



# DWARIKESH SUGAR INDUSTRIES LIMITED

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REF: DSIL/2023-24/291

January 30, 2024

Corporate Relationship Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
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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 (Q3) quarter and nine months ended December 31, 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

Q3 & 9M FY24 Results

30 JANUARY 2024

# 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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**This presentation contains certain forward-looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost overruns on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future or update any forward-looking statements made from time to time by or on behalf of the Company.**

# EARNINGS CALL

**Time and Date**

**3:00 PM IST, Wednesday, January 31, 2024**

**Conference Dial-In**

**+91 22 6280 1116 / +91 22 7115 8017**

**International Toll Free**

**UK**

**08081011573**

**USA**

**18667462133**

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**8001012045**

**Diamond Pass:**

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# SECTOR OUTLOOK

According to the latest report from S&P Global the projected sugar surplus for the 2023-24 period has witnessed a notable increase, rising by 1.5 million metric tons as compared to the October estimate, reaching a total of 4.74 million metric tons. This upward revision is attributed to a combination of factors, including elevated production levels and decreased consumption. Brazil has played a significant role in this shift, with increased production.

Global production outlook for the year is now adjusted to 193 million tons. Current estimates suggest that Brazil is poised to achieve a record-breaking sugar production of over 40 million tons. Despite this promising forecast, logistical challenges in Brazil may impede trade flows from the country, thereby providing support to global sugar prices. The persisting El Niño conditions pose a significant concern, not only affecting the sugar crops in the 2023-24 season, but also raising fears that the damage could extend into the Sugar Season (SS) of 2024-25.

Concerns over the impact of the current El Niño weather pattern, coupled with India's sugar export ban, are contributing to a decreased availability in the global sugar trade. This decline in production, particularly in a major sugar-producing country like India & Thailand, is adding upward pressure on sugar prices. Presently, raw sugar is quoted in excess of 23.5 cents per pound, and whites are quoted in excess of US\$ 660 per metric ton.

The Sugar Season (SS) for 2023-24 in India began with an initial estimate of sugar production at 32 million tons, accounting for a sacrifice of more than 4 million tons for ethanol production. However, the rapid onset of the El-Niño phenomenon had discernible effects, particularly in the states of Maharashtra and Karnataka and it soon became apparent that the actual production would be considerably lower than the initial estimates. The prospects of lower sugar production prompted the Government to revisit the Ethanol Blending program.

In the early part of the recently concluded quarter, sugar prices surged, reaching approximately Rs. 4000 per quintal. The anticipated shortage in sugar production prompted the Central Government to take measures to discourage the use of sugarcane juice for ethanol production, and the Government issued orders to curtail use of sugarcane juice / syrup for producing ethanol.

# Continued..

As per the orders of the Central Government, not only was there an immediate curb on use of juice / syrup for making ethanol, but the quantity of ethanol produced using B heavy molasses was also limited to the original quantity offered by sugar mills / distilleries to the Oil Marketing Companies (OMCs). Notably, there was no upward revision in the prices of ethanol made from juice and B heavy molasses, thus breaking the convention observed in the past.

However, there was an increase in the price of ethanol derived from C heavy molasses, and also for ethanol produced from grains. This strategic move aims to restrict the sacrifice of sugar production to 1.7 million tons while concurrently boosting overall sugar production.

Contrary to initial expectations of a weakening trend during the early stages of the season, there has been an unexpected shift in the estimates. Mills in Maharashtra & Karnataka are likely to report more crush days than previously anticipated. As a result, over the past two weeks, estimates for sugar production in 2023-24 have been revised upward by approximately 1 million to 1.5 million metric tons, reflecting the changing scenario

AISTA, has recently estimated that sugar production of SS 2023-24, net of diversion of around 2 million tons for ethanol, is likely to be around 31.6 million tons. ISMA is also likely to revise its production estimate soon. Considering the positive trend in production estimates, ISMA has formally requested that the allowable sugar sacrifice be increased for the continued success of the ethanol blending program, and also for moderation of sugar production to reasonable levels.

After experiencing a brief period of resurgence, sugar prices have recently moderated, and are currently at around Rs. 3800 per quintal.

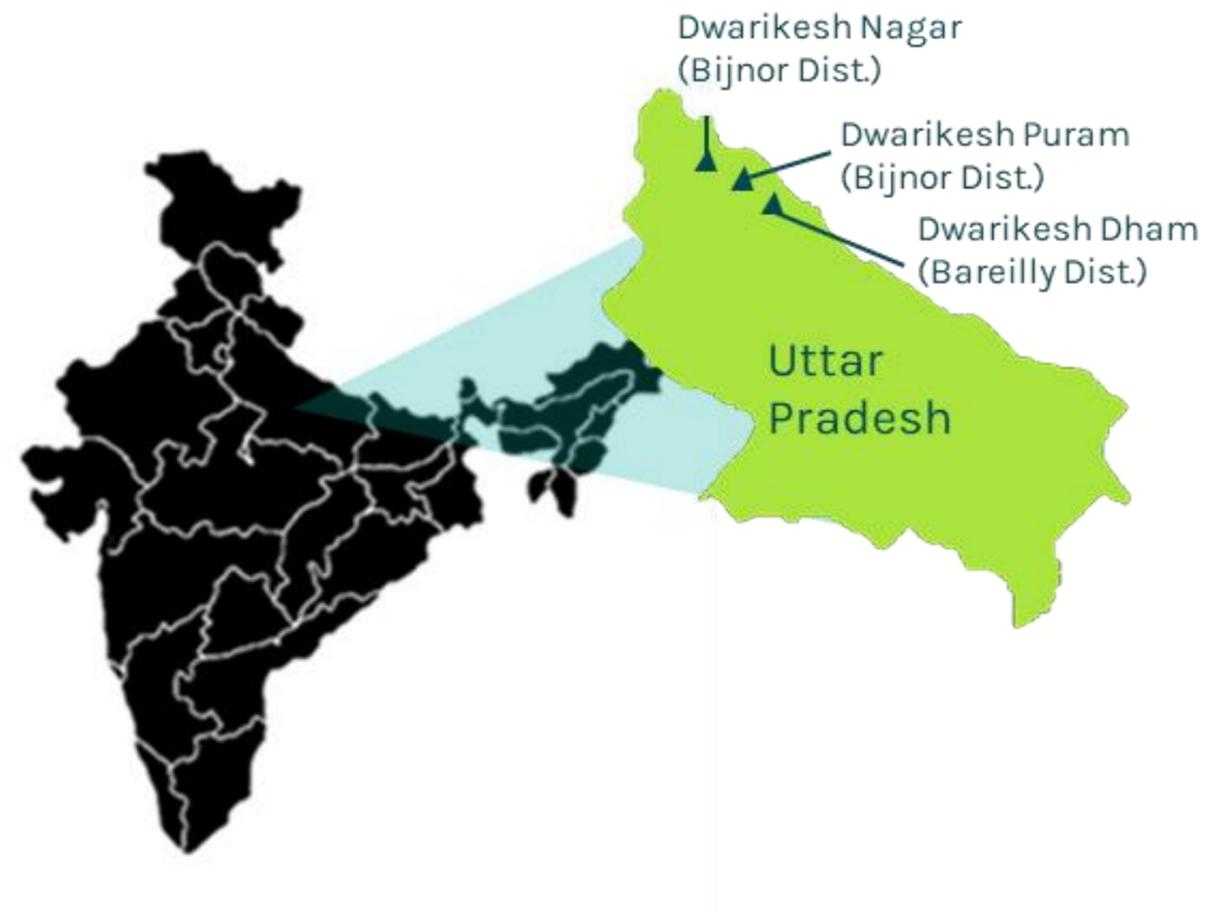
It is expected that during SS 2023-24 sugar industry in Uttar Pradesh is likely to produce in excess of 11.5 million tons of sugar

