

AVADH/SE/2023-24/43

November 8, 2023

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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find enclosed herewith a copy of the Investor Presentation with respect to the Financial Highlights of the quarter ended 30<sup>th</sup> September, 2023 of the Company.

Please take the same on record.

Thanking you,

Yours faithfully,  
**For Avadh Sugar & Energy Limited**

**DILIP PATODIA** Digitally signed by DILIP PATODIA  
Date: 2023.11.08 19:03:56 +05'30'

Dilip Patodia  
**Chief Financial Officer**

Encl.: as above



# Avadh Sugar & Energy Ltd

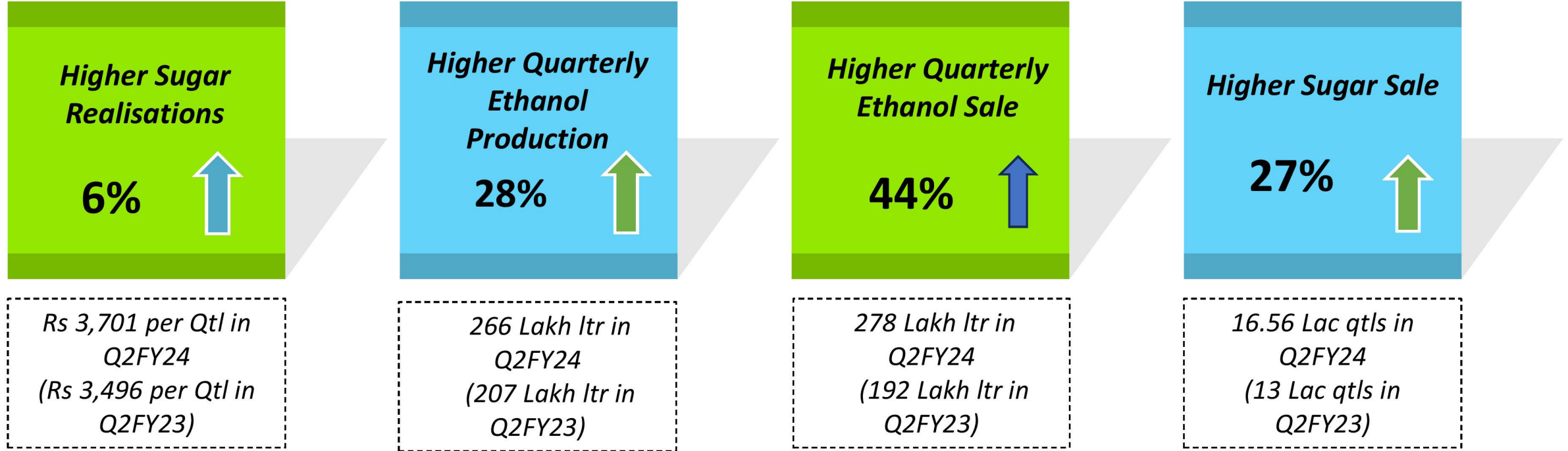
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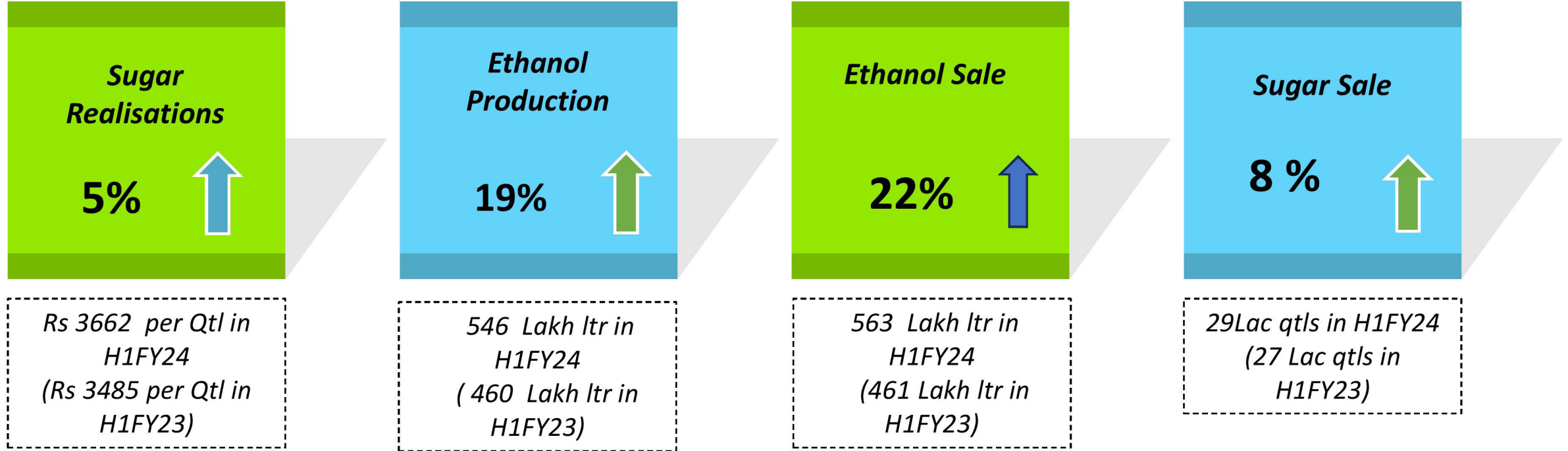
*Building Energy Efficiency*



