



THE SUKHJIT
STARCH AND CHEMICALS
LIMITED

EVOLVING WITH NATURE

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Dt: 07/06/2023

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
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Sub: INVESTOR PRESENTATION

Dear Sir,

Please find enclosed herewith Investor Presentation of The Sukhjit Starch & Chemicals Limited for your information and records. The same is also disseminated on the website of the Company i.e. www.sukhjitgroup.com.

Thanking You,

Yours Faithfully,

For THE SUKHJIT STARCH & CHEMICALS LTD

VICE PRESIDENT (FINANCE)
& COMPANY SECRETARY



Encl: as above



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STARCH AND CHEMICALS
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EVOLVING WITH NATURE

Investor Presentation | FY23



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Company Overview



75

Years of Excellence

4 Plants

Manufacturing
Locations

1,250+

Employees



Sukhjit Starch & Chemicals Ltd 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 starch producers and third largest in terms of production, Sukhjit Starch & Chemicals Ltd has forged enduring partnerships with major brands and end users

Rs. 1,435 Crs

FY23 - Revenues

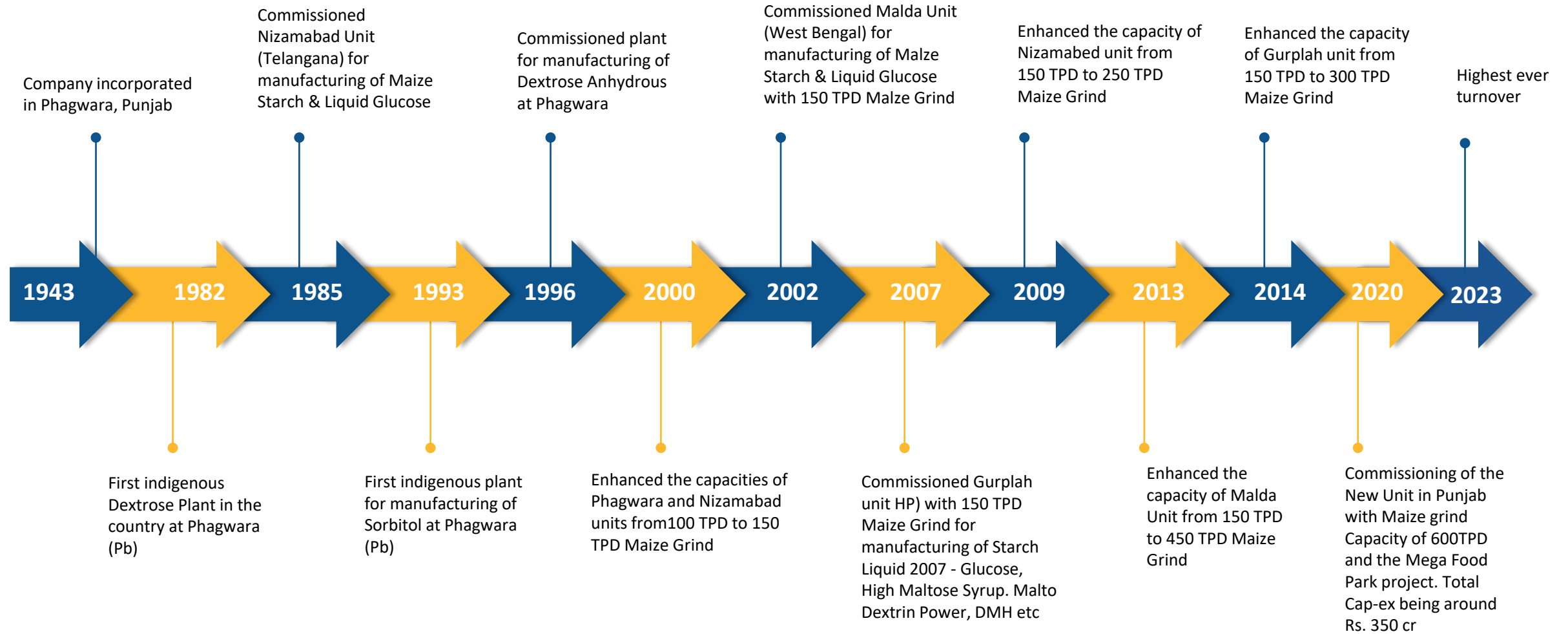
Rs. 145 Crs

FY23 - EBITDA

Rs. 70 Crs

FY23 - PAT

75 Years of Excellence





Sh. K.K SARDANA

Managing Director

“ The year 2021-22 marked a significant period of growth and transformation for Sukhjit, as it solidified its position and advanced its Growth Roadmap. The three waves of the Covid pandemic have imparted valuable lessons to the trade and industry, forcing businesses to adapt by streamlining operations, optimizing resources, and reducing infrastructure. The post-Covid bounce in results demonstrates the immense learning that has taken place during these challenging times.

