

AVADH/SE/2022-23/36

February 6, 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,

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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find enclosed herewith a copy of the Investor Presentation with respect to the Financial Highlights of the Company for the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 ended 31st December, 2022.

Please take the same on record.

Thanking you,

Yours faithfully,
For Avadh Sugar & Energy Limited

DEVINDER
KUMAR JAIN

Digitally signed by DEVINDER
KUMAR JAIN
Date: 2023.02.06 18:08:10
+05'30'

Devinder Kumar Jain
Company Secretary
ACS – 14674



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Avadh Sugar & Energy Ltd

Making Sustainable Impact



ethanol



9M / Q3FY23 Highlights

SUGAR



▪ Sugar Performance:

Stock Position (Lakh Qtls)	
Opening stock as on 1 st October 2022	11.13
Production	13.54
Sold	13.84
Closing stock as on 31st December 2022	10.83

- **Closing stock as on 31-Dec-22 stood at 10.83 Qtls as against 17.86 Qtls as on 31-Dec-21**
- **Average domestic sale realization:**
Rs. 3,543 per Qtl in Q3FY23 (Rs. 3,552 per Qtl in Q3FY22)
Rs. 3,501 per Qtl in 9MFY23 (Rs. 3,416 per Qtl in 9MFY22)

ETHANOL



▪ Distillery Performance:

Particulars	Q3FY23	Q3FY22
UOM	Lac/Qtls.	Lac/Qtls.
Production	192.62	161.31
Sales	192.80	179.26

- Ethanol production capacity of B-heavy molasses, which was increased to **325 KLPD in FY22, is being 100% utilized**
- The 10% Ethanol Blending target has been achieved in 2022, ahead of schedule

Profitability Impacted Due To :-

- Wage Revision by Government of Uttar Pradesh with retrospective effect, additional cost of Rs. 1,180 Lacs.
- Additional earmarking of Molasses due to increases in Levy obligation for Sugar Season 2021-22 and consequential opportunity loss.
- Impact of Higher Sugar cane price in the Sugar Season 2021-22 not fully compensated by increase in Sugar Realisation.
- Lower recovery.
- Lower domestic sale due to lower quota.
- Cane contribution considered at 3% of FRP (i.e., Rs. 9.30 per Qtl) as compared to Rs. 5.50 per Qtl in the previous year.

Substantial reduction in Debt over the past quarters :-

- Total Debt reduction of Rs. 489 Cr in 9MFY23 from 31-Mar-22
- Respectable credit rating of “**IND A/Stable**” by **India Ratings and Research**

Particulars (Rs. In Crores)	31-Dec-22	31-Dec-21	31-Mar-22
Term Loan	468*	551*	522*
Cash Credit / Short Term Loan	256	398	691
Total Debt	724	949	1,213
Cane Dues & Other Payables	244	173	306
Total Outside Liability	968	1,122	1,519

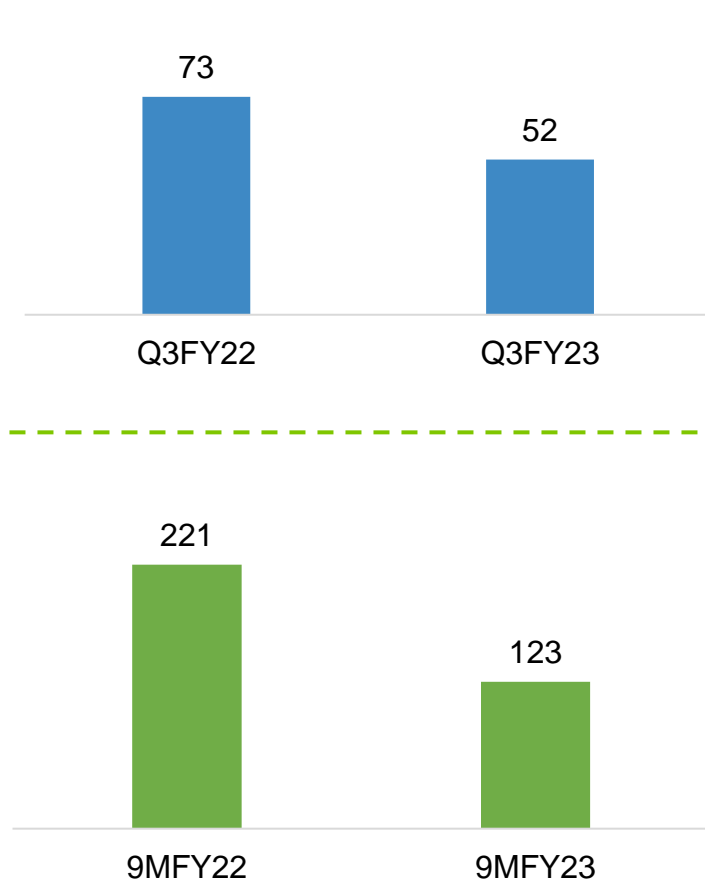
* Including UP govt soft Loan & SEFASU Loan for Distillery Project aggregating to Rs. 142 Cr.