The State Government of Uttar Pradesh has announced SAP for the sugar season 2023-24, with an increase of Rs. 20 per quintal. Additionally, the society commission rate has been maintained at Rs. 5.50 per quintal. There is revision in the transportation rebate, now standing at Rs. 9 per quintal, up from the previous Rs. 8.35 per quintal. Furthermore, the slab rate within the transport rebate has been adjusted to Rs. 0.45 per quintal per KM, from the earlier Rs. 0.42 per quintal per KM.



# BUSINESS OVERVIEW

# AT A GLANCE

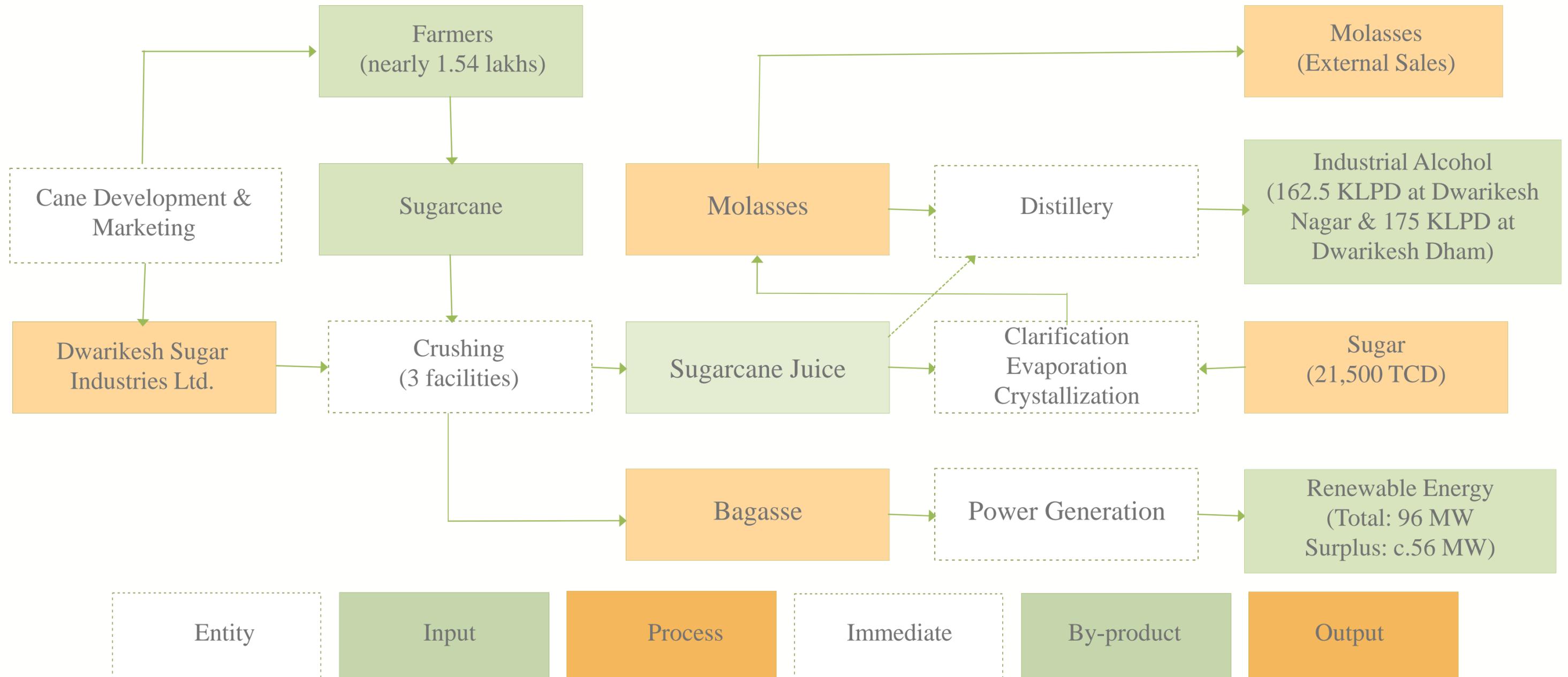


*Note: TCD stands for tonnes of cane per day, MW stands for Megawatts, LPD stands for litres per day; KLPD stands for kilo litres per day; SS stands for Sugar Season defined as 12 months period ending September 30 of the particular year*

