

# DWARIKESH SUGAR INDUSTRIES LIMITED

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REF: DSIL/2022-23/388

October 29, 2022

Corporate Relationship Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort, Mumbai - 400 001  
Fax: 22723 2082 /3132

National Stock Exchange of India Limited  
“Exchange Plaza”  
Bandra – Kurla Complex,  
Bandra [E], Mumbai - 400 051

**Scrip Code - 532610**

**Scrip Code – DWARKESH**

**Sub: Disclosure under regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 – Investor Presentation**

Dear Sir,

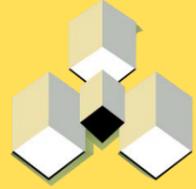
Pursuant to regulation 30 – Schedule III - Part A – Item no.15 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are enclosing herewith Investor Presentation for (Q2) quarter and half year ended September 30, 2022.

Kindly take the same on record.

Yours faithfully,

**B. J. Maheshwari**  
Managing Director & CS cum CCO  
(DIN 00002075)

Encl: as above



# Investor Update

Company Performance

Q2 & H1 FY23 Result Update

Date

28-October-2022





This presentation and the accompanying slides (the “Presentation”), which have been prepared by Dwarikesh Sugar Industries Ltd (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

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# Safe Harbor Statement





Details

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**Time and Date** 3:00 PM IST, Monday, October 31, 2022

**Conference Dial-In** +91 22 6280 1116/+91 22 7115 8017

**International Toll Free**

UK 08081011573

USA 18667462133

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Diamond Pass:

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Earnings Call



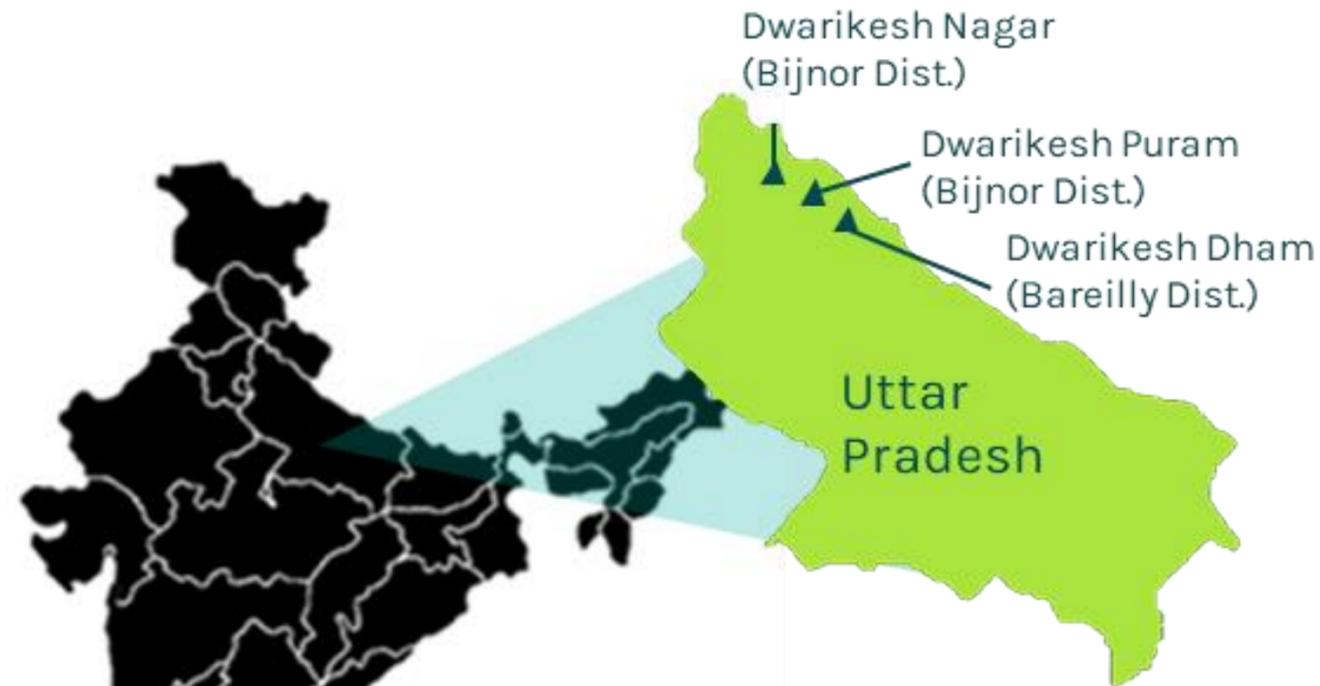


# Business Overview

A Brief Run Through

# At a glance

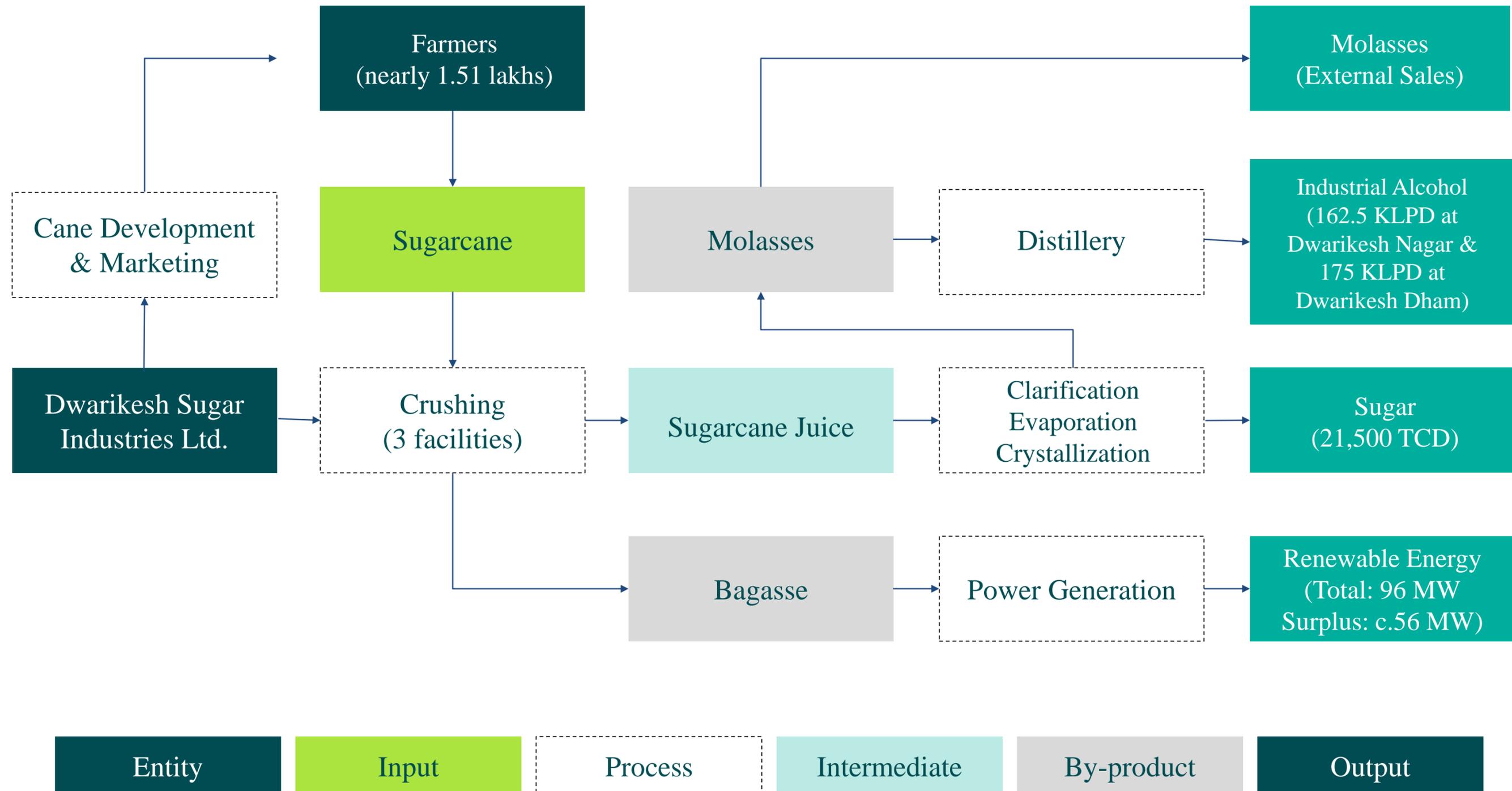
- Three plants located in Uttar Pradesh, one of India’s largest sugar producing states
  - Two plants located in Bijnor district– a district with focused concentration on cane production on highly fertile & well-irrigated land
  - One plant in Bareilly district – the low-lying Ganges plains district with fertile alluvial soil
- Access to large, clearly defined cane-producing areas in the region
- All the three plants are well connected with major sugar consuming markets of the country, the Bareilly plant being located on the National Highway itself
- The 175 KLPD distillery project embarked upon at Dwarikesh Dham commenced commercial production on 7th July, 2022 and working of the plant is now stabilized



Capacity	Dwarikesh Nagar	Dwarikesh Puram	Dwarikesh Dham	Aggregate
Sugar (TCD)	6,500	7,500	7,500	21,500
Cogeneration (MW)	22	33	41	96 (Surplus: c. 56)
Distillery (LPD)	1,62,500	-	1,75,000	3,37,500

*Note: TCD stands for tonnes of cane per day, MW stands for Megawatts, LPD stands for litres per day; KLPD stands for kilo litres per day; SS stands for Sugar Season defined as 12 months period ending September 30 of the particular year*

# Operations Overview



## Mr. G R Morarka

- Founder and Promoter
- Executive Chairman
- Commerce graduate & ICWA Inter
- Received 'Indira Gandhi Priyadarshini Award for Management', 'Bhamashah Award', 'Indira Gandhi Sadbhavana Award' & 'Swami Krishnanand Saraswati Purashkar' for exemplary achievements in various fields



## Mr. Vijay S Banka

- Managing Director
- Chartered Accountant
- Associated with the company since 2007
- Over three decades of experience in Finance and Strategy



