

#### MSEL/SE/2020-21/12

June 25, 2020

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

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

The Secretary The Calcutta Stock Exchange Ltd. 7, Lyons Range Kolkata 700 001

STOCK CODE - 540650

SCRIP CODE - 23935

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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, please find enclosed herewith a copy of the Investor Presentation of the Company with respect to the Financial Highlights of the quarter and financial year ended 31<sup>st</sup> March, 2020.

Please take the same on record.

Thanking you,

Yours faithfully,

For Magadh Sugar & Energy Limited

chergy

S Subramanian Company Secretary

FCS - 4974

Encl - as above



# Age<u>nda</u>

Q4FY20/FY20 - Quarter Highlights

Operational Highlights – Q4FY20/FY20

**Industry Scenario** 

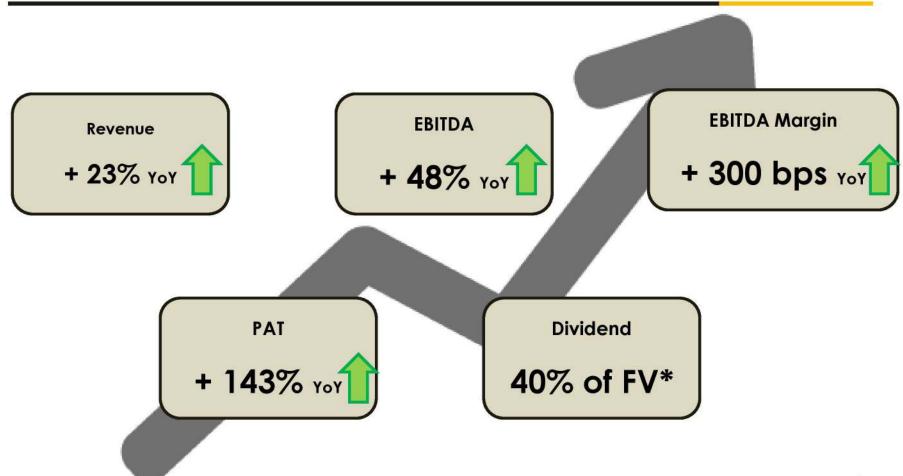
**Growth Strategy** 







### FY20 - Highlights





#### Covid-19 Impact

#### Impact of the Covid-19 pandemic on the business:

There has been no material impact on the business of the Company

#### Ability to maintain operations including the factories/units/office spaces functioning and closed down:

- The Company is engaged in manufacturing of essential commodities and thus the operations of the Company are being carried
  out in the normal course
  - Sugar Segment: All sugar plants were in operation throughout the lock-down period
  - Cogen Segment: All cogeneration plants were in operation throughout the lock-down period
  - Distillery Segment: All distilleries have been continuing with their operations throughout the lock-down

#### Capital and financial resources

The Company's capital and financial resources are well placed and have not been impacted because of the Covid-19

#### Ability to service debt and other financing arrangements:

All the debts/instalments/interests/ dues as per repayment schedule have been made even during this lock-down period without
any extensions/ defaults and the Company does not foresee any difficulty in meeting its future financial commitments as well

#### Assets:

The Company does not foresee any challenge in realizing its assets

#### Demand for its products/services:

- Owing to the lock-down demand for sugar, was impacted amid lower consumption of soft drinks and ice cream (bulk sugar)
- With the opening of lockdown the demand of sugar is gradually coming to its normal level
- In the distillery segment the Oil Marketing Companies had actively re-allocated the quantities to the new depots to arrest the initial impact on lifting of Ethanol.; Demand for ethanol is also showing revival



