

AVADH/SE/2019-20/78

February 11, 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 - 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**

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

**Scrip Code - 11610**

Dear Sirs/Madam,

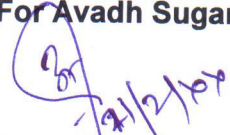
**Subject: Disclosure of information pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find enclosed herewith a copy of the Investor Presentation with respect to the unaudited financial results of the Company for the quarter ended 31<sup>st</sup> December, 2019.

Please take the same on record.

Thanking you,

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

  
Anand Sharma  
**Company Secretary**  
FCS - 7305



Encl : as above



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





# Avadh Sugar and Energy Limited

*Strengthening Roots for Better Tomorrow*

**Result Presentation | Q3FY20**

# Agenda



**Q3FY20 & 9MFY20 Highlights**

**Industry Updates**



# Q3FY20 & 9MFY20 Financial Highlights



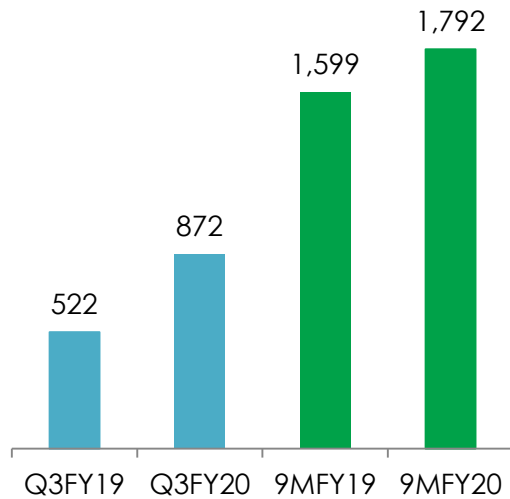
# Key Business Updates – 9MFY20

- Sugar Stock as on **31st December 2019**, 30.95 lakh quintals
- Average realization in **9MFY20 Rs. 3279/- per quintal**; **9MFY19 Rs. 2989/- per quintal**; **Q3FY20 Rs. 3269/- per quintal**
- Crushing during current **FY 305.35 Lac Quintal compared to 283.90 in 9MFY19; up by 7%**
- Average recovery during the **Sugar Season 2019-20 (till 31<sup>st</sup> December, 2019) 11.12 % (Based on C Molasses)**
- **Financial Assistance for export** accounted for in financials, based on export of 10.24 lakh Qtls, under **MAEQ 19-20**
- Expansion at **Hargaon & Seohara Distillery** on track; to be commissioned by Sept 2020
- Ethanol production **from B heavy molasses** during the current sugar season 2019-20
- Accelerated despatch on account of export, will bring **down overall WC borrowings**

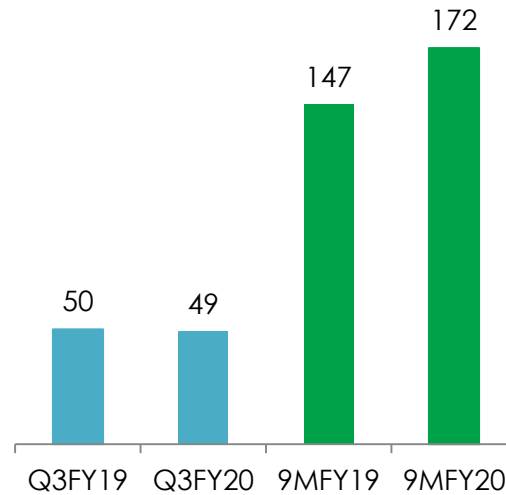
Stock Position	
Opening stock (as on 31.12.2019)	38.20 Lakh Qtls
Production	16.81 Lakh Qtls
Sold	24.05 (incl 10.24 Lakh Qtls exports)
Closing stock as on 31 <sup>st</sup> December 2019	30.95 Lakh Qtls

# Q3 & 9M FY20 Result Highlights

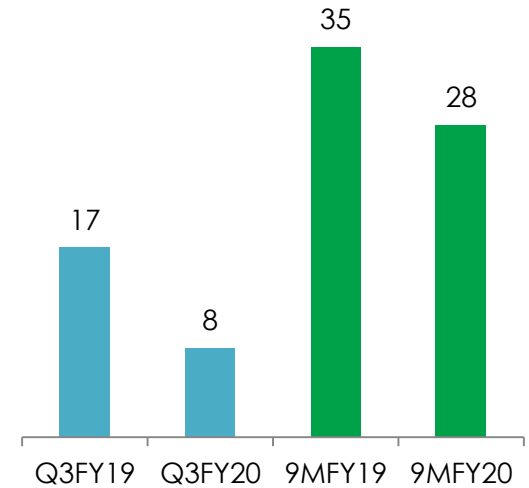
Revenue (Rs. Cr)