## Mr. B J Maheshwari

- Managing Director & Company Secretary cum Chief Compliance Officer
- Associated with the company since 1994
- Over three decades of experience in Legal, Taxation, Secretarial & Administrative matters



## Priyanka Morarka

PRESIDENT CORPORATE AFFAIRS

## R K Gupta

SR. EXEC. VICE PRESIDENT (WORKS)-DD UNIT

## N. K. Khetan

SR. EXEC. VICE PRESIDENT (WORKS)-DN & DP UNITS

## Salil Arya

VP & GROUP COMPLIANCE OFFICER

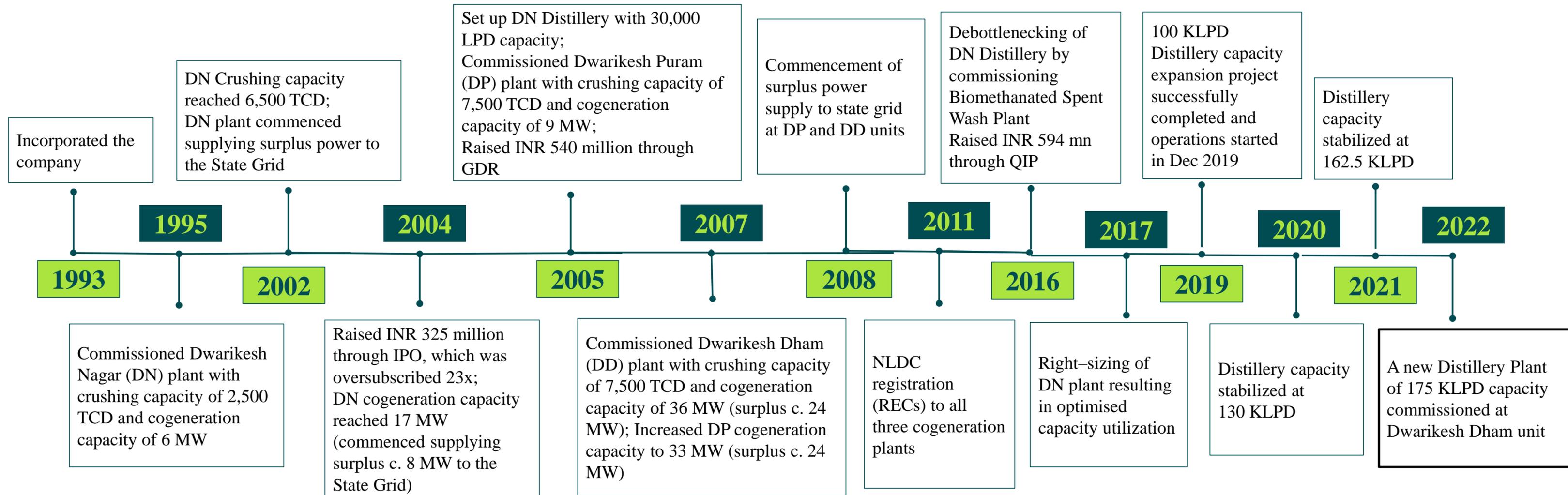
## Sunil Kumar Goel

CHIEF FINANCIAL OFFICER

# Management



# Key Milestones



	1995	2002	2004	2005	2007	2019	2020	2021	2022
Sugar (TCD)	2500	6500	6500	14000	21500	21500	21500	21500	21500
Power (MW)	6	6	17	26	86	91	91	91	96
Distillery (LPD)	Nil	Nil	Nil	30000	30000	100000	130000	162500	337500

To know more about our story, please watch our documentary at <https://www.youtube.com/watch?v=kCF2PAZHqI>



# Business Strategy

We are currently one of the most efficient integrated sugar companies in Uttar Pradesh. We plan to further improve on our performance metrics while continuing with our best practices.

## Operating Efficiency

THROUGH CONTINUOUS IMPROVEMENT IN OPERATING PARAMETERS, FOCUS ON RESEARCH & DEVELOPMENT AND CONTINUOUS FARMER ENGAGEMENT

## Deleveraging

REDUCE LEVERAGE THROUGH A COMBINATION OF PRUDENT FINANCIAL MANAGEMENT AND PREPAYMENT/REPAYMENT OF DEBT



## Cost Control

FOCUS ON COST CONTROL THROUGH PLANT EFFICIENCIES & LOGISTICS MANAGEMENT

## Cane Development

- CONTINUE EDUCATING FARMERS ON BEST FARMING PRACTICES, HIGH YIELD / SUGAR CONTENT SEEDS, PESTICIDES ETC.
- MAKING TIMELY PAYMENT TO FARMERS TO INCENTIVIZE INCREASE IN AREA UNDER SUGARCANE



# Strong Relationship with Farmers

## Cane Development

- Dedicated cane department to supervise cane development and procurement
- ‘Kisan Sewa Kendra’ for promotion of high yield seed varieties and more efficient pesticides
- Monitoring harvesting program to obtain desired quality and quantity of cane
- Soil testing laboratory to study the most efficient usage of land
- Demonstration plots, in arrangement with farmers having roadside fields, to attract other farmers to adopt the best agricultural practices
- Autumn planting, to compensate for the loss of ratoon, giving higher yield and better recovery
- Fertilizer and other input subsidies to farmers

## Increased Farmer Bonding

- Associated with more than 1.51 lakh farmer families
- Purchased sugarcane of INR 12,759.4 million in FY22 (INR 12,753.0 million in FY21) from farmers in our reserved area providing impetus to rural economy
- Dedicated web portal for farmers giving them access to their calendar, payment status, survey details and loan position
- Regular farmer interaction through ‘Kisan Goshti’ and ‘Nukkad Natak’



# Financial Performance

## Q2 & H1 FY23

## Performance Highlights

In INR million	Q2FY23	Q2FY22	H1FY23	H1FY22	FY22
<b>Total Income</b>	5,424.2	5,064.5	11,908.3	9,037.1	19,820.1
<b>EBIDTA</b>	306.2	753.8	1,058.6	1,349.6	2,939.6
<b>PAT</b>	78.4	396.3	475.4	667.3	1,552.2

