

AVADH/SE/2021-22/71

May 10, 2022

The Manager
Listing Department
National Stock Exchange of India Limited
'Exchange Plaza'
C - 1, Block G
Bandra-Kurla Complex
Bandra (E)
Mumbai 400051
SYMBOL – AVADHSUGAR

The Manager
Listing Department
BSE Ltd.
1st Floor, New Trading Ring
Rotunda Building
P.J. Towers
Dalal Street, Fort
Mumbai-400 001
STOCK CODE - 540649

Dear Sirs,

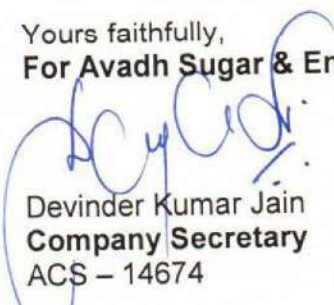
Sub: Disclosure of information pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In compliance with Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find enclosed herewith a copy of the Investor Presentation with respect to the Financial Highlights of the Company for the quarter and financial year ended 31st March, 2022.

Please take the same on record.

Thanking you,

Yours faithfully,
For Avadh Sugar & Energy Limited


Devinder Kumar Jain
Company Secretary
ACS – 14674



Encl : as above



K.K. BIRLA GROUP OF SUGAR COMPANIES

Avadh Sugar & Energy Ltd

Sustainable Growth



ethanol



Q4FY22 and FY22 Highlights

Total Income
Rs. 2,748 Cr.

EBITDA
Rs. 307 Cr.
15% YoY ↑

PAT
Rs. 124 Cr.
59% YoY ↑

Term Debt to Equity
0.64x (PY 0.98x)

PBIDT to Sales
11.18% (PY 9.80%)

Total Debt / EBIDT
3.94x (PY 5.17x)

Dividend pay-out 20% of Average Net profit of last 3 Years



SUGAR

- Sugar Stock as on **31st March 2022, 29.06 lakh quintals (38.51 lakh quintal as on 31st March 2021)**

Stock Position (Lakh Qtls)

Opening stock as on 1 st April 2021	38.51
Production	52.64
Sold (Including Export 13.43 lacs qtls)	62.09
Closing stock as on 31 st March 2022	29.06

- Average domestic sale realization:
 - **Q4FY22 Rs. 3,290/- per quintal; Q4FY21 Rs. 3,132/- per quintal**
 - **FY22 Rs. 3,390/- per quintal; FY21 Rs. 3,185/- per quintal**
- Domestic Sugar Sales Qty. down by 18% YoY as sales Qty. is regulated by monthly release mechanism of GOI.



ETHANOL

- Ethanol production capacity on B-heavy molasses increased to **325 KLPD in FY22**
- **Phenomenal Performance by Distillery :-**

Particulars	FY 21-22	FY 20-21
UOM	Lac/Qtls.	Lac/Qtls.
Production	791	648
Sales	824	665

- Details of Outstanding position

Particulars (Rs. In Crores)	As on March'22	As on March'21
Term Loan	522	653
Cash Credit / Short Term Loan	690	720
Total Debt	1,212	1,373
Cane Dues & Other Payables	306	535
Total Outside Liability	1,518	1,912

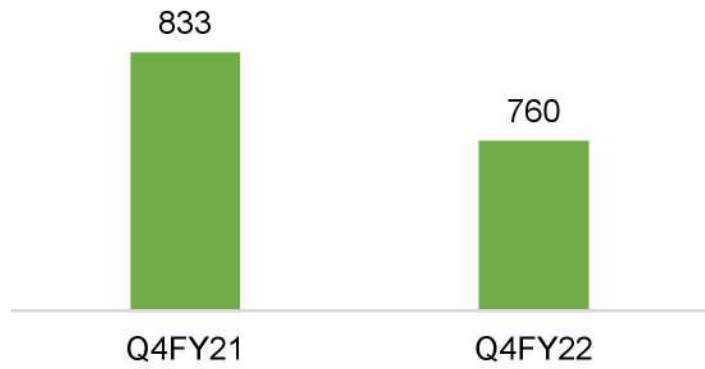
- Substantial reduction in inventory resulting in decline in Total Outside Liability by Rs. 394 crore.