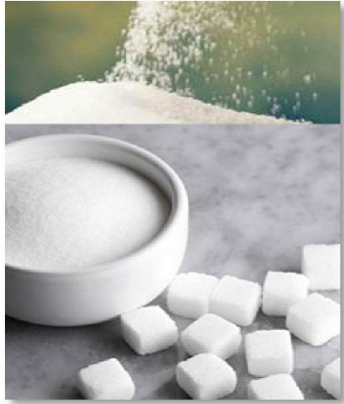
# Q2FY24 & H1 Highlights







## SUGAR



### ▪ Sugar Performance:

Stock Position (Lakh Qtls)	23-24	22-23
Opening stock as on 1 <sup>st</sup> July	25.07	24.13
Production	-	-
Sold	16.56	13.00
Closing stock as on 30 <sup>th</sup> Sep	8.51	11.13

- **Closing stock** as on 30<sup>th</sup> Sept 23 stood at 8.51 Lac Qtls as against 11.13 lac Qtls as on 30<sup>th</sup> Sept 2022. Stock Valuation as on 30<sup>th</sup> Sept, 2023 at Rs 3371 /- per Qtl
- Increase in the levy obligation of Molasses for SS22-23 considered in the results, amounting to Rs. 10.07 Cr.
- **Average domestic sale realization:**  
Rs. 3701 /- Qtl in Q2FY24 (Rs. 3,496 /- Qtl in Q2FY23)

## ETHANOL



### ▪ Distillery Performance:

Particulars (Lacs Ltrs)	Q2FY24	Q2FY23
Production	265.6	207.1
Sales	278.0	192.0

- Ethanol production capacity of **325 KLPD molasses**, is being **fully utilized**.
- Revision in ETHANOL Prices are yet to be notified for supplies in ESY 2023-24
- **For Ethanol Supply** Year 23-24 (Nov-Oct) tender has been floated for 825 crore litre with a 15% blending target.

