

AVADH/SE/2023-24/53

February 12, 2024

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/Madam,

Subject: 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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find enclosed herewith a copy of the Investor Presentation with respect to the Financial Highlights of the quarter and nine months ended 31st December, 2023 of the Company.

Please take the same on record.

Thanking you,

Yours faithfully,
For Avadh Sugar & Energy Limited

**VIJAYA
AGARWALA**

Digitally signed by VIJAYA
AGARWALA
Date: 2024.02.12 18:04:51
+05'30'

Vijaya Agarwala
Company Secretary
ACS 38658

Encl.: as above



K.K. BIRLA GROUP OF SUGAR COMPANIES

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Regd. Office: P.O. Hargaon, Dist. Sitapur, U.P., PIN 261 121 • Website : www.birla-sugar.com • CIN: L15122UP2015PLC069635

Avadh Sugar & Energy Ltd

Building Energy Efficiency



Credit Rating upgraded to "A+" in January 2024

Q3 & 9MFY24 Highlights



Operational Performance - Sugar (1/1)

Particulars	Unit	Q3 FY 24	Q3 FY 23	YoY (%)	9M FY 24	9M FY 23	YoY (%)
Sugarcane Crushing	Lac Qtls	197.28	164.46	20%	319.41	253.63	26%
Sugar Production	Lac Qtls	17.89	13.54	32%	30.64	22.49	36%
Sugar Sales – Domestic	Rs Lacs	10.69	10.39	3%	39.85	35.17	13%
Export	Rs Lacs	-	3.45	-	-	5.56	-
Sugar Real. Domestic	Rs / Qtls	3849	3543	9%	3713	3502	6%
Sugar Recovery (Net)	(%)	9.44%	9.69%	-	9.74%	9.85%	-
Sugar Inventory	Qtls	15.70	10.83	45%	15.70	10.83	45%



Distillery

Particulars	Unit	Q3FY24	Q3FY23	YoY (%)	9MFY24	9MFY23	YoY (%)
Production	Lac Litres	214.68	193.37	11%	760.23	653.45	16%
Sales	Lac Litres	204.15	192.80	6%	767.21	653.94	17%
Avg. Real.	Rs/ Litres	60.73	60.57	-	60.73	60.24	-
Closing Stock	Lac Litres	54.74	32.80	67%	54.74	32.80	67%

Co Gen (Power)

Particulars	Unit	Q3FY24	Q3FY23	YoY (%)	9MFY24	9MFY23	YoY (%)
Generation	Lac Unit	750	646	16%	1501	1290	16%
Sales to Grid	Lac Unit	544	463	17%	886	705	26%
Avg. Real	Rs/ Unit	3.39	3.27	2%	3.38	3.24	-

Segment Performance – Q3 & 9M FY24

Segments (Rs. Cr)	Revenue			PBIT			PBIT Margins	
	Q3FY24	Q3FY23	YoY (%)	Q3FY24	Q3FY23	YoY (%)	Q3FY24	Q3FY23
Sugar	574	689	-17%	19	30	-37%	3%	4%
Distillery	125	122	2%	23	14	64%	18%	11%
Co generation	59	66	-11%	7	1	600%	12%	2%
Others	6	7	-14%	-	-	-	-	-
Total	764	884	-14%	49	45	9%	6%	5%
Less: Intersegment Revenue	170	209	-	-	-	-		
Total	594	675	-12%	49	45	9%	8%	7%

Segments (Rs. Cr)	Revenue			PBIT			PBIT Margins	
	9MFY24	9MFY23	YoY (%)	9MFY24	9MFY23	YoY (%)	9MFY24	9MFY23
Sugar	1882	1820	3%	88	26	238%	5%	1%
Distillery	469	401	17%	94	79	19%	20%	20%
Co generation	117	111	5%	-2	-6	67%	-2%	-5%
Others	16	16	-	-	-	-	-	-
Total	2484	2348	6%	180	99	82%	7%	4%
Less: Intersegment Revenue	410	396	4%	-	-	-	-	-
Total	2074	1952	6%	180	99	82%	9%	5%

