



DWARIKESH SUGAR INDUSTRIES LIMITED

Corp. off.; 511, Maker Chambers V, 221, Nariman Point, Mumbai – 400021. Tel.: 2283 2486, 2204 2945, Fax: 2204 7288
E Mail: dsilbom@dwarikesh.com Website: www.dwarikesh.com, CIN: L15421UP1993PLC018642

REF: DSIL/2024-25/200

October 28, 2024

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: Press release with respect to Unaudited financial results for (Q2) quarter & half year ended September 30, 2024 and outlook

Dear Sir,

In furtherance of our letter no. DSIL/2024-25/199 dated October 28, 2024 with regard to financial results for (Q2) quarter and half year ended September 30, 2024 and pursuant to Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we annex herewith press release on the Unaudited financial results for (Q2) quarter and half year ended September 30, 2024 and outlook of the company.

Kindly acknowledge the receipt and take the same on record.

Thanking you,

Yours faithfully,

For Dwarikesh Sugar Industries Limited

BJ Maheshwari
Managing Director & CS cum CCO
DIN: 00002075

Encl: as above.



MEDIA RELEASE

Q2 & H1 FY25 RESULTS

DWARIKESH SUGAR INDUSTRIES LIMITED
28 October 2024



SNAPSHOT

Mumbai, October 28, 2024: Dwarikesh Sugar Industries Ltd., today announced its unaudited financial results for the quarter and six months ended September 30, 2024.

In Q2 FY25, the company reported loss before tax (LBT) of Rs. 36.04 crore and loss after tax (LAT) of Rs. 24.00 crore as compared to PBT of Rs. 14.93 crore and PAT of Rs. 10.26 crore reported during Q2 FY24.

	Total Income	PBT	PAT	EPS
Q2 FY 25	Rs. 248.01 crore	Rs. (36.04) crore	Rs. (24.00) crore	Rs. (1.29) per share
Q2 FY 24	Rs. 448.68 crore	Rs. 14.93 crore	Rs. 10.26 crore	Rs. 0.55 per share
HI FY 25	Rs. 589.86 crore	Rs. (51.03) crore	Rs (33.72) crore	Rs (1.82) per share
HI FY 24	Rs. 1,020.22 crore	Rs. 74.01 crore	Rs 50.88 crore	Rs 2.70 per share
FY 24	Rs. 1,721.24 crore	Rs. 143.99 crore	Rs. 83.52 crore	Rs. 4.44 per share

Sugar production for the 2023-24 season is pegged at around 32 million tons, after factoring for diversion of around 2 million tons for ethanol production. According to the Indian Sugar & Bio-energy Manufacturers Association (ISMA), gross sugar production for the 2024-25 season is anticipated to be around 33.3 million tons. However, these forecasts are subject to change as conditions evolve, and more accurate predictions are expected in the coming months as we gain clarity on crop yields and recoveries.

The government has lifted the embargo on using cane juice / syrup, and B-heavy molasses as feedstock for ethanol production. This change could lead to a diversion of up to 4 million tons of sugar for ethanol, potentially bringing net sugar production down to over 29 million tons. There is also an opportunity for the resumption of sugar exports, as stock levels at the beginning of the 2024-25 season appear comfortable. Perhaps the Government may consider this option only when clearer estimates of sugar production become available.

Sugar prices are currently range bound between Rs. 3,800 and Rs. 3,900 per quintal.

Vijay S. Banka
Managing Director
Dwarikesh Sugar Industries Ltd



Key Numbers of P&L statement

Figures in Rs. crore except EPS



	Q2FY25	Q2FY24	H1FY25	H1FY24	FY24
Total Income	248.01	448.68	589.86	1,020.22	1,721.24
EBIDTA	(21.07)	31.90	(18.18)	109.29	216.62
Finance cost	2.65	3.50	8.22	9.01	20.13
EBDT	(23.72)	28.40	(26.40)	100.28	196.49
PBT	(36.04)	14.93	(51.03)	74.01	143.99
Tax	(12.04)	4.67	(17.31)	23.13	60.47
PAT	(24.00)	10.26	(33.72)	50.88	83.52
EPS Rs. Per share	(1.29)	0.55	(1.82)	2.70	4.44



