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Dept. of Corporate Services, Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001, Maharashtra, India. Scrip Code: 542852	National Stock Exchange of India Limited Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051, Maharashtra, India. Scrip Code: VISHWARAJ
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PRESS RELEASE

**Vishwaraj Sugar Industries PAT rises by 395 per cent to Rs. 20.67 Cr,
Revenue up 27.62 percent at Rs. 337.86 Cr, for the 9 months ended December 2021**

Company initiates Expansion Plan

Belagavi, Karnataka, January 15, 2022: BSE and NSE Listed, Vishwaraj Sugar Industries Limited (VSIL) (BSE: 542852, NSE: VISHWARAJ), an integrated sugar and ethanol manufacturer, posted a 395.68 per cent rise in net profit at Rs 20.67 crore for the nine-month period ended December 31, 2021, compared to Rs 4.17 crore during the corresponding period in the previous year. Total Revenue during this period grew by Rs 27.62 per cent at Rs 337.86 crore compared to Rs 264.73 crore in the corresponding period the previous year.

Integrated sugar and ethanol manufacturer, VSIL has a sugarcane crushing capacity of 11,000 MT per day, distillery capacity of 100,000 liters per day, co-generation capacity of 36.4MW, and vinegar manufacturing capacity of 70,000 liters per day. The process of reengineering implemented by the company leads to a bacteria-and-pathogen-free superior grade sugar and ethanol. While the acceptance level for pure alcohol/ethanol is 99.6%, the company has already achieved and delivered 99.9%, benchmarking the best international standards. Also, by implementing the process reengineering, VSIL has managed to bypass the capital investment for setting up a sugar refining facility, thereby saving a sizeable Rs 80 crore, thereby increasing the overall ROI.

Meanwhile, for the third quarter ended December 2021, Vishwaraj Sugar has posted a 61.06 per cent rise in total revenue at Rs 133.28 crore compared to Rs 82.75 crore in the corresponding quarter ended December 2020. While Net Profit stood at Rs 29.44 crore for the quarter ended December 2021 compared to Rs 30.46 crore in the corresponding period the previous year due to higher tax payments in the quarter.

Management's Commentary -

"We plan to move up the value chain by targeting new clientele in the pharmaceuticals, health supplements & nutraceuticals. Razor-sharp focus on high-value high-margin products, such as pharma grade sugar and ethanol, is expected to increase the revenue per ton of sugarcane crushed



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over the next five years. Also, we plan to ramp up the capacity by for ethanol taking total capacity to 500,000 liters per day.

Going forward, VSIL plans to move up the value chain by targeting new geographies, sectors, and clientele in the pharmaceuticals, health supplements and nutraceuticals, and beauty and personal care industries. These markets belong to the niche category and are characterized by enhanced price realization and improved receivables management. In the normal course, price realization per liter of ethanol stands at INR 62.7 for the ethanol produced from sugarcane syrup, and INR 59.0 for the ethanol produced from molasses. In the case of pharma-grade ethanol, the price realization goes up to INR 67.0 per liter. Thus, going forward, the company will prioritize selling a mix of pharma grade sugar, pharma grade ethanol, and vinegar. The company has entered into contracts with Oil Marketing Companies for supplying 25 million liters of ethanol commencing from December 2021, as against the supply of 22.5 millionliters of ethanol during the twelve-month period ended on November 30, 2021. The Company hasalready supplied 4.75 million liters of ethanol for the current period.

Additionally, the company plans brownfield ethanol productionexpansion bycapacity of 150,000 liters per day. This expansion is driven by technological up-gradation and the company is filing a patent to that effect. This will increase the overall ethanol production capacity to 250,000 liters per day. The expansion will happen in the existing premises by November 2023. Further, the company is planning to set up a GreenfieldEthanol Production Facility, having final capacity of 250,000 liters per day, within 80 kms from the existing factory in the Belagavi district. VSIL has already acquired 120 acres of land for this project. The estimated project investment is Rs 250 crore and the first full year of operation of this facility shall be FY 2024.

We request you to please take note of the same.

Thanking you.

Yours faithfully,

For Vishwaraj Sugar Industries Limited

Mukesh Kumar
Executive Director
DIN: 02827073