As part of its Transformation Agenda, Sukhjit has been making changes in its manufacturing and delivery processes to better serve its end users. One noteworthy aspect of this new positioning is the company's commitment to migrate customers in Tier 2 and 3 cities from the unorganized sector to the organized sector. By offering international quality products at affordable Indian prices, Sukhjit has successfully differentiated itself and built loyalty among its customers across the country. The company has also continued to invest in its business, capitalizing on key industry trends to position itself for long-term success. With a widespread footprint across the country, Sukhjit aims to penetrate deeper into the hinterland by leveraging its capacities, world-class customer service, and efficient logistics to ensure affordability.




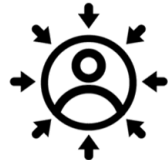






In today's rapidly evolving world, new products and services driven by innovative technologies are transforming various aspects of our lives. These changes are not limited to the privileged or the evolved; even those at the bottom of the socioeconomic pyramid are willing to pay for convenience, quality, and consistency. Sukhjit recognizes this shift and aims to cater to the evolving needs and preferences of its diverse customer base. In terms of financial performance, the company achieved double-digit growth in comparable net sales in the first quarter. By actively managing customer contracts and addressing higher input costs, Sukhjit's operating teams successfully delivered core sales growth and a stronger specialty mix. The company's new unit in Punjab is operating at high capacities for starch and its derivatives, with plans to achieve full capacity utilization in the near future.




Sukhjit is also focused on expanding its maize processing capacities in two locations, modernizing outdated facilities to meet growing demand. The global environment appears favorable for the starch industry, as its products have become more competitive in international markets due to higher corn costs in major starch-producing countries. Additionally, the company emphasizes the importance of deep customer research to drive profitability and exceed shareholders' expectations.

Around 80 years of experience, Sukhjit is confident that its ongoing transformation will usher in a new phase of growth. Despite the current uncertainties surrounding economic recovery and inflationary pressures, the company remains guided by its core values of hard work, integrity, teamwork, and social commitment. By staying true to its vision and adapting to changing circumstances, Sukhjit aims to prosper and become an even more relevant partner to its customers. The company acknowledges the support of its valued customers, stakeholders, suppliers, business associates, shareholders, and employees in its journey. While the immediate future may present challenges, Sukhjit is committed to creating long-term value for all its stakeholders, guided by its core values and dedication to social responsibility.”

Business Model



	<p>Strong Market Position</p> <p>Established in 1943, has a strong track record of operations. It has a maize grinding capacity of 1,600 tonne per day (TPD) and approx. 10% share in the domestic market based on installed capacity</p>	 <p>R&D</p>	<p>R&D Capabilities</p> <p>We have strong R&D to drive innovation and continuous improvement. We have expertise to develop new formulations, enhance functionalities, and address emerging trends</p>
	<p>Diverse Product Portfolio</p> <p>We offer a wide range of starch products, incl. Native Starches, Modified Starches and value-added Products like Sorbitol, Monohydrate Dextrose, Anhydrous Dextrose, Maize Gluten, Maize Oil, Cattle/Poultry Feeds etc</p>		<p>Customer-Centric Approach</p> <p>We have strong customer relationships by understanding their unique needs and providing tailored solutions. We work closely with customers to develop customized starch formulations and offers technical support and expertise to ensure optimal product performance</p>
	<p>Diversified End Users</p> <p>We cater to diverse sectors like Paper, Packaging, Pharmaceuticals, Personal Care, FMCG and Food & Beverages Industries</p>		<p>Quality and food safety standards</p> <p>We have rigorous quality control measures and adhere to stringent food safety standards. Our starch products undergo thorough testing and meet the highest quality and safety parameters, providing customers with confidence in the reliability and integrity of their products</p>
	<p>Reputed Clientele</p> <p>Our customer profile includes reputed brands such as Dabur India Ltd, Zydus Wellness, Nestle India Ltd, Mars Wrigley, Mondelez, Abbott India Ltd, Marico Ltd etc.</p>		<p>Experienced Management</p> <p>With decades of experience in the starch industry, We have developed deep expertise and insights into market trends, regulatory requirements, and customer preferences</p>
	<p>Producing hydrogen from biogas process effluents</p> <p>One of the first producer of Hydrogen from biogas generated from process effluents following efficient purification methods with all regulatory approvals concerning product quality & safety protocols</p>		<p>Environmental Commitment</p> <p>We have invested into state of art facilities to convert its bio-degradable waste into valuable energy which over the years has resulted in savings of petroleum products thereby reducing the company's Carbon footprint significantly</p>

