

DAVANGERE SUGAR

COMPANY LIMITED

CIN : ~~XXXXXXXXXX~~ L37100KA1970PLC001949



To,
Listing Operations,
BSE Limited, Ground Floor,
P. J. Towers, Fort,
Mumbai-400001

January 7, 2022

Symbol: DAVANGERE

Sub: Disclosure in terms of Regulation 30 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015

Dear Sir/Madam,

In order to explore the opportunity created by the Central Government by announcing new Ethanol Policy in the year 2018, as amended from time to time, the Company decided to set up a 65 KLPD Ethanol Plant along with Zero Liquid Discharge (ZLD) System in the year 2018-19.

The Central Government also announced interest subvention of 6% p.a. for the loans borrowed from the banks and arranged for purchase of the Ethanol Produced from the sugar industry at very remunerative market prices. In the line with this, Government of India, Department of Food and Public Distribution, Directorate of Sugar & Vegetable Oils, has conveyed its in-principal approval dated September 29, 2018 to our company for grant of interest subvention for a maximum loan amount of Rs. 73.80 Crores for 65 KLPD Ethanol Plant along with Zero Liquid Discharge (ZLD) System.

The commissioning of 65 KLPD Ethanol Plant was commenced in November 2020 and the overall project cost of the Ethanol Unit is estimated to be Rs. 99.31 crores. Company has availed a term loan of Rs.63.34 crores from the existing consortium banks.

In terms of Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, we are pleased to inform that the Company on January 6, 2022 has entered into a contract, with oil marketing companies (OMC) for supplying of 0.99 Crore liters of ethanol per annum commencing from the expected date of commercial production of our ethanol plant.

The completion of commissioning of the Ethanol Plant is expected to be completed in the month of February 2022 and the commercial production of the plant is expected to commence in the month of March 2022, subject to the clearance by the Pollution Control Board and other regulatory authorities.

Thanking you,
Yours faithfully,

For Davangere Sugar Company Limited

Ganesh S. Shamanur
Managing Director



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