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)

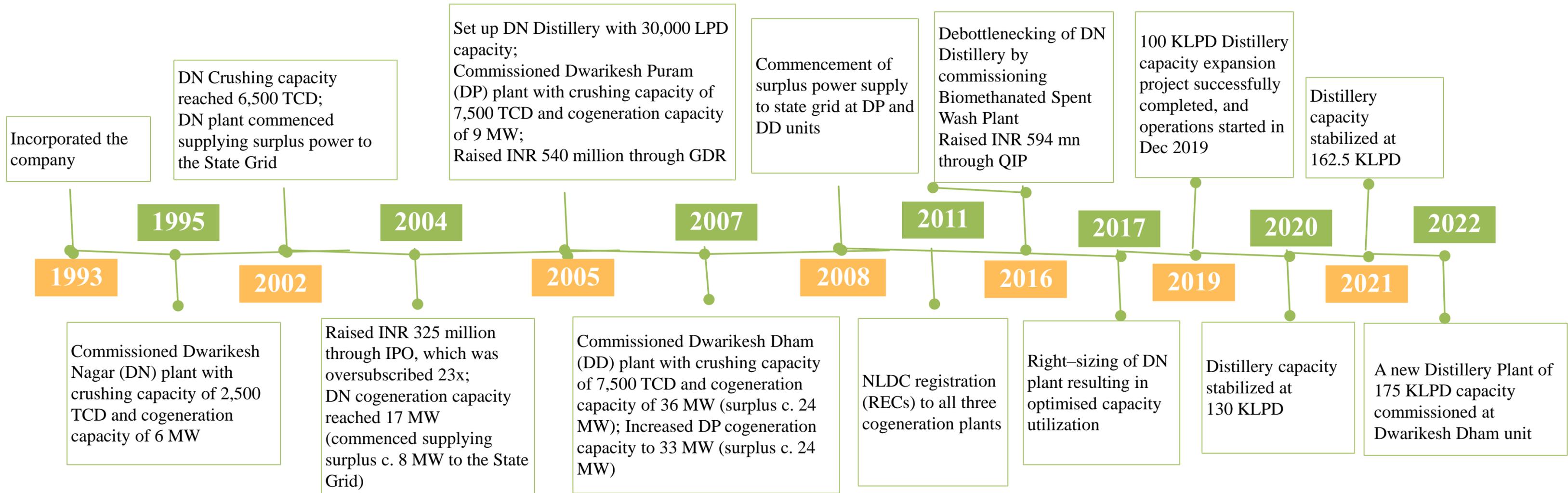
**R K GUPTA**  
Senior Executive Vice  
President  
(Works) - DD Unit

**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

Q3 & 9M FY24



## PERFORMANCE HIGHLIGHT

In INR million	Q3FY24	9MFY24	Q3FY23	9MFY23	FY23
<b>Total Income</b>	3,189.6	13,391.8	3,917.3	15,825.7	21,170.0
<b>EBIDTA</b>	320.2	1,413.2	343.9	1,402.5	2,285.7
<b>PAT</b>	98.1	606.9	105.2	580.6	1,048.1

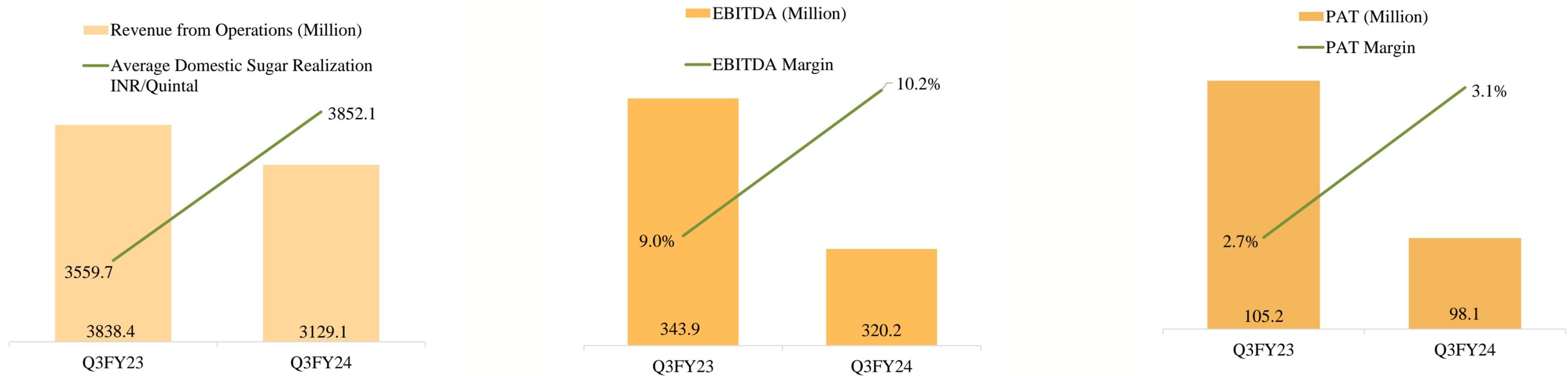
In INR	Q3FY24	9MFY24	Q3FY23	9MFY23	FY23
<b>EPS</b>	0.52	3.22	0.56	3.08	5.57

*During 9M FY23, depreciation has been suitably adjusted to exclude amounts pertaining to pre-operative & trial period. Accordingly, EBIDTA has been computed .*

Results for the 9 months are impacted on account of additional levy obligation for Molasses year 2022-23 cast up on the company which unfairly treats both B heavy and C heavy molasses as equivalent regardless of their respective potential ethanol output.