Maize Starch 	Liquid Glucose 	Sorbitol 70% 
<ul style="list-style-type: none"> - Thickening & Gelling Agent - Texture and Clarity - Binder & Stabilizer - Corn Sweeteners 	<ul style="list-style-type: none"> - Crystallising - Texture Enhancers - Stabilizer - Adjuncts - Fermentation - Sugar Substitute 	<ul style="list-style-type: none"> - Emollient - Humectants
<ul style="list-style-type: none"> - Manufacture of Sweeteners - Sizing of Paper and Textile - Food Thickener - Stabilizer - Ethnic Sweets - Manufacture of Modified Starches - Bio-Plastics - Pharmaceutical - Corrugated Board - Bio-Plastics - Frozen Food 	<ul style="list-style-type: none"> - Confectionery - Baking - Brewing - Meats - Ice Cream - Processed Foods - Jams and Preserves - Canning - Frozen Foods - Dairy Products 	<ul style="list-style-type: none"> - Oral hygiene formulation - Cosmetics - Processed Food Industry - Pharmaceutical Industry - Confectionary - Frozen Foods - FMCG / Health care Industry - Paint Industry

Malto Dextrin Powder



- Stabiliser/Bodying Agents
- Sweetener
- Carrier/Excipient
- Food Additive

- Indian Sweets
- Baby Foods
- Instant Foods
- Confectionary
- Baking
- Ice Cream
- Dairy Products
- Processed Foods
- Beverage

Monohydrate Dextrose



- Sweetness
- Flavor Enhancement
- Ferment ability
- Glucose-D & Stability
- Bulking Agent and Carrier
- Instant energy drinks

- Total or partial replacement for sucrose in baking & other dry mixes, canned products, chewing gum, confections, dairy products, meats, preserves, carrier for colors and flavours
- Bulking agent for intense sweeteners, beverage powders and dry mixes. Tableting excipient in confections
- Source of fermentables in baking, brewing. vinegars, wines
- Baked goods. Caramel coloring

Anhydrous Dextrose



- Injectable Glucose
- Bulking Agent and Carrier

- Injectable Solution Manufacturing
- Saline Solution Manufacturing
- Oral Re-Hydrating Agent

Maize Gluten 	Other By-Products 
<ul style="list-style-type: none">- High protein content	<ul style="list-style-type: none">- Nutritive addition to Cattle feed- Source of bio-diesel
<ul style="list-style-type: none">- Poultry Feed- Animal Feed- Herbicide	<ul style="list-style-type: none">- Poultry Feed- Cattle Feed- Insecticides- Cooking oil- Printing Ink- Pet Food- Bio diesel

