

MSEL/SE/2022-23/20

August 5, 2022

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

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

SYMBOL – MAGADSUGAR**STOCK CODE – 540650**

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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find enclosed herewith a copy of the Investor Presentation with respect to the Financial Highlights of the Company for the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 30th June, 2022.

Please take the same on record.

Thanking you,

Yours faithfully,
For Magadh Sugar & Energy Limited



S Subramanian
Company Secretary
FCS – 4974



Encl – as above

**K.K. BIRLA GROUP OF SUGAR COMPANIES**

Corporate Office: 5th Floor, Birla Building, 9/1 R. N. Mukherjee Road, Kolkata 700 001

Phone: +91 33 2243 0497 / 8, 2248 7068, 7185 3000, 4082 3700 • Email: birlasugar@birla-sugar.com

Regd Office: P.O. Hargaon, Dist. Sitapur, U.P., PIN 261 121 • Website : www.birla-sugar.com • CIN: L15122UP2015PLC069632

MAGADH SUGAR AND ENERGY LIMITED

Result Presentation | Q1FY23



Investing in Future



Q1FY23 Highlights

Operational Updates

- Sugar Stock as on 30th June 2022, 6.47 lakh quintals (12.55 Lakh quintals on 30th June 2021)
- Average domestic sales realization at Rs. 3579 /- per quintal in Q1FY23 as against Rs. 3,372 /- per quintal in Q1FY22
- Details of Stock Position:-

Stock Position (Lakh Qtls)	Q1FY23
Opening stock as on 31 st March 2022	11.21
Production	-
Sold	4.74 *
Closing stock as on 30 th June , 2022	6.47

*Including Export of 0.19 lac quintals



ETHANOL

- Ethanol Production Capacity of B Heavy molasses increased to 150 KLPD
- Phenomenal Performance in Distillery :-

Particulars	Q1 FY23	Q1 FY22
UOM	Lac/Qtls.	Lac/Qtls.
Production	142.18	60.66
Sales	124.69	53.65

- Details of Outstanding position :-

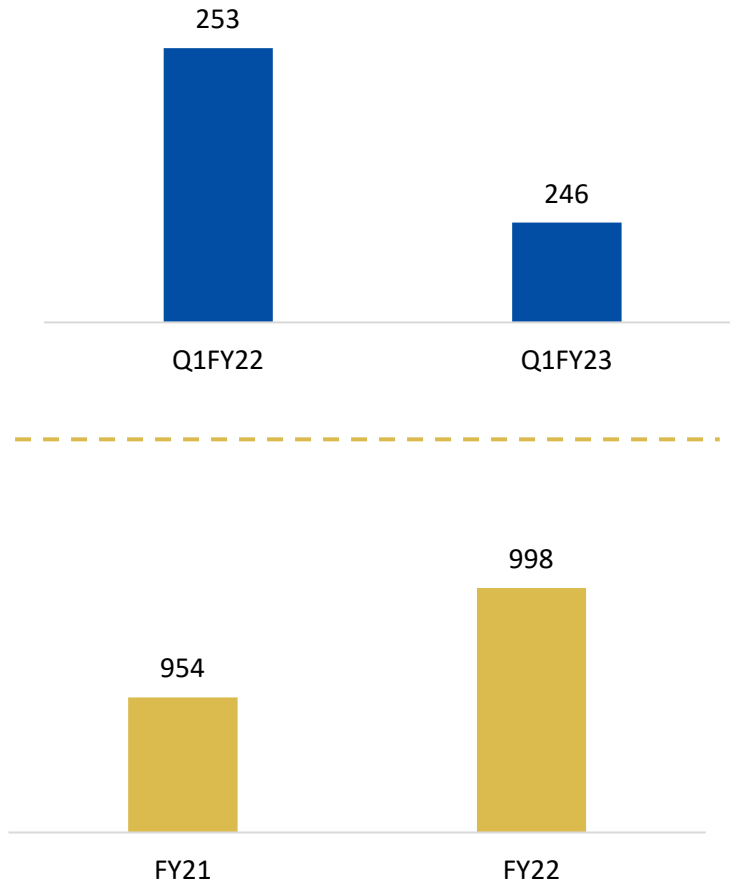
Particulars (Rs. In Crores)	30-Jun-2022	31-Mar-2022	30-June-2021
Term Loan	176*	184*	112
Cash Credit / Short Term Loan	203	384	377
Total Debt	379	568	489
Cane Dues & Other Payables	14	39	52
Total Outside Liability	393	607	489