India Ratings and Research has assigned Avadh Sugar a **Long-Term Issuer Rating of 'IND A'**

Q4 & FY22 Result Highlights

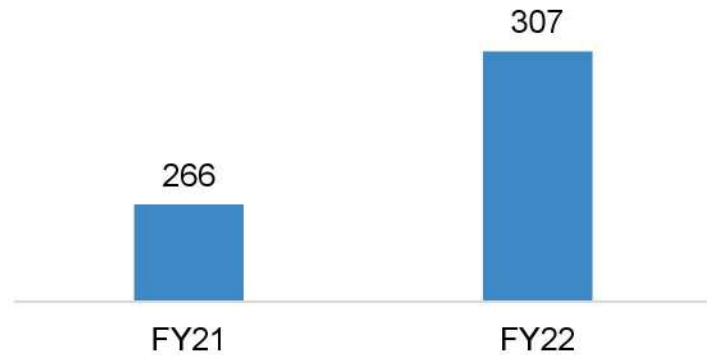
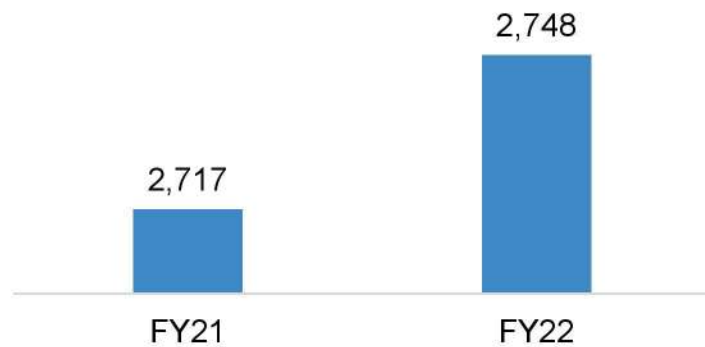
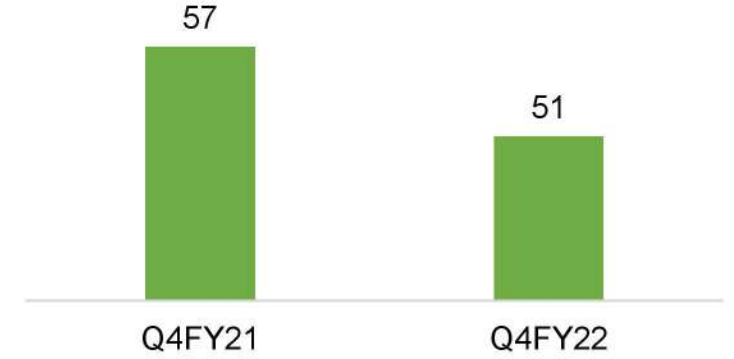
Total Income (Rs. Cr)



EBITDA (Rs. Cr)



PAT (Rs. Cr)



Profit & Loss Highlights

Rs. Crore	Q4FY22	Q4FY21	FY22	FY21
Total Income	760	833	2,748	2,717
Raw Material Cost	570	628	2,115	2,128
Employee Cost	29	28	100	97
Other Expenditure	75	68	226	226
EBITDA	86	109	307	266
Depreciation	13	13	51	48
PBIT	73	96	256	217
Interest	19	28	88	116
Profit Before Tax	54	68	168	101
Tax	3	12	43	24
Profit After Tax	51	57	124	78
EPS (Rs)	25.66 *	28.28 *	62.15	38.76

* Not annualised

Balance Sheet Highlights

Rs. Crore	Mar-22	Mar-21
Shareholder's Funds	810	666
Share capital	20	20
Other Equity	790	646
Non-current liabilities	431	513
Long term borrowings	405	499
Long-Term Provisions	2	4
Deferred tax liability	22	4
Other Non-Current Liability	2	6
Current liabilities	1,189	1,470
Short Term Borrowings	811	877
Trade Payables	310	539
Other Financial Liabilities	17	19
Short-term provisions	7	6
Other Current liabilities	44	24
Current tax liability	-	5
Total Equities & Liabilities	2,430	2,649

