



DWARIKESH SUGAR INDUSTRIES LIMITED

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REF: DSIL/2023-24/144

July 24, 2023

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 first quarter ended June 30, 2023 for the purpose of making disclosures under Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 to the stock exchange(s)

Kindly take the same on record.

Yours faithfully,

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

Encl: as above



Dwarikesh
Sugar Industries Limited

INVESTOR PRESENTATION

COMPANY PERFORMANCE

Q1FY24 Results

24 July 2023

SAFE HARBOR STATEMENT

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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EARNINGS CALL

Time and Date

3:00 PM IST, Tuesday, July 25, 2023

Conference Dial-In

+91 22 6280 1116/+91 22 7115 8017

International Toll Free

UK

08081011573

USA

18667462133

Hong Kong

800964448

Singapore

8001012045

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Table of contents

Sector outlook	05
Business overview	07
Financial performance	12
Operational trends	17
Pictures of our facilities	22

SECTOR OUTLOOK

For SS 2022-23, there was an initial estimation of 4 million tons of global sugar surplus. However, it is now has become increasingly clear that eventually there may only be a minuscule surplus

The experts have once again estimated a surplus of 4.8 million tons for SS 2023-24. El-Nino in the second half of 2023 could impact the production numbers in the coming season. El-Nino could result in drier climate conditions in Asia and wetter climate conditions in Brazil, both of which are not suitable for sugarcane growth in their respective geographies. Overall, there are only downside risks for 2023-24

International raw sugar price touched an all-time high and remained above 26 cents mark for several months before moderating to around 24 to 25 cents per pound.

For SS 2022-23, India's sugar production estimate is now pegged at 32.8 million tons with most mills having concluded their crushing operations. Sugar sacrifice of 4 million tons in favor ethanol indicates a gross production of 36.8 million tons down from 39.6 million tons last season. Maharashtra registered a significant decline in sugar production during SS 2022-23 and so did Karnataka.

India's Sugar Season 2022-23 commenced with an opening stock of 7 million tons. Considering production of 32.8 million tons, exports of 6.3 million tons and estimated consumption of 27.5 million tons, it is expected that the season end stock may be around 6 million tons (roughly equivalent to 3 months consumption.)

Continued..

As per the initial estimates drawn by some trade houses it is expected that 34.2 million tons of sugar will be produced during SS 2023-24 in India, after factoring for diversion of 4.7 million tons in favor of ethanol.

The 10% blending target was achieved in ESY 2021-22, and it is expected that 12% blending will be achieved in ESY 2022-23

The Government continues to regulate the industry. It hasn't increased the minimum ex-factory support price of sugar which remains unchanged at Rs. 3,100 per quintal for the last several years. It also continues to regulate the monthly release of sugar with a view to ensure adequate availability of sugar in the market at affordable prices.