In INR	Q2FY23	Q2FY22	H1FY23	H1FY22	FY22
<b>EPS</b>	0.42	2.10	2.52	3.54	8.24

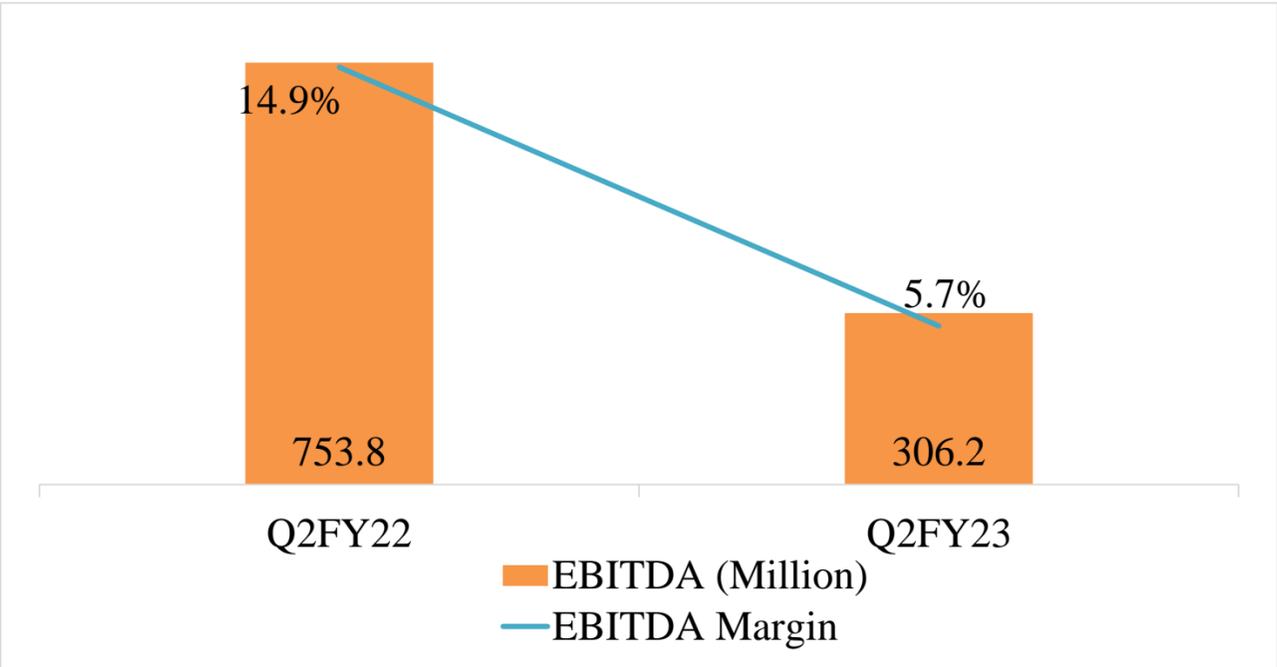
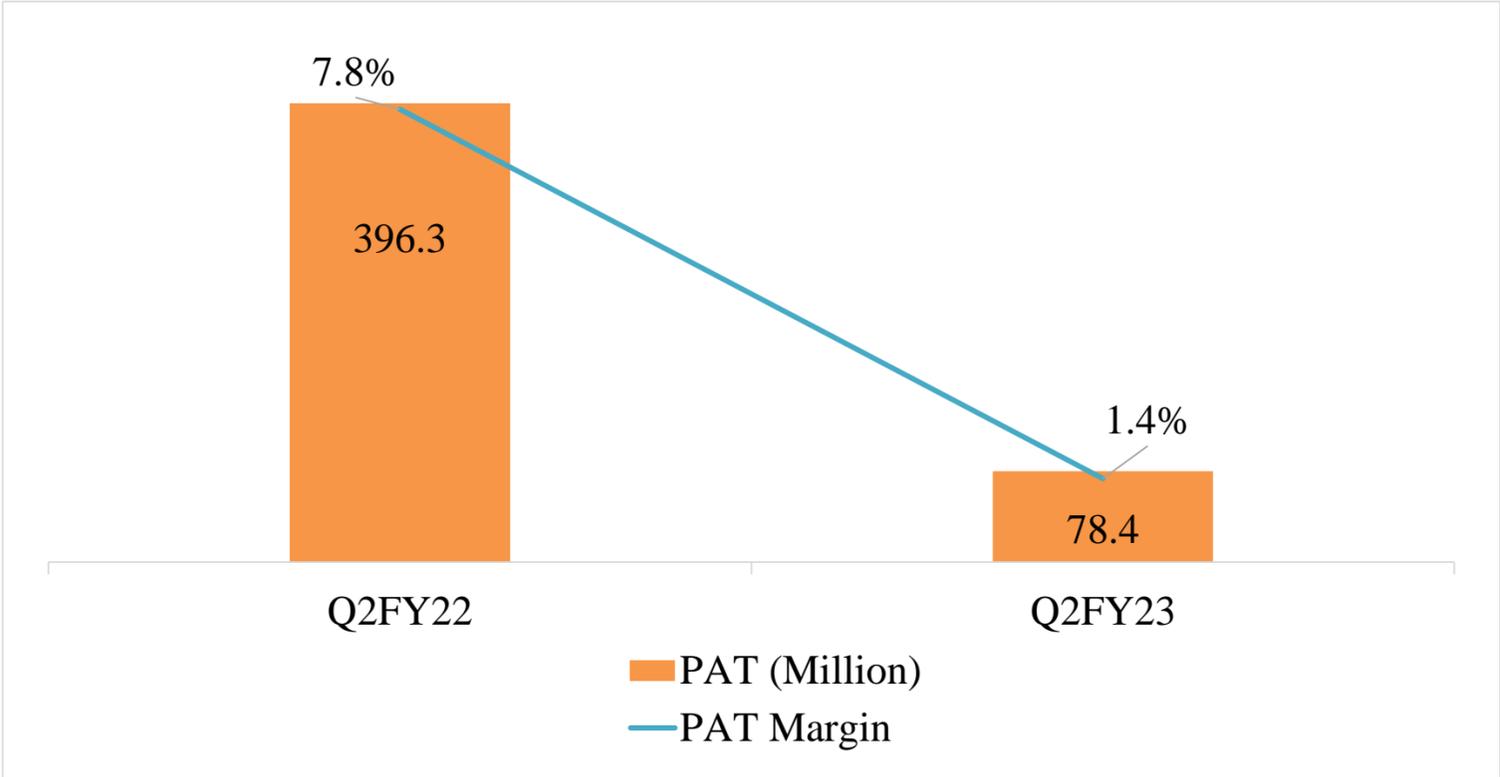
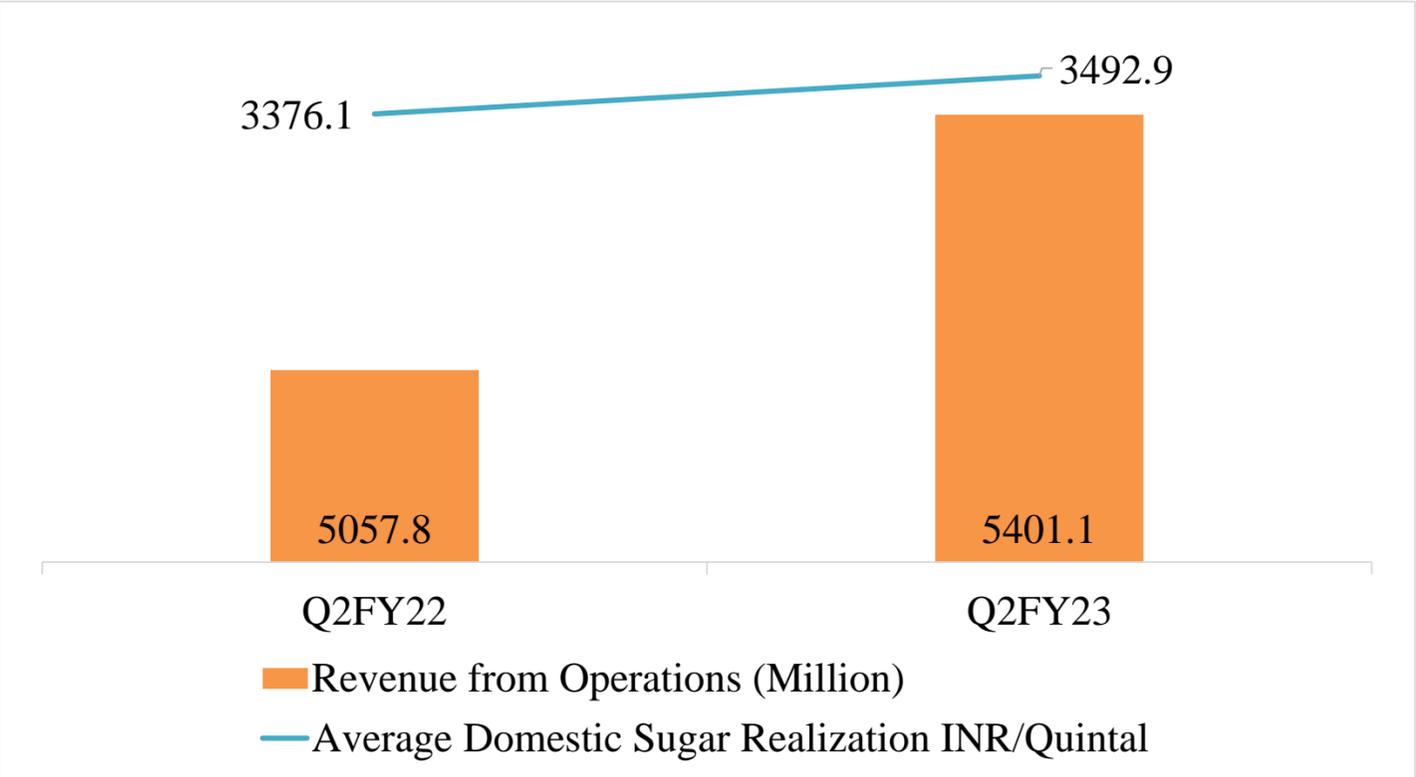
*Finance cost & depreciation have been suitably adjusted to exclude amounts pertaining to pre-operative & trial period. Accordingly, EBIDTA & EBDT have been computed .*