Diversified End Users



Paper



Textile



Pastries



Ice cream



Cosmetics



Flavours and Fragrance



Tooth Paste



Health Care Products



Pharmaceuticals



Candies



Beverages



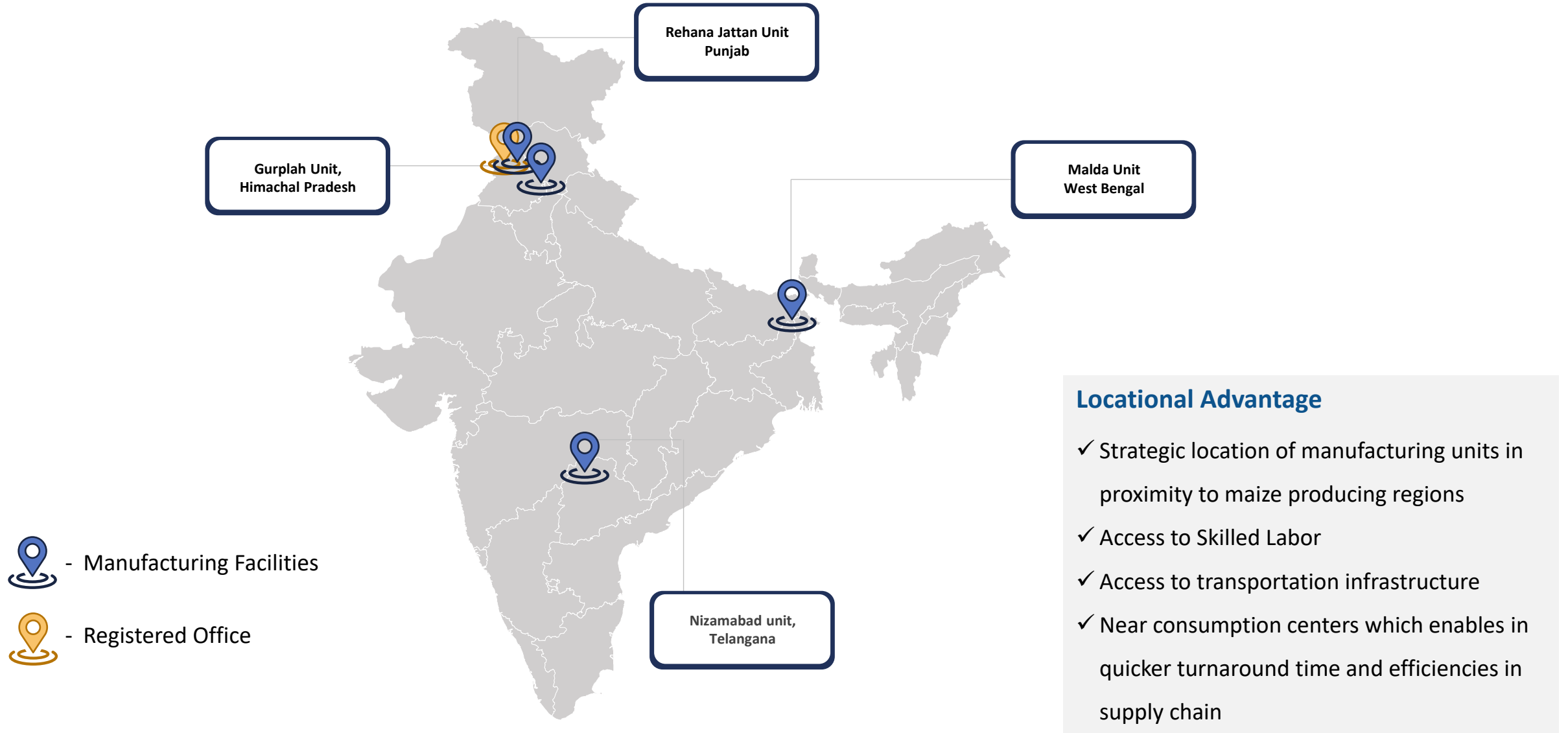
Biodegradable packaging

We have clients from diversified industries and we help them to build their worldwide presence



We have clients from diversified industries and we help them to build their worldwide presence





Phagwara (Rehana Jattan)



Capacity – 600 TPD

Products Manufactured

Maize Starch, Monohydrate Dextrose, Sorbitol, Anhydrous Dextrose, Maize Gluten, Maize oil and other By-products

Nizamabad unit



Capacity – 250 TPD

Products Manufactured

Maize Starch, Liquid Glucose, Maize Gluten, Maize oil, Cattle feed and other By-products

Malda Unit



Capacity – 450 TPD

Products Manufactured

Maize Starch, Liquid Glucose, Monohydrate Dextrose, Maize Gluten, Maize germ and other By-products

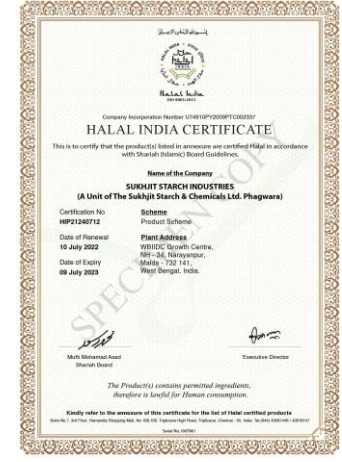
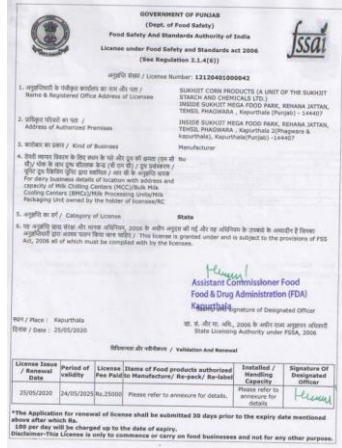
Gurplah Unit



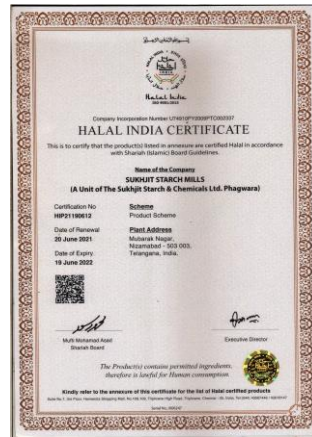
Capacity – 300 TPD

Products Manufactured

Maize Starch, Liquid Glucose, Monohydrate Dextrose, Malto Dextrin Powder, Maize Gluten, Maize germ and other By-products



Nizamabad unit



Gurplah Unit



Sukhjit mega food park was envisioned under active encouragement by the Government of India and Government of Punjab to aid in their efforts to help with agriculture diversification and ensure processing of agro production in Punjab.