Sugar

689

-17%

574

Q3FY23

Q3FY24

Lower Revenue largely due to no Export
Domestic Sugar volume higher by 3%

1,820

3%

1,882

9MFY23

9MFY24

Higher Sugar Prices, up by 6%

Distillery

122

2%

125

Q3FY23

Q3FY24

Higher volume of Ethanol Sale, up by 6%

401

17%

469

9MFY23

9MFY24

Higher Volume of Ethanol Sale, up by 17%

Power

66

-11%

59

Q3FY23

Q3FY24

Lower Transfer rate of Steam

111

5%

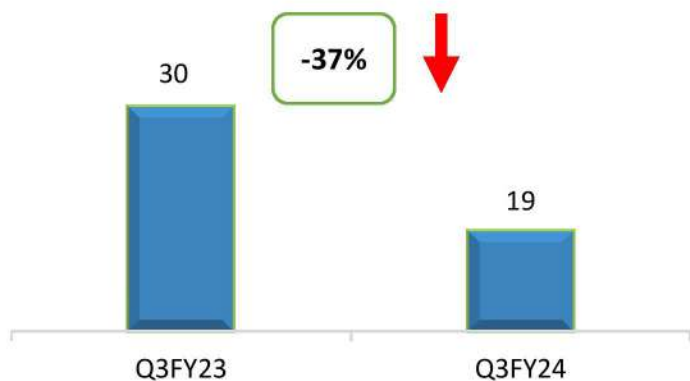
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9MFY23

