



# DWARIKESH SUGAR INDUSTRIES LIMITED

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REF: DSIL/2022-23/508

February 07, 2023

Corporate Relationship Department  
Bombay Stock Exchange  
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 Credit Rating - Upgraded**

Dear Sir,

In furtherance of our letter no. DSIL/2022-23/506 dated February 06, 2023 with regard to Credit Rating and pursuant to regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we annex herewith press release on Credit Rating upgraded.

Kindly acknowledge the receipt and take the same on record.

Thanking you,

Yours faithfully,

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

Encl: as above.

## PRESS RELEASE

# **Dwarikesh Sugar's long term credit rating upgraded by ICRA to AA- from A+**

**Mumbai, 07<sup>th</sup> February 2023:** ICRA, one of India's premier credit rating agencies, on February 06, 2023, has upgraded the long-term rating of Dwarikesh Sugar Industries Limited applicable to bank loans facilities of Rs. 800 crore from [ICRA] A+ to [ICRA] AA-. The outlook on the long-term rating has also been revised to 'Stable' from 'Positive'. Further, ICRA has re-affirmed the rating of Commercial paper facility of Rs. 300 crore of the Company at [ICRA] A1+.

The communication from ICRA reads as follows:

'Based on a review of the latest developments, the rating committee of ICRA, after due consideration, has upgraded the long-term rating to **[ICRA] AA-** (pronounced ICRA double A minus) ("Rating") from **[ICRA] A+** (pronounced ICRA A plus). The Rating Committee of ICRA, after due consideration has also reaffirmed the short-term rating at [ICRA] A1+ (pronounced ICRA A one plus).'

'The rating upgrade of the debt programme of Dwarikesh Sugar Industries Limited (DSIL) factors in expected improvement in coverage metrics benefitting from reduced working capital borrowings with increased diversion of sugar towards ethanol besides favorable exports prospects. The distillery segment's increasing contribution to the operating income lends more stability to the cashflows besides contraction in inventory days resulting in improvement in the working capital cycle.'

'The rating continues to draw comfort from DSIL's efficient operations with one of the highest recovery rates in Uttar Pradesh (UP) that has supported its comfortable credit profile. Moreover, being forward-integrated into co-generation and distillery operations, the company benefits from access to alternative revenue streams, which act as a cushion against the cyclical nature of the sugar business.'

### **Perspective**

Following the rating upgrade, **Mr. Vijay S. Banka, Managing Director, Dwarikesh Sugar Industries Limited** said, "The rating upgrade is a recognition of Dwarikesh's cost-efficiencies, healthy cash-flows and fiscal discipline. The rating upgrade will further enable to moderate our borrowing costs and reinforce our business sustainability."

Dwarikesh remains committed to the following elements of its strategy:

- Portfolio evolution: Dwarikesh will maximize the production of value-added products and moderate sugar output, strengthening business sustainability
- Enhancing efficiencies: Dwarikesh will make continuous enhancements in operating efficiencies, R&D and farmer engagement
- Cane development: Dwarikesh will continue to focus on sugar recovery across its mills arising out of a superior cane varietal mix (also generates higher farmer yields)

**About Dwarikesh Sugar Industries Ltd.**

Dwarikesh Sugar Industries Ltd. is a diversified and integrated sugar company with manufacturing plants in Uttar Pradesh. The company derives revenue from sugar, by-products (molasses) and value-added products like ethanol and power. Over the years, ethanol has carved out a growing space within the company. The company’s three plants possess a combined capacity to crush 21,500 TCD of sugarcane, generate 96 MW of co-generated power (56 MW evacuated to the state electricity grid) and 337.5 KL of ethanol per day across two distilleries.

The company’s equity shares are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

For more information about Dwarikesh Sugar Industries Limited, please visit:

[www.dwarikeshsugar.com](http://www.dwarikeshsugar.com)

**Safe Harbor statement**

*Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.*

For further information, please contact:

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