



THE SUKHJIT
STARCH AND CHEMICALS
LIMITED

EVOLVING WITH NATURE

Ref: SSC/VPF/SE/2023-24/2587

Dt: 11/08/2023

BY E-FILING

To, The General Manager-Listing Department BSE Limited 25th Floor, P.J. Towers, Dalal Street, Fort, MUMBAI- 400 001 Ref: Security Code: 524542	To, The General Manager-Listing Department The National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051 Ref: Symbol: SUKHJITS
---	--

Re: Press / Investor Release

Dear Sir,

Please find attached herewith the Press / Investor Release for Unaudited (Provisional) Financial Results of the Company for the quarter ended June 30, 2023.

You are requested to kindly take note of the same.

Thanking You,

Yours Faithfully,

For THE SUKHJIT STARCH & CHEMICALS LTD

VICE PRESIDENT (FINANCE)
& COMPANY SECRETARY



Encl: as above



THE SUKHJIT STARCH AND CHEMICALS LIMITED

EVOLVING WITH NATURE

Investor Release

The Sukhjit Starch and Chemicals Limited delivers Q1 FY24 Results

Revenue from Operations of ₹ 322.18 crores
EBITDA of ₹ 30.94 crore; EBITDA margin of 9.60%
PAT for the quarter at ₹ 13.04 crore

Phagwara, 11th August 2023: Sukhjit Starch & Chemicals Ltd, incorporated in 1943, is an agro-processing company that specializes in the production of starch and its derivatives, has announced its unaudited financial results for the quarter ended 30th June, 2023.

Particulate (Rs. Cr)	Q1FY24	Q4FY23	Q1FY23	FY 22-23
Revenue from Operations	322.18	391.06	361.31	1435.25
EBITDA	30.94	36.11	38.73	144.70
EBITDA Margin (%)	9.60%	9.23%	10.72%	10.08%
Profit After Tax	13.04	15.69	20.35	70.14
PAT Margin (%)	4.05%	4.01%	5.63%	4.89%

Business Highlights for Q1 FY24

- The early tapering off of a high value seasonal product did affect our sales & quantum of profits. However, despite fall in Revenue from Operations by over 17% QoQ, the Company managed to sustain its EBITDA margin at 9.6% & Net Profit margin at 4%.
- The Company chose to limit the supply of high-volume, low-margin basic products to safeguard its Operating Margins.
- The company's objective is to enhance its plant utilization, aiming to increase the current 80% to 90% for high value products, driving higher output and productivity.
- The Company will continue directing its efforts towards refining its product portfolio, thereby improving its Operating Margins in the coming quarters.
- CRISIL Ratings has reaffirmed 'CRISIL A+/Stable' rating for the long term bank loan facilities / fixed deposits of the Company & CRISIL A1 rating for the short term bank facilities.

Commenting on the Results, Mr. K.K.Sardana, Managing Director said,

"We are pleased to report our Q1FY24 financial and business performance. During the quarter ended June 2023, the company navigated through a challenging period marked by pressure on the finished goods prices coupled with an early tapering off of a high value seasonal starch derivative. Though we have witnessed a correction in raw material prices during the current quarter, there appeared more pressure on the prices of some basic finished goods, resulting in lower Revenue from Operations during Q1 FY24.

There was demand constraint for some products in some regions owing to erratic monsoons & floods in some areas. In the wake of unpredictable climatic conditions having impact on the sowing of kharif crop, your Company was able to procure & conserve sufficient Basic Raw Material (an agriculture produce) at an optimum cost. The strategy will potentially lead to enhanced operating outcomes in the upcoming quarters.

Our expansion plans for increasing our daily production capacity are well on way to meet the time line by FY25. Our focus remains steadfast on optimizing capacity utilization, driving operational efficiencies and enhancing productivity.

As we look to the future, we are exploring avenues for expansion in the form of a Greenfield project or the acquisition of an existing brownfield facility, contingent upon market dynamics and internal assessments. Furthermore, we are prudent in our market entries, planning to diversify into new product segments once we ascertain the demand visibility for these offerings. With a resilient foundation and a forward-looking strategy, we are poised to harness emerging opportunities and drive sustainable growth in the years to come."

About Sukhjit Starch & Chemicals Ltd:

Sukhjit Starch & Chemicals Ltd, incorporated in 1943, is an agro-processing company that specializes in the production of starch and its derivatives. With a rich history as one of India's oldest & largest starch producers, Sukhjit Starch & Chemicals Ltd has forged enduring partnerships with major brands and end users. Our diverse product portfolio includes Starch, Dextrines, Liquid Glucose, HMS, Malto-Dextrin, Mono-Hydrate Dextrose, Anyhydrose Dextrose, Sorbitol-70% Solution and various by-Products, catering to a wide spectrum of Industries. The products are used in diverse industrial and commercial applications such as food & beverages, paper & board, personal care & pharmaceuticals, textile, FMCG, animal and pet foods, etc.

Contact Details

Sukhjit Starch & chemicals Limited	Investor Relations: Orient Capital
 THE SUKHJIT STARCH AND CHEMICALS LIMITED <small>EVOLVING WITH INNOVATION</small>	 orient capital
CIN - L15321PB1944PLC001925	Mr. Bhavya Shah Mr. Sumeet Khaitan
Mr. Aman Setia amansetia@sukhjitgroup.com	+91 8082748577 +91 7021320701 bhavya.shah@linkintime.co.in sumeet.khaitan@linkintime.co.in

Safe Harbor Statement

Any forward-looking statements about expected future events, financial and operating results of the Company are based on certain assumptions which the Company does not guarantee the fulfilment of. These statements are subject to risks and uncertainties. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry, global or domestic or both, significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, technological changes, investment and business income, cash flow projections, interest, and other costs. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.