9MFY24

Higher Volume of Power Sale

Sugar

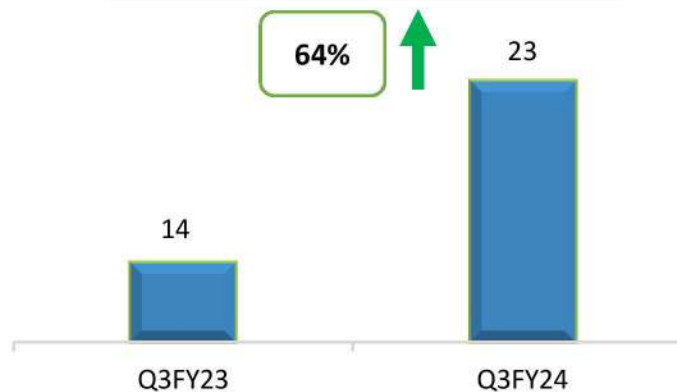


Higher Cane Prices, Low Volume Sale and Higher Realisation of Sugar

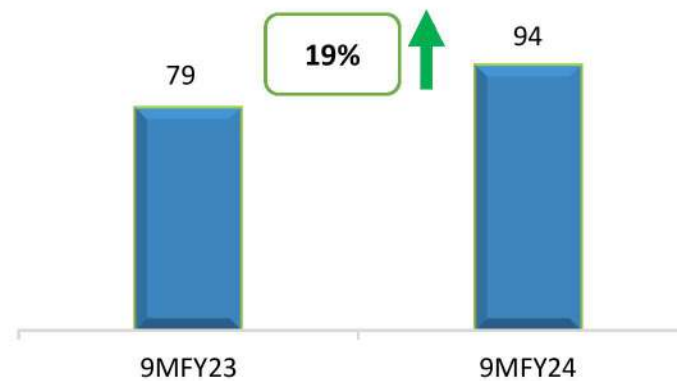


Higher Realisation and better Sugar margins

Distillery

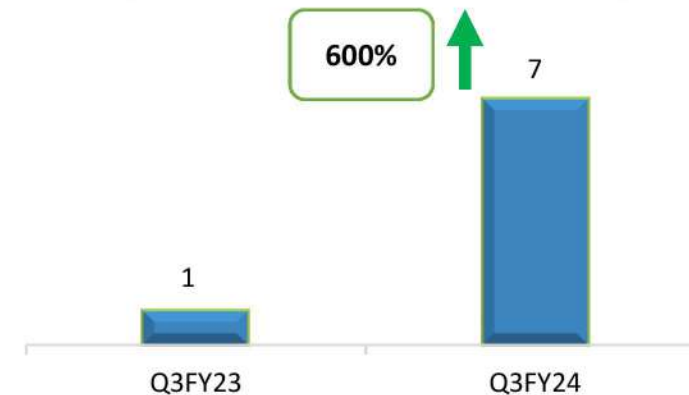


Higher Volume of Ethanol Sale

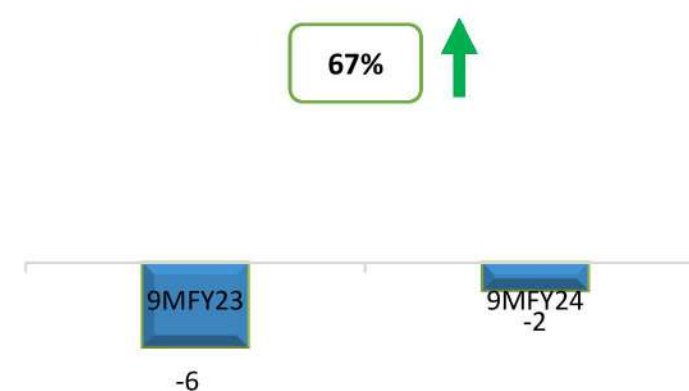


Higher volume of Ethanol Sale

Power



Lower Bagasse Rate



Lower Bagasse Rate

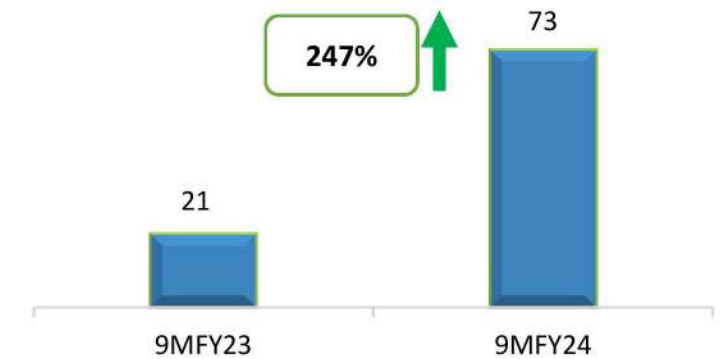
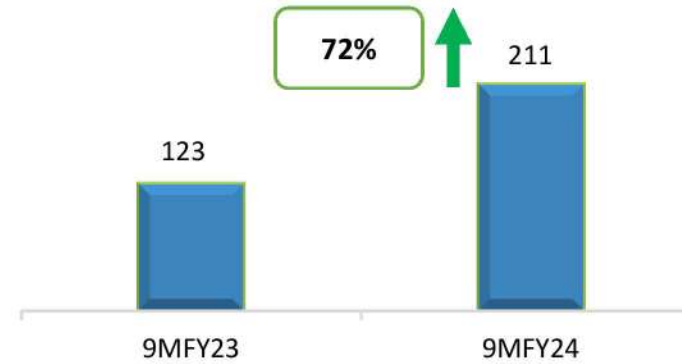
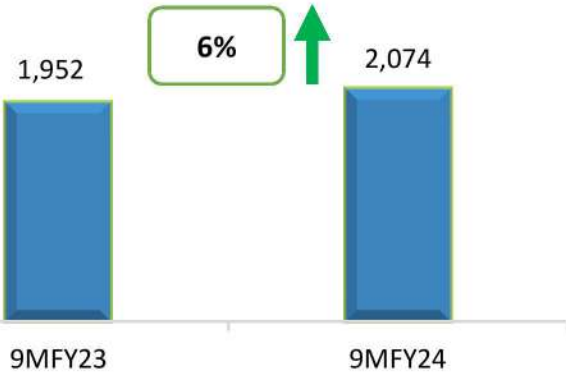
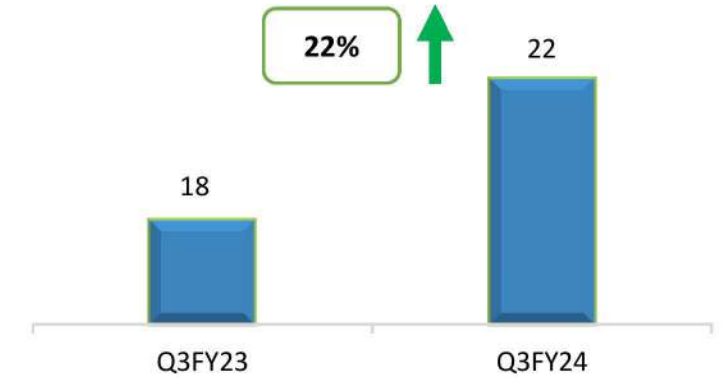
Total Revenue