Results are drawn on the basis of enhanced sugarcane price (SAP) for SS 2023-24

# QUARTERLY TRENDS

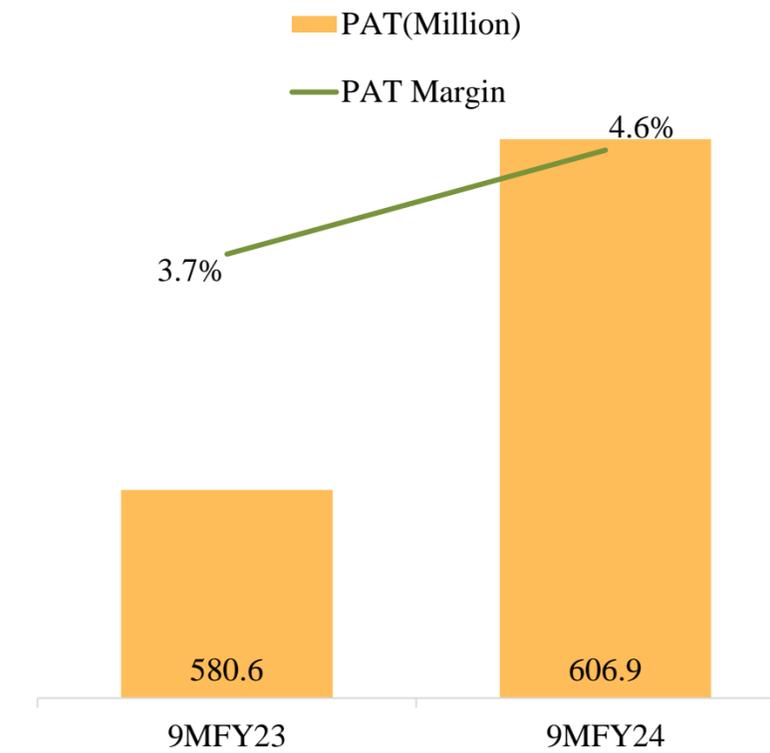
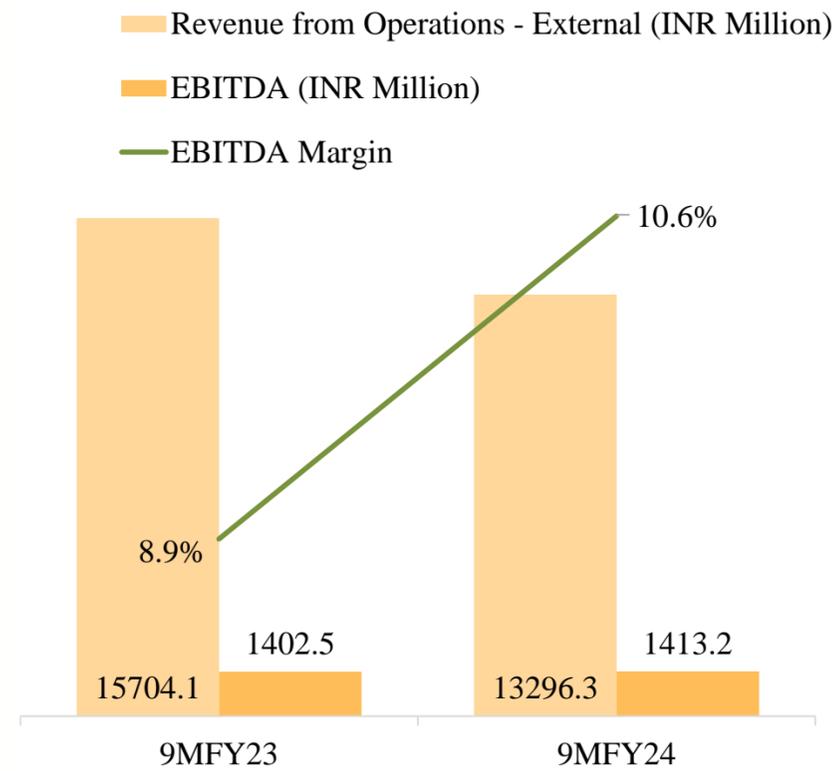


*PAT Margin is PAT / Revenue from operations*

*EBITDA Margin is EBITDA / Revenue from operations*

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

# 9M FY24 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

In INR million

INCOME	Q3FY24	9MFY24	Q3FY23	9MFY23	FY23	REMARKS
Revenue from operations	3,129.1	13,296.3	3,838.4	15,704.1	21,029.6	<i>Lower during the Q3FY24 &amp; 9MFY24 on account of lower volume of sugar sold</i>
Other income	60.5	95.5	78.9	121.6	140.4	--
Total Revenue	3,189.6	13,391.8	3,917.3	15,825.7	21,170.0	--
EXPENDITURE						
Cost of material consumed	4,796.3	8,550.9	4,635.0	7,651.9	14,244.6	<i>Higher in Q3FY24 &amp; 9MFY24 on account of Cane price increase by Rs 20/- per quintal for SS 2023-24</i>
Purchase of stock in trade	1.9	86.3	-	66.5	89.7	--
Changes in inventories of finished goods, WIP and stock-in-trade	-2,615.6	1,427.3	-1,775.2	4,759.2	2,013.8	--
Employees benefit expense	344.1	876.9	310.2	886.7	1,180.3	<ul style="list-style-type: none"> <li>▪ Lower on account of inclusion of arrears of wages of Rs. 8.95 crores during 9M, FY23</li> <li>▪ Higher on account of year-on-year increase in employee cost</li> </ul>
Finance cost	42.6	132.7	60.0	199.2	258.5	<p><i>Lower on account of</i></p> <p>A. <i>Repayment of term loan as per stipulated schedule</i></p> <p>B. <i>Lesser utilization of cash credit limits</i></p>