Mega food park has come up on 55 acres of land in village Rehana Jattan, Tehsil Phagwara. This will help in exploring fresh possibilities for crop diversification and encouraging less water intensive crops to conserve the depleting water table of the State.



Objective

- To minimize food wastage and improve farm incomes



Advantage

- ▶ Being a strategic location with access to abundant agricultural produce
- ▶ Excellent connectivity to the NCR region and rail, road & air connectivity to this food park is an ideal investment destination



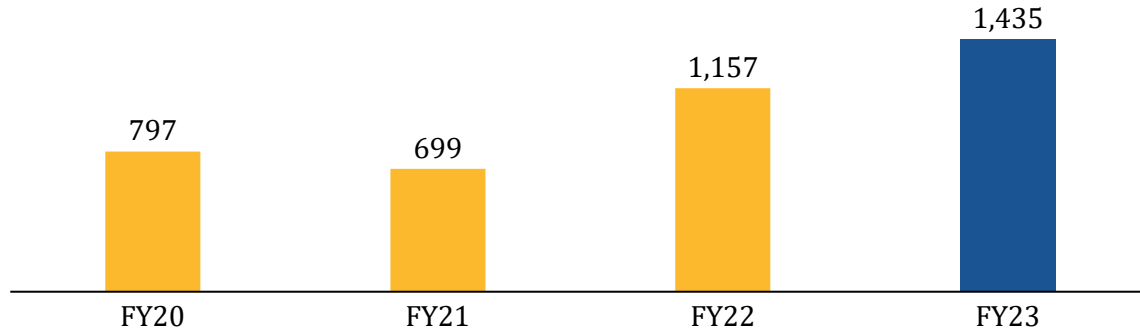
Facilities at Sukhjit Mega Food Park

- ▶ Developed Industrial Plots
- ▶ Power, steam, water supply and wastewater treatment
- ▶ Large storage facilities in the form of silos and dry warehouses totaling 27,000 tons
- ▶ Sorting grading systems have been set up for use of grain processing industries for dry raw material and finished products
- ▶ Set up vegetable processing 2 tons per hour IQF line for processing peas/cauliflower or other vegetable crops has been set up with palletized deep freeze rooms of 2000 tons capacity in multiple chambers modern
- ▶ Mezzanine assisted cold storage of 3 000 tons has been set up with a scientific pre-cooling anti-chamber room
- ▶ Offers many other facilities such as a quality control laboratory, standard design factory sheds etc for the food processing Industry