**Includes New Term loan availed of Rs. 101.5 crores for distillery project at Sidhwalia under Interest Subvention Scheme*

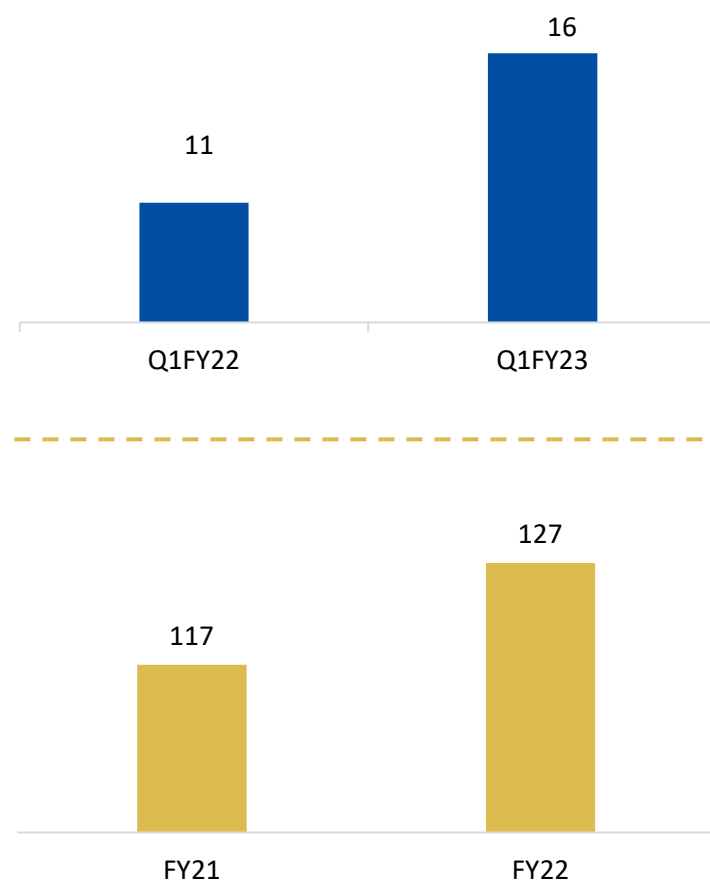
- Reduction in Total Outside Liability to Rs. 214 crore as on 30-June-22 as compared to 31-March-2022.
- Focus on debt reduction by liquidating stock, will further strengthen balance sheet and Ratio parameters in coming quarters.
- India Ratings and Research reaffirmed MSEL's rating at Stable Long-Term Issuer Rating of 'IND A(Stable)'