Performance in Q3 & 9MFY23

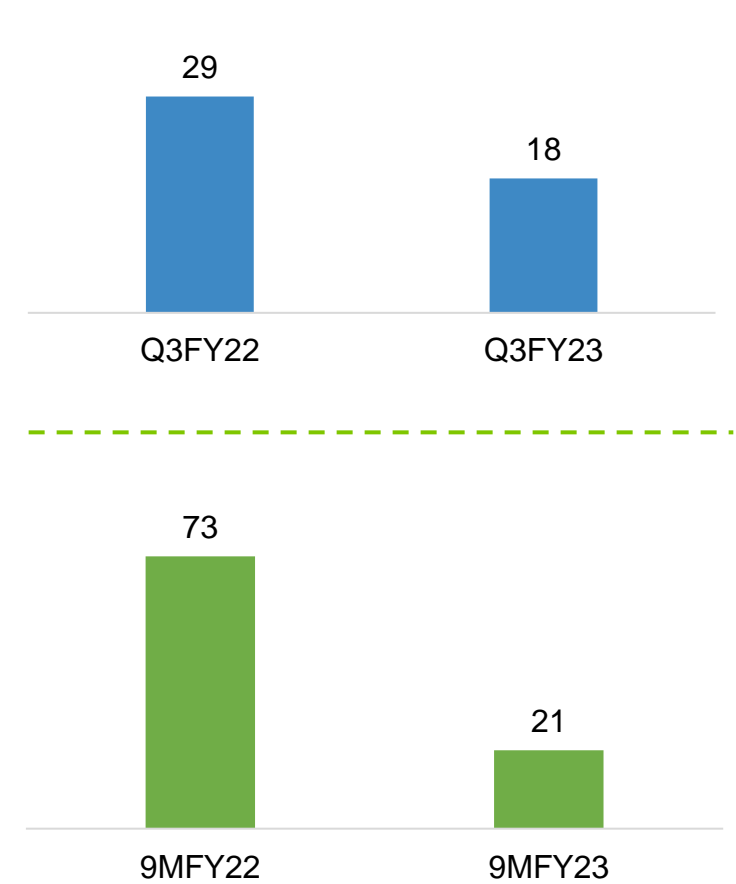
Total Income (Rs. Cr)



EBITDA (Rs. Cr)



PAT (Rs. Cr)



Profit & Loss Highlights

Rs. Crore	Q3FY23	Q3FY22	9MFY23	9MFY22
Total Income	676	747	1,959	1,987
Raw Material Cost	535	587	1,592	1,544
Employee Cost	28	27	88	71
Other Expenditure	61	60	156	151
EBITDA	52	73	123	221
Depreciation	13	13	38	39
PBIT	39	60	85	182
Interest	11	16	52	69
Profit Before Tax	28	44	33	113
Tax	10	15	12	40
Profit After Tax	18	29	21	73
EPS (Rs) *	8.86	14.41	10.56	36.49

**Not annualised*



Segmental Performance

Segment Performance – 9MFY23

Particulars	Sugar		Distillery (Ethanol)		Co-Generation (Power)	
	9MFY23	9MFY22	9MFY23	9MFY22	9MFY23	9MFY22
Segmental Revenues (Rs. Lakh)	182,020	1,81,505	40,086	34,762	11,092	9,125
PBIT (Rs. Lakh)	2,617	7,557	7,950	11,961	(674)**	(224)**
Production Qty (In Lacs)	22.49 Qtl	24.92 Qtl	651.28 Ltr	561.85 Ltr	1,290 units	1,273 units
Sales Qty (In Lacs)	40.73 Qtl	45.57 Qtl	653.54 Ltr	601.81 Ltr	705 units	648 units
Average Realisation (Rs)	3,501 / Qtl	3,416 / Qtl	60.24 / Ltr *	57.67 / Ltr *	3.24 / unit	3.06 / unit
Sugar cane Crushed (Lakh Qtls)	254.0	247.0				
Sugar Recovery (%)	9.84	10.15				

