

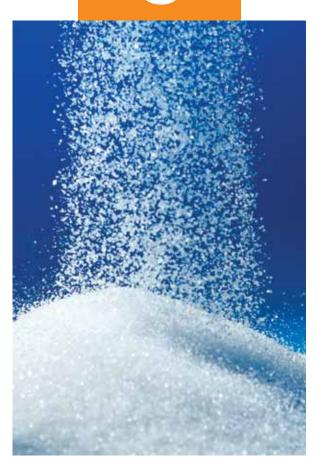








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Forward-looking statements

In this annual report we have disclosed forward-looking information to offer investors a perspective on our planned growth trajectory, intrinsic value creation and broader prospects. This should help take informed investment decisions. The forward-looking statements contained in this report set out anticipated results based on the management's plans and informed assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar import, in context of any discussion on future performance. While we have exercised the greatest caution and responsibility, have satisfied ourselves on due diligence, we cannot guarantee that these forward-looking statements will be realized in part or in full measure.



Sustained Value Creation

Creating and enhancing sustainable value has been our focus.

We have concentrated on building integrated capacities and achieving economies of scale through optimal resource utilisation. Our focus is centered on adding scale through geographical diversification, strengthening the bond with growers and furthering our policy of truly inclusive growth.





Efficiency





Scale

Inclusion





Growth

Harnessing Market Dynamics, Enhancing Capabilities to Self-Actualize.

The much awaited reforms of abolition of levy sugar, sugar quota release mechanism and also the mandatory 5% blending of ethanol with petrol, has finally become a reality. Further steps towards de-control of sugar will boost the sector.

Market driven ethanol pricing formula has also gone on stream, Uttar Pradesh Government has accepted tenders from mills, witnessing a 30% growth, which is significantly higher from the earlier mode of Government determined basic price.

Going forward, we are focused on maximising our efficiencies through downstream higher profitable product lines like distillery and co-generation. We are increasing our Kolhapur crushing capacity to 4,800 TCD, setting up a co-generation and a distillery unit. These capacities will come on stream in two planned phases.



Power Plant, Jawaharpur, U.P.



We are expanding our Kolhapur crushing capacity to 4,800 TCD and also setting up a co-generation and a distillery unit.





Operational Efficiencies

Business Agility; Best-in-class Product; Customer Delight.

Our recovery improvement program 'Unnati' is helping farmers grow superior cane. We help farmers by providing them with better quality seeds at highly subsidized rates and impart training on modern farming techniques towards improving yield.

We are improving our manufacturing processes towards minimising redundancy, maximising productivity and undertaking stringent quality control measures by continuously reducing the ICCUMSA levels in our sugar. These measures are securing an increasing number of marquee customers.

Consistently improving cane quality, your Company recorded an improved overall recovery of 9.9%, where in it also recorded a recovery of 13.7% at its newly acquired unit at Kolhapur.

On the cogeneration front, we successfully installed steam saving devices at Jawaharpur and Nigohi, this step will have a measurable impact on production efficiencies. At our distillery unit, we are in the process of installing evaporators, which would use the waste heat of condenser water and result in steam power saving.



Sugar Process House, Jawaharpur, U.P.



Our efforts led to record recovery levels of 13.7% at our newly acquired unit at Kolhapur, Maharashtra.





Scale

Business Width through Expansion; Depth through Enhanced Capacities.

Operational depth is essential for any business. It offers scale, ensures business continuity, and mitigates production risk. Over time, it acts as a vector of growth and renders competitive advantage.

Your Company entered the state of Maharashtra by acquisition of a Sugar Mill with a capacity of 2,500 TCD in Kolhapur. We integrated and resumed the operations of this unit within a span of 3 months. It has recorded the highest ever recovery of 13.7% in the country which has further sweetened the taste of our first ever inorganic expansion.



Boiler, Nigohi, U.P.



Acquisition of a Sugar Mill with a capacity of 2500 TCD in Kolhapur, Maharashtra and resumption of the operations of this unit within a short span of time of three months.





Inclusion

Creating Value for each Stakeholder.

At Dalmia we believe that an enterprise becomes a sustainable success in the true sense of the word only when it cares to address the interest of all its stakeholders including the community, farmers, employees, lenders, environment and investors among others.

As a responsible corporate citizen, Dalmia respects the interest of the community, in which it operates and is constantly seeking out opportunities to reach out to them and contribute to their well-being. Our effort is to make quality of life a right for everyone living in vicinity of the plants, by providing them with healthcare services, education and livelihood opportunities. Farmers are an integral part of our community and we have been working closely with them to help improve their farming techniques and productivity. We provide them with practical solutions for achieving high yield crop by teaching them methods related to soil testing, plantation of the crop, timely cultivation etc.

We firmly believe that engaged employees are the growth and progress propellers of the organisation.