Rs. Crore	Mar-22	Mar-21
Non-current assets	1,156	1,122
Fixed assets	1,077	1084
Capital W.I.P	9	14
Financial assets	48	16
Other non-current assets	20	4
Non-current Tax assets	2	4
Current Assets	1274	1,527
Inventories	1,170	1,351
Trade receivables	86	61
Bank, Cash & Cash equivalents	3	7
Other Current Assets	15	108
Total Assets	2,430	2,649



Segmental Performance

Sugar Segment Performance

	Q4 FY21	Q4FY22
Segmental Revenues (Rs. Lakh)	81,692	79,192
PBIT (Rs. Lakh)	5,126	5,258
Dispatched Qty (In Lacs)	21.39 *	16.52 *
Average Realization (Per Quintal)	3,132	3290
Sugar cane Crushed (Lakh Qtls)	271.07	279.33
Sugar Recovery (%)#	10.93	10.39

	FY21	FY22
	2,56,258	2,60,696
	9,271	12,815
	69.28 **	62.09 **
	3,185	3390
	578.33	526.36
	10.70	10.27

*Including exports of 6.37 (PY 9.51) lakh quintals for Q4FY22

**Including exports of 13.43 (PY 9.51) lakh quintals for FY22

#Sugar Recovery on B-Heavy Molasses

Distillery Segment Performance

	Q4 FY21	Q4FY22	FY21	FY22
Segmental Revenues (Rs. Lakh)	9,465	13,674	34,677	48,437
PBIT (Rs. Lakh)	4,379	2,711	12,684	14,673
Total Ethanol Production (Lakh litres) – B Heavy	207.37	80.10	373.62	641.95
Total Ethanol Production (Lakh litres) – C Heavy	-	-	274.03	-
Total Ethanol Production (Lakh litres) – From Syrup	-	149.36	-	149.36
Total Ethanol Sales (Lakh litres) – B Heavy	160.62	89.46	391.91	690.69
Total Ethanol Sales (Lakh litres) – C Heavy	-	-	232.65	-
Total Ethanol Sales (Lakh litres) – From Syrup	-	130.46	-	130.46

Co-Generation Segment Performance

	Q4 FY21	Q4FY22	FY21	FY22
Segmental Revenues (Rs. Lakh)	6,793	7,691	15,669	16,816
PBIT (Rs. Lakh)	750	381	1,153	157
Power Generation (Lakh Units)	1,039	1,078	2,321	2,351
Power Sales (Lakh Units)	680	707	1,476	1,355
Average Realisation (Rs. Per Unit)	3.00	3.08	3.01	3.07



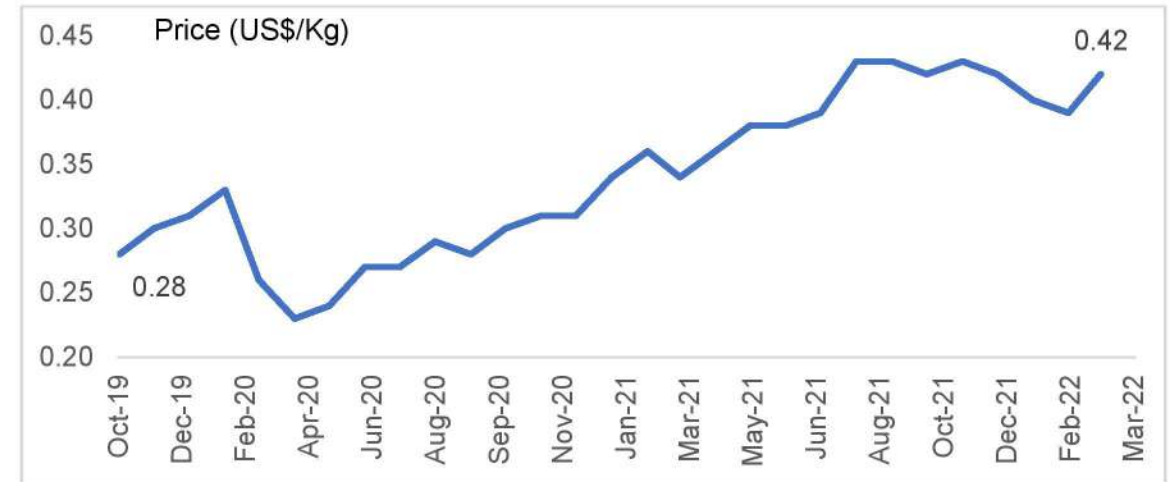
Industry Updates

Global Sugar Inventory is on the decline

Global Sugar Balance Sheet (lakh tons)	2020-21	2021-22(E)
Opening Balance of Sugar Inventory	976	938
Production during the year	1700	1725
Consumption during the year	1738	1750
Closing Balance for the year	938	913