# Management Comments

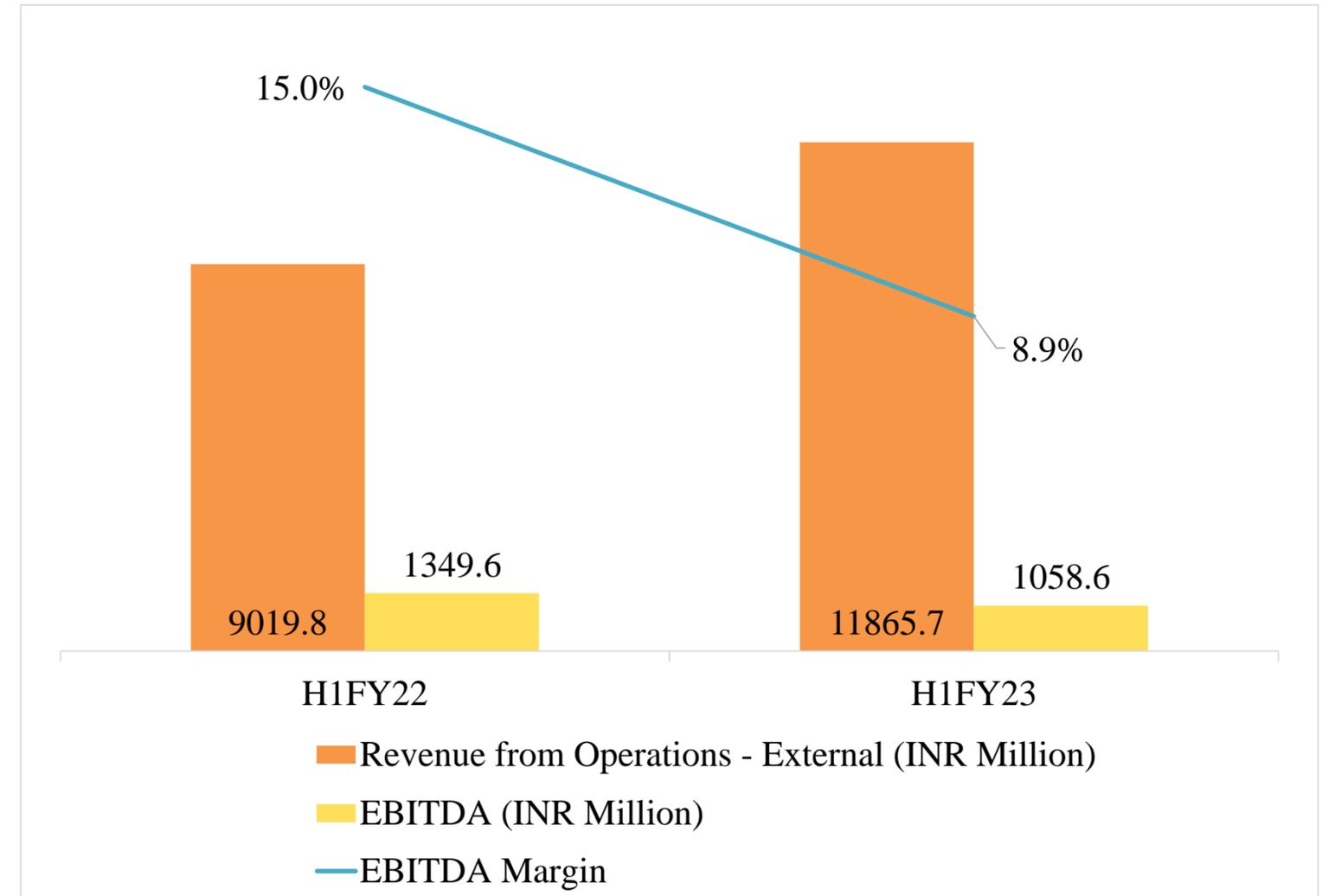
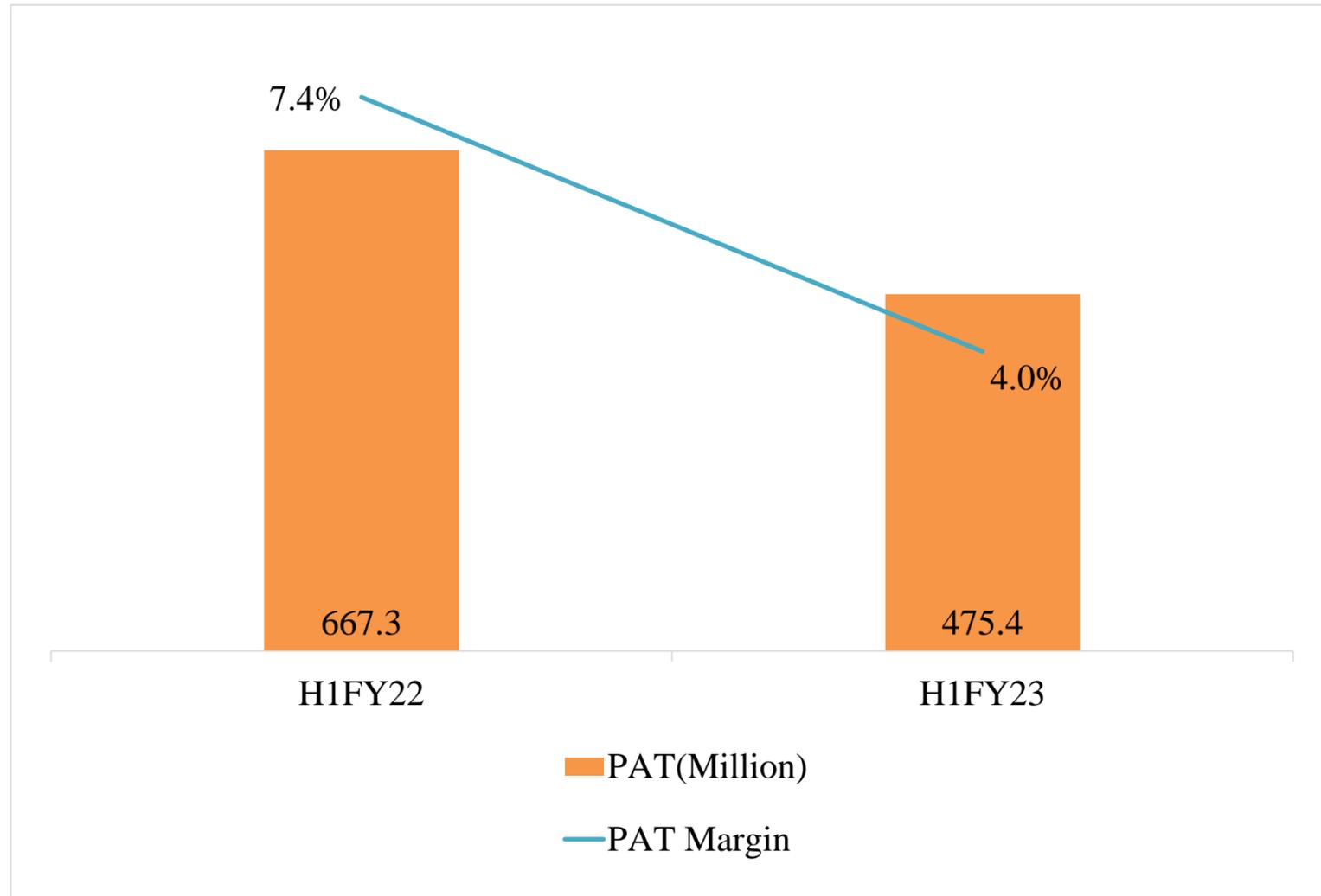
- The decline in profit over corresponding quarter / half year, last year is on account of higher cost of goods sold (combination of higher cane price & lower recovery) without commensurate increase in the selling price of sugar, the main finished product.
  
- The results are also a reflection of below non-recurrent factors:
  - Cumulative additional cost of INR 97.7 million on account of retrospective revision of wages payable to employees covered under wage board from 1<sup>st</sup> October, 2018, pursuant to relevant order of the Government of Uttar Pradesh.
  
  - There was a retrospective increase of levy sale obligation of molasses from 18% to 20% for the entire SS 2021-22. This resulted into a loss of opportunity to produce & sell ethanol from approximately 34,000 quintals of molasses, being the additional quantity obligated to be offered for levy sale purposes.
  
  - Lower than normal yield of ethanol from molasses at the newly commissioned distillery plant at DD unit.

# Quarterly Trends



*PAT Margin is PAT / Revenue from operations  
EBITDA Margin is EBITDA / Revenue from operations*

# Half-yearly Trends



*PAT Margin is PAT / Revenue from operations  
EBITDA Margin is EBITDA / Revenue from operations*

# Summary Financials

	Q2 FY23	Q2 FY22	H1 FY 23	H1 FY 22	FY 22
<b>INCOME</b>					
Revenue from operations	5401.1	5057.8	11865.7	9019.8	19787.1
Other income	23.1	6.7	42.6	17.3	33.0
Total Revenue	5424.2	5064.5	11908.3	9037.1	19820.1
<b>EXPENDITURE</b>					
Cost of material consumed	35.7	23.3	3016.8	2639.6	13718.1
Purchase of Stock in Trade	2.1	2.7	66.5	39.6	53.3
Changes in inventories of finished goods, WIP and stock-in-trade	4413.9	3715.8	6534.4	4049.6	1027.7
Employees benefit expense	335.5	203.1	576.5	410.3	963.0
Finance Cost	61.6	86.0	139.3	223.1	316.6
Depreciation and amortization expense	132.7	105.9	240.6	208.3	436.3
Other expense	330.8	365.8	671.6	548.4	1118.4
Preoperative & Trail Period Capitalized	-	-	-16.3	-	-
Total expenses	5312.3	4502.6	11229.4	8118.9	17633.4
Profit / (loss) before taxes	111.9	561.9	678.9	918.2	2186.7
Tax expense	33.5	165.6	203.5	250.9	634.6
Profit for the period	78.4	396.3	475.4	667.3	1552.1