# FINANCIALS - SUMMARY (continued)

In INR million

INCOME	Q3FY24	9MFY24	Q3FY23	9MFY23	FY23	REMARKS
Depreciation and amortization expense	135.9	398.6	133.7	374.3	502.3	<i>Higher during Q3FY24 &amp; 9MFY24 on account of depreciation in respect of DD Distillery unit (Commenced operations during Q2FY23)</i>
Other expense	342.7	1,037.2	403.4	1,075.0	1,372.0	--
Preoperative & trial period capitalized	-	-	-	-16.3	-16.3	--
Total expenses	3,047.9	12,509.9	3,767.1	14,996.5	19,644.9	--
Profit / (loss) before taxes	141.7	881.9	150.2	829.2	1,525.1	<i>Modest improvement in profit during the 9M FY24 is on account of A. Higher volume of ethanol sales B. Better realization on sale of sugar C. Moderation of finance costs.</i>
Tax expense	43.6	275.0	45.0	248.6	477.0	
Profit for the period	98.1	606.9	105.2	580.6	1,048.1	
Other Comprehensive Income	-	-	-	-	-6.4	<i>The same is notwithstanding A. Lower quantity of sugar sold B. Higher levy obligation of B heavy molasses resulting in additional expense of Rs. 199.2 million</i>
Total Other Comprehensive Income	98.1	606.9	105.2	580.6	1,041.7	

# OPERATIONAL TRENDS

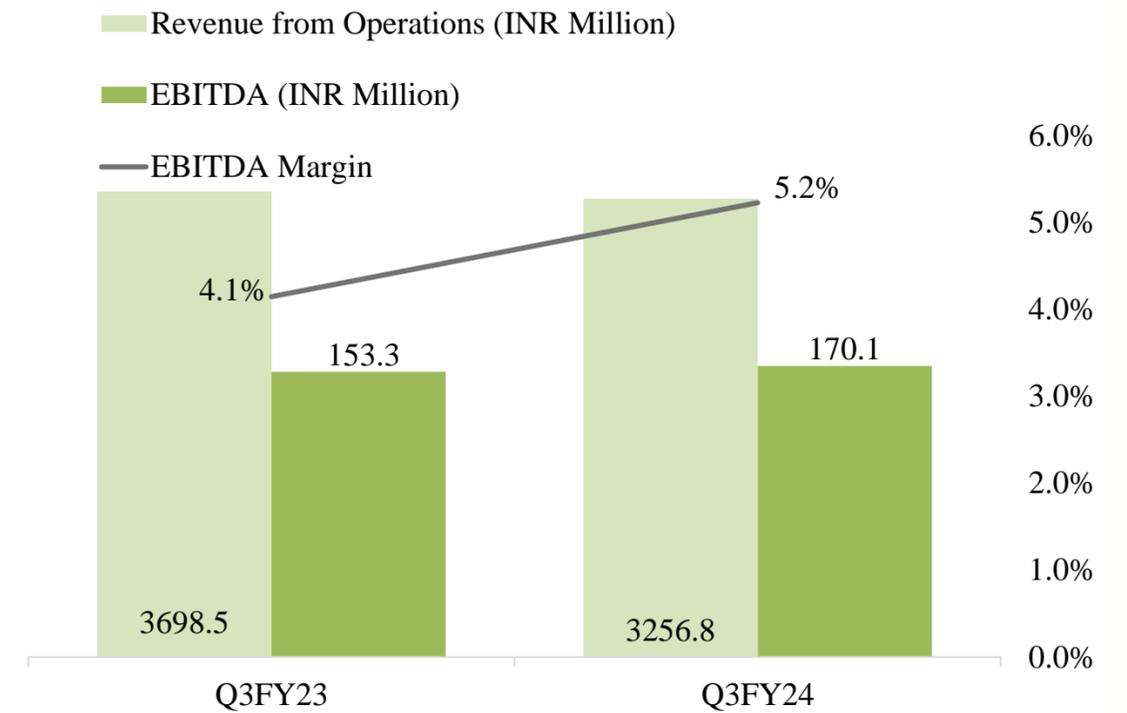
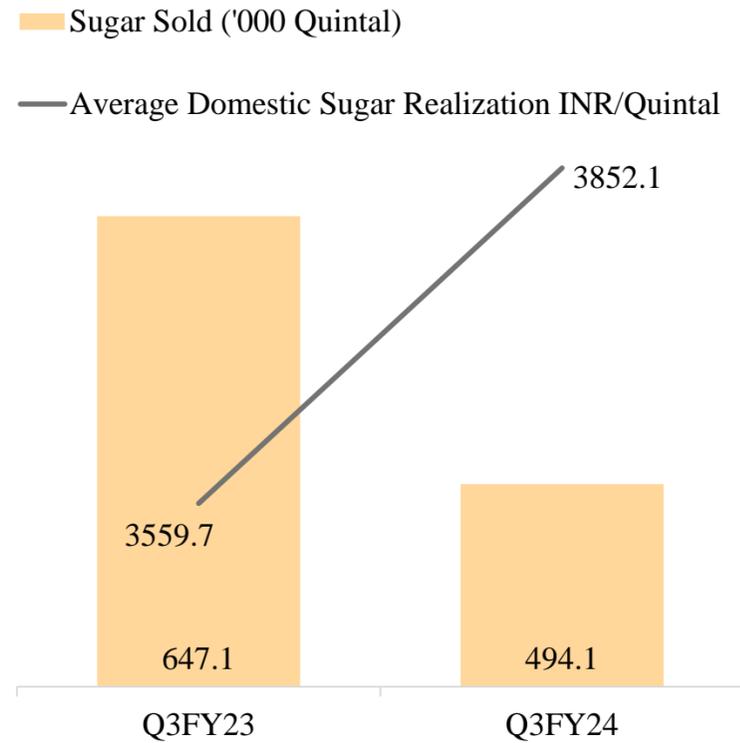