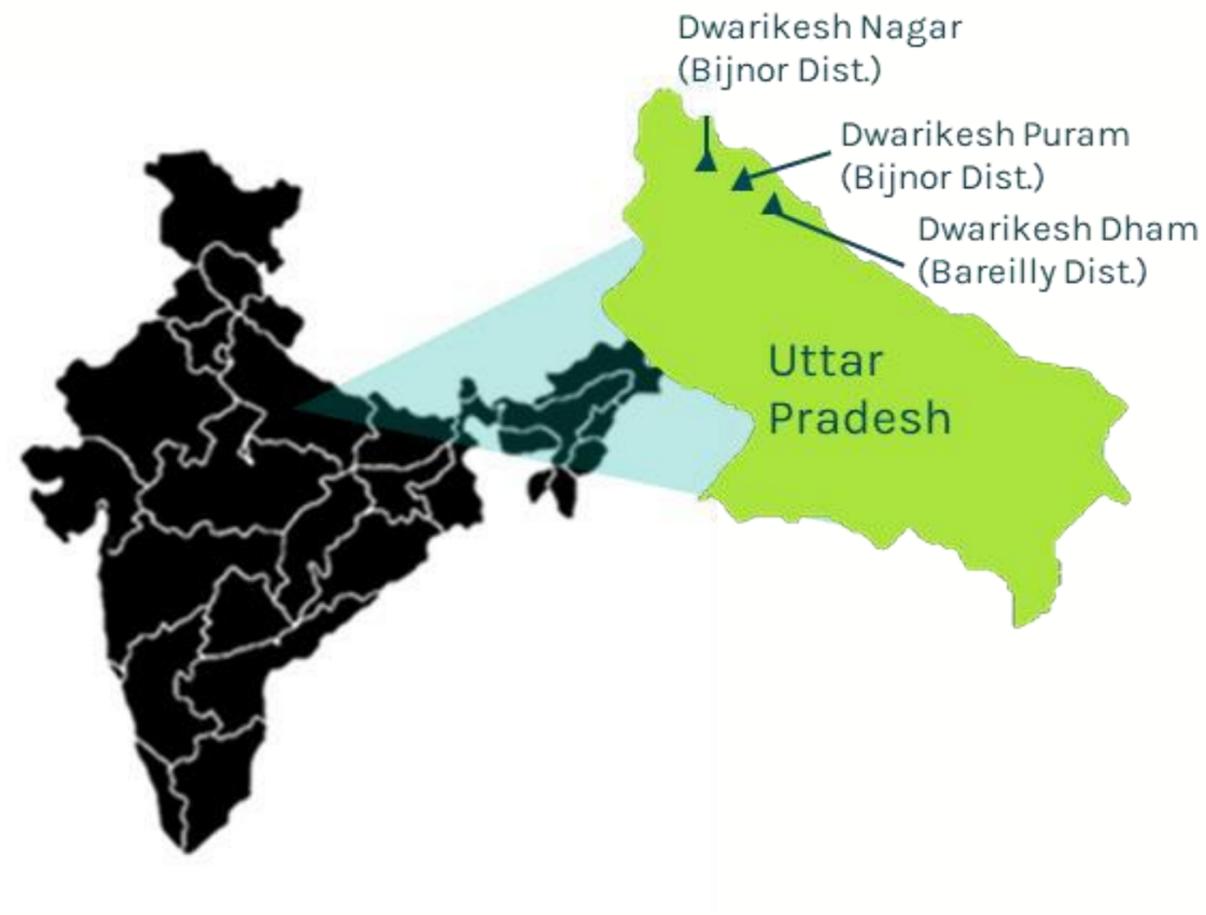
The Government also continues to announce the procurement price of ethanol with a view to incentivize sugar mills to increase ethanol production and sacrifice sugar production.

During SS 2022-23 U.P. State produced 10.5 million tons of sugar, almost the same as last season.