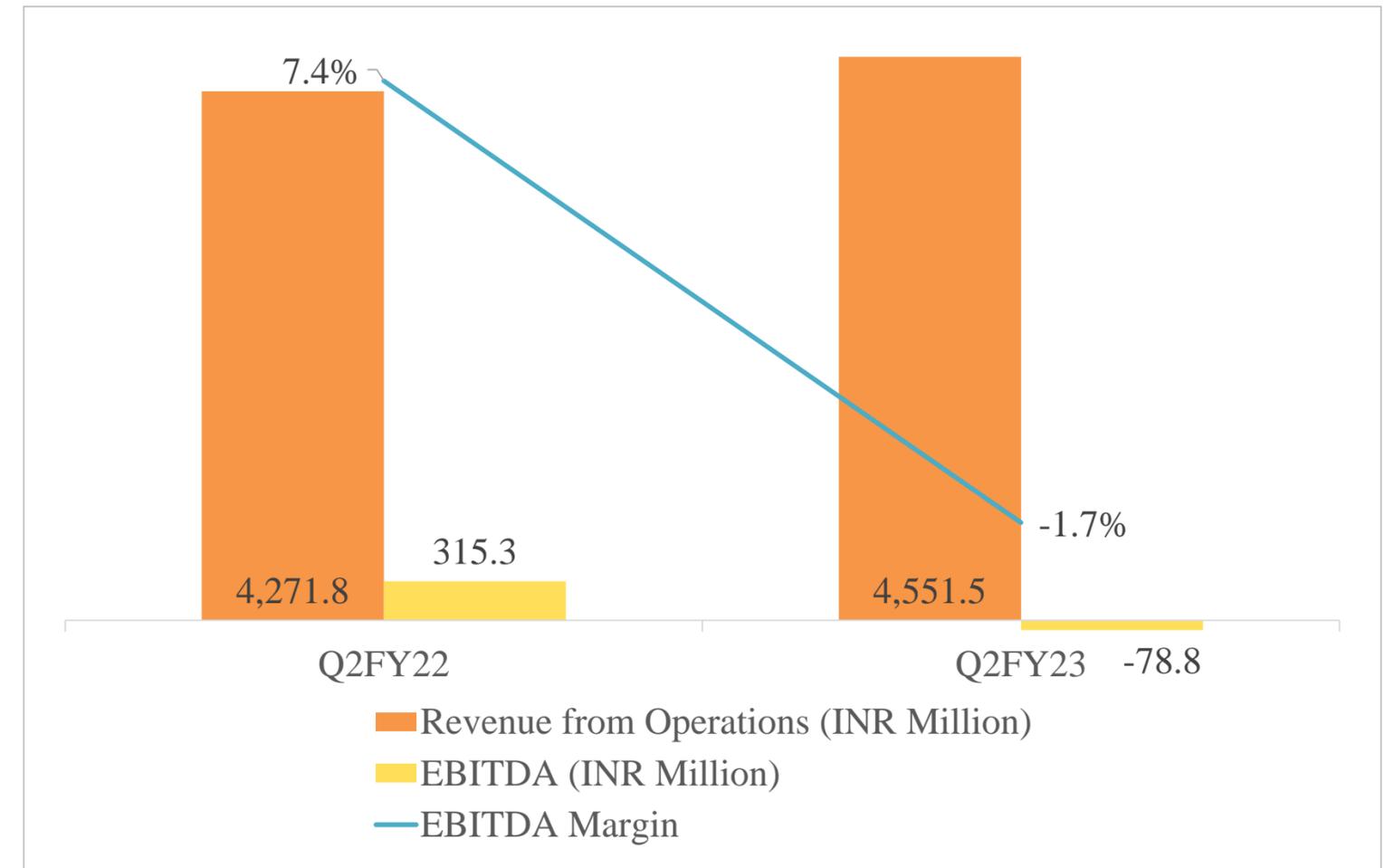
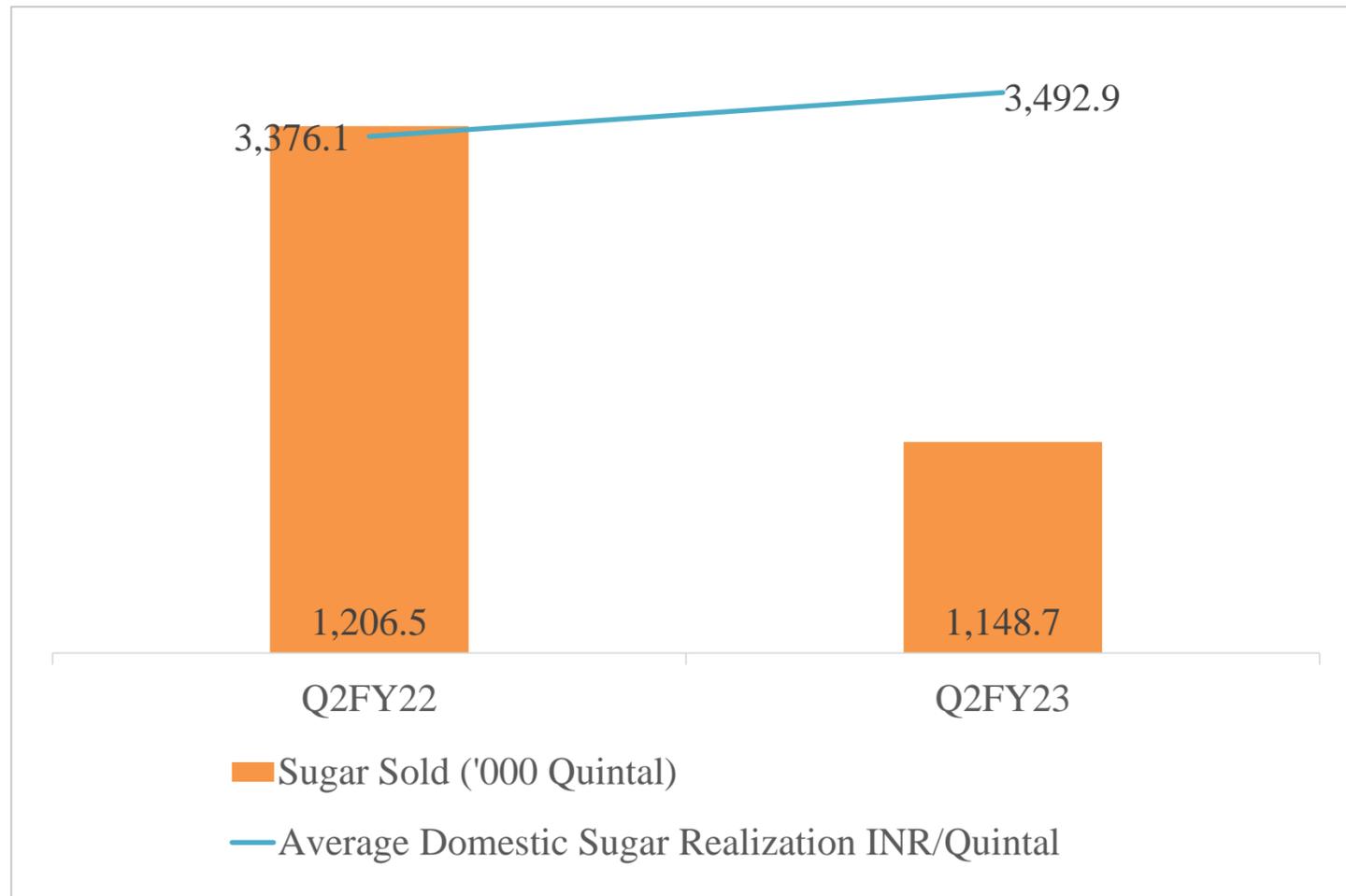
Figures in INR million



# Operational Trends

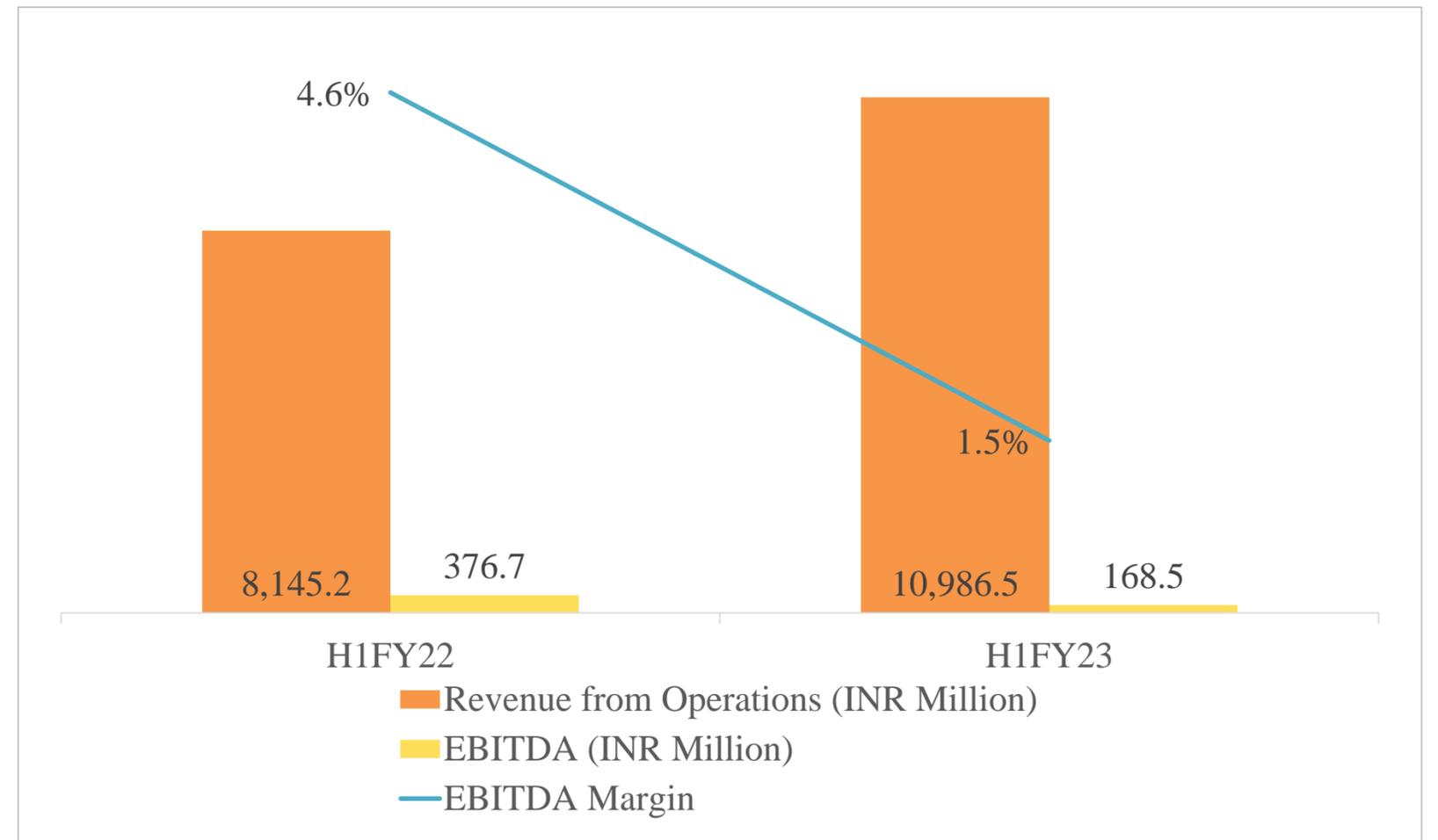
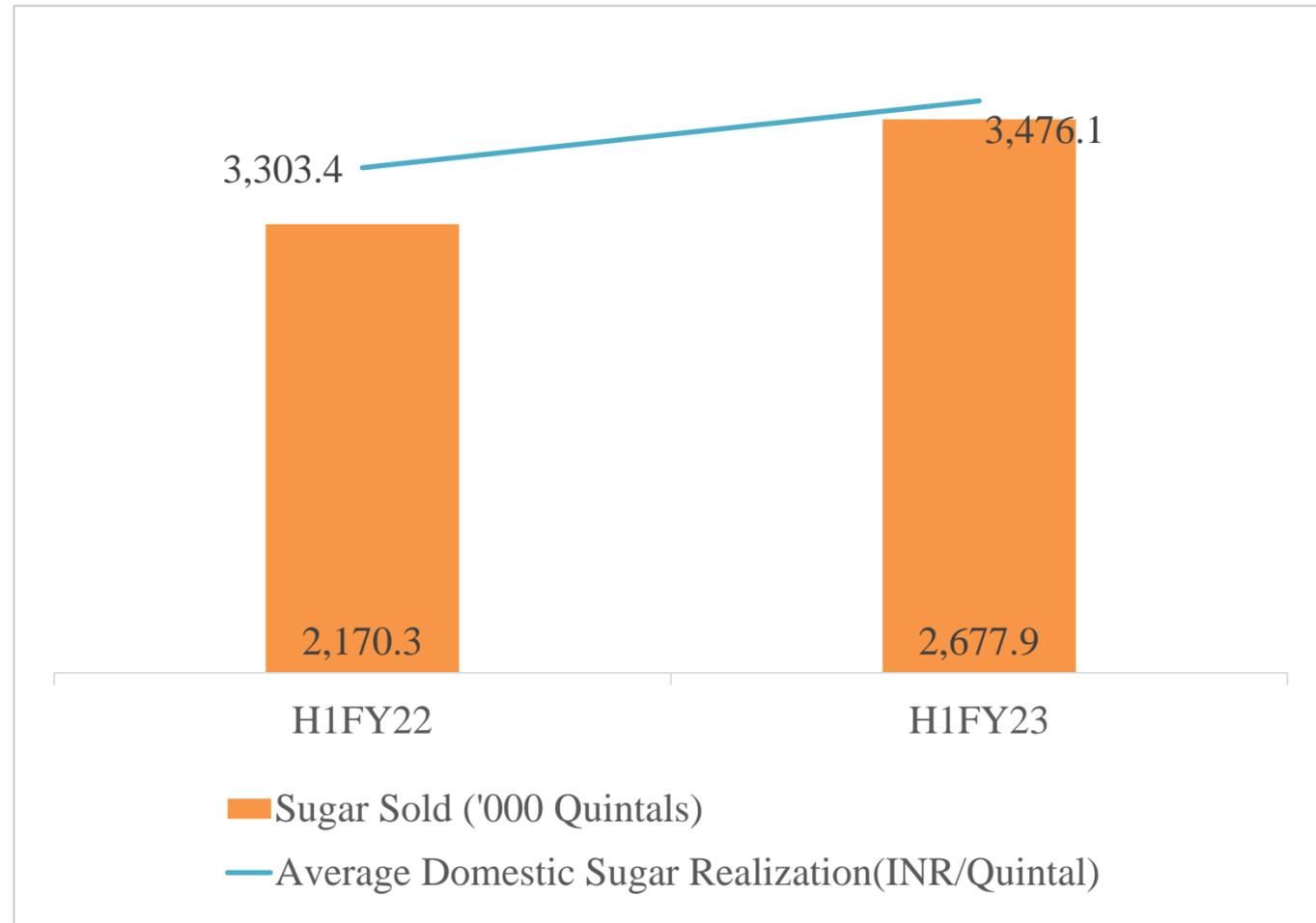
**Q2 & H1 FY23**

