



# 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/2023-24/330

March 12, 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: Dwarikesh Sugar Industries Limited - Proposed Buy Back- Submission of certified copy of resolution passed by the Board of Directors in its meeting held on March 08, 2024**

Dear Sir/Madam,

This is to inform that the Board of Directors of Dwarikesh Sugar Industries Limited (the “Company”) in its meeting held on March 08, 2024, had considered and approved the Proposal of Buyback of fully paid-up equity shares of the Company having a face value of Rs. 1/- (Rupee One Only) (“Equity Shares”) from all shareholders/beneficial owners of the Equity Shares of the Company, including promoters and members of the promoter group, as on record date, as mentioned below, on a proportionate basis, through the “tender offer” route, using mechanism for acquisition of shares through Stock Exchange as prescribed under Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended (the “Buyback Regulations”) and such other circulars or notifications issued by the Securities and Exchange Board of India and the Companies Act, 2013 and rules made thereunder, as amended from time to time.

a) The details of Buyback are as under:

Sr. No.	Heads	Details
1	Number of securities proposed for Buyback	30,00,000 (Thirty Lakhs) Equity Shares of face value of ₹ 1/- (Rupee One Only) each
2	Number of securities proposed for buyback as a percentage of existing paid-up capital	1.593%
3	Buyback price	Rs. 105/- (Rupees One Hundred and Five Only)
4	Buyback Offer Size	Rs. 31,50,00,000 (Rupees Thirty One Crore Fifty Lakhs Only) excluding expenses incurred or to be incurred for the Buyback viz. brokerage cost, fees, turnover charges, applicable taxes such as, Buyback tax, securities



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	transaction tax, goods and services tax (if any), stamp duty, printing and dispatch expenses, if any, filing fees payable to the Securities and Exchange Board of India (“SEBI”) any other Appropriate Authorities, Stock Exchange charges, advisor/legal fees, public announcement publication expenses and other incidental and related expenses and charges.
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- b) The Board has appointed Centrum Capital Limited, as the merchant banker to the Buyback or manager to the Buyback in accordance with the Companies Act, as amended and Buyback Regulations.
- c) Please find attached certified copy of resolution passed by the Board of Directors as required under Regulation 5(vii) of SEBI (Buyback of Securities), Regulations, 2018, as amended for your information and records.

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.**



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**CERTIFIED TRUE COPY OF RESOLUTION PASSED IN THE MEETING OF BOARD OF DIRECTORS OF DWARIKESH SUGAR INDUSTRIES LIMITED HELD ON FRIDAY, MARCH 08, 2024 THROUGH VIDEO CONFERENCING (“VC”):**

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## **TO APPROVE BUYBACK OF EQUITY SHARES;**

The Chairman informed the board that, it is proposed to Buyback of Equity Shares by the Company with a view to reward shareholders.

The Buyback will help the Company to distribute surplus funds to its shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to the shareholders and it will also help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value.

The Board was explained on the legislations, conditions, and procedure of Buyback as under:

### **Legislations Governing Buyback**

Companies Act, 2013 and Rules made thereunder (Sections 68, 69, 70 and 110) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended SEBI (Buyback of Securities) Regulations, 2018, as amended.

### **Conditions and requirements for Buyback of shares:**

- The maximum limit of any Buyback shall **be twenty-five per cent (by way of Shareholders approval)** or less of the aggregate of paid-up capital and free reserves of the company based on the financial statements of the company;
- **Up to ten percent (by way of Board Approval)** of the aggregate of paid-up capital and free reserves of the company based on the financial statements of the Company, whichever sets out a lower amount;
- The **ratio of the aggregate of secured and unsecured debts** owed by the company to the paid-up capital and free reserves after Buyback **shall be less than or equal to 2:1**, based on the financial statements of the company;



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## Company's Key Financial Ratios:

Particulars	For nine months period ended December 31, 2023 (Unaudited)	For Year ended March 31, 2023 (Audited)
Basic Earnings per share (Rs.) (not annualised)	3.22	5.57
Diluted Earnings per share (Rs.) (not annualised)	3.22	5.57
Book value per share (Rs.)	42.51	39.29
Return on net worth (%)	7.88	14.83
Debt-Equity ratio	0.42	0.50
Debt-Net worth ratio	0.42	0.50