BUSINESS OVERVIEW

AT A GLANCE

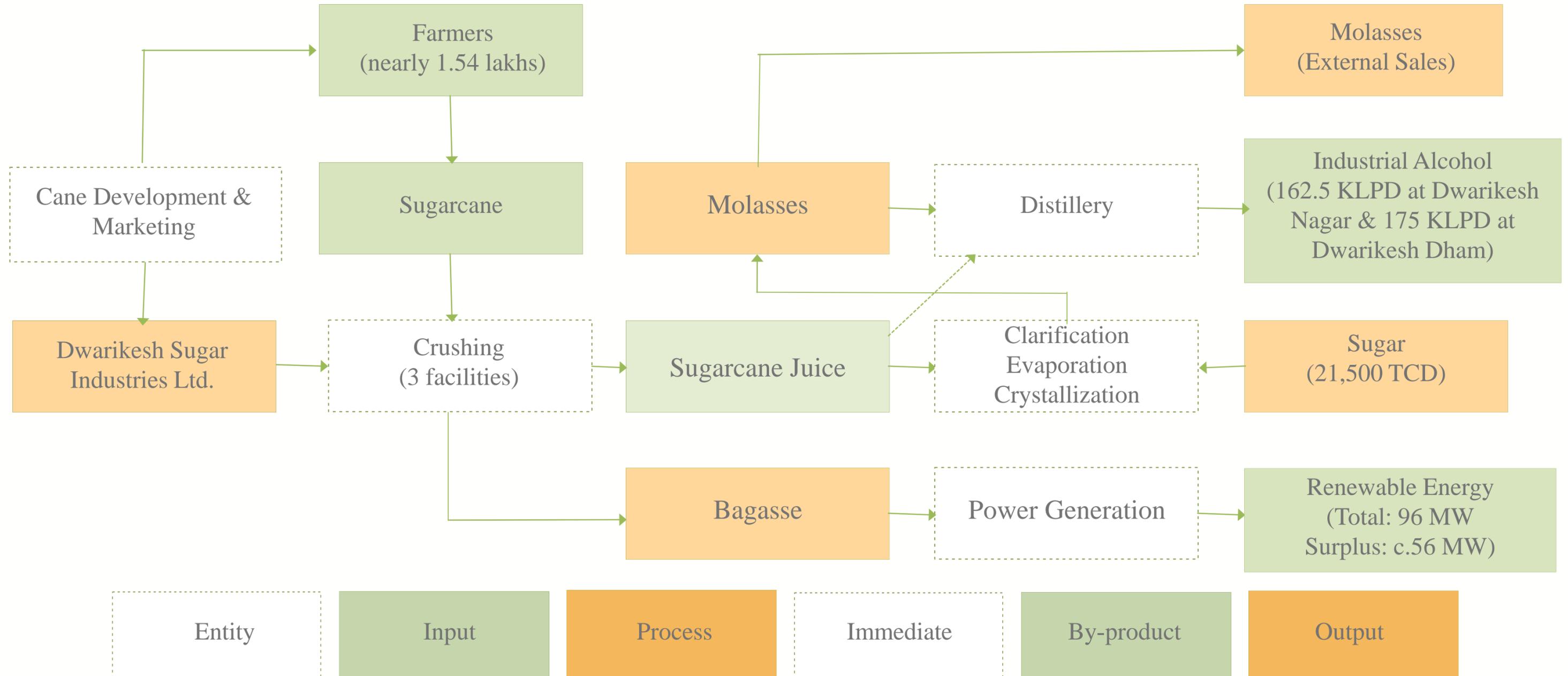


Note: TCD stands for tonnes of cane per day, MW stands for Megawatts, LPD stands for litres per day; KLPD stands for kilo litres per day; SS stands for Sugar Season defined as 12 months period ending September 30 of the particular year

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

- 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

OPERATIONS OVERVIEW



MANAGEMENT



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



Vijay S Banka

- Managing Director
- Chartered Accountant
- Associated with the company since 2007
- Over 35 years of experience in Finance and Strategy



B J Maheshwari

- Managing Director & Company Secretary cum Chief Compliance Officer
- Associated with the company since 1994
- Over 35 years of experience in Legal, Taxation, Secretarial & Administrative matters

PRIYANKA MORARKA
President
(Corporate Affairs)

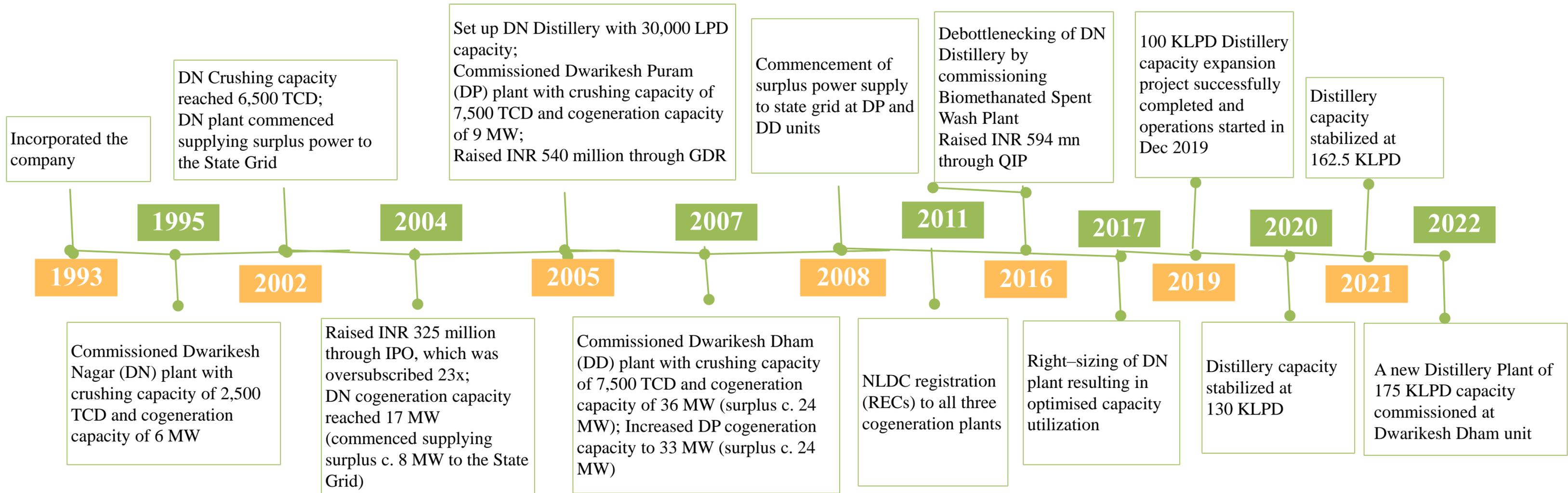
R K GUPTA
Senior Executive Vice President
(Works) - DD Unit