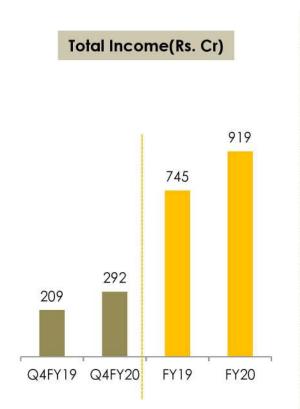
#### **Business Updates Q4FY20**

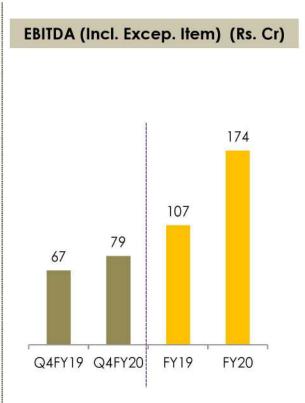
- Sugar Stock as on 31st March 2020, 23.78 lakh quintals
- Average realization in FY20 Rs. 3,314/- per quintal against FY19 Rs. 3,090/- per quintal; Q4FY20 Rs. 3,252/- per quintal
- FY 19-20 closed with total crushing 242.07 lac quintal at average recovery of 11.12 % (including "B" Heavy)
- Obtained Environmental Clearance Certificate for our upcoming molasses-based Distillery at "Sidhwalia"
  - The capacity of proposed Distillery is 75 KLPD
  - Will aid the Company to benefit from changing market dynamics (increased government focus on ethanol)

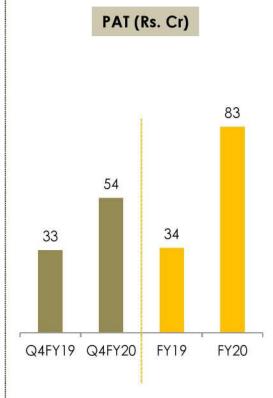
Stock Position			
Opening stock as on 31st March 2019	20.29 Lakh		
Production	26.98 Lakh		
Sold	23.49 Lakh (incl 1.05 lakh qtls export)		
Closing stock as on 31st March 2020	23.78 Lakh		



#### Q4FY20/FY20 Result Highlights









### **Profitability Highlights**

Rs. Crore	Q4FY20	Q4FY19	YoY	FY20	FY19	YoY
Total Income	292	209	40%	919	745	23%
Raw Material Cost	179	100	80%	622	521	19%
Employee Cost	16	14	10%	48	45	9%
Total Expenditure	33	28	17%	91	72	25%
EBITDA	64	67	-5%	158	107	48%
EBIDTA margin (%)	22%	32%	<del>.</del>	17%	14%	-
Depreciation	5	4	11%	18	18	( <del></del>
PBIT	59	62	-6%	140	89	57%
Interest	12	11	10%	48	35	36%
PB (Exceptional Item and Tax)	47	52	-9%	92	54	70%
Exceptional Item	16	0	-	16	0	SE
Profit Before Tax	63	52	22%	108	54	100%
Тах	9	19	-53%	25	20	25%
Profit After Tax	54	33	63%	83	34	143%
PAT Margin (%)	19%	16%	<b>5</b>	9%	5%	(#
EPS (Rs)	39.57	23.62	63%	58.93	24.28	143%



### **Balance Sheet Highlights**

Rs. Crore	Mar-20	Mar-19
Shareholder's Funds	536	456
Share capital	14	10
Other Equity	522	446
Non-current liabilities	147	102
Long term borrowings	123	84
Long-Term Provisions	3	3
Deferred tax liability	21	15
Current liabilities	861	828
Short Term Borrowings	489	413
Trade Payables	313	348
Other Financial Liabilities	42	51
Short-term provisions	6	5
Other Current liabilities	5	6
Current tax liability	6	4
Total Equities & Liabilities	1,544	1,386

Rs. Crore	Mar-20	Mar-19
Non-current assets	680	660
Fixed assets	670	657
Capital W.I.P	7	2
Other non-current assets	3	1
Current Assets	864	726
Inventories	770	651
Biological Assets other then bearer plants	1	1
Trade receivables	9	21
Bank, Cash & Cash equivalents	1	1
Loans & advances	0	0
Other financial assets	6	2
Other Current Assets	75	48
Current Tax Assets (net)	3	2
Total Assets	1,544	1,386





### **Sugar Segment Performance**

	Segmental Revenues (Rs. lakhs)	PBIT (Rs. Lakhs)		
Q4FY20	27,799	4,086		
Q4FY19	19,427	2,642		
FY20	86,230	9,540		
FY19	66,934	1,669		
	Sugarcane Crushed (lakh quintals)	Sugar Recovery (%)	Sugar Sold (Lakh quintals)	Average Realization ( Per kg)
Q4FY20	151.21	11.29	7.21	32.52
Q4FY19	151.86	11.14	5.25	31.59
FY20	242.07	11.12	23.49	33.14
FY19	242.25	10.88	19.66	30.90

