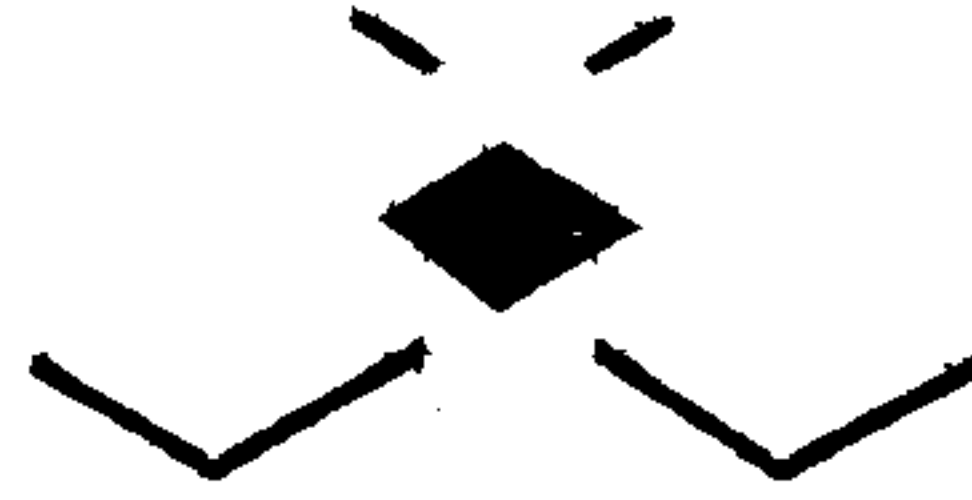




DWARIKESH SUGAR INDUSTRIES LIMITED

Corp. Off.: 511, Maker Chambers V, 221, Nariman Point, Mumbai - 400 021. Tel.: 2283 2468, 2204 2945 Fax : 2204 7288

E-mail : dsilbom@dwarikesh.com • Website : www.dwarikesh.com

CIN : L15421UP1993PLC018642

REF: DSIL/2015-16/099

May 28, 2015

National Stock Exchange of India Limited

"Exchange Plaza"

Bandra – Kurla Complex

Bandra [E]

Mumbai - 400 051

Kind Attn: Mr. Hari K.

Dear Sir,

Please find enclosed herewith the press release dated May 28, 2015 in relation for accounts drawn for 18 months ended March 31, 2015.

You are kindly requested to take the same on record.

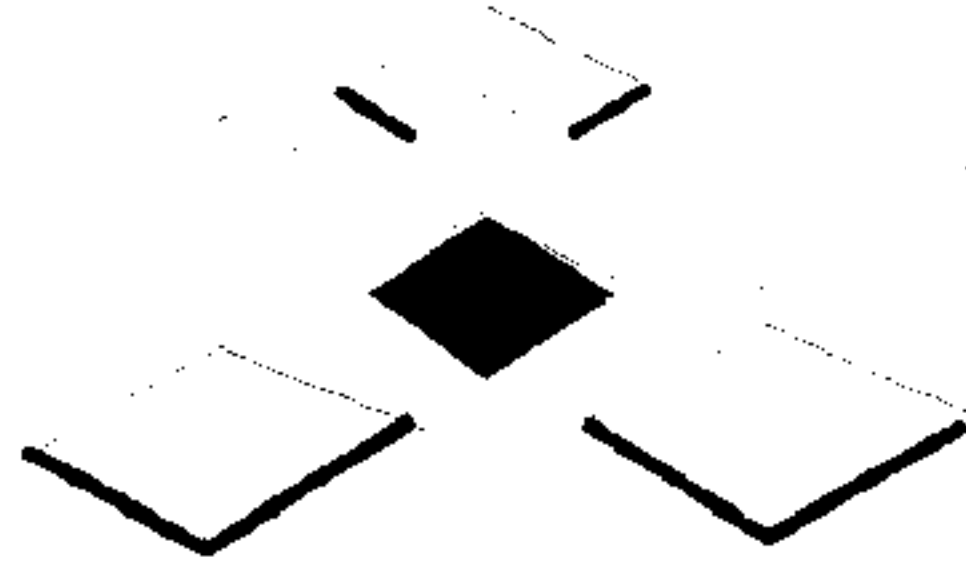
Thanking you,

Yours faithfully,

B. J. Maheshwari

Whole time Director & CS cum CCO

Encl: a/a.