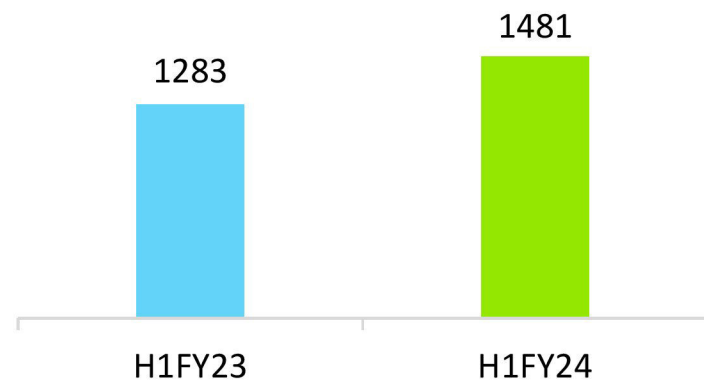
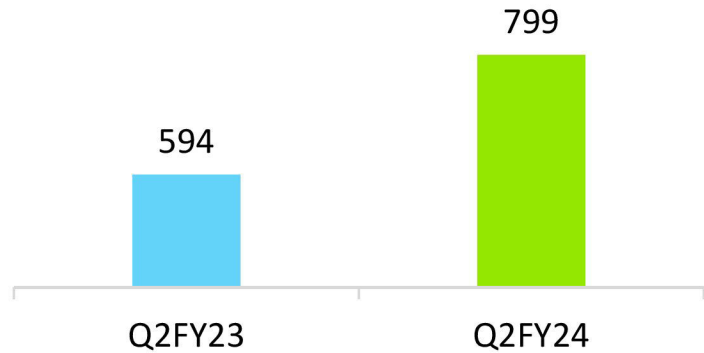
- **Details of Outstanding position :-**

Particulars (Rs. In Crores)	30/09/2023	30/09/2022
Term Loan	438	462
Cash Credit / Short Term Loan / SCD / ICD*	221	377
<b>Total Debt</b>	<b>659</b>	<b>839</b>

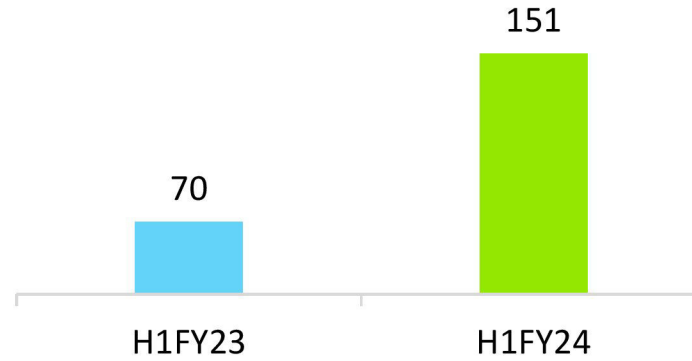
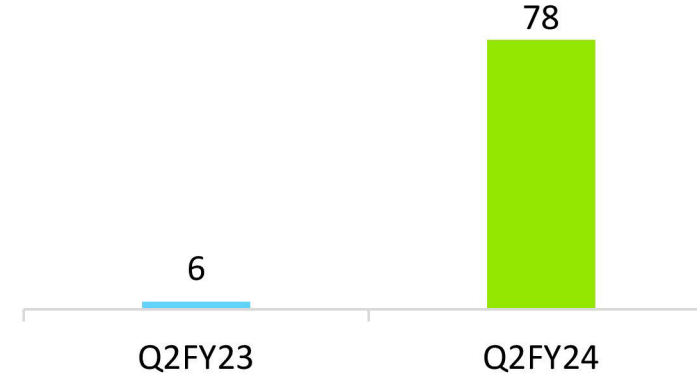
*\* Gross debt has come down by Rs. 180 Cr.*

- **Cash Credit Outstanding - Nil as on 7/11/2023, Surplus funds are parked in Bank deposits.**
- **Credit Rating as “IND A/Stable” by India ratings and Research**
- **Upcoming Growth Target with :-**
  - Increase in Sugar Cane Crushing Capacity from 10000 to 13000 TCD and improving Energy Efficiency by saving in steam consumption, at Hargaon Unit at an estimated cost of Rs. 170 Cr.
  - **Setting up a new Greenfield Multifeed Distillery of 100 KLPD at company’s Rosa unit, subject to all clearances.**
  - The above projects be completed by Financial Year 2025-26.