Result Highlights – Q1FY23

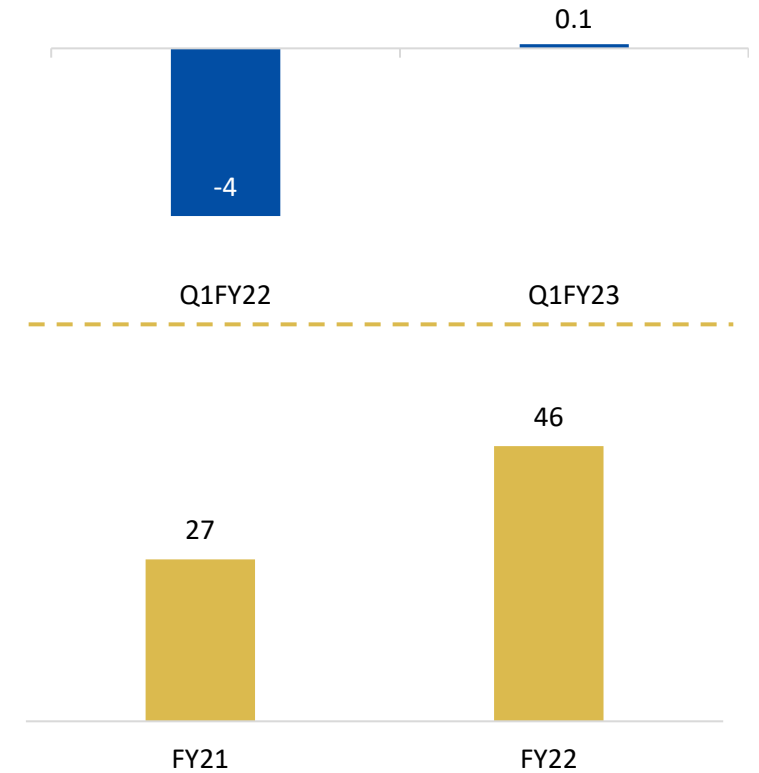
Total Income (Rs. In Cr)



EBITDA (Rs. In Cr)



PAT (Rs. In Cr)



Profit & Loss Highlights

Rs. Crore	Q1FY23	Q1FY22	FY22	FY21
Total Income	245.98	253	998	954
Raw Material Cost	199.94	220	746	712
Employee Cost	11.77	10	48	48
Other Expenditure	18.71	12	77	77
EBITDA **	15.56	11	127	117
Depreciation	6.25	5	21	20
PBIT	9.31	6	106	97
Interest	9.17	12	40	55
Profit Before Tax	0.14	(6)	66	42
Tax	0.06	(2)	20	15
Profit After Tax	0.08	(4)	46	27
EPS (Rs)	0.06*	(2.80)*	32.66	19.22

* Not Annualised

** EBITDA for corresponding quarter (Q1 FY22) includes net income of Rs. 5.69 Cr. on account of export subsidy

Segmental Performance

Sugar Segment Performance

	Q1 FY23	Q1FY22	FY22
Segmental Revenues (Rs. Lakh)	21,841	23,121	94,442
PBIT (Rs. Lakh)	(706)	(1,084)	3,988
Sugar Sold (Lakh quintals)	4.74*	6.49*	23.74**
Average Domestic Realization (Rs. Per Qtl.)	3579	3372	3507
Sugarcane Crushed (lakh quintals)	-	-	161.84
Sugar Recovery (%)#	-	-	10.12

*Including exports of 0.19 (P.Y. 1.03) lakh quintals for Q1 FY23

**Including exports of 5.20 (PY 3.67) lakh quintals for FY22

#Sugar Recovery on B-Heavy Molasses

Distillery Segment Performance

	Q1 FY23	Q1 FY22	FY22
Segmental Revenues (Rs. Lakh)	7,575	3,150	13,588
PBIT (Rs. Lakh)	1,998	1,771	4,796
Total Ethanol Production (Lakh litres) – B Heavy	142.17	60.66	147.93
Total Ethanol Production (Lakh litres) – C Heavy	-	-	69.83
Total Ethanol Production (Lakh litres) – Syrup	-	-	36.36
Total Ethanol Sales (Lakh litres) – B Heavy	115.40	53.65	141.00
Total Ethanol Sales (Lakh litres) – C Heavy	2.15	-	67.65
Total Ethanol Sales (Lakh litres) - Syrup	7.14	-	29.20




Co-Generation Segment Performance

	Q1 FY23	Q1 FY22	FY22
Segmental Revenues (Rs. Lakh)	27	218	5,917
PBIT (Rs. Lakh)	(252)	(24)	2,239
Power Generation (Lakh Units)	4.94	39.64	736.91
Power Sales (Lakh Units)	3.80	32.91	460.30
Average Realisation (Rs. Per Unit)	6.22	6.34	5.49

Company Overview

Company Overview

- Incorporated in 1932 (Group in Sugar Business over 7 decades), pursuant to the scheme 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 **19,000 TCD**
- Company has **2 distillers** with a total capacity of **150 KLPD**
- Cogeneration facility generate **38 MW power**
- Company is located **in Bihar**