A company may undertake a Buyback of its own shares or other specified securities out of—

- (a) its free reserves.
- (b) the securities premium account; or
- (c) the proceeds of the issue of any shares or other specified securities:

The details of Paid-up Equity Capital and Free Reserves explained as under:

Particular	As at March 31, 2023 Amount (Rs. In Lakhs)
<b>Paid-up Equity Share Capital</b>	1883.01
Free Reserves	
- Retained Earnings	53,521.07
- General Reserve	127.57
- Securities Premium Reserve	14,688.11
<b>Total Free Reserves (B)</b>	<b>68,336.75</b>
<b>Total (A + B)</b>	<b>70,219.76</b>
Maximum amount permissible for the Buyback through Shareholders Approval route i.e. lower of 25% of total paid-up equity capital and free reserves as per the latest audited financial statements of the Company.	17,554.94
Maximum amount permissible for the Buyback through Board Approval route i.e. lower of 10% of total paid-up equity capital and free reserves as per the latest audited financial statements of the Company. (net of negative balance in OCI)	7,005.75

- The Company contains the enabling provisions of Buyback in its Articles of association.





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- Since the Company has proposed to Buy- Back up to **ten per cent or less of the total paid-up equity capital and free reserves. So, Shareholders approval is not required.**
- There was no breach of any covenant with the Lender, so prior approval as per Buyback Regulations was not required.

It was proposed to Buyback 30 lakh Equity Shares of the Company with an offer Price of Rs. 105/- per Equity Share.

A presentation made by Centrum Capital Limited Managers to the issue on Buyback is placed before the Board for their perusal.

The Buyback was proposed to be implemented through the tender offer route as prescribed under the Buyback Regulations and would involve allocation of number of equity shares as per the entitlement to the shareholders or 15% of the number of Equity Shares to be bought back whichever is higher, reserved for the small shareholders and also would allow promoters to participate in the same.

It was further informed that the number of small shareholders in the Company are approximately more than 1.82 lakh shareholders out of around 1.87 Lakhs Shareholders. The Company believed that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as “small shareholder” as per Regulation 2(i)(n) of the SEBI Buyback Regulations.

The Buyback also gives an option to the Eligible Shareholders to either (a) choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback or (b) choose to not participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment.

It was further informed that, if approved, it was proposed to source the Buyback, out of Retained Earnings of the Company.

Considering above, The Board was requested to consider and approve the Buyback of Equity Shares by the Company along with the following:

- Offer Size: Rs. 38,83,82,400/- (inclusive of Buyback tax @ 23.296%)
- Price: Rs 105/- per equity Shares
- No. of Equity Shares: 30,00,000
- Record Date for determining Equity Shareholders
- Appointment of Merchant banker and Broker to the Issue.
- Appointment of Banker for Escrow and Pay out account.
- Appointment of Registrar for handling Buyback.
- Appointment of Designated Stock Exchange.
- Appointment of Printer and Ad Agency.





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It was further informed that the Board or any Committee formed for proposed Buyback may increase the price per equity share to be offered and correspondingly number of equity shares shall be decreased with in the offer size of Rs. 105/- one day before the Record date fixed for the purpose.

Afet discussion, following resolutions were passed unanimously:

**“RESOLVED THAT** pursuant to the provisions of Regulation 61 of the Articles of Association of Dwarikesh Sugar Industries Limited (the **“Company”**) and the provisions of Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013, as amended (the **“Companies Act”**), the Companies (Share Capital and Debentures) Rules, 2014 to the extent applicable, and in compliance with the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, (the **“Buyback Regulations”**), including any amendments, statutory modifications or re-enactments for the time being in force, and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, the Board of Directors of the Company (**“Board”** which expression shall include any committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution) hereby approves the Buyback of 30,00,000 (Thirty Lakh Shares), fully paid-up equity shares of face value of Re. 1 (Rupee One only) each by the Company (**“Equity Shares”**), representing 1.59% of total paid up Equity Share Capital of the Company at a price of Rs. 105/- (Rupees one hundred & five only) per Equity Share (**“Buyback Offer Price”**), payable in cash for an aggregate consideration of up to Rs. 31,50,00,000/- (Rupees Thirty one crores fifty lakhs only) (**“Buyback Size”**) representing 1.59 % and 4.49 % respectively of the aggregate of the fully paid-up Equity Share capital and free reserves as per the latest audited financial statements of the Company as on March 31, 2023 from the shareholders of the Company, as on the record date, (**“Record Date”**) i.e. **20<sup>th</sup> March, 2024** on proportionate basis through **“tender offer” (“Buyback”)** and the Buyback size does not include transaction costs viz. brokerage, applicable taxes such as, Buyback tax, securities transaction tax, goods and services tax, stamp duty, expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India (**“SEBI”**), advisors/legal fees, public announcement publication expenses and other incidental and related expenses etc.