EBITDA (Rs. Cr)



PAT (Rs. Cr)



# Profitability Highlights

Rs. Crore	9MFY20	9MFY19
<b>Total Income</b>	<b>1,791.6</b>	<b>1,599.2</b>
Raw Material Cost	1395.5	1239.6
Employee Cost	64.5	60.2
Total Expenditure	159.9	152.4
<b>EBITDA</b>	<b>171.6</b>	<b>147.0</b>
<b>EBITDA margin (%)</b>	<b>9.6%</b>	<b>9.2%</b>
Depreciation	33.4	32.8
<b>PBDT</b>	<b>138.2</b>	<b>114.2</b>
Interest	92.9	69.0
<b>Profit Before Tax</b>	<b>45.3</b>	<b>45.2</b>
Tax	17.2	10.5
<b>Profit After Tax</b>	<b>28.1</b>	<b>34.7</b>
EPS (Rs)	14.0	17.3

## Q3 & 9M FY19 Segmental Highlights





# Sugar Segment Performance

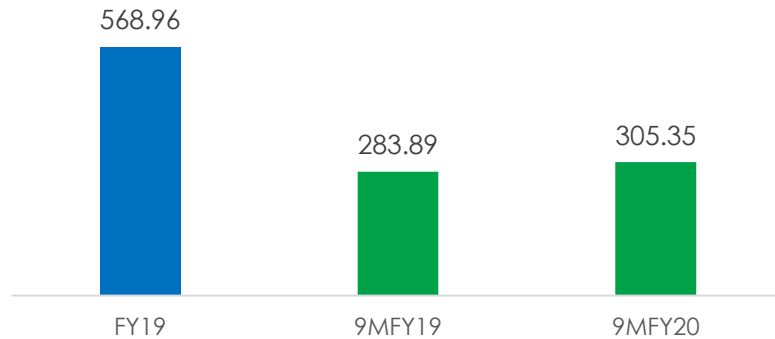
	Segmental Revenues (Rs. Lakh)	% contribution to Revenues	PBIT (Rs. Lakh)
Q3FY20	87,869.3	89%	1,433.7
Q3FY19	45,554.5	77%	-1,888.7
9MFY20	1,73,212.8	87%	7,537.3
9MFY19	1,44,232.2	84%	503.5
	Sugarcane Crushed (lakh quintals)	Sugar Recovery (%)	Sugar Sold (Lakh quintals)
Q3FY20	164.03	11.12*	24.05
Q3FY19	146.19	11.30	12.17
9MFY20	305.35	11.08	47.82
9MFY19	283.89	11.25	43.36

Sugar inventory as on 31<sup>st</sup> December 2019 was 30.95 lakh quintals valued @ average rate of Rs. 30.90/- per kg

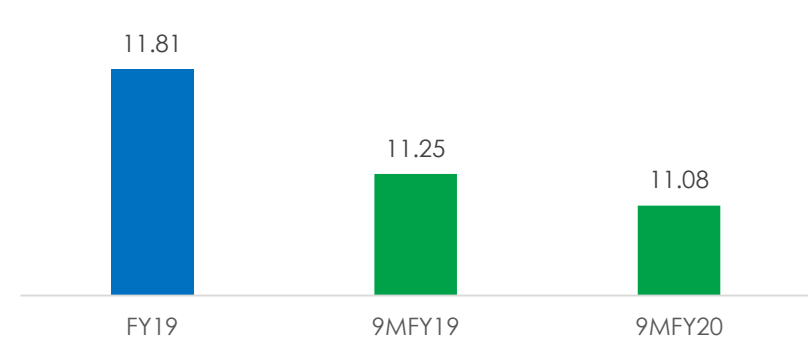
\* Adjusted based on C Molasses

# Sugar Segment Performance

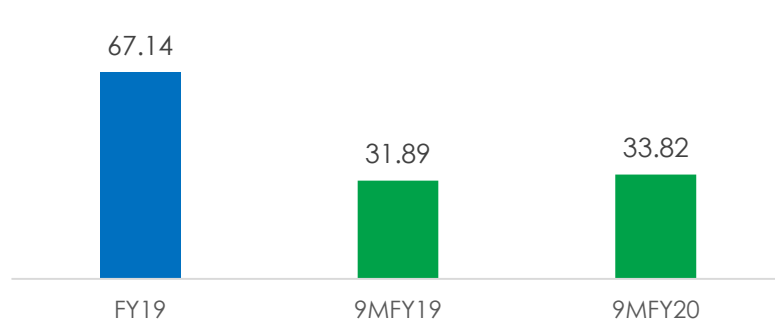
Cane Crushed (Lakh Quintals)