Source: ISO

Reflected in the strengthening of prices

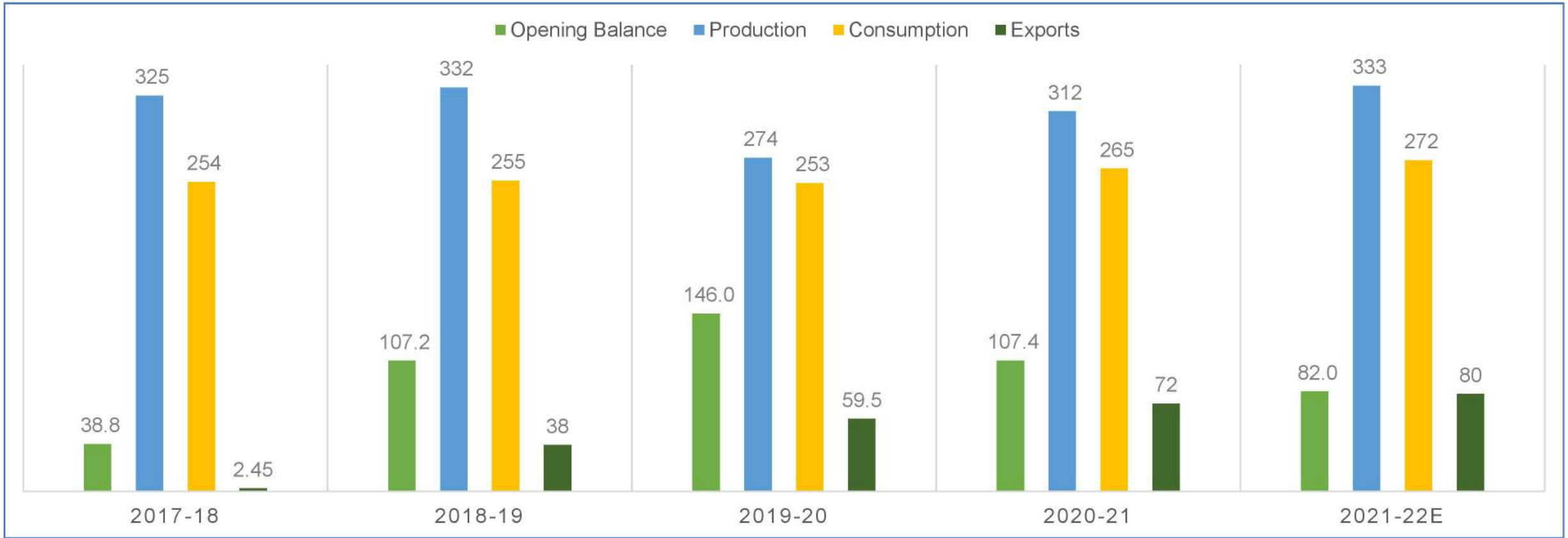


Source: ISO

- Sugar production in **Brazil's centre south region came to a complete halt** in the second half of December, following **dry weather and multiple frosts** in July which damaged the canes.
- **High oil prices** would entice millers to **divert more cane to ethanol**. This would **reduce sugar supplies and could have an impact on the global sugar market**.
- Overall, **Sugar Prices are expected to remain firm** for the remainder of the Sugar Year

Source: ISO, Industry sources

Indian Sugar Industry – Update



Consumption has been growing gradually → Exports have seen robust growth → Production has remained stable → Consequently, closing balance of inventory has reduced significantly

Sugar Production

- All India sugar production in 2021-22 SS **expected at 350 lakh tons**, after considering diversion of 34 lakh tons of sugar equivalent into ethanol.
- **State-wise production after diversion into ethanol (SS 21-22):** Maharashtra - 134 lakh tons, Karnataka - 62 lakh tons, U.P and others - 154 lakh tons of sugar.