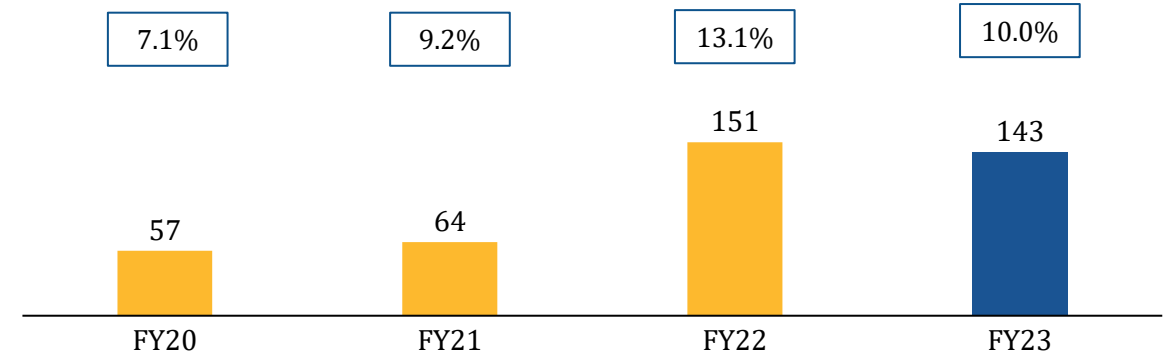
Financial Performance



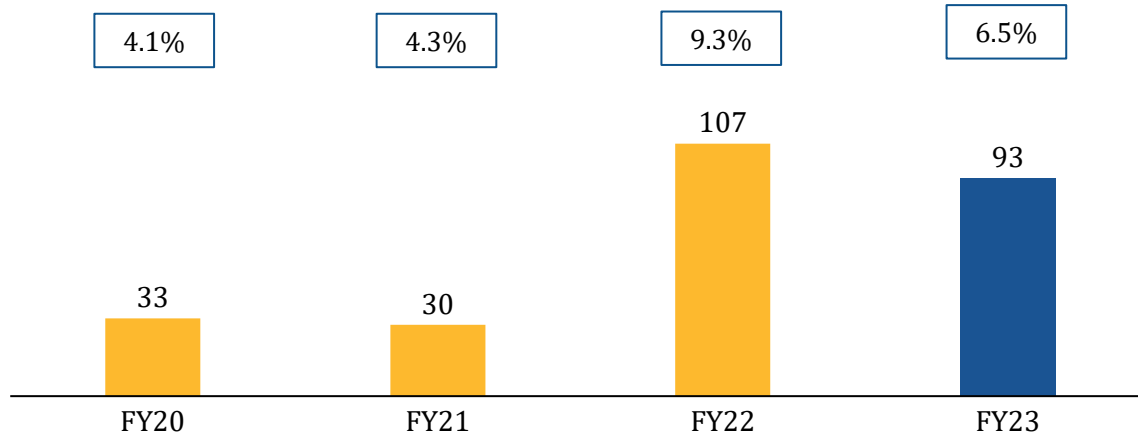
Revenue from operations (Rs. Crs.)



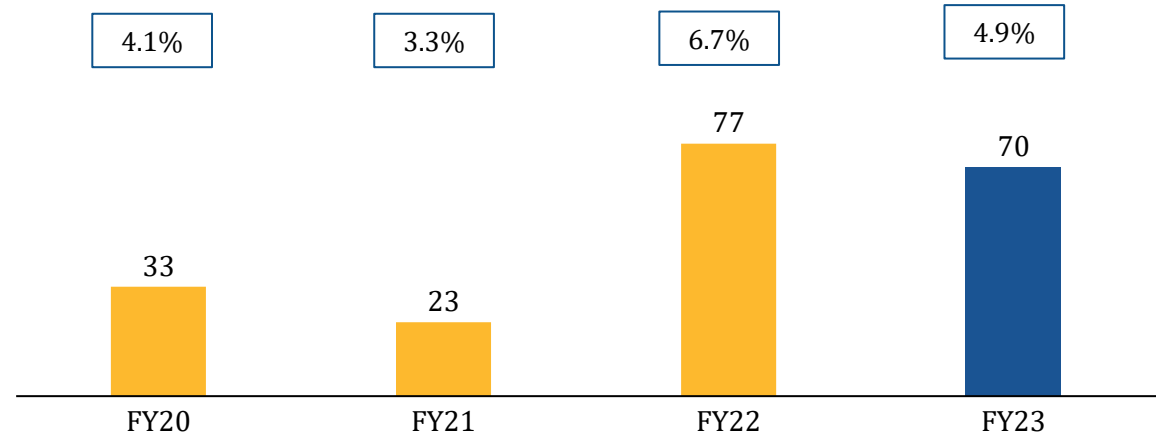
EBITDA (Rs. Crs.) & EBITDA Margin



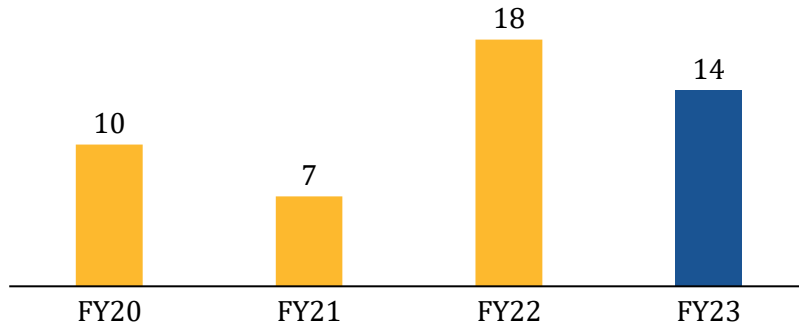
Profit before Tax (Rs. Crs.) & PBT Margin



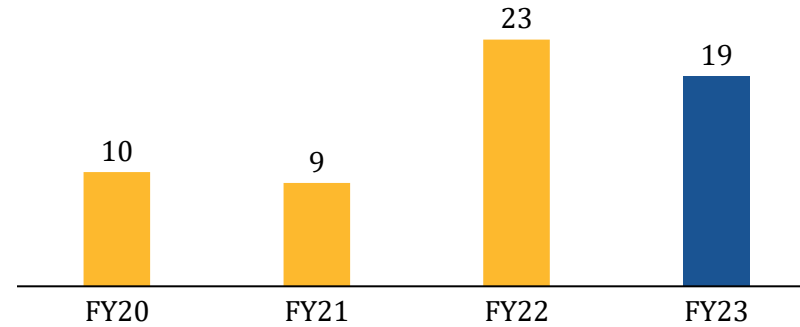
Profit after Tax (Rs. Crs.) & PAT Margin