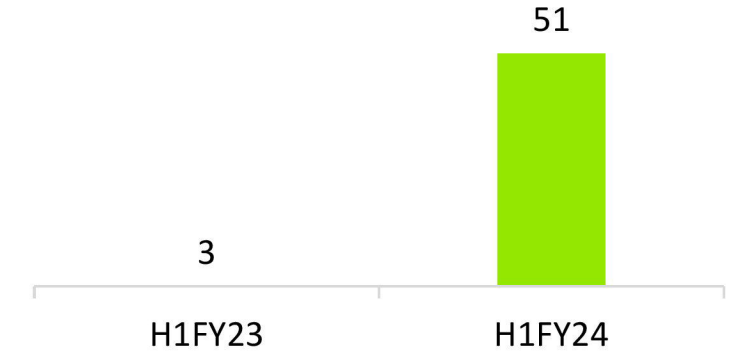
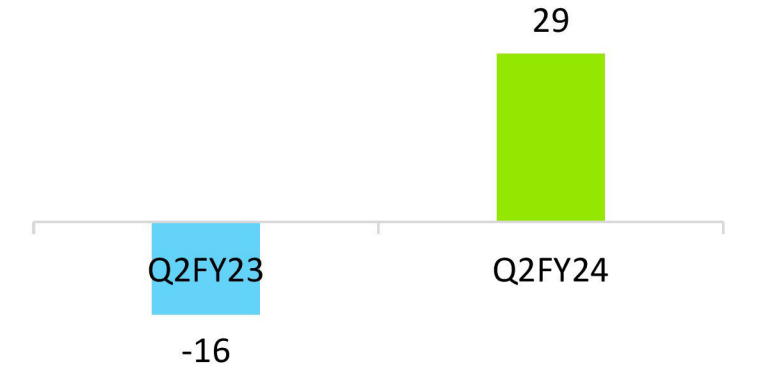
### Total Income (Rs. Cr)



### EBITDA (Rs. Cr)



### PAT (Rs. Cr)





# Profit & Loss Highlights

Rs. Crore	Q2FY24	Q2FY23	H1FY24	H1FY23
<b>Total Income</b>	<b>799</b>	<b>594</b>	<b>1481</b>	<b>1283</b>
Raw Material Cost	645	507	1174	1057
Employee Cost	25	36	51	60
Other Expenditure	51	45	104	96
<b>EBITDA</b>	<b>78</b>	<b>6</b>	<b>151</b>	<b>70</b>
Depreciation	13	13	27	25
<b>PBIT</b>	<b>65</b>	<b>(7)</b>	<b>124</b>	<b>45</b>
Interest	20	18	46	40
<b>Profit Before Tax</b>	<b>45</b>	<b>(25)</b>	<b>78</b>	<b>5</b>
Tax	16	(9)	27	2
<b>Profit After Tax</b>	<b>29</b>	<b>(16)</b>	<b>51</b>	<b>3</b>
EPS (Rs) *	14.42	(8.14)	25.49	1.70

*\*Not Annualised*

# Balance Sheet Highlights

Rs. Crore	Sept-23	Mar-23
<b>Shareholder's Funds</b>	<b>972</b>	<b>891</b>
Share capital	20	20
Other Equity	952	871
<b>Non-current liabilities</b>	<b>378</b>	<b>350</b>
Long term borrowings	315	308
Deferred tax liability	60	40
Other Non-Current Liability/ Provisions	3	2
<b>Current liabilities</b>	<b>420</b>	<b>1177</b>
<b>Short Term Borrowings</b>	<b>349</b>	<b>761</b>
Trade Payables	28	365
Other Financial Liabilities	24	29
Short-term provisions	7	7
Other Current liabilities	12	15
<b>Total Equities &amp; Liabilities</b>	<b>1770</b>	<b>2418</b>