N K KHETAN
Senior Executive Vice
President (Works) DN & DP
Unit

SALIL ARYA
Senior Executive Vice
President (Corporate)

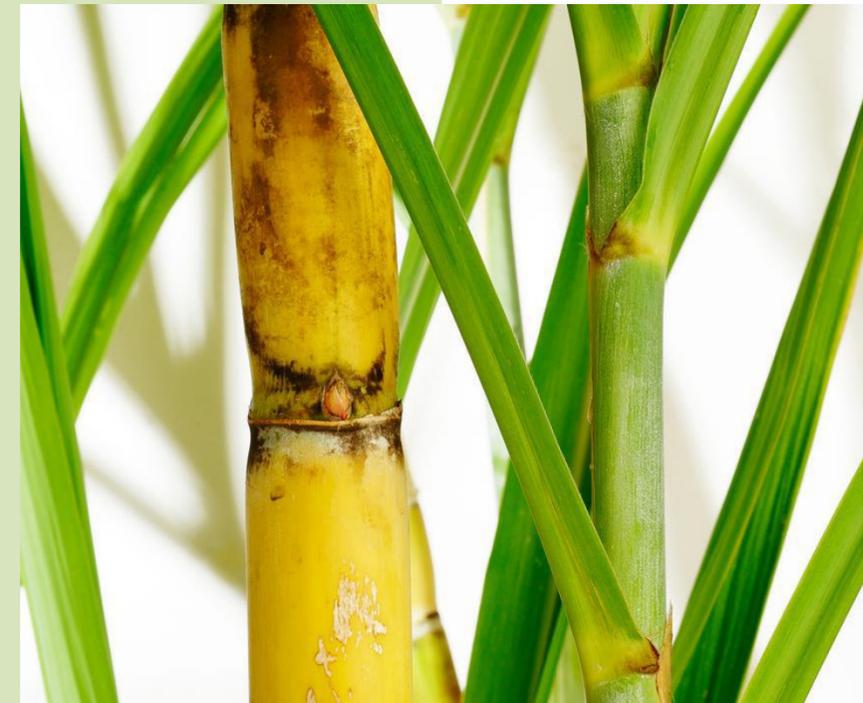
SUNIL KUMAR GOEL
Chief Financial Officer

KEY MILESTONES



FINANCIAL PERFORMANCE

Q1FY24



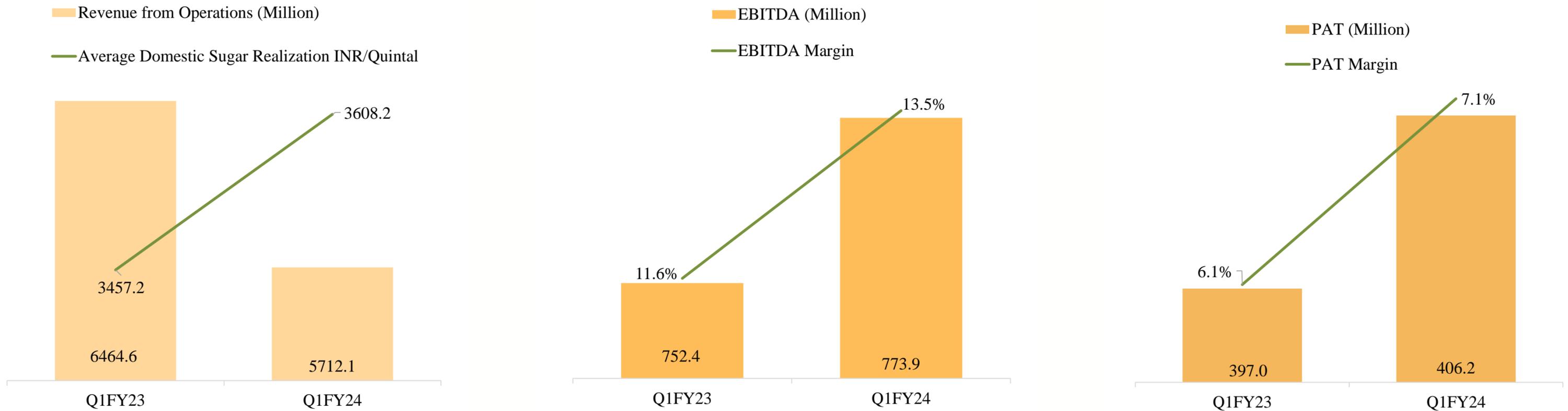
PERFORMANCE HIGHLIGHT

In INR million	Q1FY24	Q1FY23	FY23
Total Income	5,715.4	6,484.2	21,170.0
EBIDTA	773.9	752.3	2,285.7
PAT	406.2	397.0	1,048.1

In INR	Q1FY24	Q1FY23	FY23
EPS	2.16	2.11	5.57

During Q1 FY23, depreciation has been suitably adjusted to exclude amounts pertaining to pre-operative & trial period. Accordingly, EBIDTA has been computed .

