

New Delhi, 23rd May, 2016

Focused Operations Management lead to Improved Performance

Dalmia Bharat Sugar and Industries Limited today announced its audited results for the period ending 31st March, 2016.

Snapshot of financial performance - DBSIL						
Particulars	Q4 FY16	Q4 FY15	Variance %	FY16	FY15	Variance %
Sales Volume						
Sugar '000 Tonne	71	79	-10%	317	287	10%
Distillery '000 Litre	4,946	9,145	-46%	17,166	23,621	-27%
Cogen Lac Kwh	1,266	1,247	2%	3,049	2,923	4%
Total Income ₹ Crs	332	320	4%	1,166	1,150	1%
Total Operating Cost ₹ Crs	188	254	-26%	940	1,037	-9%
EBITDA ₹ Crs	143	66	116%	227	113	101%
EBITDA Margin %	43%	21%		19%	10%	
PBT ₹ Crs	47	31		47	0.3	
PAT ₹ Crs	56	29		58.5	1.5	

Annual Performance:

Increase in annual EBITDA by 101% is on account of improved realizations and lower cost of production. The Company achieved higher recovery at 11.73% in UP compared to 10.28% in FY15; with Maharashtra units continue to record sustained better recoveries. The recovery for the overall business is 12.10% for FY16 vs 10.94% in FY15.

In respect of Distillery segment, ethanol realizations were significantly higher in FY16 as compared to the previous year which helped us to maintain EBITDA levels even though volumes were lower.

In respect of Cogen segment, we sold higher power volumes due to higher available effective power capacity for this year (102 MW) as Cogeneration plant of 23 MW at Kolhapur, Maharashtra operated for first full year in FY16.

Significant Developments:

During the period Q4FY16, Kolhapur unit distillery capacity of 60 KLPD commissioned & Ninaidevi Unit, Sangli, Maharashtra (1,750 TCD) has also started operating almost to its full capacity during the Q4 FY16. The incremental EBITDA from these developments will accrue in FY17.

The Board has also approved expansion of sugar crushing capacity of Kolhapur, Maharashtra from 5,000 TCD to 7,500 TCD which will be operational before the start of the new season.

Dalmia Bharat Sugar and Industries Limited

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A **Dalmia Bharat Group** company, www.dalmiabharat.com

Outlook:

There is severe drought situation in Maharashtra and Karnataka due to which sugar production estimate for SY17 has dropped to 24 MnT as compared to 25 MnT in SY16. Demand is estimated to be around 26 MnT in SY17 same as in SY16 and current expected scenario of demand surpassing supply is being witnessed after five consecutive surplus sugar seasons. Currently sugar prices are encouraging and we expect sugar prices to be range bound for the upcoming sugar season.

Centre and State Governments have also evolved more rational policy frameworks in respect of cane pricing, ethanol, exports etc. However, for long term sustainability, fixation of cane prices linked to sugar prices need to be implemented which will be beneficial for all stakeholders.

Your Company is committed to optimize its costs and strengthen sustainable business model with diversified integrated operations.

For Dalmia Bharat Sugar and Industries Limited



Anil Kataria

Chief Financial Officer