EBITDA



PAT



Increase in Profitability is due to Higher Realisation across Sugar and Ethanol despite increase in cane prices

Details of Outstanding position :-

	31/12/2023	31/12/2022	31/03/2023
Term Loan	406	468	437
Cash Credit / Short Term Loan / ICD*	342	256	630
Total Debt	748	724	1067

** Due to higher crushing by 26% , higher inventory and increase in cane prices.*

- **Long Term Credit Rating upgraded from “A/Stable ” to “A+/Stable” and Short Term rating reaffirmed at A1 by India ratings and Research in January 2024.**
- **Growth drivers with :-**
 - Increase in Sugar Cane Crushing Capacity from 10000 to 13000 TCD and improving Energy Efficiency by saving in steam consumption, at Hargaon Unit.
 - Setting up a new Greenfield Multifeed Distillery of 100 KLPD at company’s Rosa unit, subject to all clearances.

Profit & Loss Highlights

Rs. Crore	Q3FY24	Q3FY23	9MFY24	9MFY23
Total Income	595	675	2076	1,959
Raw Material Cost	441	535	1615	1592
Employee Cost	31	28	82	88
Other Expenditure	63	61	168	156
EBIDTA	60	52	211	123
Depreciation	14	13	40	38
PBIT	46	39	171	85
Interest	12	11	59	52
Profit Before Tax	34	28	112	33
Tax	12	10	39 *	12
Profit After Tax	22	18	73	21
EPS (Rs) **	10.89	8.86	36.38	10.56

* Including deferred tax of Rs 20 Cr, which is a non cash item.

** Not Annualised

Industry Updates



Global Sugar Inventory Update

Global Sugar Balance Sheet (Million MT)	SS 2022-23	SS 2023-24 (E)
Opening Bal. of Sugar Inventory	94.7	95.2
Production during the year	178.5	179.5
Consumption during the year	178.0	180.0
Closing Balance for the year	95.2	94.7

Rising Global Sugar Price (USD/Kg)



Source: ISO

Global Sugar Outlook for SS 2023-24 Nov (E)

- **Global production** is estimated up 1 million tons year-over-year to 179.5 million with higher production for Brazil and India expected to more than offset a decline for Thailand and Pakistan.
- **Consumption** is anticipated to rise to a new record due to growth in markets including India and Pakistan
- **Exports** are estimated higher as Brazil is expected to more than offset lower shipments from India and Pakistan.
- **Stocks are estimated lower to help meet domestic demand** and higher exports from markets including Brazil and Thailand

Source: USDA

Latest Developments in the Sugar Industry

- FRP of Sugar Cane for Sugar Season 23-24 raised at Rs. 315 / Qtl for a base recovery of Rs. 10.25% (C.Y.) Rs. 305 / Qtl for 10.25%
- The Government of Uttar Pradesh revised the State Advised Price (SAP) of sugarcane for SS 23-24

Particulars (per quintal)	SS 2023-24	SS 2022-23
Early Variety	370	350
General Variety	360	340
Rejected Variety	355	335

- Revision in cane transportation rebate : Rs. 9/Qtl from Rs. 8.35/Qtl
- The Government imposed 50% duty on exports of molasses, a by-product of sugar industry used as raw material for alcohol production, with effect from January 18, 2024.