# SUGAR BUSINESS

## HIGHLIGHTS

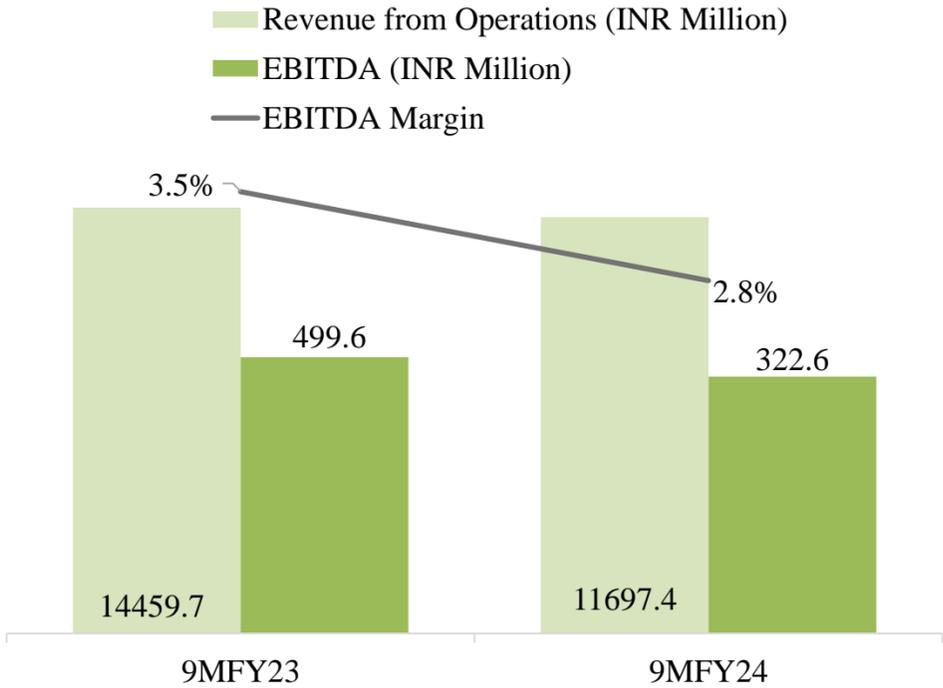
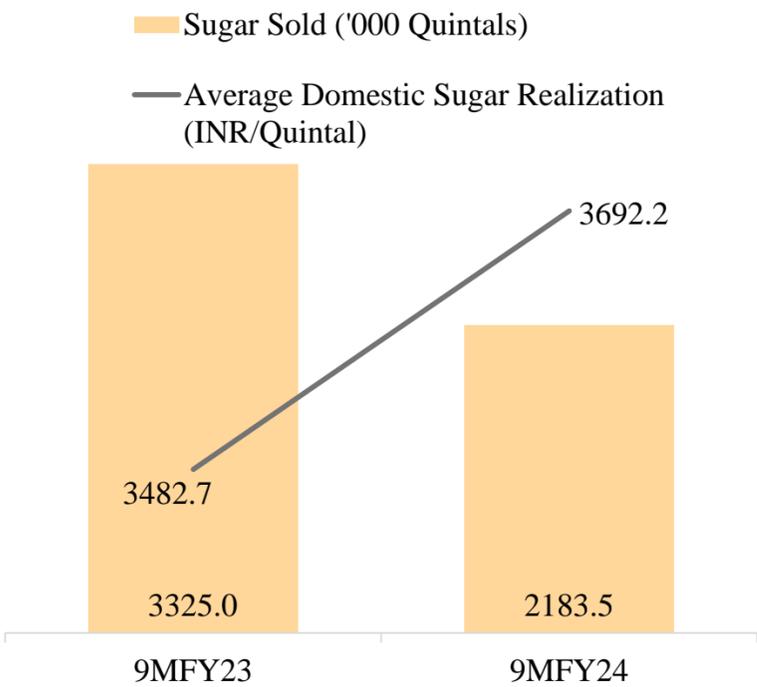
- Crushing operations for SS 2023-24 commenced at DN & DP units on 31<sup>st</sup> October, 2023 and at DD unit on 5<sup>th</sup> November, 2023.
- Crushing during the quarter is lower by 1.89% at 122.72 lakh quintals, as compared to 125.08 lakh quintals during corresponding quarter of last year. However, sugar production in Q3FY24 increased by 6.3% at 9.97 lakh quintals, as compared to 9.38 lakh quintals (including 4.46 lakh quintals of raw sugar) in corresponding quarter of last year. Sugar production is higher because of discontinuation of use of cane juice / syrup for producing ethanol in view of the amended policies of the Central Government.
- Quantity of domestic sugar sales in Q3FY24 has increased by 132%, and in 9MFY24 declined by 9% in comparison to corresponding periods of last year. Whereas overall quantity of sugar sold (including exports) is lower by 24% in Q3FY24 and 34% in 9MFY24 as compared to the corresponding periods of FY23.
- The average domestic sugar realization in Q3FY24 has increased by 8%. The same is Rs. 3,852/- per quintal, as compared to Rs. 3,560/- per quintal during Q3FY23. During 9MFY24 the average domestic sugar realization has increased by 6%. The same is Rs. 3,692/- per quintal, as compared to Rs. 3,483/- per quintal during 9MFY23.
- Results of sugar segment for 9MFY24 are impacted on account of additional levy obligation for Molasses year 2022-23 cast up on the company which unfairly treats both B heavy and C heavy molasses as equivalent regardless of their respective potential ethanol output.
- Results are drawn on the basis of enhanced sugarcane price (SAP) for SS 2023-24.