# Sugar - Quarterly Performance



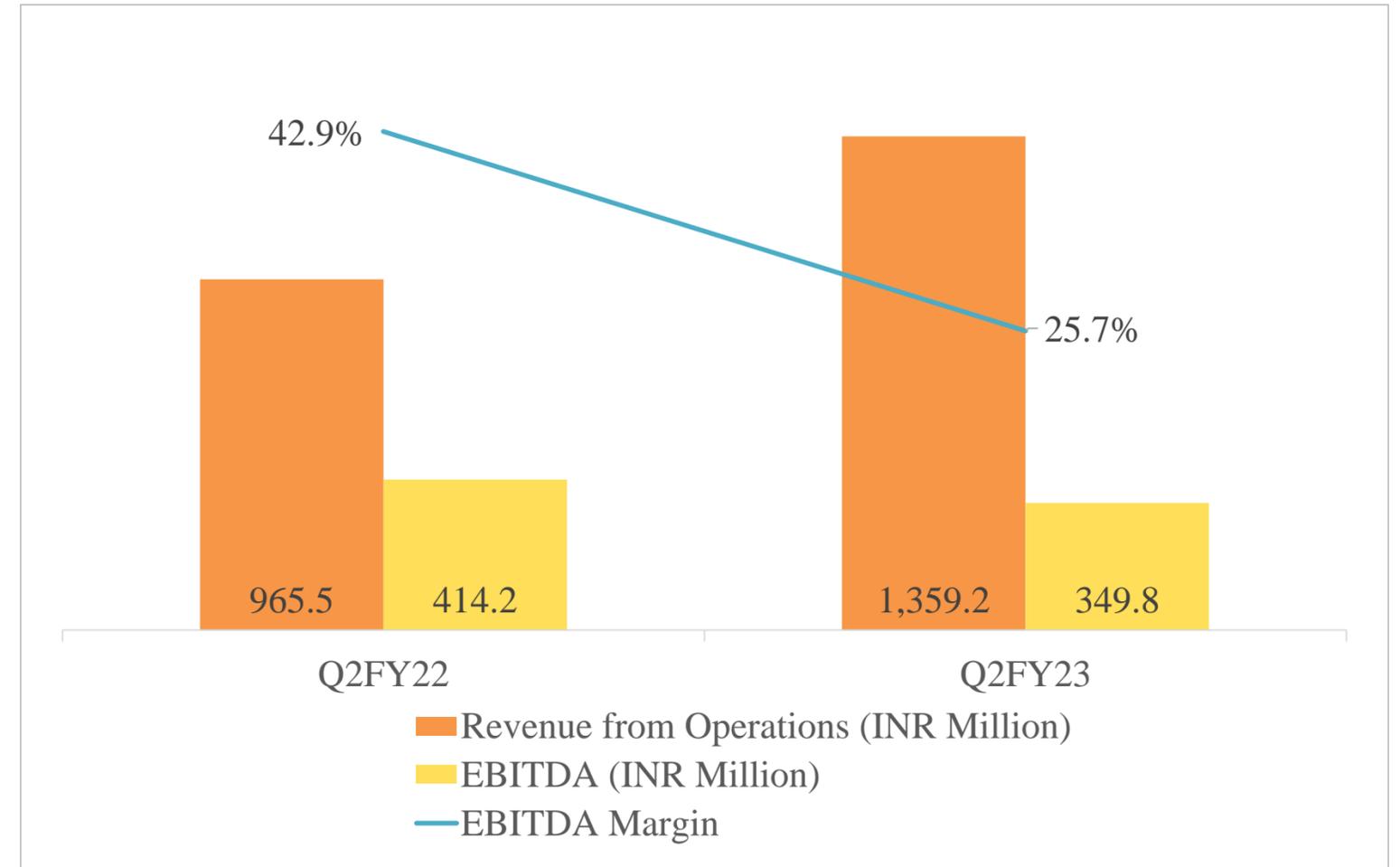
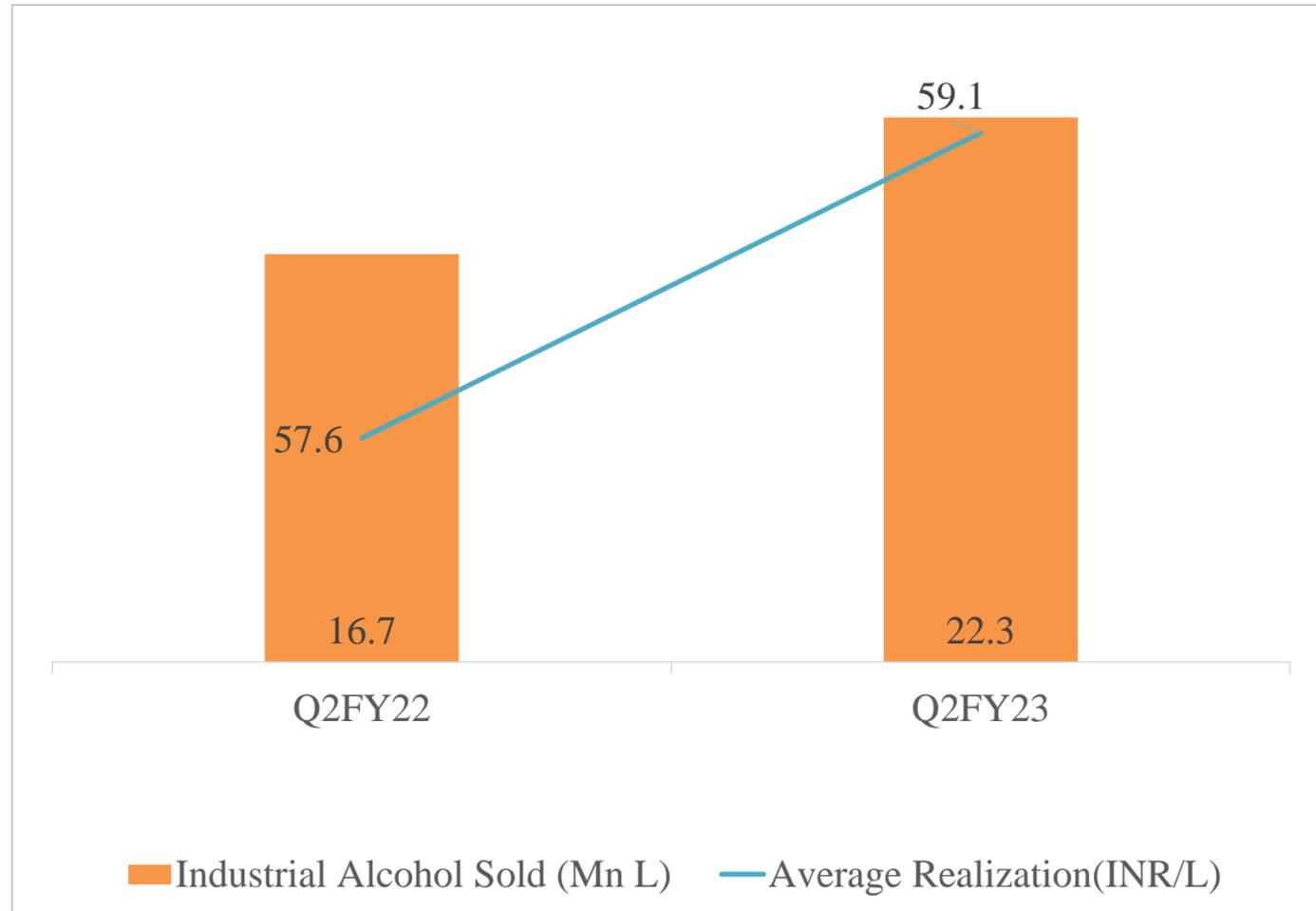
*EBITDA Margin is EBITDA / Revenue from operations (including internal revenue)*