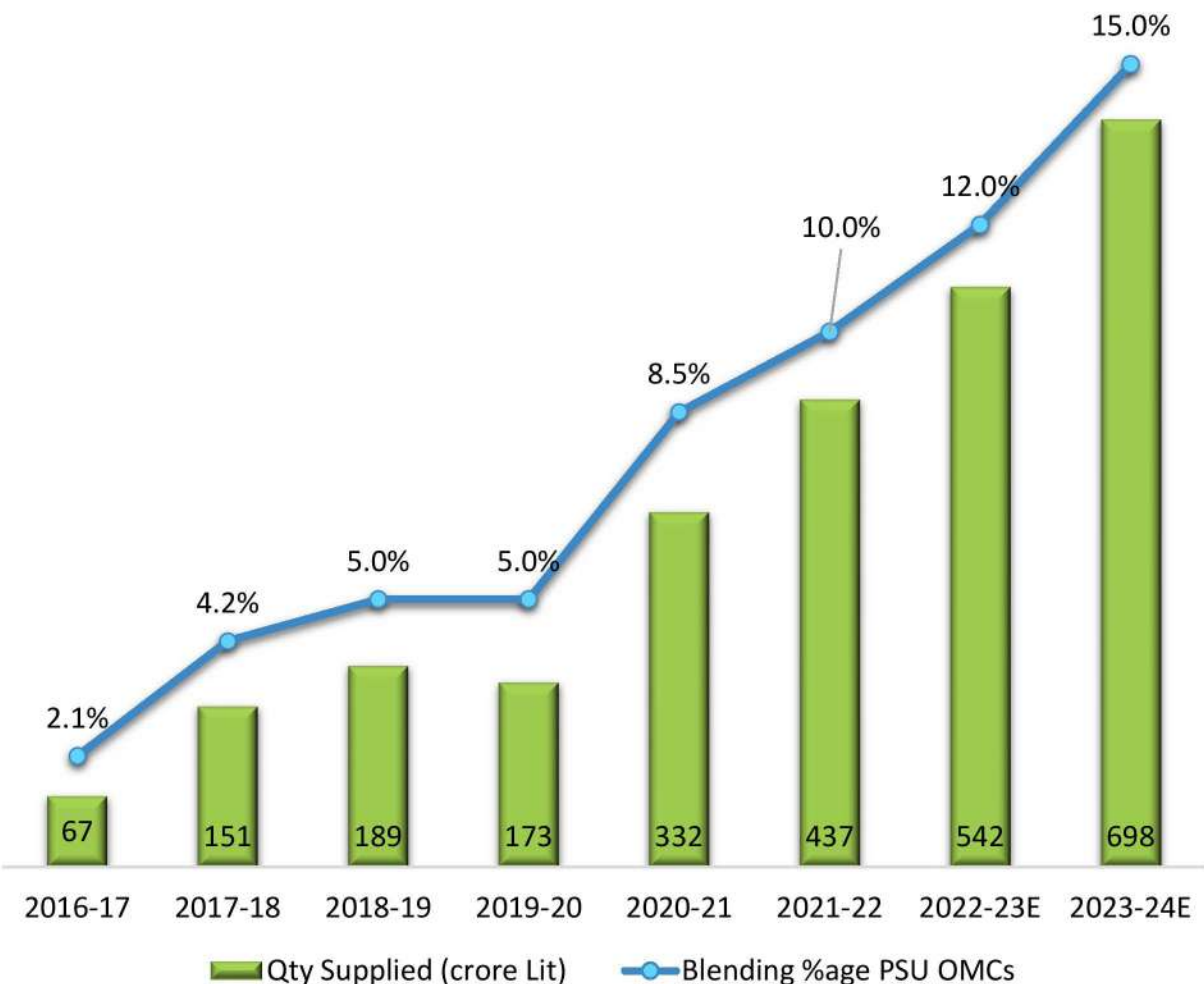
Sugar Balance Sheet for SS 23-24 E

- Opening Balance as on Oct 1, 2023 at 5.55 mn tonnes
- Net Sugar Production estimates at around 31.5 mn tonnes (After diversion of 1.7 mn tonnes into ethanol)
- Domestic Consumption – 28.7 mn tonnes
- Closing stock is expected at 8.35 million tonnes

Outlook

- Domestic sugar inventory on rise, due to govt. policy catalyzing the shift between sugar to Ethanol.
- Raw sugar prices expected to remain firm.

Quantity Supplied (Ethanol) and % Blending Trends



- The target is to reach 12% blending in 2022-23, 15% in 2023-24 and 20% in 2024-25
- For Ethanol Supply Year (ESY) 2023-24 (Nov-Oct), OMCs floated tender for 825 crore litres with a 15% blending target and offers were received for 560 crore litres with 48% i.e. 267 crore litres from sugarcane-based feedstocks and the balance 52% or 292 crore litres from grain-based feedstock.
- C-Heavy based ethanol prices increased to Rs. 56.28/Litre through an incentive of Rs. 6.78/Litre for ESY 2023-24, announced by OMC's.
- Ethanol production from B-heavy Molasses and sugarcane Syrup/Juice discontinued as per government notification w.e.f 07/12/2023
- The Government imposes 50% duty on export of molasses w.e.f 18/1/2024.

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