Sugar Balance Sheet for SS FY22

- Opening stock **~82 lakh tons as on 1st October 2021**,
- Domestic consumption of 272 lakh tons, Sugar exports of over 90 lakh tons,
- The closing stock as on **30th September 2022 is expected ~68 lakh tons**

Exports

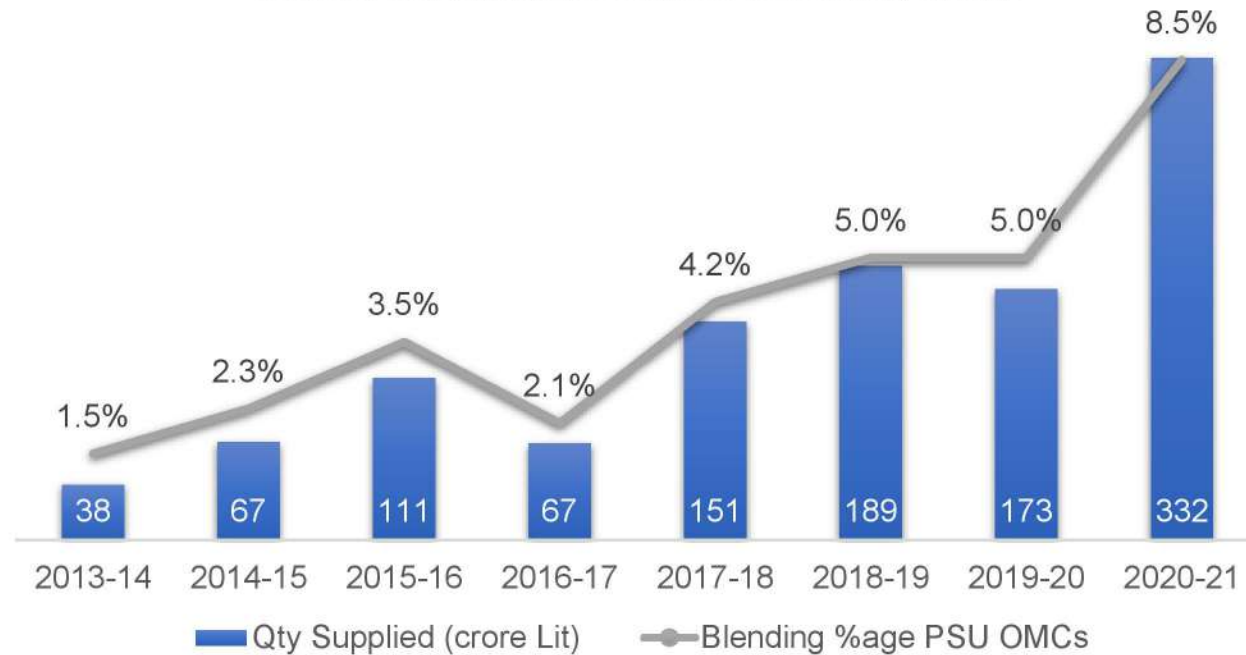
- **~74 lakh tons of export contracts** have already been entered into so far over 57 lakh tons is physically exported till end of March 2022, **Exports Expected at ~ 85 Lakh tons** SS 2021-22.
- **~99% of Indian goods exported to the United Arab Emirates will attract no levies** in a phased manner till 2032, starting from 90% with immediate effect, two nations signed a free trade agreement

Outlook

- **National Sugar Inventory is declining signalling strong sugar realisations, improved profitability on account of reduction of arrears and improved prospects for sugar companies**

Indian Ethanol Play gets Stronger

Quantity Supplied (Ethanol) and %Blending Trends



- The molasses-based ethanol production facility has risen from **228 crore litres per annum in FY17 to 520 crore litres FY22**
- Producing **465 crore litres of ethanol at present**. E-20 programme gets completed, **the requirement will become ~1,500 crore litres**
- Toyota, Hyundai and Suzuki have assured to bring flex engines within six months
- Government had reserved 245 crore litres for B molasses. 55 crore litres or 22% has been supplied, indicating a significant gap

- Shift towards Green Fuel: Total petroleum imports in India is at present ₹8 trillion, which is expected to become ₹25 trillion in next 5 years
- **Ethanol demand indefinite for India – Current production at 465 Cr ltrs, E20 needs 1500 cr ltrs in next 5 years, demand will be 4000 cr ltrs post flex-fuel engine**

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