# Sugar - Half-yearly Performance



*EBITDA Margin is EBITDA / Revenue from operations (including internal revenue)*

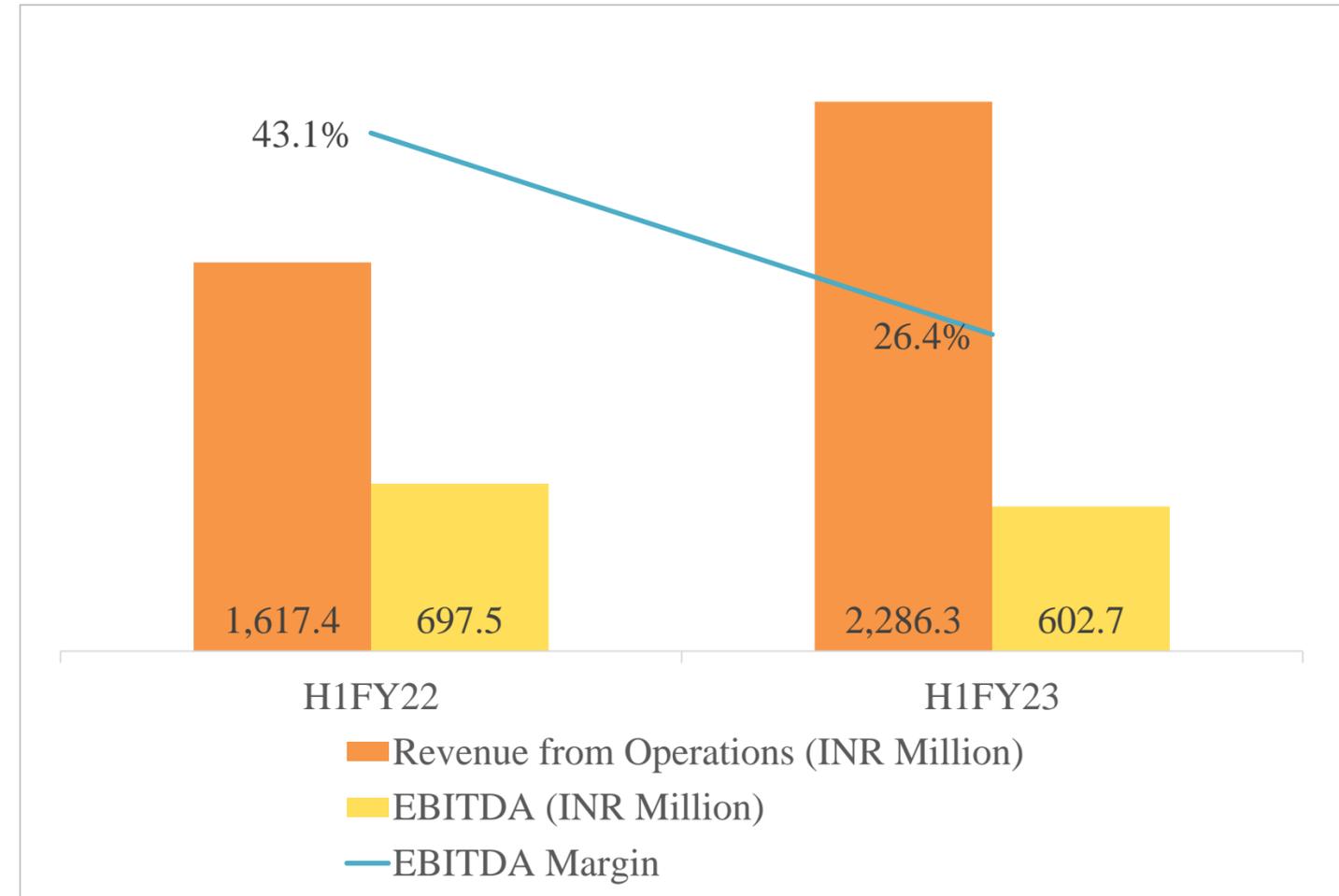
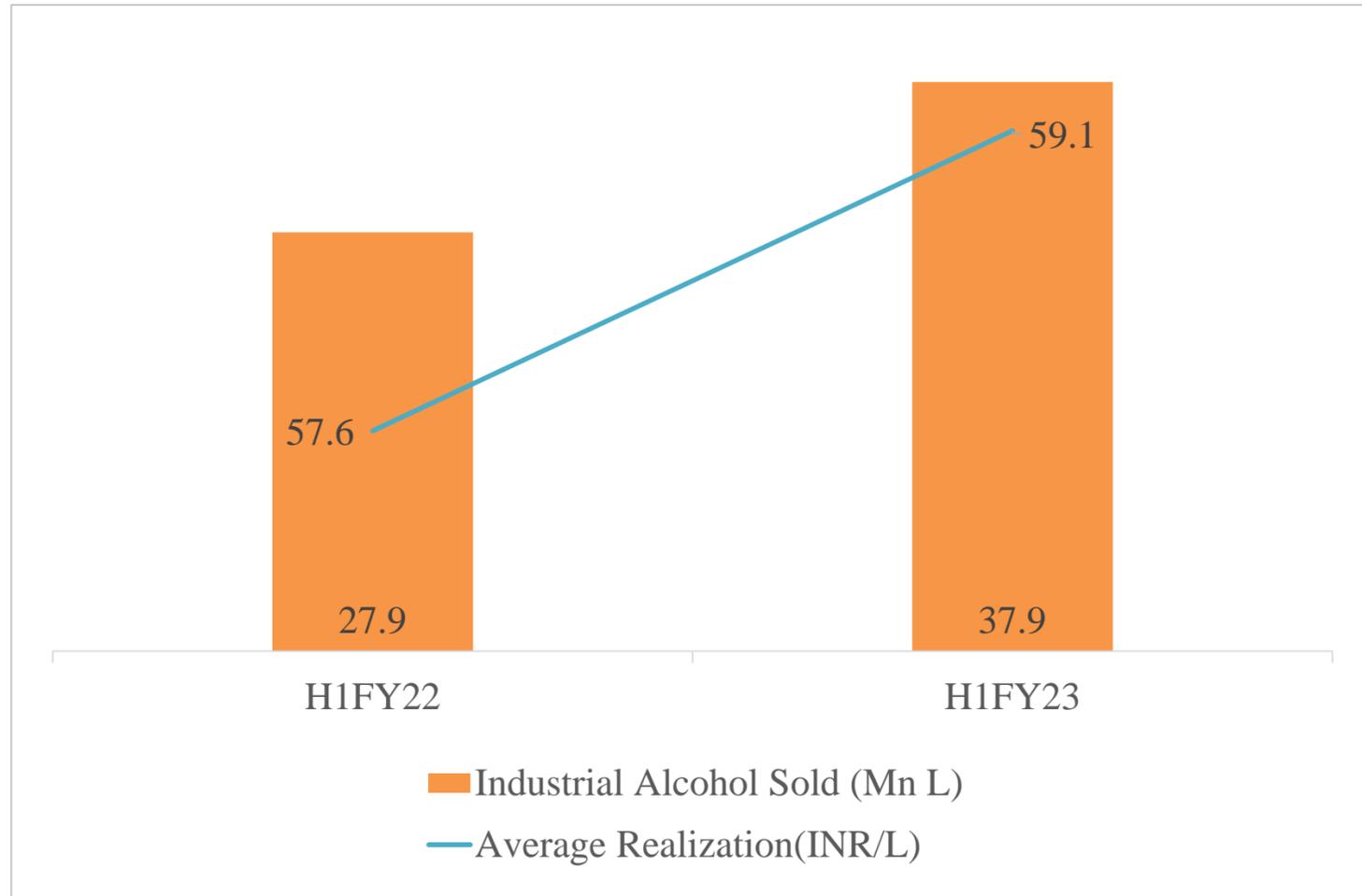
# Distillery - Quarterly Performance



A new 175 KLPD distillery plant at Dwarikesh Dham unit was commissioned on 24<sup>th</sup> June 2022 and commenced commercial production during the quarter.

*EBITDA Margin is EBITDA / Revenue from operations (including internal revenue)  
Average Realization (INR/L) does not include the difference between relief price and normal price*

