



THE SUKHJIT
STARCH AND CHEMICALS
LIMITED
EVOLVING WITH NATURE

Investor Release

**The Sukhjit Starch and Chemicals Limited
delivers Q3 & 9M FY24 Results**

Q3 Revenue of ₹ 361.80 crores

EBITDA of ₹ 37.87 crore; EBITDA margin of 10.50%

Phagwara, 2nd February 2024: 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 audited financial results for the quarter ended 31st December 2023.

Q3FY24 vs Q2FY24 Financial Performance

Total Revenue	EBITDA	Profit After Tax
Rs. 361.80 Crs 12.06 % (Q-o-Q)	Rs. 37.87 Crs 16.67% (Q-o-Q) Margin 10.50% (+37 bps)	Rs. 17.46 Crs 27.82% (Q-o-Q) Margin 4.84% (+ 58 bps)

Particulars (Rs. Cr)	Q3 FY24	Q2 FY24	Q3 FY23	9M FY24	9M FY23	FY 22-23
Revenue from Operations	360.61	320.28	339.38	1,003.07	1,044.19	1,435.25
EBITDA	37.87	32.46	32.18	101.27	108.59	144.70
EBITDA Margin (%)	10.50%	10.13%	9.48%	10.10%	10.40%	10.08%
Profit Before Tax	23.46	18.06	20.28	58.66	71.95	92.74
PBT Margin (%)	6.51%	5.64%	5.98%	5.85%	6.89%	6.46%
Profit After Tax	17.46	13.66	15.58	44.16	54.45	70.14

Business Highlights for Q3 & 9M FY24

- The Board of Directors had approved payment of an Interim Dividend @ 80 % i.e. Rs. 8/- (Rs. Eight only) per equity share of face value of Rs. 10/ each, on 3rd January 2024, for the financial year 2023-24.
- Maintaining a strong performance, the Company sustained its EBITDA margin at 10.5%, witnessing an improvement of 37 bps in Q3FY24 compared to Q2FY24. Additionally, the Net Profit margin has seen an improvement by 58 bps from Q2FY24.
- Undeterred in its growth trajectory, the Company is actively advancing its plans to boost installed capacity by 25%, targeting completion in the upcoming quarters.
- Demonstrating commitment to growth, the company will persist in enriching its product portfolio, prioritizing the advancement of operating margins in the quarters ahead.

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

"We are delighted to present our Q3 & 9M FY24 financial and operational highlights. In the quarter ended December 2023, the Indian government's endorsement of maize procurement at minimum support prices, coupled with efforts to boost production, has significantly influenced our industry landscape. Notably, the demand surge for maize, driven by its intended use in ethanol production due to restrictions on sugar for biofuel, has led to a 20% increase in prices. Despite facing heightened raw material costs, particularly for our core starch production, the sustained demand for most of products positively impacted our Q3 revenue from operations."

Our proactive raw material procurement and strategies have ensured a stable supply. This resilient approach positions us well for improved operational performance in the forthcoming quarters. Looking forward, we are actively exploring expansion opportunities, evaluating both Greenfield projects and potential acquisitions of existing brownfield facilities, contingent upon market dynamics and thorough internal assessments. Our cautious market entry strategy includes diversifying into new product segments, guided by a keen understanding of demand signals. With a solid foundation and a forward-thinking approach, we are well-positioned to capitalize on emerging opportunities and foster sustainable growth in the years ahead."

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 EVOLVING WITH NATURE	 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

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