Region	Plant (Bihar)	Capacity
 Pashchim Champaran	New Swadeshi Sugar Mills	7,500 TCD
	New Swadeshi Distillery	80 KLPD
	New Swadeshi Co-generation	10 MW
 Gopalganj	Bharat Sugar Mills	5,000 TCD
	Sidhwalia Distillery	70 KLPD
	Bharat Co-generation	18 MW
 Samastipur	Hasanpur Sugar Mills	6,500 TCD
	Hasanpur Co-generation	10 MW

Industry Overview

Global Sugar Industry – Update

Global Sugar Inventory is on the decline

Global Sugar Balance Sheet (lakh tons)	2021-22	2022-23 (E)
Opening Balance of Sugar Inventory	52.0	49.8
Production during the year	181.2	182.9
Consumption during the year	175.5	178.8
Import/Export	7.9	6.8
Closing Balance for the year	49.8	47.0

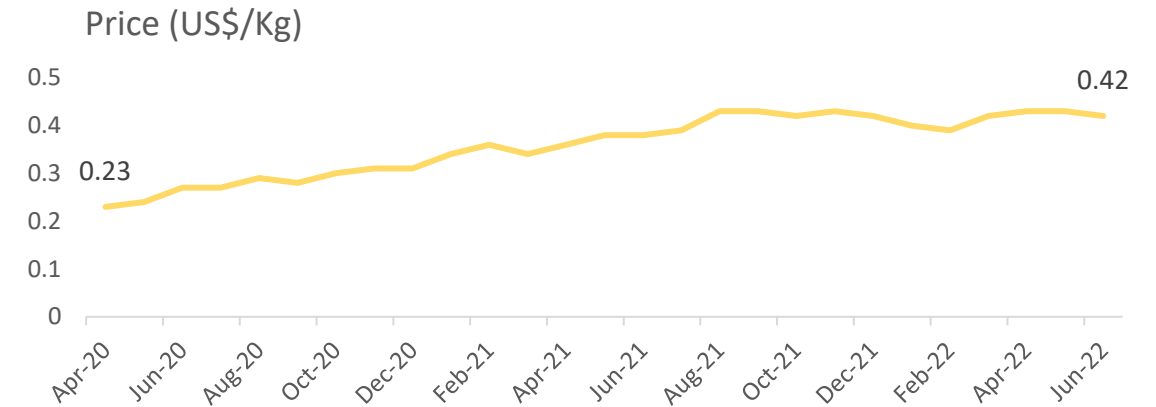
Source: USDA

Global Sugar Outlook for SS 2022-23

- **Global Production forecast** up 1.7 million tonnes to 182.9 million tonnes as higher production in Brazil, China, and Russia is expected to more than offset declines in India and Ukraine
- **Global Consumption** is anticipated to rise to a new record due to growth in markets including China, India, Indonesia, and Russia
- **Exports** are projected down as the drop in India more than offsets higher exports from Brazil and Thailand
- **Closing Stock** is forecasted lower as growth in global consumption is likely to exceed the production

