

AVADH/SE/2021-22/56

February 02, 2022

The Manager
Listing Department
National Stock Exchange of India Limited
'Exchange Plaza'
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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,

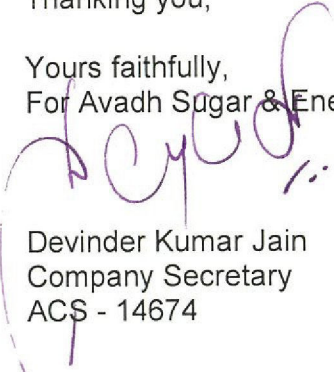
Sub: Disclosure of information pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find enclosed herewith a copy of the Investor Presentation with respect to the Financial Highlights of the Company for the third quarter ended 31st December, 2021.

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



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Avadh Sugar & Energy Limited

Capitalizing Opportunities to Deliver a Promising Future

Fully Integrated Sugar Mill: Sugar | Ethanol | Co-Generation

Performance Highlights

9 M FY 22



Q 3 FY 22



Agenda

1 Q3FY22 Highlights

2 Segmental Performance

3 Industry Updates



Index

1 Q3FY22 Highlights



Key Business Updates – Q3FY22 (1/2)

- Sugar Stock as on 31st Dec 2021, 17.86 lakh quintals (30.05 lakh quintal as on 31st December 2020).
- Average domestic sale realization:
 - Q3FY22 Rs. 3,552/- per quintal; Q3FY21 Rs. 3,184/- per quintal
 - 9MFY22 Rs. 3,416/- per quintal; 9MFY21 Rs. 3,199/- per quintal
- Enhancing operational efficiencies by various **energy saving measures** at Seohara and Rosa sugar units, this will result in **substantial bagasse saving**.
- As the world is focused towards Climate Change; At Avadh we are evaluating many options to contribute towards **Green Energy**.
- Ethanol production capacity on B-heavy molasses increased to **325 KLPD**.
- **Operates in the sugar rich** part of North India enables to reap various geographical perks in the region.

Stock Position (Lakh Qtls)	
Opening stock as on 30 th September 2021	19.07
Production	15.69
Sold	16.89*
Closing stock as on 31 st December 2021	17.86

*Including exports of 3.8 lac quintals

Inventory to reduce meaningfully going forward allowing strengthening of core profitability

Key Business Updates – Q3FY22 (2/2)

▪ Robust Performance

- ✓ EBITDA for 9MFY22 grew by **41% YoY at Rs. 221 crores**
- ✓ Profit Before Tax for 9MFY22 grew by **242% YoY at Rs. 113 crores**
- ✓ Profit After Tax for 9MFY22 reported a growth of **248% YoY at Rs. 73 crores**

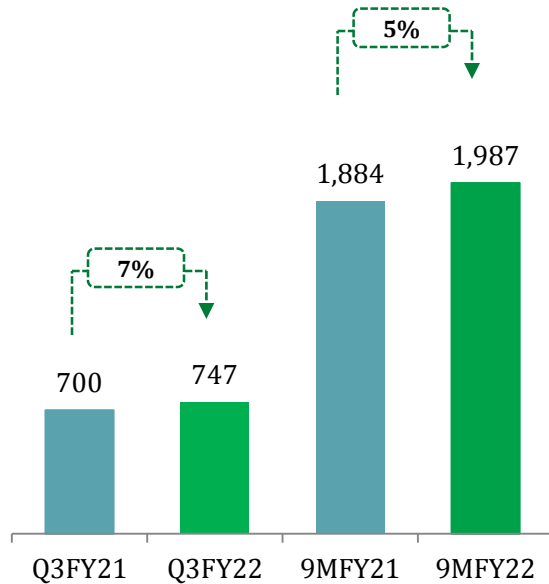
▪ Details of Outstanding position

Particulars (Rs. In Crores)	As on Dec'21	As on Dec'20	March'21
Term Loan	551	684	653
Cash Credit / Short Term Loan	358	529	720
Total Debt	909	1,213	1,373
Cane Dues & Other Payables	170	475	535
Total Outside Liability	1,079	1,688	1,912