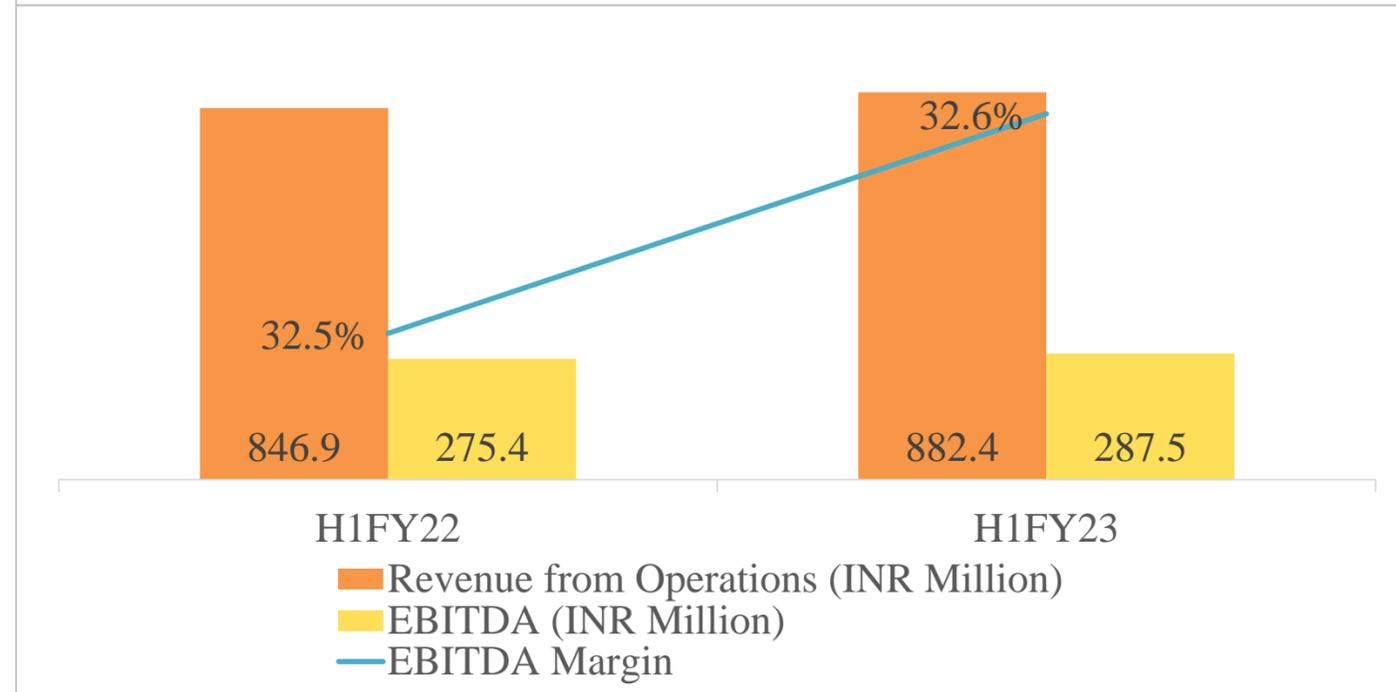
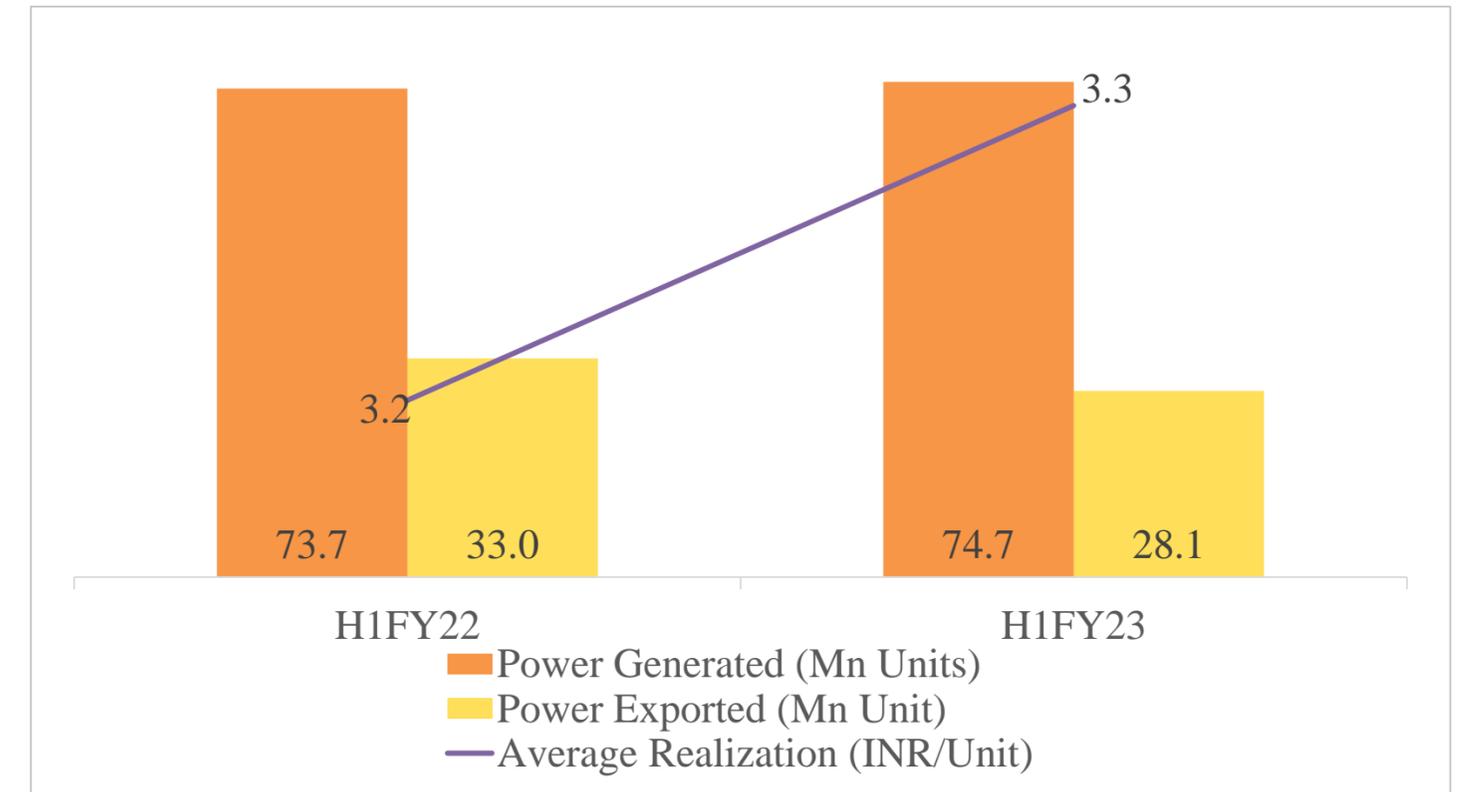
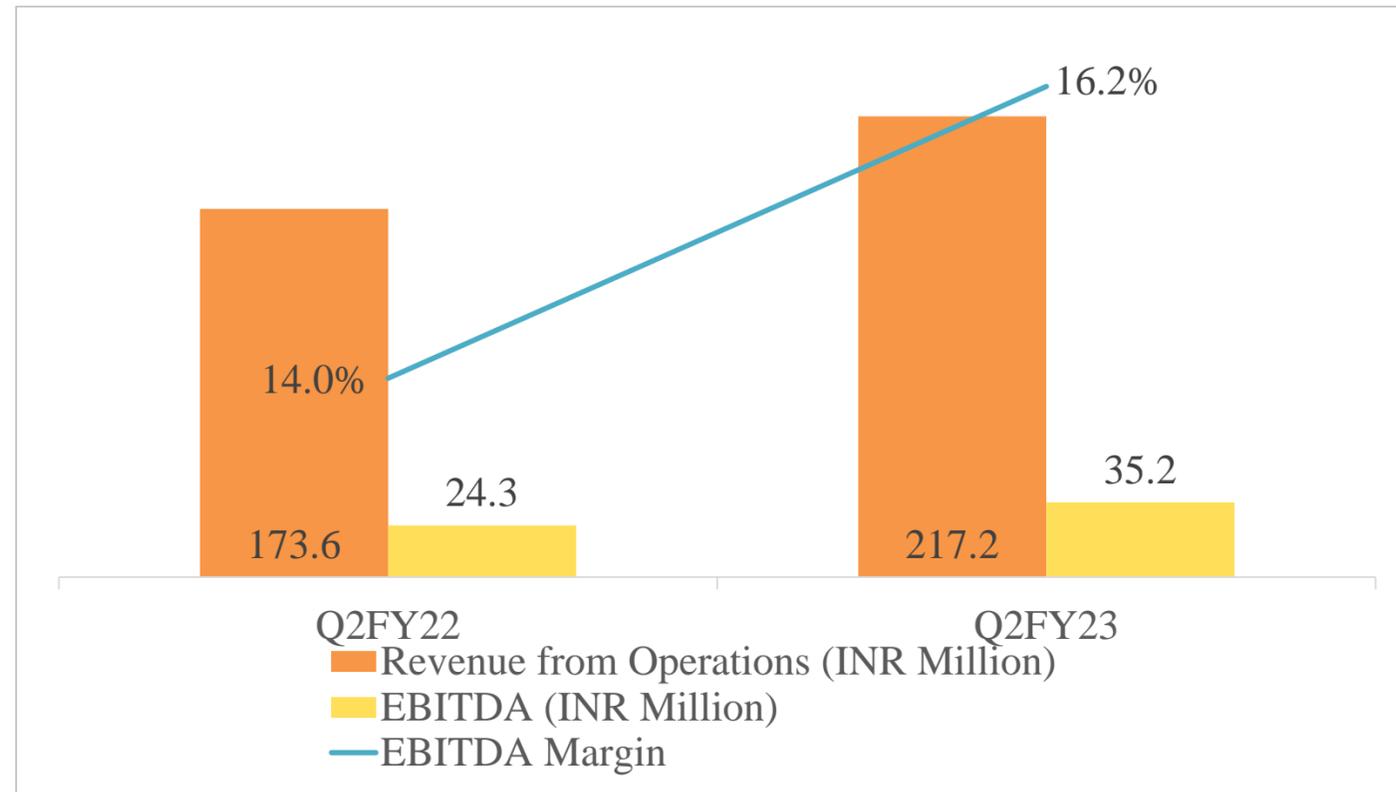
# Distillery - Half-yearly Performance



A new 175 KLPD distillery plant at Dwarikesh Dham unit was commissioned on 24<sup>th</sup> June 2022 and commenced commercial production during the quarter.

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Average Realization (INR/L) does not include the difference between relief price and normal price*

# Cogeneration - Quarterly & Half-yearly Performance



Generation Capacity – 96 MW  
Exportable Capacity – 56 MW

*EBITDA Margin is EBITDA / Revenue from operations (including internal revenue)*



# Annexure Facilities

# Dwarikesh Nagar Unit (Bijnor District)



*Sugar Plant Overview*



*Distillation House &  
Multi-Effect Evaporator*



*Bagasse Silos & Feeders of  
Boiler*



*Continuous Pan*

# Dwarikesh Puram Unit (Bijnor District)



*Juice Evaporator*



*Centrifugal Station*



*Cogeneration  
Control Panel*



*Switch Yard*

# Dwarikesh Dham Unit (Bareilly District)



*Facility Overview*



*24 MW TG Set*



*Pan Station*



*Clarification Section*

# Dwarikesh Nagar Distillery (Bijnor District)



*162.5 KLPD Distillery*

# Dwarikesh Dham Distillery (Bareilly District)



*175 KLPD Distillery*

# Thank You

## Vijay S. Banka

Managing Director

Dwarikesh Sugar Industries Limited

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## Shruti Vakhariya

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