Source: USDA

Reflected in the strengthening of prices

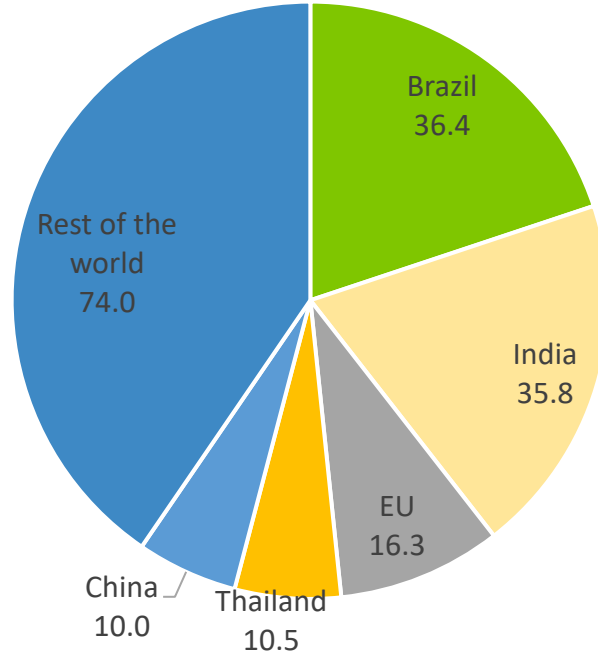


Source: ISO

Global Sugar Industry – Update

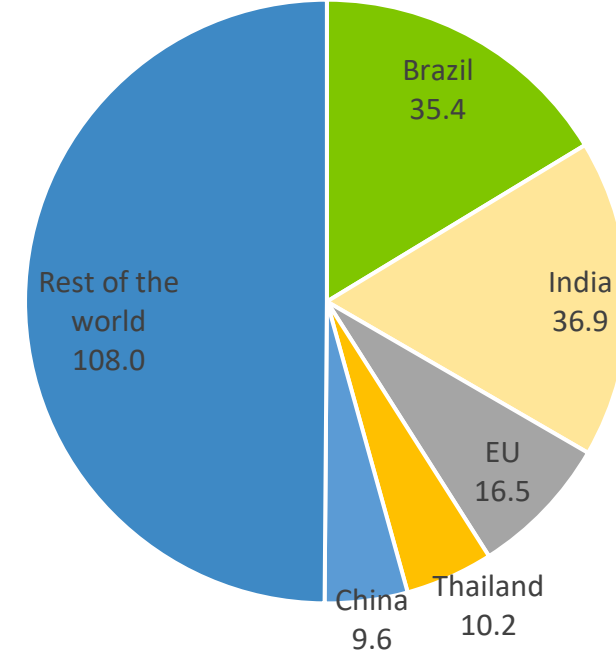
SS 2022-23 (E)

Global Production estimated at 182.89 MMT



SS 2021-22

Global Production estimated at 181.18 MMT



- **Brazil production** forecast higher this season as favourable weather to boost sugarcane yields and thereby higher sugarcane for crushing, despite lower harvested area (as marginal sugarcane areas switch to soybean and corn)
- **India production** is forecast to decline as less sugarcane is processed for sugar on account of diversion to ethanol production

Indian Sugar Industry – SS 2021-22 (RE)

Sugar Production/ Procurement

- All India sugar production in 2021-22 SS **expected at 360 lakh tons** (from 350 lakh tonnes earlier), after considering diversion of 34 lakh tons of sugar equivalent into ethanol
- 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 FY22

- Opening stock **~82 lakh tons as on 1st October 2021,**
- Domestic consumption of 275 lakh tons, Sugar exports of over 100 lakh tons (cap by GOI)
- The closing stock as on **30th September 2022 is expected ~67 lakh tons**