# SUGAR BUSINESS - QUARTERLY SNAPSHOT



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

# SUGAR BUSINESS – 9M FY24 SNAPSHOT

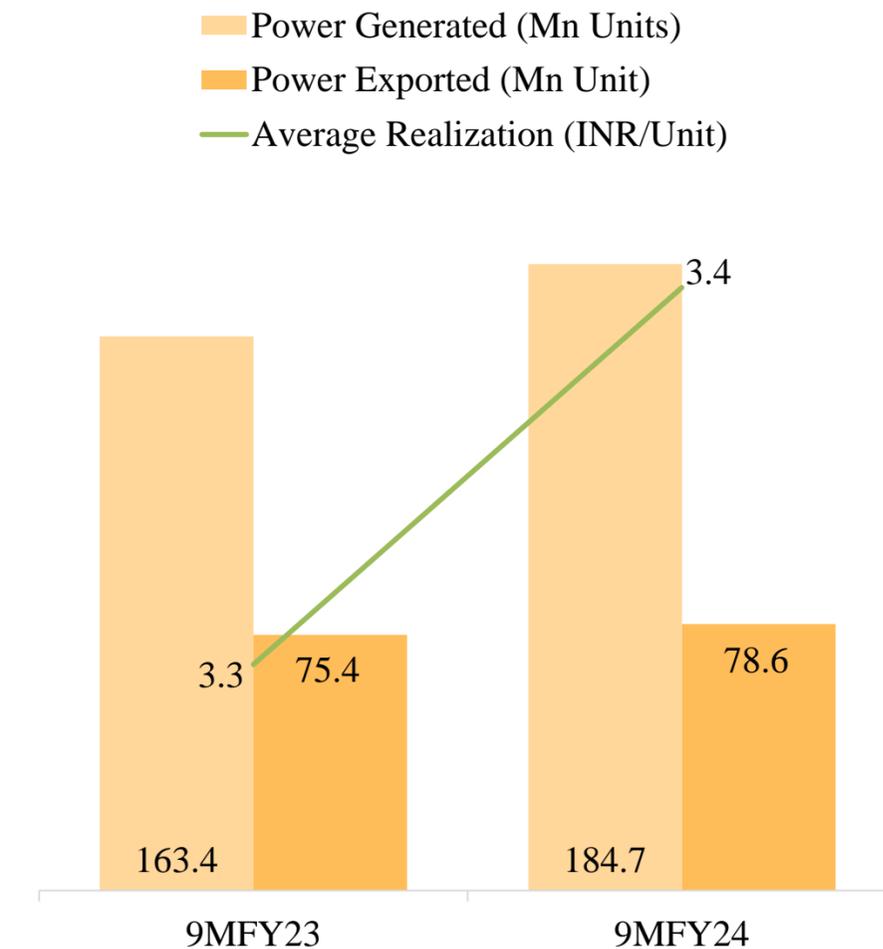


*EBITDA Margin is EBITDA / Revenue from operations (including internal revenue)*

# COGENERATION DATA

## HIGHLIGHTS – 9M FY24

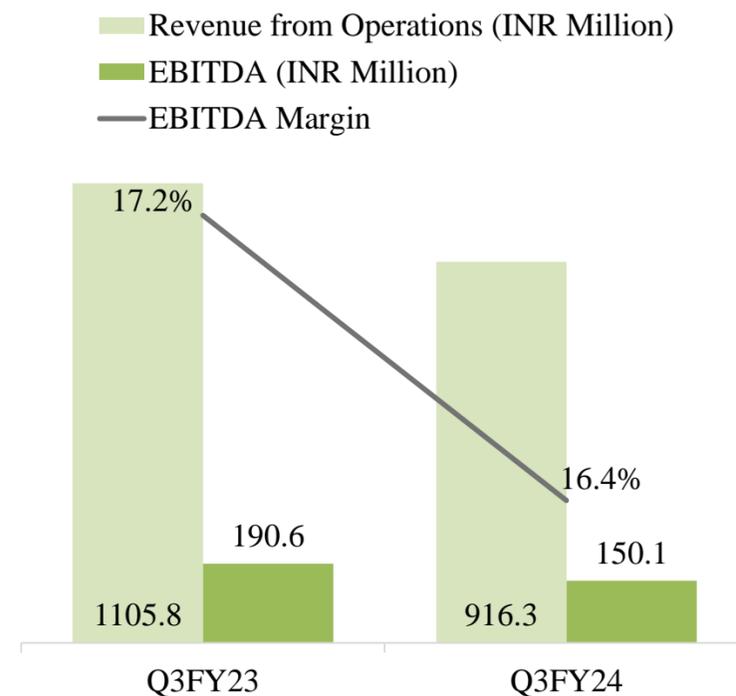
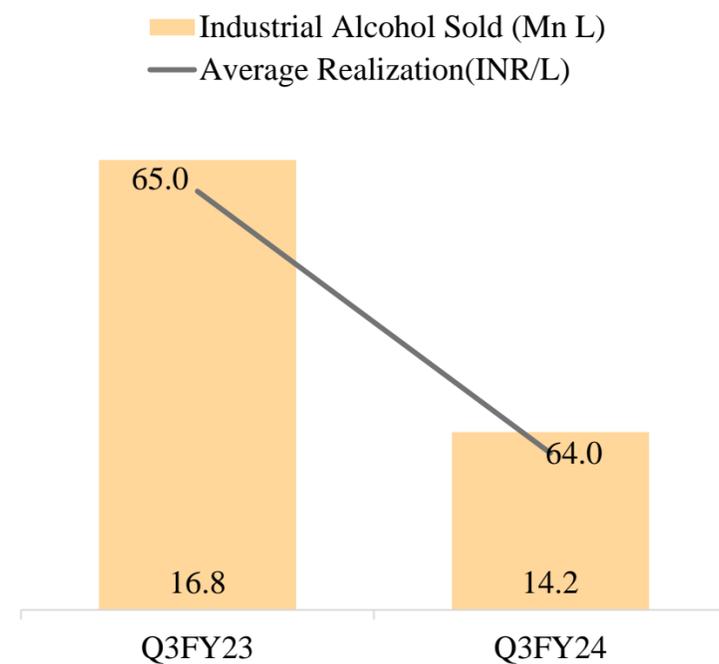
- Revenue from Power sale during has increased by 8% during 9MFY24, reaching Rs. 26.95 crore, as compared to Rs. 24.88 crore during the corresponding period of last year. The generation of power is incidental to the steam required for sugar and ethanol production, resulting in savings of bagasse.
- However in view of the falling bagasse prices, efforts are being made to maximize power generation and evacuation.