**RESOLVED FURTHER THAT** the Board / Buyback Committee may determine the specific price at which the Buyback will be made, at appropriate time, which will be subject to the Final Buyback Offer Price and adjust the number of Equity Shares within the Buyback Size.

**RESOLVED FURTHER THAT** all the equity shareholders of the Company including promoter(s), promoter group, person(s) acting in concert who hold equity shares of the company as on Record Date will be eligible to participate in the Buyback of the Company.

**RESOLVED FURTHER THAT** 15% (Fifteen percent) of the number of Equity Shares which the Company proposes to Buyback or number of Equity Shares entitled as per the shareholding of small shareholders as on the Record Date, whichever is higher, shall be reserved for the small shareholders, as prescribed under Regulation 6 of the Buyback Regulations and in case the shares tendered are less than the reservation the same shall be adjusted in the general category, in accordance with Buyback Regulations.



Regd. Off. : Dwarikesh Nagar - 246 762, Dist. Bijnor, (U.P.) Phone : 01343-267061-267064, Fax : 01343-267065



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**RESOLVED FURTHER THAT** the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (“Listing Regulations”).

**RESOLVED FURTHER THAT** the Company shall implement the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, read with SEBI Circular SEBI/HO/CFD/DCR/III/ CIR/P/2021/615 dated August 13, 2021 including any amendments or statutory modifications for the time being in force.

**RESOLVED FURTHER THAT** the Buyback of Equity Shares from non-resident Members of the Company, including Foreign Corporate Bodies (including erstwhile Overseas Corporate Bodies), Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors, Members of foreign nationality, etc., shall be subject to such approvals if, and to the extent necessary or required from the concerned authorities including approvals from the Reserve Bank of India (“RBI”) under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder, if any.

**RESOLVED FURTHER THAT** the amount required by the Company for the Buyback is intended to be met out of the Company’s current surplus and/or cash balances and/or cash available from internal accruals (and not from borrowed funds) and on such terms and conditions as the Board may decide from time to time at its absolute discretion.

**RESOLVED FURTHER THAT** pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder and SEBI (Buyback of Securities) Regulations, 2018, as amended, the Board hereby confirms that they have made a full enquiry into the affairs and prospects of the Company and has formed an opinion –

- i. that immediately following the date of this Board Meeting i.e. **8<sup>th</sup> March, 2024**, there will be no grounds on which the Company could be found unable to pay its debts;
- ii. that as regards the Company’s prospects for the year immediately following the date of this Board Meeting that having regard to Board’s intention with respect to the management of the Company’s business during that year and to the amount and character of the financial resources which will, in the Board’s view be, available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board Meeting; and
- iii. in forming an opinion as aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 1956, the Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016 as amended from time to time, as applicable (including prospective and contingent liabilities).





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**RESOLVED FURTHER THAT** draft auditor's certificate is hereby noted and as required under the provisions of Section 68(6) of the Companies Act read with Regulation 8(i)(b) of the SEBI Buyback Regulations, the draft of the declaration of solvency prepared in the prescribed form and supporting affidavit and other documents, placed before the meeting be and is hereby approved and that Mr. Balkishan J Maheshwari, Managing Director & CS Cum CCO and Mr. Vijay S Banka, Managing Director be and are hereby authorized jointly to sign the same, for and on behalf of the Board and file the same with the Registrar of Companies (RoC) and the SEBI and/or other concerned authorities, as may be necessary, in accordance with the applicable laws.