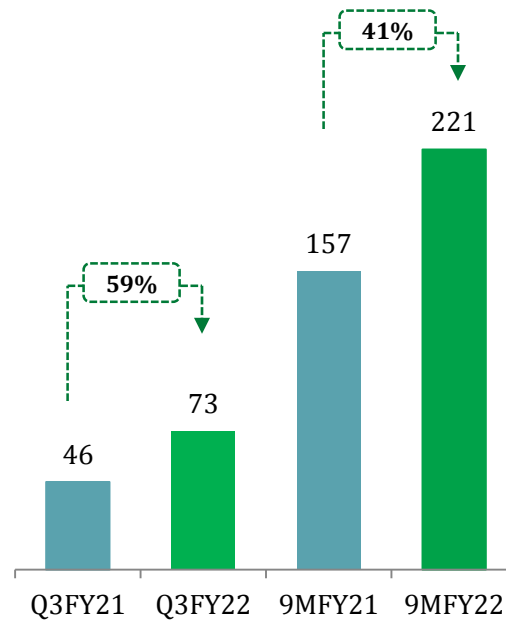
- Substantial reduction in inventory resulting in decline in borrowing from **Rs. 1,373 crore to Rs. 909 crores**.
- Reduction in cane dues by Rs 305 crores YoY.
- India Ratings and Research has assigned Avadh Sugar a Long-Term Issuer Rating of '**IND A**'.

Q3FY22 Result Highlights

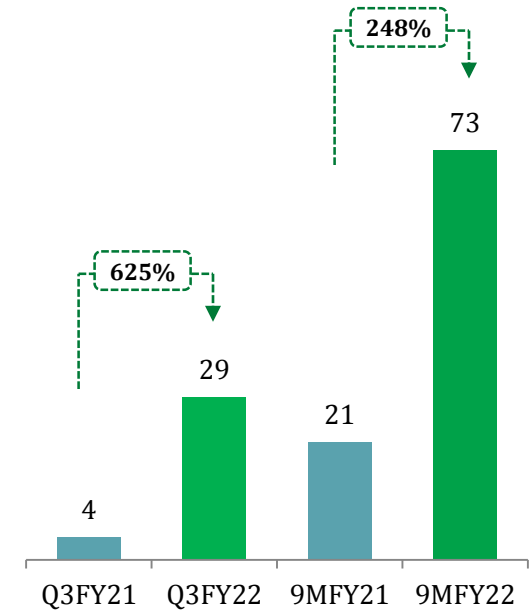
Total Income (Rs. Cr)



EBITDA (Rs. Cr)



PAT (Rs. Cr)



Profitability Highlights

Rs. Crore	Q3FY22	Q3FY21	9MFY22	9MFY21
Total Income	747	700	1,987	1,884
Raw Material Cost	587	565	1,544	1,500
Employee Cost	27	26	71	69
Other Expenditure	60	63	151	158
EBITDA	73	46	221	157
Depreciation	13	13	39	36
PBIT	60	33	182	121
Interest	16	26	69	88
Profit Before Tax	44	7	113	33
Tax	15	3	40	12
Profit After Tax	29	4	73	21
EPS (Rs) *	14.41	1.86	36.49	10.48

* Not Annualised

Index

2 Segmental Performance



Sugar Segment Performance

	Segmental Revenues (Rs. Lakh)	Dispatched Qty (In Lacs)	PBIT (Rs. Lakh)
Q3FY22	71,302	16.89*	3,505
Q3FY21	65,969	17.53	(31)
9MFY22	1,81,505	45.57**	7,557
9MFY21	1,74,566	47.89	4,145
	Sugar cane Crushed (Lakh Qtls)	Sugar Recovery (%)#	Average Realization (Per Quintal)
Q3FY22	164.99	9.77	3,552
Q3FY21	176.96	9.68	3,184
9MFY22	247.03	10.36	3,416
9MFY21	307.26	10.52	3,199

*Including exports of 3.8 lac quintals for Q3FY22

**Including exports of 7.05 lac quintals for 9MFY22

#Sugar Recovery on B-Heavy Molasses

Distillery Segment Performance

	Segmental Revenues (Rs. Lakh)		PBIT (Rs. Lakh)	
Q3FY22	10,376		2,608	
Q3FY21	9,450		3,099	
9MFY22	34,762		11,961	
9MFY21	25,212		8,304	
	Total Ethanol Production (Lakh litres)		Total Ethanol Sales (Lakh litres)	
	B	C	B	C
Q3FY22	161.31	-	179.13	0.13
Q3FY21	73.96	130.74	60.58	135.22
9MFY22	561.85	-	601.23	0.58
9MFY21	166.25	274.02	231.29	269.63