Rs. Crore	Sept-23	Mar-23
<b>Non-current assets</b>	<b>1314</b>	<b>1241</b>
Fixed assets	1144	1165
Capital W.I.P	51	13
Financial Assets	106	49
Other non-current assets	7	10
Non-current Tax assets	6	4
	-	-
<b>Current Assets</b>	<b>456</b>	<b>1177</b>
<b>Inventories</b>	<b>376</b>	<b>1085</b>
Trade receivables	63	73
Bank, Cash & Cash Equivalent	3	4
Others	14	15
	-	-
	-	-
	-	-
<b>Total Assets</b>	<b>1770</b>	<b>2418</b>

# Segment Performance – Q2FY24

Particulars	Sugar		Distillery (Ethanol)		Co-Generation (Power)	
	Q2FY24	Q2FY23	Q2FY24	Q2FY23	Q2FY24	Q2FY23
Segmental Revenues (Rs. Lakh)	70,540	50,075	16,906	11,700	1164	972
PBIT (Rs. Lakh)	4,080	(2,080)	3,454	2,603	(666)	(752)
Production Qty (In Lacs)	-	-	266 Ltrs	207 Ltrs	157.54 Units	133.42 Units
Sales Qty (In Lacs)	16.56 Qtls	13.00 Qtls	278 Ltrs	192 Ltrs	6.63 Units	9.25 Units
Average Domestic Realisation (Rs Per Unit)	3,701 / - Qtl	3,496 /- Qtl	60.73 (B) / Ltr	60.57 (B) / Ltr	3.63 / Unit	2.60 / Unit
Sugar cane Crushed (Lakh Qtls)	-	-	-	-	-	-

# Segment Performance – H1FY24

Particulars	Sugar		Distillery (Ethanol)		Co-Generation (Power)	
	H1FY24	H1FY23	H1FY24	H1FY23	H1FY24	H1FY23
Segmental Revenues (Rs. Lakh)	1,30,847	1,13,090	34,371	27,869	5,815	4,505
PBIT (Rs. Lakh)	7,254	(423)	7,098	6,604	(940)	(773)
Production Qty (In Lacs)	12.75 Qtls	8.96 Qtls	546 Ltrs	460 Ltrs	751 Units	644 Units
Sales Qty (In Lacs)	29.17 Qtls	26.89 Qtls *	563 Ltrs	461 Ltrs	342 Units	242 Units
Average Domestic Realisation (Rs Per Unit)	3662 / - Qtl	3485 /- Qtl	60.73 (B) / Ltr	60.09 (B) / Ltr	3.37 / Unit	3.19 / Unit
Sugar cane Crushed (Lakh Qtls)	122.14	89.17	-	-	-	-

