infrastructure, real estate, renewable energy sector and others. The daily operations are looked after by Mr. Jyotiprasad Chiripal and is ably assisted by team of experienced team having experience of more than two decades. The group have established relationships with its clientele.

Key Rating Weaknesses

- **Susceptibility of operating margin to volatile raw material prices**

The key raw material for ethanol manufacturing is rice grain and maize for TGBEL. Availability and prices both are volatile in nature due to presence of agro-climatic risk and cyclicity in the industry. However, it is mitigated to some extent as the prices of raw materials are fixed by the government for Ethanol Supply Year (ESY) period and also the company has in-house silos with capacity of around 40,000 tons of grains estimated for 40 days of consumption for the raw materials.



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- **Operational & safety hazards**

Ethanol blended petrol (EBP) manufacturing companies face significant operational, environmental, and financial risks, primarily driven by high water consumption, pollution, and hazardous manufacturing conditions. Key risks include severe water scarcity, intense scrutiny over hazardous emissions (acetaldehyde/formaldehyde), operational dangers like fires/explosions, supply chain volatility for feedstock, and potential for corrosion in downstream infrastructure. This can be mitigated through controlling high volatility, flammability, and health risks through rigorous engineering controls, fire safety systems, and strict PPE protocols at the time of manufacturing. TGBEL is following all the protocols to keep operational safety as per the agreement with OMCs.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies.](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\).](#)

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

Liquidity – Adequate

The company's cash flow from operations remains adequate. It is expected to generate projected cash accruals of ₹12.37 – 50.38 crore from FY26–FY28 on the back of steady increase in operations as against the scheduled debt repayment of ₹11.05 – 25.75 crore over the same period. The current ratio and quick ratio stood at 1.14x and 1.06x respectively as on March 31, 2025. The average working capital utilisation of fund-based limits stood at ~30% for 2 months ending December 2025. The company had unencumbered cash and cash equivalent amounting to ₹0.78 crore as on December 31, 2025.

About the Company

True Green Bio Energy Limited (erstwhile CIL Nova Petrochemicals Limited) was incorporated



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in the year 2003 and is a part of Chiripal group; a family-owned business founded by Mr. Ved Prakash Chiripal. The company was erstwhile engaged in manufacturing Polyester Oriented Yarn and Fully Drawn Yarn. On March 31, 2023, the Board of Directors passed a resolution to begin formal process for sale/dispose off the Polyester Yarn unit through Slump Sale via Business Transfer Agreement (BTA). The company has set up a manufacturing facility to produce Bioethanol and DDGS with an installed 300 KLPD a grain-based ethanol plant along with a 6.42 MW captive power generation plant at Moriya, Sanand, Ahmedabad. The company primarily produce ethanol for blending with petroleum as biofuel and other byproducts from broken rice/ maize etc. The outcome of the distillation process is Ethyl alcohol or Ethanol and Dried Distillers' Grains with Soluble (DDGS) as by-product.

Financials (Standalone):

For the year ended/ As on*	(Rs. crore)	
	31-03-2024	31-03-2025
	Audited	Audited
Total Operating Income	0.00	23.29
EBITDA	-1.74	0.28
PAT	0.81	-2.19
Total Debt	17.58	173.60
Adjusted Tangible Net Worth	88.68	115.93
EBITDA Margin (%)	NM^	1.18
PAT Margin (%)	205.29	-9.36
Overall Gearing Ratio (x)	0.20	1.50
Interest Coverage (x)	-11.57	3.29

*Classification as per Infomerics' standards.

^NM – Not Meaningful

Note: The difference in the financials of FY24 audited is due to consideration of only revenue from continued operations as operating revenue and not discontinued operations (now factored as profit / loss from operations).

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:



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Sr. No.	Name of Security/Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24
					Date (April 21, 2025)	Date (December 11, 2024)	Date (March 30, 2024)
1.	Term Loan	Long Term	250.00	IVR BBB-/ Stable	IVR BBB-/ Stable	IVR BBB-/ Stable	IVR BBB- / Stable
2.	Cash Credit	Long Term	96.00	IVR BBB-/ Stable	-	-	-
3.	Bank Guarantee	Short Term	5.00	IVR A3	-	-	-

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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

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Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	-	-	-	Up to March 2034	250.00	IVR BBB-/ Stable
Cash Credit	-	-	-	-	96.00	IVR BBB-/ Stable
Bank Guarantee	-	-	-	-	5.00	IVR A3

Annexure 2: Facility wise lender details:

https://infomericstorage.blob.core.windows.net/uploads/len_TGBEL_feb26_a942e952fa.pdf

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.