Exports

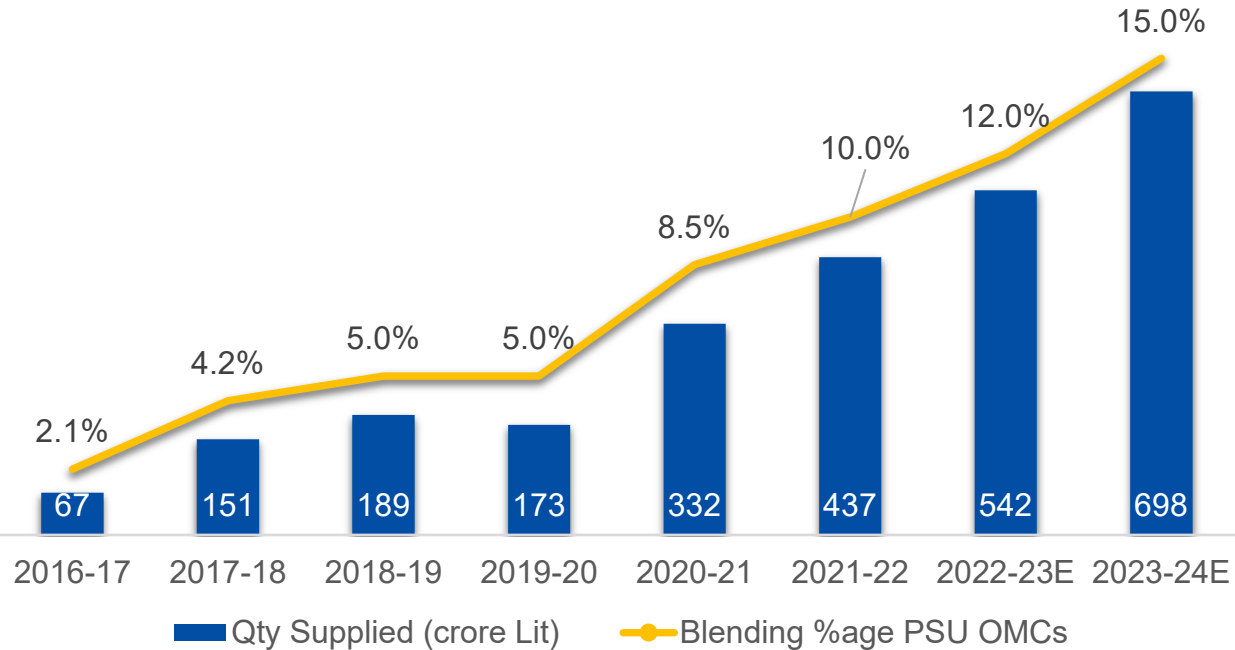
- **94 – 95 lakh tonnes of export contracts** have already been entered into so far
- Of which, ~86 lakh tonnes is reported to be physically exported till end of May 2022
- The government has considered allowing export of additional 10.2 lakh tonnes of Sugar

Outlook

- ISMA estimates an increase of ~4% in sugarcane acreage for SS 2022-23 which is likely to result into higher net sugar production at 399.9 lakh tonnes (394 lakh tonne for SS 2021-22). However, a higher diversion towards ethanol production to meet the blending target of over 10% in 2022-23 is likely to dip the sugar output by 1.4% YoY to 355 lakh tonnes

Indian Ethanol Play gets Stronger

Quantity Supplied (Ethanol) and %Blending Trends



- India has achieved the 10% Ethanol blending target in Petrol in May 2022
- India is targeting 20 percent ethanol blending by 2024-25. India's current ethanol distillation capacity stands at around 722 crore litres per annum. It will have to be increased to 1,500 crore litres per annum to meet the requirement of 20% blending
- New Bio Fuel Policy allows the manufacturing of ethanol from B-heavy molasses as well as from direct sugar cane juice/syrup
- OMCs finalized 449 Cr litres for the Ethanol Supply Year 2021-22 (Dec – Nov). Contracts for 445 Cr litres have been executed till 17th July, 2022

- Basic price of ethanol – from C heavy molasses stood at Rs 46.66/litre, from B heavy molasses at Rs. 59.08/litre and from sugar cane juice at Rs. 63.45/litre Q1 & Q2 ESY 22.
- Basic price of ethanol – from C heavy molasses stood at Rs. 47.84/litre, from B heavy molasses at Rs. 60.57/litre and from sugar cane juice at Rs. 65.05/litre for Q3 & Q4 ESY 22.
- Incentives declared for ethanol supply for June'22 to Nov'22 ranging from Rs. 1-2/litre depending upon type of feedstock.

Disclaimer

This presentation and the accompanying slides (the “Presentation”), which have been prepared by Magadh Sugar & Energy Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.

Let's Connect



Mr. Dilip Patodia / Mr. Sudershan Bajaj
dilip.patodia@birla-sugar.com / sudershan.bajaj@birla-sugar.com

9/1, R.N. Mukherjee Road, Kolkata



Ms. Pooja Sharma / Ms. Amritha Poojari
pooja.sharma@stellar-ir.com / amritha@stellar-ir.com

B-612/A, Kanakia Wallstreet, Andheri (East), Mumbai