

2 June 2023

To,

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

**National Stock Exchange of India Limited**

Exchange Plaza, C-1, Block –G,  
Bandra Kurla Complex, Bandra East  
Mumbai - 400 051

**BSE Scrip Code: 500780****NSE Symbol: ZUARIIND****Sub: Communication to Shareholders**

Dear Sir/ Ma'am,

Please find attached herewith a Communication letter from Zuari Industries Limited addressed to shareholders of the Company on the performance of the Company and its subsidiaries etc.

The same will be sent to all the shareholders on the email ids available with the Company / Registrar and Share Transfer Agent.

Kindly take the same on records.

Thanking you,

**For Zuari Industries Limited  
(Formerly Zuari Global Limited)**

LAXMAN  
AGGARWAL

Digitally signed by  
LAXMAN AGGARWAL  
Date: 2023.06.02  
15:08:20 +05'30'

**Laxman Aggarwal  
Company Secretary**

Encl: As above

## Zuari Industries Limited Press Release

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### **Financial Results for the period ended March 31, 2023<sup>1</sup>**

**Revenue crosses 950 Cr for FY'23,  16% y-o-y**

**PBT (bei) stood at 30.7 Cr for FY'23,  144% y-o-y**

**PAT stood at 18.4 Cr for FY'23,  20% y-o-y**

#### **Gurugram, 2 June 2023**

Zuari Industries Limited achieved a consolidated revenues of INR 961.13 Cr for the year ended March 31, 2023, recording a healthy growth of 16% y-o-y, aided by improvements in operational efficiency of Sugar, Power & Ethanol (SPE) division and sustained growth momentum in the real estate and subsidiary companies. During this period, the Company remained fully committed to implementing strategic initiatives aimed at enhancing operational cashflows and expanding the business footprint in collaboration with its Subsidiaries, Group Companies, Associate Companies, and Joint Ventures. For the year ended March 31, 2023, the Company posted a total consolidated profit after tax (PAT) of INR 18.37 Cr, registering a growth of 20% y-o-y.

#### **Performance of ZIL SPE and RE Divisions:**

##### **Sugar Power & Ethanol (SPE) Division:**

Operationally, SPE division of ZIL, posted better performance during the year of 144 operating days, compared to previous financial year. While the crush rate of sugarcane achieved during the year was higher at ~133 lakh quintals (128 lakh quintals in FY22), the sugar produced during the year was

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<sup>1</sup> [https://www.adventz.com/home/investor\\_updates](https://www.adventz.com/home/investor_updates)

marginally lower at ~11.6 lakh quintals (~12.1 lakh quintals in FY22) owing to sugar syrup utilization at distillery for production of ethanol.

Despite lower quota allocation by Government of India compared to the previous year, Sugar sales recorded a significant volume growth to 15.02 lakh quintals, registering a growth of ~23% y-o-y, owing to higher exports sales and higher domestic prices.

The distillery section witnessed a major upgrade in its ethanol production capacity from 100 Kilolitres per day (KLPD) to 125 KLPD in FY23. The distillery successfully utilized sugar syrup to produce ethanol for the first time. This strategic upgrade enabled the division to produce the highest ever volume of 26,502 kiloliters (KL) of ethanol in the financial year ending March 31, 2023, marking a substantial increase of 14% y-o-y.

Overall, revenues from the Division stood at INR 751.8 Cr for the year ending 31 March 2023 against 599.1 Cr for the corresponding previous year, registering a growth of 25.3% y-o-y.

#### RE Division:

The Division sold apartments worth INR ~19.3 Cr through its Zuari Rain Forest Project Phase 1 and land worth INR ~38 Cr. The income from the Real Estate Division stood at INR ~60.1 Cr for the year ending 31 March 2023, against INR ~11.2 Cr for the corresponding previous year.

#### **Performance of Subsidiaries in FY23:**

##### Zuari International Limited (wholly-owned by ZIL):

The company is into trading of sugar and non-sugar related products. It registered a Revenue from operations of about INR 62 Cr. The Company ramped up trading of consumer staples during FY 23.

##### Zuari Infracore India Limited (wholly-owned by ZIL):

The company is into real estate development and is also engaged as development manager for multiple projects. During the year, the company launched St. Regis Financial Centre Road Project in Downtown Dubai, one of the most prestigious launches in recent times. The project has received an overwhelming response from customers.

The company registered revenue from operations of about INR 72 Cr, registering a growth of 12.5% y-o-y.

Zuari Finserv Limited (wholly-owned by ZIL):

The company provides various products and services in the financial services sector including stock broking and mutual funds investment services. It registered a decline in revenue in the year ended March 31, 2023. The revenues from operations of the company stood at INR 11.3 Cr against INR 13.10 Cr for the corresponding previous year. This is mainly on account of lower trading by clients due to high market volatility.

The company has launched “Zuarimoney” app as a part of its tech-driven business strategy.

Zuari Management Services Limited (wholly-owned by ZIL):

The company provides management services to clients in the field of Hiring, Staffing, Payroll Management, Background Verification and HR Analytics. Despite stiff competition and headwinds in the segment, the company registered revenue from operations of INR ~29 Cr, a growth of 31%, y-o-y.

Zuari Insurance Broking Limited (wholly-owned by ZIL):

The company provides insurance broking and advisory services to clients. The revenues from operations stood at INR 4.32 Cr, registering a 38% growth compared to the previous financial year.

Simon India Limited (wholly-owned by ZIL):

The company has revamped its business strategy to focus on opportunities in the space of Engineering, Procurement and Construction Management. The revenues from operations of the company stood at INR 0.92 Cr which were significantly lower than the previous financial year. The EBITDA for the company stood at INR 8.22 Cr with provisions written back for the year ended March 31, 2023. During the year the company has submitted bids worth INR 12.1 Cr.

**Others:**

The Company during FY 23 also entered into a Joint Venture with Envien International Limited, a major player in the biofuel industry in Europe.

ZIL and Envien have agreed to jointly develop, construct, and operate a 150 KLPD grain-based distillery to manufacture and supply ethanol to Oil Marketing Companies under the Ethanol Blending Program of the Government of India. The distillery will be developed on approximately 20 acres of

land parcel located at Aira, Lakhimpur Kheri, UP. The project is proposed to commence commercial operations by mid-2024. The new distillery will provide direct and indirect employment to approximately 2000 people. A new company by the name of Zuari Envien Bioenergy Pvt Ltd has already been incorporated which will house the distillery project & operate as a joint venture (JV) company. The JV company will explore organic & inorganic growth prospects to scale up the production of ethanol to ~1000 KPLD in the near future.

**Investment Outlook:**

India's GDP is expected to grow at ~6.5%<sup>2</sup> amidst the continuing global pressures. Prudent measures by the Govt. of India and management of fiscal and monetary policy by RBI, respectively resulted in sustenance of India's growth story compared with the rest of the world.

The government's thrust on capital expenditure, above trend capacity utilization in manufacturing, double digit credit growth and the moderation in commodity prices are expected to bolster manufacturing and investment activity. The external demand drag could accentuate, given slowing global trade and output. Protracted geopolitical tensions, tight global financial conditions and global financial market volatility pose risks to the outlook.

Going forward, improved tax collections for the Government will support its capex led growth aspiration. With the Government's enhanced thrust towards manufacturing and exports, the country's trade deficit should narrow over time.

In this backdrop, the Company will focus with optimism on (a) enhancing operational cashflows (b) preserve liquidity (c) optimum use of capital and other resources and (d) digital initiatives in order to achieve profitable growth and sustainability.

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<sup>2</sup> RBI MPC, 6 April 2023