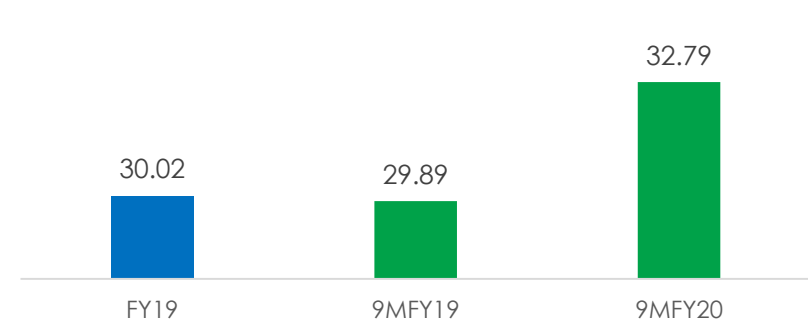
Sugar Recovery (%)



Production (lakh Quintals)



Average Realization (Per Kg)



# Distillery Segment Performance

	Segmental Revenues (Rs. Lakh)		% contribution to Revenues		PBIT (Rs. Lakh)	
Q3FY20	6,201.1		6%		2,405.5	
Q3FY19	7,801.8		14%		4,915.3	
9MFY20	16,147.4		8%		7,542.0	
9MFY19	17,680.6		10%		9,688.2	
	Total Ethanol Production (Lakh litres)		Total Ethanol Sales (Lakh litres)		Average Realization of Ethanol (Rs./litre)	
	B	C	B	C	B	C
Q3FY20	49.91	128.75	24.31	113.77	54.27	43.52
Q3FY19	NA	185.42	-	189.40	-	41.69
9MFY20	49.91	345.98	24.31	346.26	54.27	43.62
9MFY19	NA	399.08	-	408.06	-	41.22

UP Govt has increased reservation of Molasses from 16% to 18% , including for captive consumption (not applicable in previous years), impacting profitability

# Co-Generation Segment Performance

	Segmental Revenues (Rs. Lakh)	% contribution to Revenues	PBIT (Rs. Lakh)
Q3FY20	4,109.7	4%	164.1
Q3FY19	7,801.8	9%	1,226.3
9MFY20	8,499.9	4%	-125.3
9MFY19	9,970.5	5%	2,085.8
	Power Generation (lakh units)	Power Sales (Lakh units)	Average Realization (Rs. Per Unit)
Q3FY20	551.99	428.13	2.93 *
Q3FY19	539.42	453.00	5.01
9MFY20	1218.65	943.44	2.94
9MFY19	1178.79	931.31	5.01

\*Impact due to revision in Power tariff is Rs 22 crores



# Industry updates



# International - Industry Updates

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**Bangladesh Sugar and Food Industries Corporation seeking to import 100,000 tonnes of sugar from India**

**International Sugar Organisation (ISO) is encouraging importing countries to buy sugar from India in order to help improve global prices of the sweetener**

- Encouraging countries like Iran, Bangladesh, Myanmar, Indonesia and others to import sugar from India

**Raw sugar prices in the global market rising**

- Rates hovering around 14.5 cents per pound since mid-January; marking a two-year high
- World sugar market in state of deficit in 2019-20 season - estimated between 6 and 7.5 million tonnes

# Domestic - Industry Highlights

## **India's sugar production declined 24% to 141.12 lakh tonne during October 2019-January 2020**

- Fall in output in major producing state Maharashtra

## **Indian sugar industry poised to export 5 mn tonne, likely to set new record**

- 5 million tonnes, Indian exports would surpass their previous peak of 4.96 million tonnes shipped in 2007/08
- Uttar Pradesh, 119 mills have produced 21.25 lac tons of sugar till 15th December, 2019, 2.31 lac tons higher than last year

## **Up-ward Revision of ethanol price for supply to OMCs for procurement of ethanol December'19**

- Price of ethanol from C heavy molasses route be increased from Rs.43.46 per lit to Rs.43.75 per litre

## **Sugar export policy for evacuation of surplus stocks during sugar season 2019-20**

- Committee on Economic Affairs has approved for providing a lump sum export subsidy @ Rs. 10,448 per Metric Tonne (MT) to sugar mills for the sugar season 2019-20

## **Creation of buffer stock of 40 lakh metric tonnes (LMT) of sugar for one year and to incur estimated**

## **Government has revised Minimum sugar price to Rs.31/- per kg from Rs. 29/- per kg**

- With this step the integrated players of sugar segment will have positive impact on profitability

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## Let's Connect



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