QUARTERLY TRENDS



PAT Margin is PAT / Revenue from operations

EBITDA Margin is EBITDA / Revenue from operations

Previous periods' figures have been regrouped and reclassified wherever necessary for the purpose of clarification

FINANCIALS SUMMARY

INCOME	Q1 FY 24	Q1 FY 23	FY 23	REMARKS
Revenue from operations	5,712.1	6,464.6	21,029.6	<i>Lower during the quarter on account of lesser volume of sugar sold</i>
Other income	3.3	19.5	140.4	--
Total Revenue	5,715.4	6,484.1	21,170.0	--
EXPENDITURE				
Cost of material consumed	3,712.7	2,981.1	14,244.6	<i>Higher on account of higher volume of sugarcane crushed. 98.51 Lakh quintals vis-à-vis 79.42 Lakh quintals</i>
Purchase of stock in trade	79.4	64.4	89.7	--
Changes in inventories of finished goods, WIP and stock-in-trade	550.9	2,120.5	2,013.8	--
Employees benefit expense	267.8	241.1	1,180.3	<i>Higher on account of A. Year on year increase B. Employee costs at DD distillery unit (Commenced operations during Q2 FY23)</i>
Finance cost	55.1	77.6	258.5	<i>Lower on account of A. Repayment of term loans as per stipulated schedule B. Lesser utilization of cash credit limits</i>

FINANCIALS SUMMARY (continued)

INCOME	Q1 FY 24	Q1 FY 23	FY 23	REMARKS
Depreciation and amortization expense	128.0	107.9	502.3	<i>Higher on account of depreciation in respect of DD distillery unit. (Commenced operations during Q2 FY23)</i>
Other expense	330.6	340.8	1,372.0	--
Preoperative & trial period capitalized	-	-16.3	-16.3	--
Total expenses	5,124.5	5,917.1	19,644.9	--
Profit / (loss) before taxes	590.9	567.0	1,525.1	<i>Improvement in profit during the quarter is on account of A. Higher volume of ethanol sales B. Better realization on sale of sugar C. Higher volume of sugarcane crushed resulting in better absorption of overheads D. Moderation in finance costs.</i>
Tax expense	184.7	170.0	477.0	
Profit for the period	406.2	397.0	1,048.1	
Other Comprehensive Income	-	-	-6.4	
Total Other Comprehensive Income	406.2	397.0	1,041.7	<i>Improvement in profit is notwithstanding A. Lower recoveries B. Lower volumes of sugar sold</i>