Sugar inventory as on 31st March 2020 was 23.78 lakh quintals valued @ average rate of Rs. 29.69/- per kg



#### **Sugar Segment Performance**



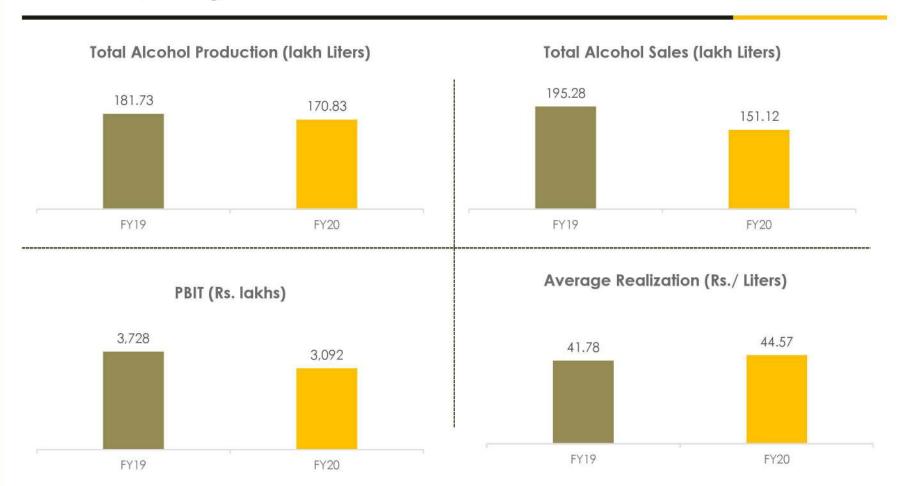


### **Distillery Segment Performance**

	Segmental Revenues (Rs. In lakhs)	PBIT (Rs. lakhs)	
Q4FY20	2,191	1,101	
Q4FY19	2,257	1,182	
FY20	7,119	3,092	
FY19	8,335	3,728	
	Total Alcohol Production (Lakh litres)	Total Alcohol Sales (Lac litres)	Average Realization (Rs./litre)
Q4FY20	60.84	43.75	47.22
Q4FY19	58.22	50.66	43.46
FY20	170.83	151.12	44.57
FY19	181.73	195.28	41.78



### **Distillery Segment Performance**



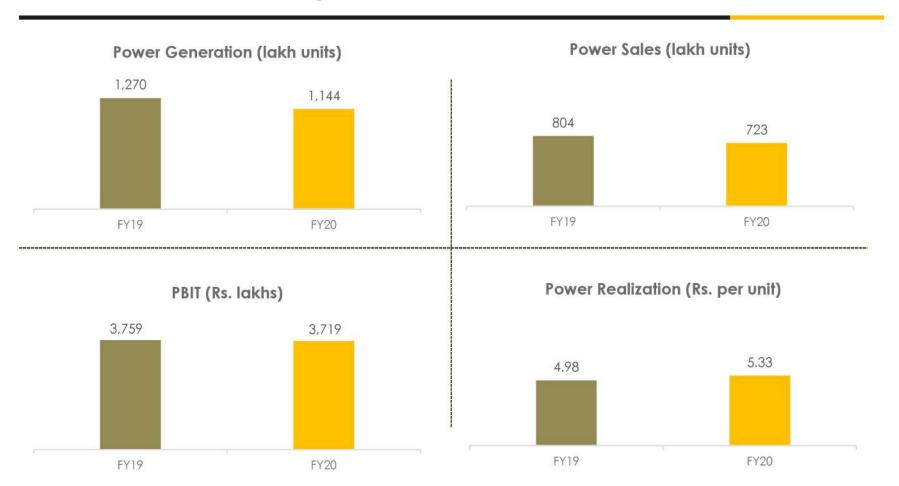


### **Co-Generation Segment Performance**

	Segmental Revenues (Rs. lakhs)	PBIT (Rs. lakhs)	
Q4FY20	4,936	2,495	
Q4FY19	4,657	2,570	
FY20	8,360	3,719	
FY19	8,418	3,759	
	Power Generation (lakh units)	Power Sales (Lakh units)	Average Realization (Rs. Per Unit)
Q4FY20	663.15	423.11	5.33
Q4FY19	670.19	391.22	5.10
FY20	1,144.33	723.21	5.33
FY19	1,270.16	803.92	4.98