\* Including Export of 2.11 Lacs Qtls

# Industry Updates

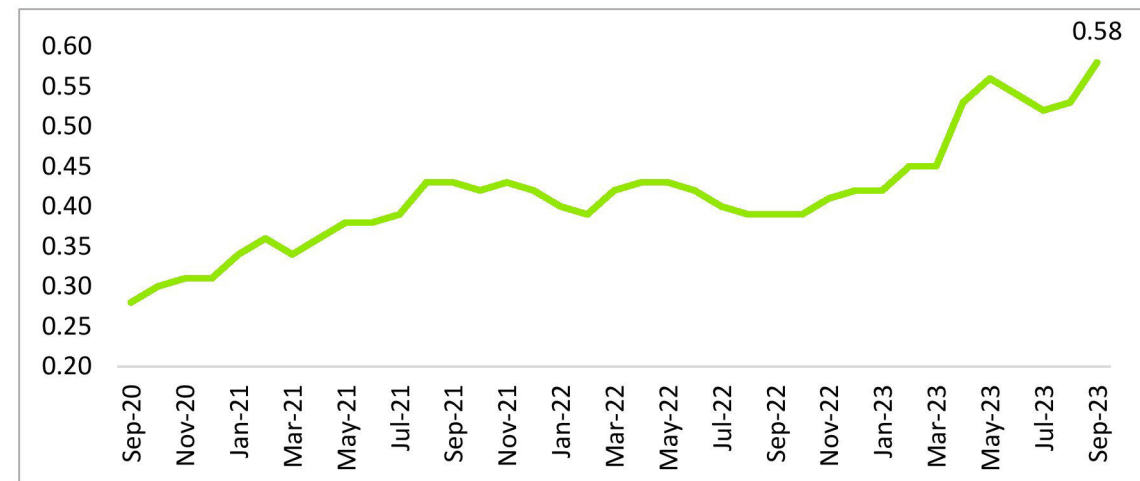


## Global Sugar Inventory Update

Global Sugar Balance Sheet (Million MT)	2022-23	2023-24 (E)
Opening Balance of Sugar Inventory	47.3	40.0
Production during the year	177.2	187.8
Consumption during the year	176.0	180.0
Import/Export	8.5	13.6
<b>Closing Balance for the year</b>	<b>40.0</b>	<b>34.2</b>

Source: USDA

## Rising Global Sugar Price (USD/Kg)



Source: ISO

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

- **The International Sugar Organization (ISO) predicts a deficit of 2.12 million tones** in the global sugar balance sheet for the 2023-24 season
- **Brazil's Centre South region has experienced a robust sugarcane crop** and sugar production, with a 24% increase in sugar production, contributing to the global sugar trade balance
- **Lower rainfall and crop damage in Thailand** have led to downgraded estimates for the 2023-24 sugarcane crush, resulting in a subdued sugar production of less than 8 million tones.
- **International sugar prices have reached all-time highs**, driven by concerns over global supply, including the potential impact of El Nino in Thailand and reduced sugar production in India

## Sugar Production/ Procurement

- India's Gross Sugar production could fall 8 per cent to 33.7 million tonnes in the 2023/24 season (ISMA).
- 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%.
- SAP of sugarcane in the state of UP for SS 23-24 yet to be announced.

## Sugar Balance Sheet for SS 22-23

- Domestic consumption of 275 lakh tons, Sugar exported 61.5 lakh tons (cap by GOI).
- The closing stock as on 30th September 2023 is 60 lakh tons lowest in the last five years.

## Exports

- India extends sugar exports curb beyond October until further order.

## Outlook

- In Uttar Pradesh Area under sugar cane is up by 3% and yield is expected to improve for SS 2023-24.
- Poor rainfall distribution in other major sugar producing states of Maharashtra and Karnataka likely to result in lower sugarcane output

01



We believe that a structural story is at play in the sugar sector due to continued government support and increased focus on the production of ethanol to promote Ethanol Blending Programme

02



The improvement in profitability of integrated sugar mills will be supported by higher sugar prices globally and increasing proportion of profitable ethanol

03



Sugar Consumption in India Surges to 27.5 Million Metric Tones in 2022/23, and the Upward Trajectory Persists