# DISTILLERY QUARTERLY SNAPSHOT

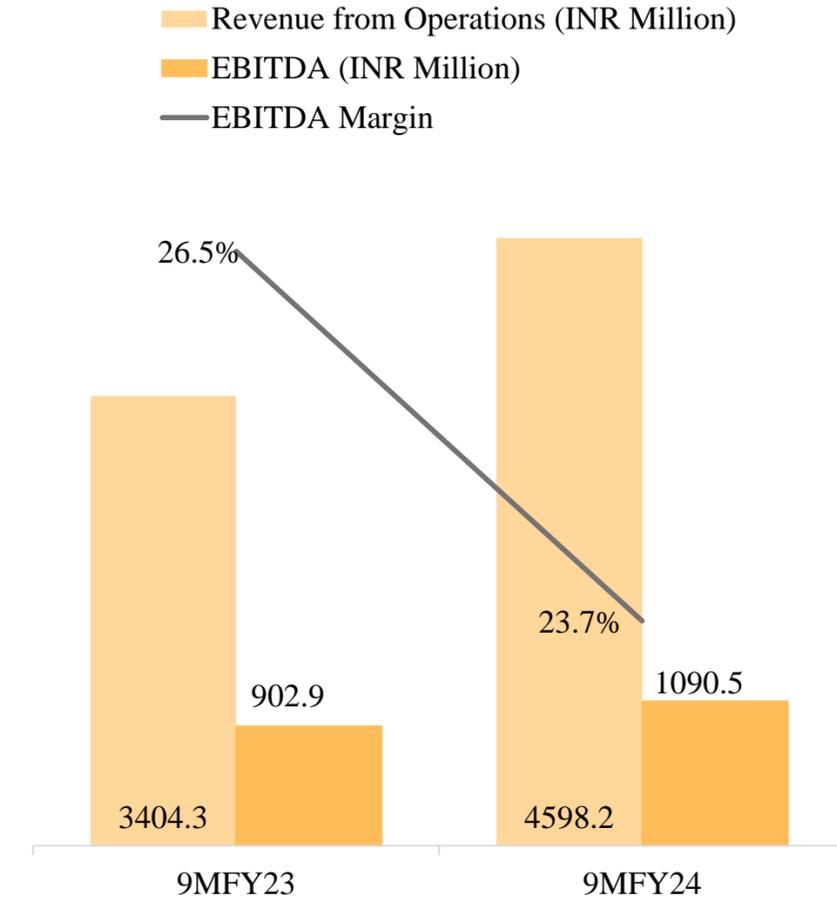
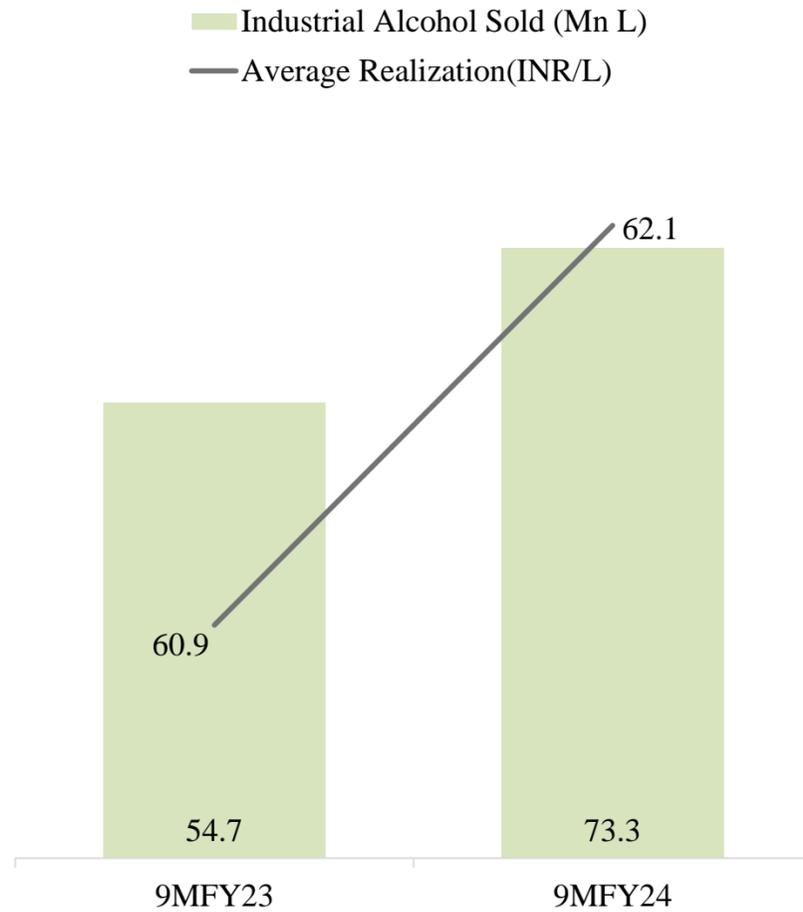
## HIGHLIGHTS

- The sale volume of Industrial Alcohol declined by 16% in Q3FY24, and increased by 34% in 9MFY24 as compared to the corresponding periods of FY23. Similarly revenue also declined by 17% during Q3FY24 and increased by 35% in 9MFY24 as compared to corresponding periods of last year.



*EBITDA Margin is EBITDA / Revenue from operations*

# DISTILLERY 9M FY24 SNAPSHOT



*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)

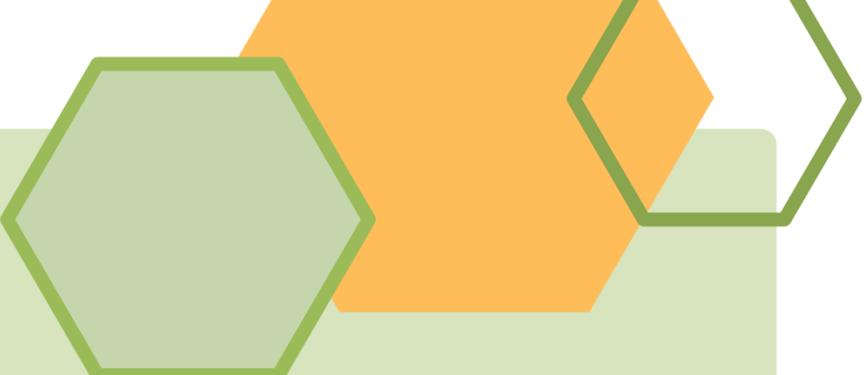


162.5 KLPD  
distillery

# DWARIKESH DHAM DISTILLERY (BAREILLY DISTRICT)



175 KLPD  
distillery



# THANK YOU

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