Co-Generation Segment Performance

	Segmental Revenues (Rs. Lakh)	PBIT (Rs. Lakh)	
Q3FY22	4,889	290	
Q3FY21	5,462	598	
9MFY22	9,125	(224)	
9MFY21	8,876	403	
	Power Generation (lakh units)	Power Sales (Lakh units)	Average Realization (Rs. Per Unit)
Q3FY22	638	391	3.05
Q3FY21	757	516	3.02
9MFY22	1,273	648	3.06
9MFY21	1,282	796	3.02

Index

3 Industry Updates



Global Sugar Industry Updates

World Sugar Balance as per ISO states that, world production estimates as on (October/September) stood at 170.47 mln tonnes; World Consumption to slightly increase to 173.03 mln tonnes. End stocks to decline by 3.6% to clock at 93.25 mln tonnes.

Thai sugar market is eyeing a return to strength in 2022 after two consecutive years of drought, but is likely to face logistical challenges in securing freight to export its surplus supply to buyers in the region as well as competition from India and Brazil.

Brazil's Total cane crop is estimated at ~550 million mt on the current crop 2021-22. Translating to total sugar production of 33.7 million mt by March 31, 2022.

Asian industrial and beverage grade ethanol import prices are expected to rise in 2022 as key exporter Brazil sees higher domestic prices and strong sugar prices.

Domestic Sugar Industry Updates (1/3)

Sugar production (31st Dec 2021): 115.55 lac tons of sugar, as compared to 110.74 lac tons in Dec 2020.

State-wise production (31st Dec 2021): Maharashtra produced 45.77 lac tons as against 39.86 lac tons last year; Uttar Pradesh produced 30.90 lac tons against 33.66 lac tons of sugar; Karnataka produced 25.65 lac tons against 24.16 lac tons

Sugar Sales: Total sugar sales in the current season upto November, 2021 was ~ 47.50 lac tons against domestic sales quota of 46.50 lac tons given by the Govt; against ~45.61 lac tons as against sales quota of 45.50 lac tons during last year.

Domestic sugar prices: have remained range-bound between INR 34.5 – 36.5/kg since the season began and are higher YoY (+4% to 10% YoY since 1st Oct'21).

Fair and Remunerative Price (FRP): was raised by INR50/t by Government of India, UP Government raised State Advised Price (SAP) by INR250/t to INR 3400/t (for general variety); sharp increase by UP Government.

Domestic Quota: Govt fixes 2.15mn tonnes monthly sugar quota for domestic sale in January 2022 with extension of unsold quota of December 2021.

Domestic Sugar Industry Updates (2/3)

Fresh export contracts: slowed due to fall in global sugar prices. In the first 2 months of the season, Sugar mills have exported 0.65mnt of sugar compared to 0.3mnt in corresponding period in 2020-21. Sugar mills have contracted for exports of 3.7mnt.

Uttar Pradesh with 55 Ethanol producing distilleries with production capacity of 1.66bn ltrs per annum has become largest producer of Ethanol in the country.

The ex-mill price for Ethanol revised upward by the govt. at Rs 46.7/ltr from C-heavy molasses, Rs 59.08/ltr from B-molasses route and Rs 63.45/ ltr from Sugarcane juice/ sugar/ sugar syrup route.

Ethanol Blending: Ethanol blending in petrol has risen to 8.1% in FY21, up from 5% in previous year.

Ethanol Capacity: The molasses-based ethanol production facility has risen from 228 crore litres per annum in FY17 to 520 crore litres FY22.

Domestic Sugar Industry Updates (3/3)

Govt of India in its recent Budget has announced that the unblended fuel will **attract additional excise duty of Rs. 2 per liter from 1st Oct 2022.**

Isma requested to increase blending upto 12% in ethanol surplus state like UP, Maharashtra, Karnataka.

Society commission in UP is kept at 2% of FRP in instead of 3%.

India to install, dedicated ethanol fuel pumps in future (as per Government of India).

Domestic Sugar Matrix

Production (Mn tons)	SS 19-20	SS 20-21
Uttar Pradesh	12.63	11.06
Maharashtra	6.17	10.65
Karnataka	3.49	4.46
Bihar	0.7	0.5
Others	4.4	4.52
Uttar Pradesh		
- Central	5	4.5
- East	3.6	2.7
- West	4.0	3.8

Number of Factories under operations in 2021	
Uttar Pradesh	120
Maharashtra	190
Karnataka	66
Bihar	9
Others	121
Total	506

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