OPERATIONAL TRENDS

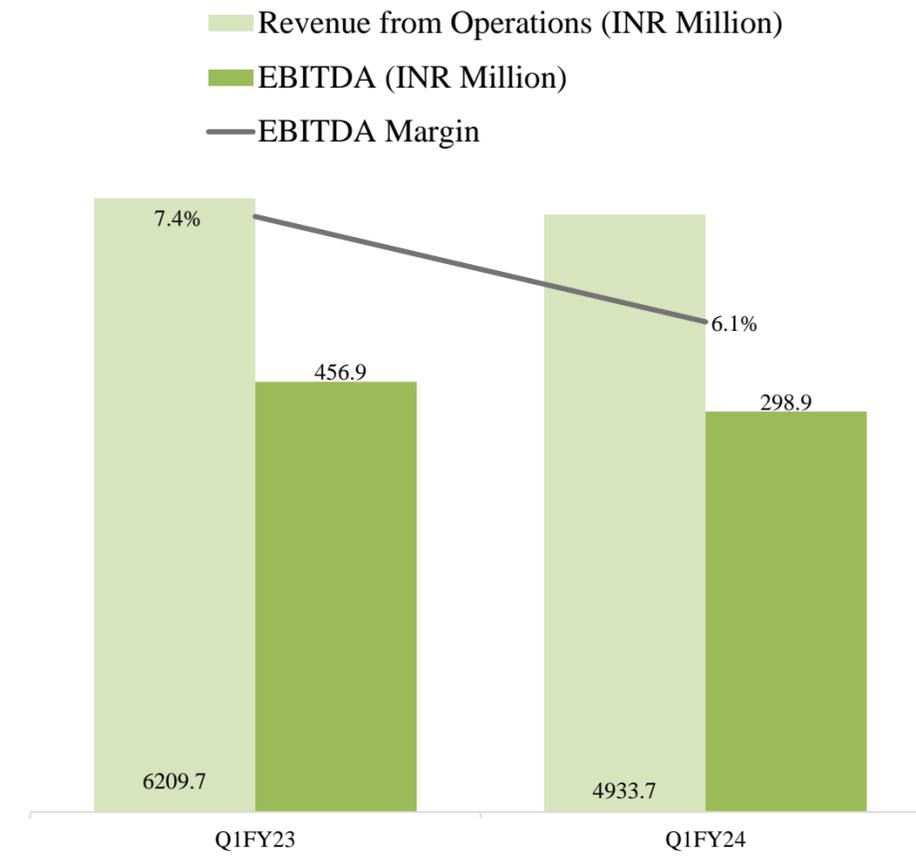
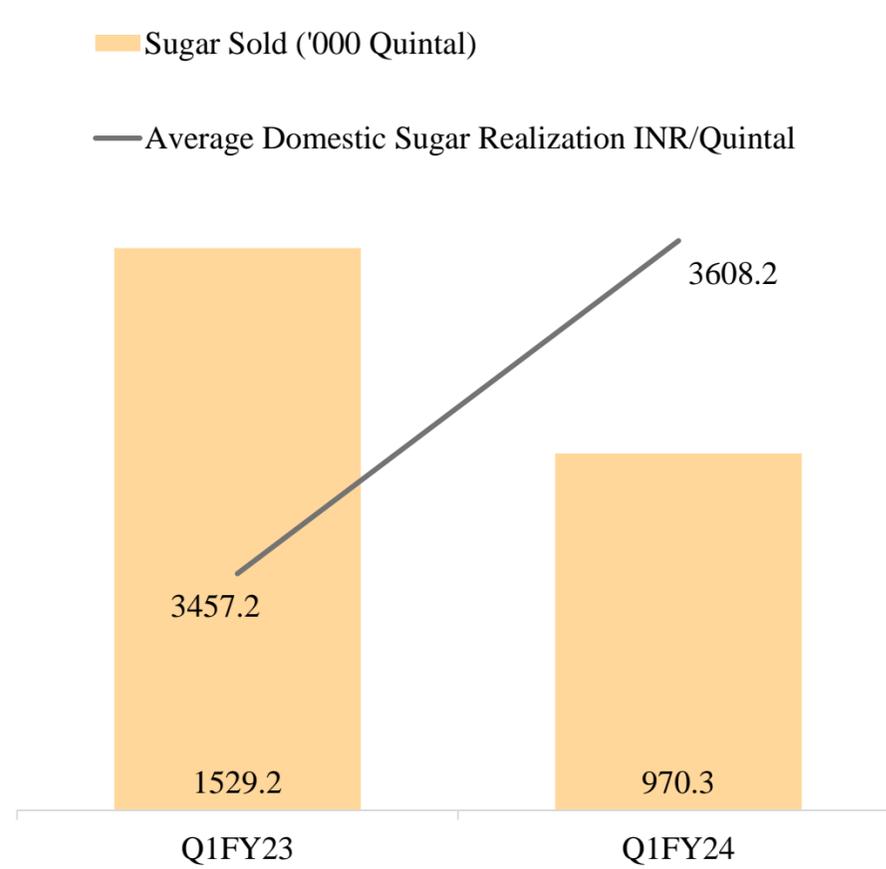


SUGAR BUSINESS

HIGHLIGHTS

- Crushing during Q1 FY 24 is up by 24 % at 98.51 lakh quintals as compared to 79.42 lakh quintals during Q1 FY 23.
- Sugar production during Q1 FY 24 is 8.97 lakh quintals as compared to 8.96 lakh quintal during Q1 FY 23. In spite of higher cane crushing during the quarter, sugar production is low, mainly due to diversion of sugar cane syrup to distilleries at DN & DD units for producing ethanol. Lower recoveries also caused a dent on the sugar production
- Cane crushed in SS 2022-23 is up by 6% at 401.22 lakh quintals as compared to 378.18 lakh quintals cane crushed in SS 2021-22.
- However, sugar production in SS 2022-23 is lower by 17% at 32.99 lakh quintals as compared to 39.54 lakh quintals in SS 2021-22. The same is attributable to diversion of sugarcane juice (12.57 lakh quintals) for producing ethanol at both DN & DD sugar units and also to 31 bps decline in the gross recoveries across the group
- Crushing operations of SS 2022-23 concluded at DD unit on the 14th April. Crushing operations at DP and DN units consummated on the 12th June.
- During Q1FY24 domestic sugar sales volume is down by 6% whereas overall sugar sales volume is down by 37%. In the corresponding quarter last year, the quantity of sugar sold included 5,00,000 quintals of sugar exported.
- Average domestic sugar realization during the quarter is higher by 4% at ₹ 3,608/ quintal as compared to realization of ₹ 3,457/ quintal during the corresponding quarter last year