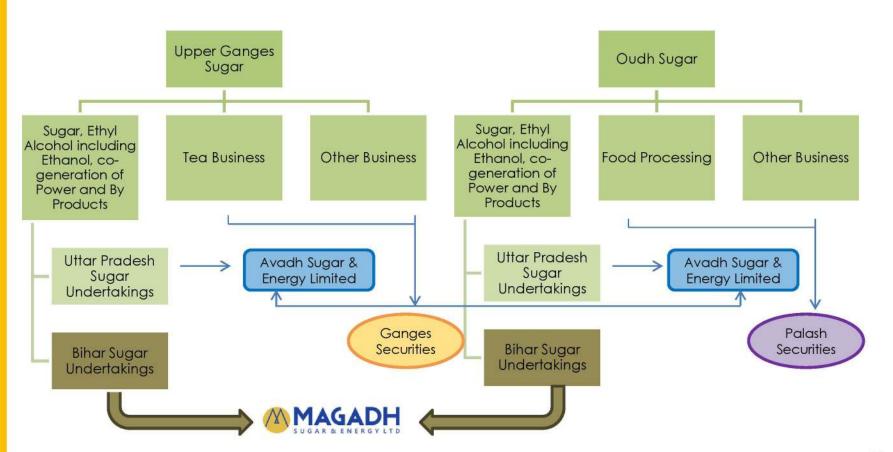
### Co-Generation Segment Performance







#### Background of Magadh Sugar & Energy Limited





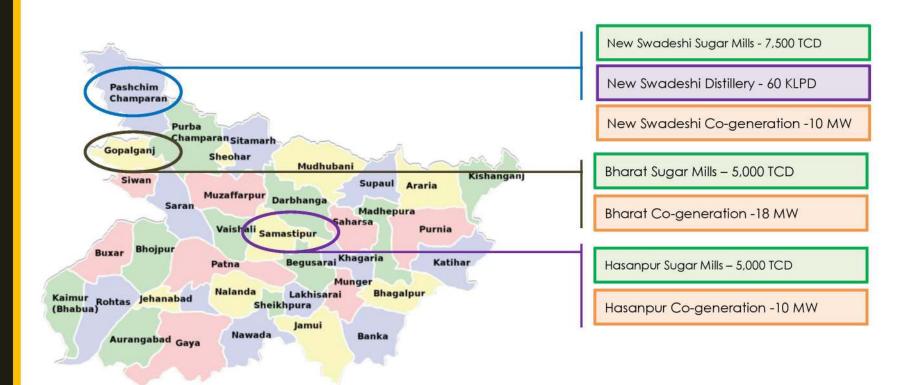
#### **Company Overview**

- Incorporated in 1932 (Group in Sugar Business over 7 decades), consequent upon various schemes of merger and demerger this company formed in 2015
- Company's core business includes
  - Sugar and sugar products, Spirits and alcohol, Co-Generation of power
- Company has 3 sugar mills with a combined crushing capacity of 17,500 TCD
- Company has 1 distillery at Narkatiaganj with a total capacity of 60 KLPD
- Cogeneration facility generate 38 MW power
- Company is located in Bihar
- Narkatiaganj plant of the company showed highest recovery in Bihar

Region	Plant (Bihar)	Capacity
	New Swadeshi Sugar Mills	7,500 TCD
Pashchim Champaran	New Swadeshi Distillery	60 KLPD
	New Swadeshi Co-generation	10 MW
Gopalganj	Bharat Sugar Mills	5,000 TCD
	Bharat Co-generation	18 MW
Samastipur	Hasanpur Sugar Mills	5,000 TCD
	Hasanpur Co-generation	10 MW