SYNOPSIS

- 🌱 Sugar sold during Q2 FY25 is 5.97 lakh quintals as compared to 7.19 lakh quintals of sugar sold during corresponding quarter last year. Average realization on domestic sugar sold during the quarter was Rs. 3,767 per quintal vis-à-vis realization of Rs. 3,696 per quintal during the corresponding quarter last year.
- 🌱 Sugar sold during H1 FY25 is 12.72 lakh quintals as compared to 16.89 lakh quintals of sugar sold during corresponding period last year. Average realization on domestic sugar sold during the quarter was Rs. 3,802 per quintal vis-à-vis realization of Rs. 3,645 per quintal during the corresponding quarter last year.
- 🌱 Sugar stock as on 30th September 2024 was 5.59 lakh quintals as compared to stock of 2.68 lakh quintals as on 30th September 2023. Sugar stock is valued at Rs. 3,383 per quintal, the same rate at which stock was valued at the end of FY24 and Q1 FY25.
- 🌱 Industrial Alcohol sold during Q2 FY25 and H1 FY25 is 3,154 KL and 15,512 KL as compared to 28,736 KL and 59,090 KL during corresponding periods last year. During H1 FY25 entire quantity of industrial alcohol sold was made from B heavy molasses whereas in H1 FY24, 11,388 KL of industrial alcohol sold was made from sugarcane juice / syrup directly. Rest of the quantity sold was made from B heavy molasses.
- 🌱 The results for Q2 FY25 and H1 FY25 were significantly impacted by several factors:
 - a. The volume of sugar sold was markedly lower compared to the same periods in the previous fiscal year.
 - b. Similarly, the quantity of ethanol sold also declined compared to last year's corresponding periods.



- c. The results were further affected by the complete suspension of sugarcane crushing activities and disrupted distillery operations. Crushing operations for the 2023-24 season ceased in March 2024, whereas in the previous season, nearly 98.51 lakh quintals of sugarcane were processed during Q1 and H1 of FY24.
 - d. Reduction in ethanol production was primarily due to governmental restrictions on the diversion of sugar for ethanol. These restrictions limited the use of both cane juice and B heavy molasses for ethanol production, thereby reducing the overall volume available for sale to Oil Marketing Companies (OMCs). Additionally, the decreased crushing activity led to a lower generation of molasses, which, after fulfilling levy obligations, further restricted the availability of molasses for ethanol production.
 - e. This curtailed operational activity resulted in the un-absorption of overhead costs, which are typically spread across active operational periods. Consequently, the financial impact was more significant than in typical quarters where crushing, production, and distillery activities are in full operation.
-  On 30th September 2024, the company had outstanding long-term loans of Rs. 177.70 crore. Outstanding loan amount is in respect of loans availed for the distillery projects at DN & DD units. All the outstanding long-term loans are at concessional rate of interest.
-  The company enjoys long term rating of (ICRA) AA- (pronounced as AA minus). The outlook assigned is 'stable'. ICRA has also retained the highest rating of A1+ for the company's CP program of Rs. 300 crores.



- 🌱 The lower availability of sugarcane in the 2023-24 season can be attributed to significant damage from red-rot pests affecting the Co 0238 variety, as well as unseasonal heavy rainfall leading to waterlogging in cane fields and stunted growth. Looking ahead, we anticipate considerable transformations in the upcoming seasons. There are optimistic expectations for improved crushing figures and a more diverse varietal mix, bolstered by extensive efforts in crop protection and varietal enhancement to address the challenges posed by adverse weather and red-rot pests. If weather conditions remain favorable, we could see substantial improvements within the next season or two. While the 2024-25 season may see partial recovery due to ongoing challenges, we remain optimistic about regaining our momentum by the 2025-26 season.
- 🌱 Moreover, there's a positive outlook regarding the Central Government's renewed commitment to the ethanol blending program in the forthcoming season. This revitalization is expected to breathe life into better utilization of distillery capacities and enhance overall operational performance.
- 🌱 With the resumption of the ethanol blending program, both our distilleries will utilize sugarcane juice / syrup as feedstock during the season, while B heavy molasses will be used in the off-season. We anticipate that sugarcane crushing across all units will begin in the first week of November.
- 🌱 We remain steadfast in our commitment to continually enhance operational efficiencies and maintain rigorous cost controls. Despite the inherent challenges posed by environmental factors, our dedication remains resolute in optimizing operations and ensuring sustained performance.



ABOUT DWARIKESH

Dwarikesh Sugar Industries Ltd. is a leading sugar producer. The company has three fully automated and highly efficient sugar mills, located in Uttar Pradesh’s sugarcane-rich belt of Bijnor and Bareilly districts. The company’s combined production capacity is to crush 21,500 tons of sugarcane per day. Modern and technologically advanced units help the company to harness sugar by-products and produce ethanol/ industrial alcohol and bagasse-based power as growth enablers. Going forward, ethanol will be the key business driver for propelling growth as the company has achieved full integration to optimize its operations.

High recovery, plant efficiencies, cane development initiatives, and ethical & transparent conduct of business are the key USPs of the company. The company’s collaborative approach has helped farmers to improve their yield and maximize their returns. Focused R&D initiatives have enabled the company to ensure streamlined operations & quality supply of sugarcane, enabling high recovery and proficient production levels.

SAFE HARBOUR STATEMENT

This press release and the accompanying results table, 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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Vijay S. Banka	Poonam Saney	Rohan Vora
Dwarikesh Sugar Industries Ltd.	Adfactors PR Pvt. Ltd.	Adfactors PR Pvt. Ltd.
vsbanka@dwarikesh.com	poonam.saney@adfactorspr.com	rohan.vora@adfactorspr.com