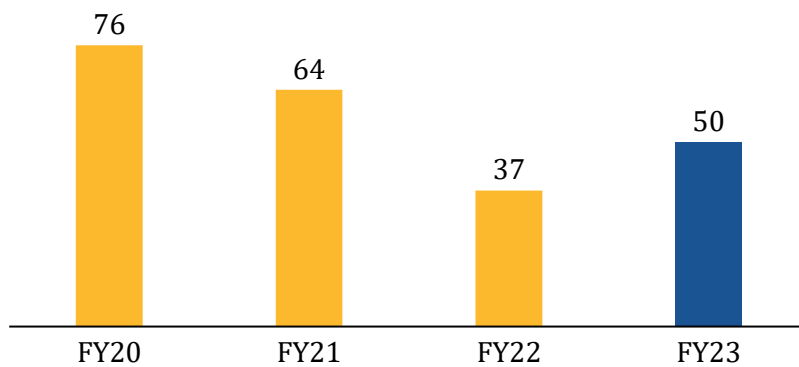
ROE (%)



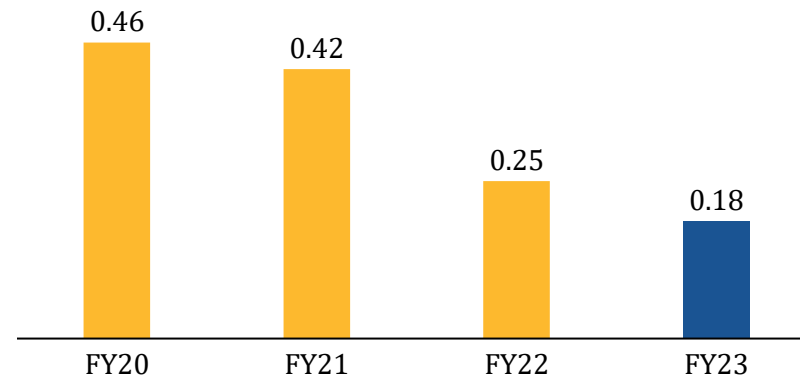
ROCE (%)



Working Capital Days



Net Debt / Equity (x)



Standalone Profit & Loss Statement

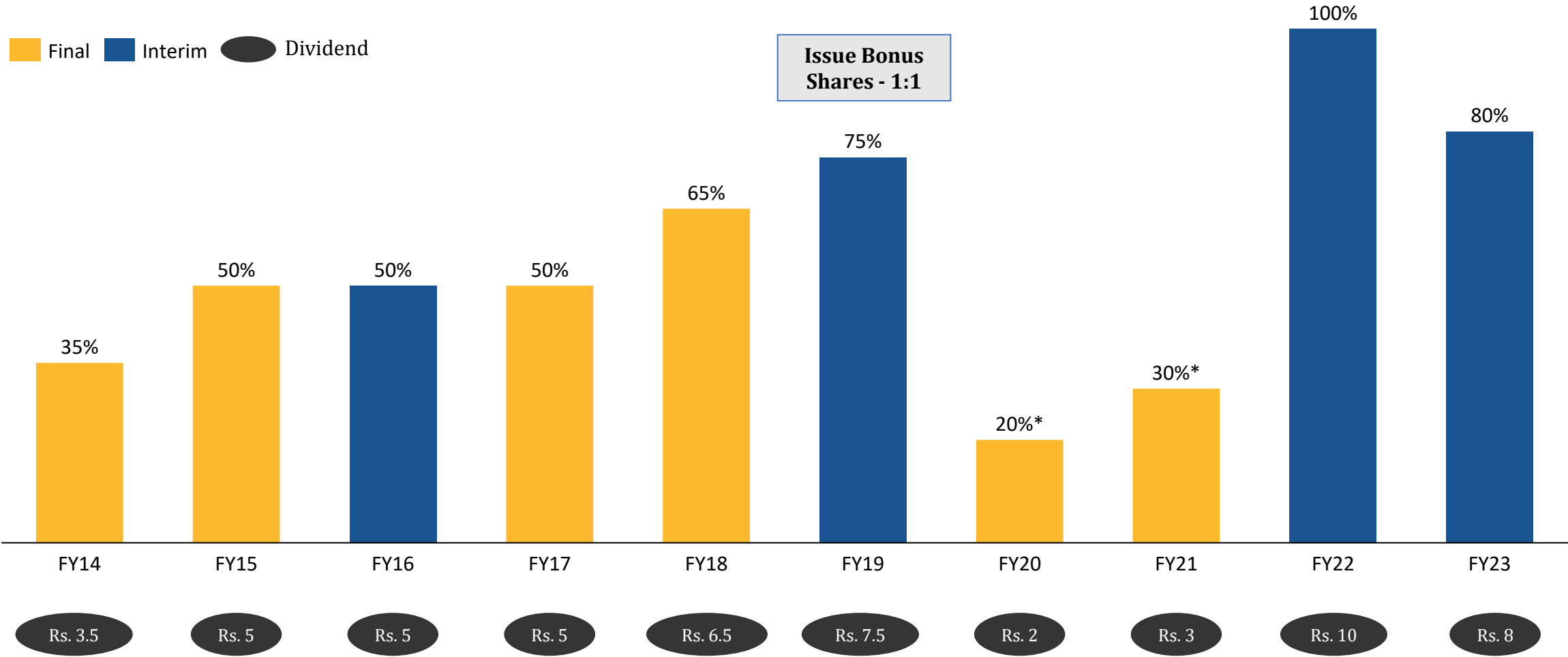
Profit & Loss Statement (Rs. Cr.)	FY22	FY23
Revenue	1,156.8	1435.3
Cost of Materials Consumed	737.5	1,009.8
Changes in Inventory, WIP, Finished Goods	12.7	-24.5
Employee Expenses	52.4	57.7
Other Expenses	202.8	249.2
EBITDA	151.4	142.9
EBITDA Margin %	13.1%	10.0%
Depreciation	24.7	26.6
Finance Cost	20.9	25.3
Other Income	1.6	1.7
PBT	107.4	92.7
Tax Expense	30.1	22.6
PAT	77.3	70.1
PAT Margin %	6.7%	4.9%
EPS	49.47	44.9