**RESOLVED FURTHER THAT** Mr. Balkishan J Maheshwari, Managing Director and Company Secretary be and is hereby appointed as Compliance Officer under the Buyback Regulations for the implementation of the Buyback.

**RESOLVED FURTHER THAT** the Board hereby confirms that:

- i. all the equity shares for Buyback are fully paid-up;
- ii. subject to applicable law, the Company shall not issue any shares or other specified securities including by way of bonus issue from the date of passing of Board Resolution till the expiry of the Buyback period i.e. the date on which the payment of consideration to shareholders who have accepted the Buyback offer is made in accordance with the Act and the Buyback Regulations ("**Buyback Period**");
- iii. Subject to applicable law, the Company shall not raise further capital for a period of one year from the expiry of the Buyback Period, except in discharge of subsisting obligations;
- iv. The Company, as per the provisions of Section 68(8) of the Act, will not make any further issue of the same kind of shares or other securities including allotment of new shares under Section 62(1)(a) or other specified securities within a period of six months after the completion of the Buyback except by way of bonus shares or equity shares issued in order to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;
- v. The Company shall not Buyback locked-in equity shares and non-transferable equity shares till the pendency of the lock-in or till the equity shares become transferable;
- vi. The Company shall not Buyback its equity shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- vii. There are no defaults subsisting in the repayment of deposits, redemption of debentures or interest thereon or redemption of preference shares or payment of dividend or repayment of any term loans or interest payable thereon to any shareholder or financial institution or banking company, as the case may be;
- viii. That the Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act







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- ix. That funds borrowed from Banks and Financial Institutions will not be used for the Buyback;
- x. The aggregate amount of the Buyback i.e. up to Rs. 31,50,00,000/- (Rupees Thirty-one crore fifty lakhs only) does not exceed 10% of the total paid-up capital and free reserves of the Company as per the audited financial statements of the Company as on March 31, 2023;
- xi. The number of equity shares proposed to be purchased under the Buyback i.e. 30,00,000 shares (Thirty Lakh Shares), does not exceed 25% of the total number of equity shares in the paid-up equity share capital as on March 31, 2023;
- xii. The Company shall not make any offer of Buyback within a period of one year reckoned from the date of expiry of the Buyback Period, subject to applicable laws;
- xiii. The Buyback will not be in contravention of Regulation 4(vii) of Buyback Regulations, i.e. the Company has not made the offer of Buyback within a period of one year reckoned from the date of expiry of Buyback period of the preceding offer of Buyback;
- xiv. There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act, as on date;
- xv. The Company shall earmark and make arrangements for adequate sources of funds for the purpose of the Buyback in accordance with the Buyback Regulations;
- xvi. The Company will not directly or indirectly purchase its own Equity Shares: or other specified securities through any subsidiary company including its own subsidiary companies or through any investment company or group of investment companies;
- xvii. Consideration of the Equity Shares bought back by the Company will be paid only by way of cash;
- xviii. The Buyback will not result in delisting of the Equity Shares from BSE Limited and National Stock Exchange of India Limited (collectively, “**Stock Exchanges**”);
- xix. the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up Equity Share capital and free reserves, after the Buyback, based on financial statements of the Company
- xx. The Buyback offer shall not be withdrawn once the public announcement is made; and
- xxi. The Company shall not undertake the Buyback unless it has obtained the prior consent of its lenders in case of breach of any covenant with such lenders.





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**RESOLVED FURTHER THAT** in terms of Buyback Regulations, in the event of non-fulfilment of the obligations under the Buyback Regulations by the Company, the escrow account in full or in part shall be forfeited and distributed pro rata amongst the security-holders who accepted the offer, and balance, if any, shall be utilized for investor protection in accordance with Buyback Regulations.

**RESOLVED FURTHER THAT** a copy of the resolution be forwarded under the signature of any one of the Managing/ Whole time Director or Company Secretary to all concerned authority as may be necessary.”

**Certified True Copy  
For Dwarikesh Sugar Industries Limited**



**B. J. Maheshwari**

**Managing director & CS cum CCO**

**DIN: 00002075**