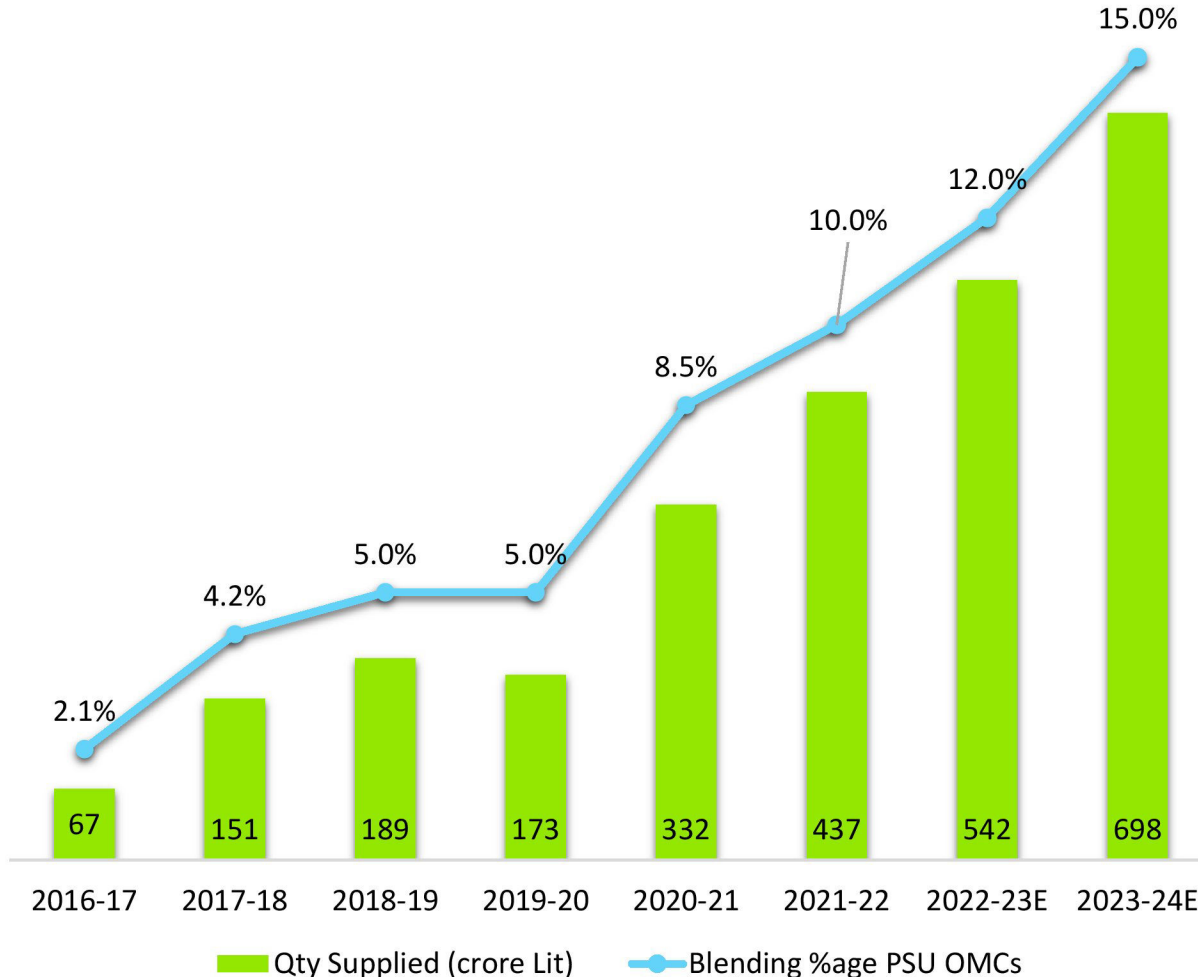
04



Sugar Prices Surge to Near Six-Year Highs Amidst Production Concerns in Key Countries, Including India



Quantity Supplied (Ethanol) and % Blending Trends



- The average blending percentage is **11.8%** till October 15, 2023.
- The target is to reach 12% blending in 2022-23, 15% in 2023-24 and 20% in 2024-25
- Tender floated by the OMCs for the ETHANOL supply Year 23-24 (Nov-Oct) for 825 Cr. Liters
- The Uttar Pradesh State Government changed the molasses policy for 2022-23, making B and C heavy molasses equal in terms of their levy obligations. However, they didn't take into account the increased production and ethanol output for each type of molasses.
- Lower Cane Output in SS 2023-24 would lead to a lower sugar to Ethanol diversion in SS 2023-24.

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