SUGAR BUSINESS - SNAPSHOT

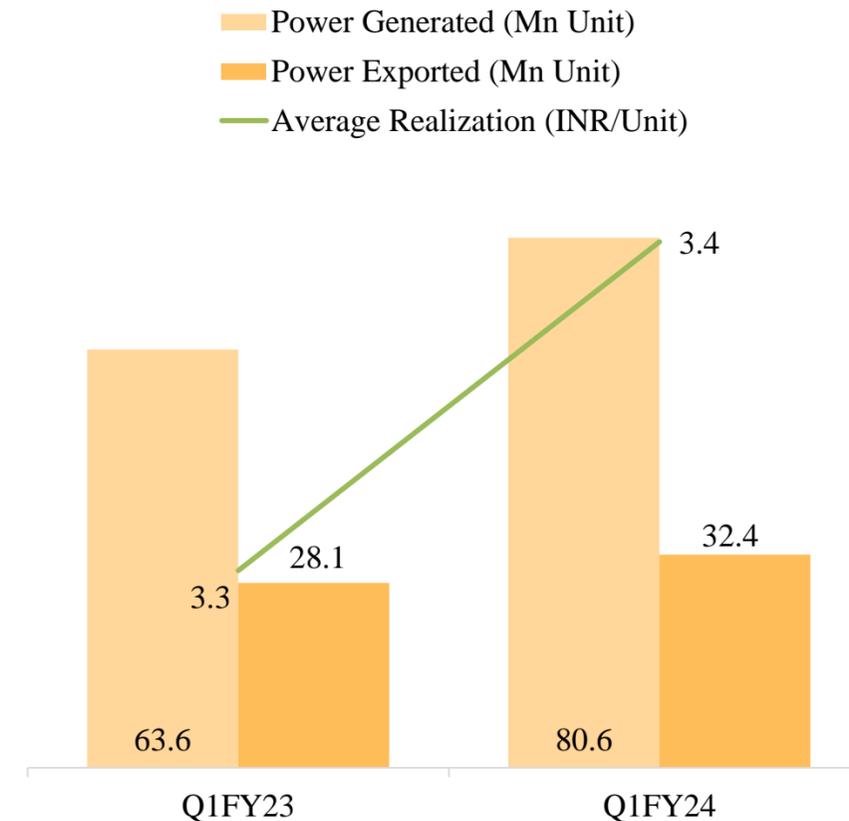


EBITDA Margin is EBITDA / Revenue from operations (including internal revenue)