* B-Heavy

** Loss due to transfer of bagasse at higher rate

Segment Performance – Q3FY23

Particulars	Sugar		Distillery (Ethanol)		Co-Generation (Power)	
	Q3FY23	Q3FY22	Q3FY23	Q3FY22	Q3FY23	Q3FY22
Segmental Revenues (Rs. Lakh)	68,930	71,302	12,217	10,376	6,587	4,889
PBIT (Rs. Lakh)	3,040	3,505	1,347	2,608	100	290
Production Qty (In Lacs)	13.54 Qtl	15.68 Qtl	192.62 Ltr	161.31 Ltr	646 units	638 units
Sales Qty (In Lacs)	13.84 Qtl	16.89 Qtl	192.80 Ltr	179.26 Ltr	463 units	391 units
Average Realisation (Rs Per Unit)	3,543 / Qtl	3,552 / Qtl	60.81 / Ltr *	57.83 / Ltr *	3.27 / unit	3.05 / unit
Sugar cane Crushed (Lakh Qtls)	164.5	164.9				
Sugar Recovery (%)	9.64	9.77				

* B-Heavy



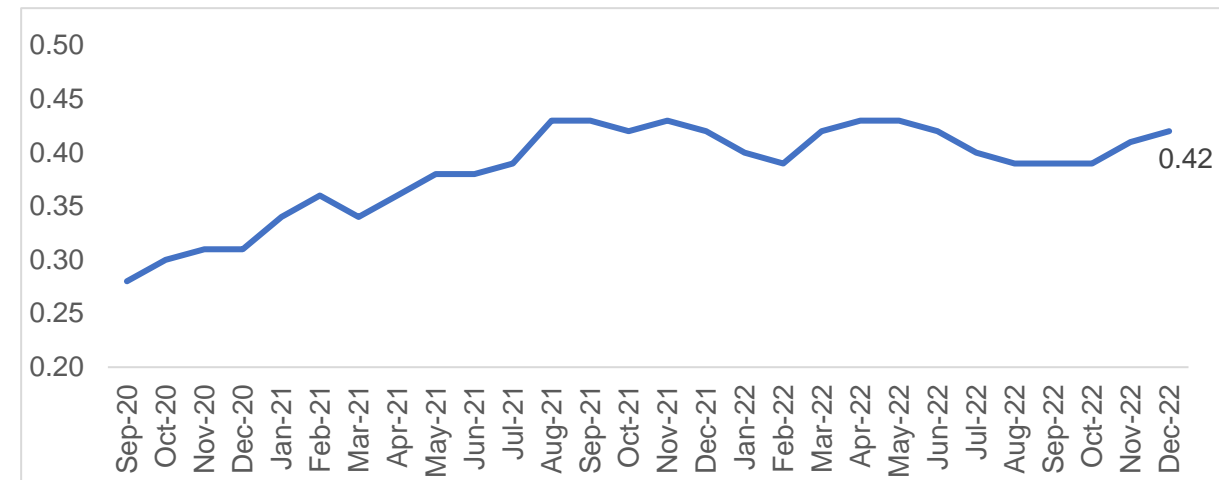
Industry Updates

Global Sugar Inventory Update

Global Sugar Balance Sheet (Million MT)	2021-22	2022-23 (RE)
Opening Balance of Sugar Inventory	50.3	44.4
Production during the year	180.3	183.2
Consumption during the year	173.2	176.3
Import/Export	11.9	11.8
Closing Balance for the year	44.4	38.5

Source: USDA

Global Sugar Price Trend (USD/Kg)



Source: ISO

Global Sugar Outlook for SS 2022-23 (RE)

- **Global production** is estimated up 2.8 million tons to 183.2 million as higher production in Brazil, China, and Russia is expected to more than offset declines in the European Union, India, and Ukraine.
- **Consumption** is anticipated to rise to a new record due to growth in markets such as China, Indonesia, and Russia
- **Exports** are projected higher as the drop in India is more than offset by higher exports from Brazil and Thailand
- **Closing Stock** are estimated lower as growth in global consumption exceeds the rise in production

Source: USDA

Sugar Production/ Procurement

- All India Sugar Production in SS 2022-23 is estimated at **343 lakh tonnes** down 4% from the previous forecast due to yields impacted in key producing states hit by adverse weather
- FRP of Sugar Cane for Sugar Season 22-23 fixed at Rs. 305 / Qtl for a base recovery of Rs. 10.25% (P.Y.) Rs. 290 / Qtl for 10%