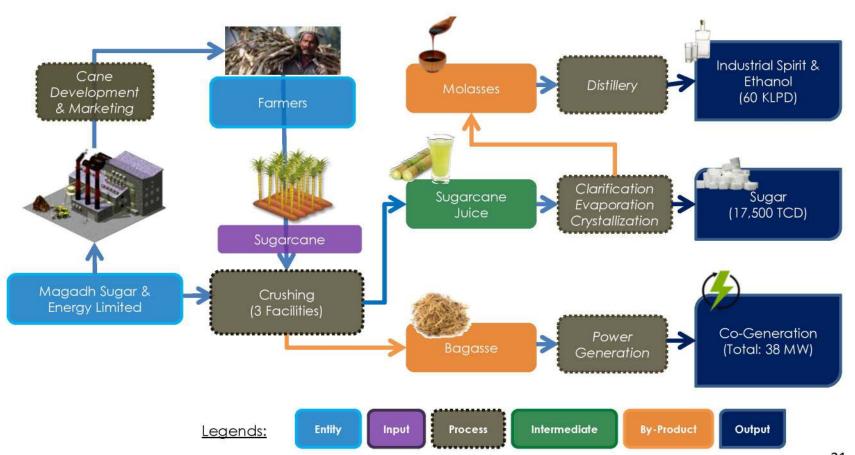


#### Ready to reap the benefits going ahead



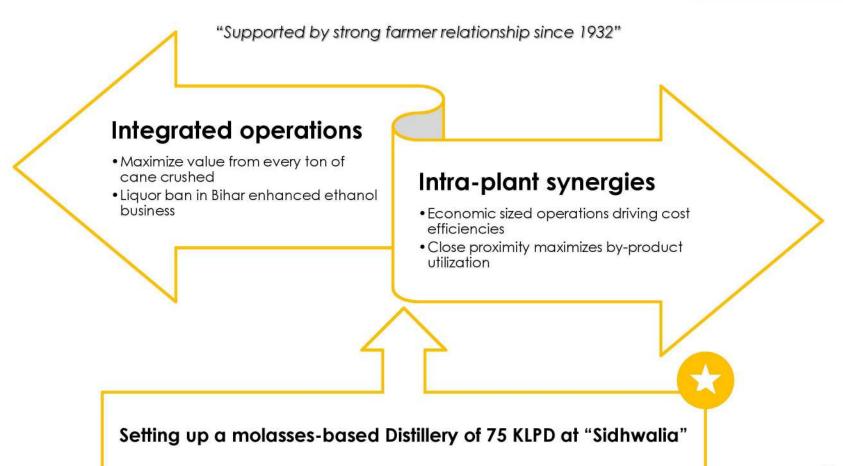


### **Integrated Business Model**





#### Continuous innovation in business model







#### **Sugar Industry Updates**

As per recent data\*, world sugar production in SS 19-20 is expected to fall to 166.8 mln tonnes (39.7 mln tonnes beet sugar and 127.10 Cane sugar) from 174.60 mln tonnes (38.80 mln tonnes beet sugar and 135.80 mln tonnes Cane sugar) last season.

Consumption is expected to increase by 1.33 % year-over-year to 176.09 mln tonnes leading to a deficit of 9.29 mln tonnes from 0.82 mln tonnes surplus in last season.

**Sugar Production:** India achieved sugar production of 27.10 mln tonnes for SS 19-20, lower against the previous year during SS 2018-19. During the SS 2019-20 Uttar Pradesh produced 12.60 mln tonnes of sugar, followed by Maharashtra at over 6.08 mln tonnes, while Bihar produced around 0.073 mln tonnes of sugar.

Claims receivables: Company has Rs. 46.56 crores receivable as export subsidy from the Government of India.

**Soft Loan:** Company has received a soft loan from the Government of India, of interest 9.0% amounting to Rs. 70.80 crores repayable by March, 2024.

\*31st May, 2020



#### **Sugar Industry Updates**

**Export quota:** Under MAEQ export quota, GOI has allocated 60 lac MT to sugar mills for SS 2019-20, of which 4.45 lac MT was allocated to Magadh Sugar.

Raw Sugar Price: The prices of raw sugar has rebound from 10 cent per pound to 12 cent per pound currently

MSP: The government is considering a proposal to increase the minimum selling price (MSP) of sugar from Rs 31 per kg in order to help millers clear cane dues. A task force constituted by Niti Aayog on sugarcane and sugar industry has recommended a one-time increase of Rs 2 per kg.

It may be noted that in **SS 2020-21**, the Government is planning to allocate buffer stock, export quota and disburse soft loans.



#### Disclaimer

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## Let's Connect





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