COGENERATION BUSINESS

HIGHLIGHTS

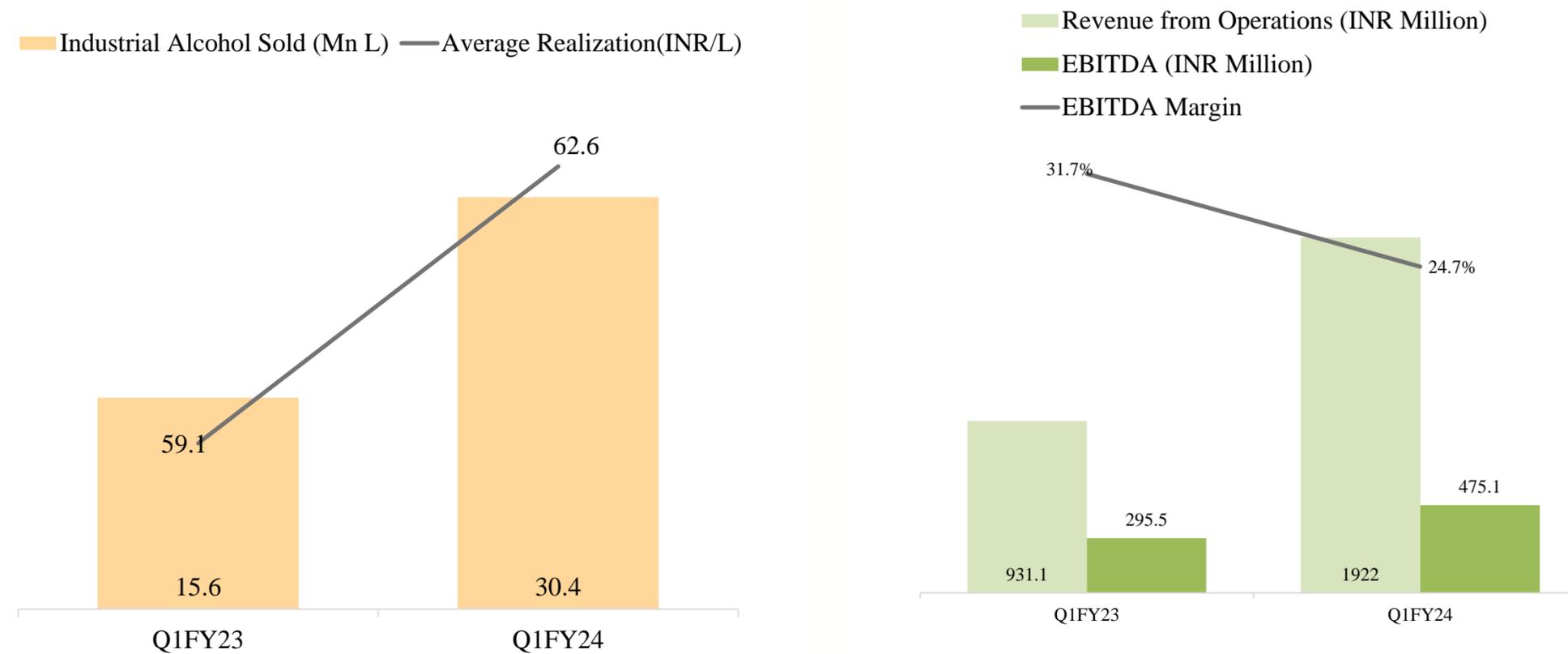
- Power revenue during the quarter is up by 20% at ₹ 11.18 crore as compared to ₹ 9.32 crore during the corresponding quarter, last year. Higher revenue is attributable to extended crushing season and therefore higher crushing numbers. During SS 2022-23 revenue from power sale is ₹ 50.48 crore as compared to revenue of ₹ 49.47 crore during SS 2021-22.
- Generation of power being incidental to steam required for sugar /ethanol production, there is saving in bagasse. Revenue from bagasse sale during the quarter is ₹ 9.49 crore as compared to ₹ 6.29 crore during the corresponding quarter, last FY. Higher bagasse sale is also due to higher quantity of cane crushed



DISTILLERY OPERATIONS

HIGHLIGHTS

- On Q o Q basis, sale volume of Industrial Alcohol is up by 94% and revenue up by 106% mainly on account of optimal utilization of the distillery capacities at the distilleries attached to DN & DD sugar units
- Of the 303.54 lakhs litres of ethanol sold during Q1 FY24, 113.88 litres of ethanol sold was produced using sugarcane juice / syrup as feedstock and the balance ethanol sold was produced using 'B' heavy molasses as feedstock. However entire quantity of ethanol sold during Q1 FY23 (156.35 lakh litres) was produced using 'B' heavy molasses as feedstock



EBITDA Margin is EBITDA / Revenue from operations

PICTURES OF OUR 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)

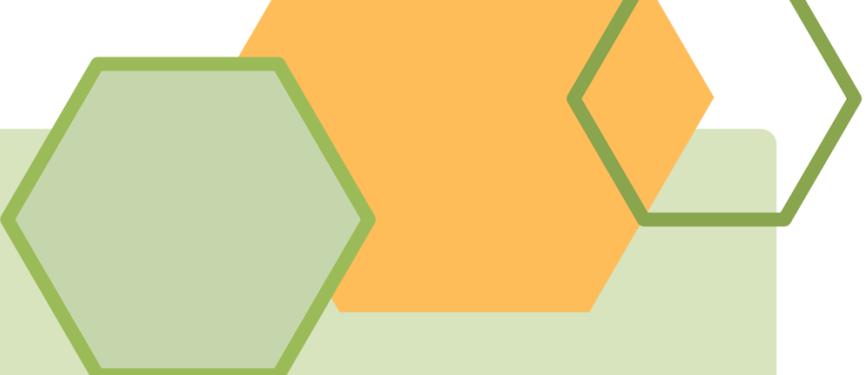


162.5 KLPD
distillery

DWARIKESH DHAM DISTILLERY (BAREILLY DISTRICT)



175 KLPD
distillery



THANK YOU

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