Sugar Balance Sheet for SS 22-23 E

- Opening stock **60 lakh tons** as on 1st October 2022
- Domestic consumption of 275 lakh tons, Sugar exports of 61 lakh tons (cap by GOI)
- The closing stock as on 30th September 2023 is 60 lakh tons

Exports

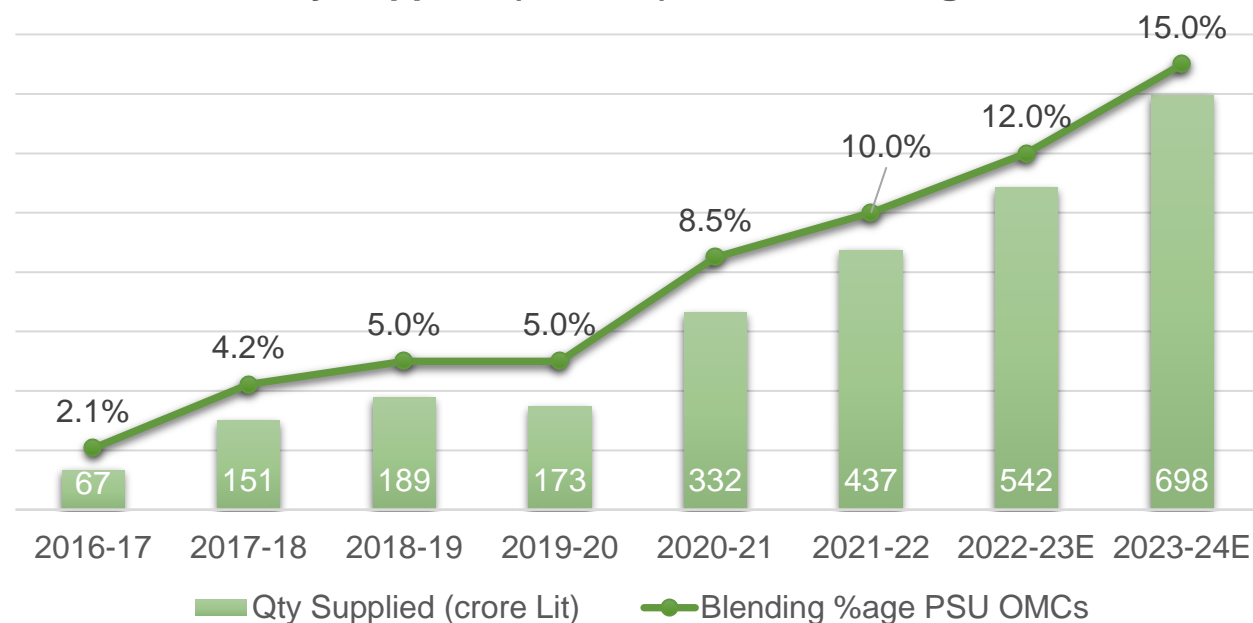
- Government has allowed 61 lakh tonnes of the sugar in the current season
- Sugar mills have entered contracts of 55 lakh tonnes out of which 18 lakh tonne have already been shipped.

Outlook

- ISMA estimates sugar production for SS 2022-23 to fall 5 per cent during 2022-23 marketing year ending September to 340 lakh tonnes after diversion of 45 lakh tonnes of sweetener. The blending of ethanol with petrol stood at 10 percent in the previous year and it is expected to increase to 12 per cent in 2022-23.

Indian Ethanol Play Continues to Remain Strong

Quantity Supplied (Ethanol) and % Blending Trends



- Till 22nd January, 2023, out of total ethanol supply of 69.63 crore litres, 37.86 crore litres have been supplied from Sugarcane Juice and 20.39 crore litres have been supplied from B- Heavy Molasses
- Till 22nd January, 2023, total contracted quantity from Sugarcane Juice and B-Heavy Molasses is 134.93 crore litres and 209.81 crore litres respectively

- The average blending percentage is 10.81% till January 22, 2023.
- Out of the 4754 million liters finalized by the OMCs for the Ethanol Supply Year 2022-23 (Dec.-Nov.) against a total requirement of 6000 million liters, contracts for 4688 million liters.
- Against the above, 696 million liters have been lifted by the OMCs till 22nd January, 2023
- The total lifted quantity is 15% of the contracted quantity and 15% of the finalized quantity
- A spokesperson for Toyota in India said any car produced after 2013 could run on E20. Maruti Suzuki previously said all of its cars will be E20 compatible by March 2023. By 2030, Suzuki estimates that 15% of its car line-up in India will be electric, while 60% would be biofuel cars.

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