PRESS RELEASE

Highlights:

- Accounts drawn for 18 months ended on 31st March, 2015.
- Captures the results of operations of season 2013-14 (completed) and season 2014-15 (partial up to 31st March, 2015)
- Net revenue from operations: Rs. 1,136.07 crores
- EBIDTA: Rs. 95.87 crores
- After tax loss: Rs. 16.75 crores

Combined Recovery:

Sugar season 2012-13 – 09.81%

Sugar season 2013-14 – 10.22%

Sugar Season 2014-15 – 10.78% *

* For the completed season

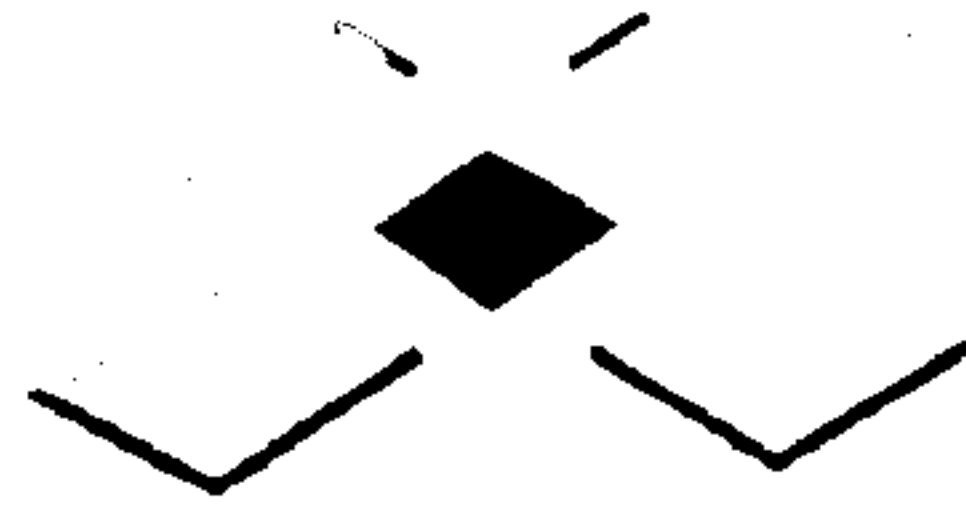
- Recovery of 11.11% (during the completed season 2014-15) recorded at DN plant highest ever in North India.
- Group recovery of 10.78% recorded for the season 2014-15, is the highest in the State of Uttar Pradesh.

Since the accounts as on 31st March, 2015 are drawn for 18 months, results of period ended on 31st March, 2015 are not comparable with results of year 2012-13

Higher sugarcane price in juxtaposition with lower of realization of selling price of sugar has resulted in loss (after tax) of Rs. 16.75 crores during the period. This is as compared to loss (after tax) of Rs. 19.36 crores during the year 2012-13

In spite of the industry being encircled by punishing adversities, Company has managed to earn cash profits





Sugar industry in India is characterized by:

- a. Higher raw material price – Rs. 280 per quintal of sugarcane for general variety in Uttar Pradesh for the season 2014-15
- b. Surplus sugar production – All India production likely to be in range of 28 to 29 million tons.
- c. Falling sugar price – Ex-mills price of sugar for sugar mills in Uttar Pradesh hovering between Rs. 2,400 & Rs. 2,600 per quintal and continuing to fall. The drop in price is steep and must be viewed in conjunction with the price of Rs. 3,100 per quintal prevailing at the time of start of season
- d. Increase in area under sugarcane cultivation – In spite of mounting arrears (around Rs. 20,000 crores out of which share of Uttar Pradesh is more than Rs. 8,000 crores).
- e. Sugarcane production increasing every year: On account of the high price of sugarcane earlier sugar cycle of 3 years of high production followed by 2 years of low production is broken
- f. Sugarcane availability and consequently sugar production for the crushing season 2015-16 – Expected to be equal or more than the production during season 2014-15
- g. North South disparity – The problems of sugar industry in Uttar Pradesh are heightened by the dual advantage of lower sugarcane price & higher recovery, enjoyed by sugar mills in Maharashtra & South India. Consequently low cost sugar produced in Maharashtra & South India has made deep inroads in the traditional sugar markets of mills in Uttar Pradesh – Lack of level playing field

However the fall in price of sugar is so steep that, what was to begin with a crisis specific to Uttar Pradesh, has now become a Pan India crisis. The entire domestic sugar industry is plagued with problems galore. Sugar mills are in no position to pay F & RP, leave alone higher SAP

Way forward:

- a. Short term – Creation of strategic reserve: in view of the unprecedented stockpile, it is imperative that the Central Government steps in and ensures that at least 3 million tons of sugar is evacuated from the pipeline so as to provide impetus to the sugar prices which will in turn help enable the industry to partially clear sugarcane dues.
- b. Long term – Complete deregulation of the sugar industry including de-reserving of command areas of sugar mill and linking of sugarcane price with the price of sugar & by-products.

Mumbai: 28th May, 2015

Vijay S Banka
Whole-time Director & CFO