Standalone Balance sheet

Particulars (In Rs Crs.)	FY22	FY23
EQUITY AND LIABILITIES		
Equity		
Equity share capital	15.6	15.6
Other Equity	409.2	468.9
Total equity	424.8	484.5
Non-current liabilities		
Financial liabilities		
i) Borrowings	116.0	100.6
Lease liabilities	4.0	5.2
Government Grant(s)	0.7	0.7
Deferred tax liabilities	25.3	30.3
Other non-current liabilities	17.0	16.2
Total non-current liabilities	163.0	153.0
Current liabilities		
Financial liabilities		
i) Borrowings	128.5	195.0
Trade payables		
(i) Total outstanding dues of MSME	3.8	3.6
(ii) Total outstanding dues of creditors other than MSME	43.0	49.4
Other Current Liabilities	17.5	19.3
Current Tax Liabilities (net)	2.1	0.0
Total current liabilities	194.9	267.3
Total liabilities	357.9	420.3
Total equity & liabilities	782.7	904.8

Particulars (In Rs Crs.)	FY22	FY23
ASSETS		
Non-Current assets		
Property, Plant and Equipment	357.1	408.2
Rights to use	3.3	4.1
Capital work - in - progress	63.9	16.4
Investment Property	20.4	21.3
Other Intangible assets	0.0	0.0
Financial Assets:		
i) Investments	38.5	38.5
Other non-current assets	24.2	24.1
Total non-current assets	507.3	512.5
Current assets		
Inventories	96.1	167.7
Financial Assets:		
i) Investments	65.9	77.5
ii) Trade Receivables	67.0	80.5
iii) Cash & Bank Balances	1.1	1.3
iv) Bank balances other than iii. above	10.7	11.0
v) Other Loan & Advances	32.5	38.3
Income Tax Asset (Net)	0.0	1.2
Other current assets	2.1	14.9
Total current assets	275.4	392.3
Total Assets	782.7	904.8

Dividend as % of Face Value



* Note : Covid period

Promoting Education



The Company has promoted the establishment of various educational Institutions which, under its patronage have been running successfully like a Post Graduate College for women with latest and “state of the art” Infrastructural facilities with all concessions to the needy and poor students. Seven other educational institutions including one B.Ed. college for women and six higher secondary schools imparting quality education to students with due concessions to all the students from economically backward and rural areas.

Healthcare and Dental Camps



The objective of the company is to make affordable healthcare facilities available to communities around it by forging strategic partnerships with organizations having expertise in the requisite areas. Hence, the company has joined hands with many organizations to promote health & well-being of needy and poor people and some of which includes : blood donation awareness camps, donates free blood to number of Thalassemia patients on a regular basis, Free eye care and operation camps, Cancer awareness camps etc

Blankets and Ration Distribution



Tree Plantation



- Distribution of free ration and blankets etc. to the poor and needy
- The Company has diversified its CSR activities towards ensuring environmental sustainability, awareness camps for cleanliness in line with Swachh Bharat Abhiyan, tree plantation and many more

Thank you

Company :



Sukhjit Starch & Chemicals Ltd.

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