

MSEL/SE/2021-22/22

August 3, 2021

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

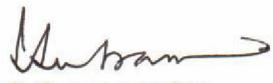
Sub: Disclosure of information pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, please find enclosed herewith a copy of the Investor Presentation of the Company with respect to the Financial Highlights of the first quarter ended 30th June, 2021.

Please take the same on record.

Thanking you,

Yours faithfully,
For Magadh Sugar & Energy Limited


S Subramanian
Company Secretary
FCS – 4974



Encl – as above



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Magadh Sugar and Energy Limited

Creating Capabilities – Spurring Future Growth





Agenda

- **Q1FY22 Highlights**
- **Segmental Performance**
- **Company Overview**
- **Industry Updates**



Q1FY22 Highlights

Business Entering next Growth Phase



Distillery Capacity
Expansion
from **80KLPD to 155 KLPD**
(to be commissioned by
Jan'22)



Leading to Improved
Profitability thereby,
improving Cash Flows



Focus on strengthening
Balance Sheet

Favourable Government policies likely to push ethanol sales thereby, translating into improved Credit Profile

Business Updates Q1FY22

- Sugar Stock as on 30th June 2021, **12.55 lakh quintals**
- Average domestic sales realization in **Q1FY22 Rs. 3,372/- per quintal** against Q1FY21 Rs. 3,209/- per quintal
- Details of Stock Position mentioned below :-

Stock Position (Lakh Qtls)	Quarter ended 30/06/2021
Opening stock	19.04
Production	--
Sold	6.49 *
Closing stock as on 30th June 2021	12.55

*Including Export 1.03 Lakh Qtls

Focus on Strengthening the Balance Sheet

- Details of Outstanding position

Particulars (Rs. In Crores)	July' 2021	March'21	March'20
Term Loan	112	122	152
Cash Credit	345	415	382
Total Debt	457	537	534
Cane Dues	-	152	267
Total Outside Liability	457	689	801

- Reduction in Total debt **by Rs. 77 Cr** in last 16 months
- Reduction in Total Outside liability **by Rs. 344 Cr** in last 16 months
- No Cane Outstanding as **on 31st July 2021**

Profitability Highlights

Rs. Crore	Q1FY22	Q1FY21	FY21
Total Income	253	193	954
Raw Material Cost	220	152	712
Employee Cost	10	11	48
Total Expenditure	12	12	77
EBITDA	11	18	117
Depreciation	5	4	20
PBIT	6	14	97
Interest	12	13	55
Profit Before Tax	(6)	0.38	42
Tax	(2)	0.17	15
Profit After Tax	(4)	0.21	27
EPS (Rs)	(2.80)*	0.15*	19.22

* Not Annualised



Segmental Performance

Sugar Segment Performance

	Segmental Revenues (Rs. lakhs)	PBIT (Rs. Lakhs)		
Q1FY22	23,121	(1,084)		
Q1FY21	17,581	257		
	Sugarcane Crushed (lakh quintals)	Sugar Recovery (%)	Sugar Sold (Lakh quintals)	Average Realization (Rs. Per kg)
Q1FY22	--	--	6.49	33.72
Q1FY21	13.25	11.36	4.96	32.09

Distillery Segment Performance

	Segmental Revenues (Rs. In lakhs)		PBIT (Rs. lakhs)			
Q1FY22	3,150		1,771			
Q1FY21	2,302		1,087			
	Total Alcohol Production (Lakh litres)		Total Alcohol Sales (Lac litres)		Average Realization (Rs./litre)	
	B	C	B	C	B	C
Q1FY22	60.66	--	53.65	--	57.61	--
Q1FY21	31.12	1.31	32.98	8.64	54.27	43.75

Co-Generation Segment Performance

	Segmental Revenues (Rs. lakhs)	PBIT (Rs. lakhs)	
Q1FY22	218	(24)	
Q1FY21	582	106	
	Power Generation (lakh units)	Power Sales (Lakh units)	Average Realization (Rs. Per Unit)
Q1FY22	39.64	32.91	6.22
Q1FY21	71.20	43.78	5.74



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 **1 distillery** at Narkatiaganj with a total capacity of **80 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
	Bharat Co-generation	18 MW
Samastipur	Hasanpur Sugar Mills	6,500 TCD
	Hasanpur Co-generation	10 MW



Industry Overview

Global Sugar Industry Updates

As per USDA forecast, global sugar production in SS 21-22 is expected to increase by 6.0 mln tonne to 186 mln tonnes, despite lower production expected from Brazil. The expansion in global production volumes is attributed to higher production in India, European Union (EU) and Thailand.

Global Consumption is expected to increase by 1.5% y-o-y to 174 mln tonnes in SS 2021-22, largely driven by growth in markets such as India & China.

Positive for Domestic Exporters: Significant shortfall in production in Brazil, a major sugar producing in the World will lead to higher opportunities for domestic exporters.

International Sugar Prices: International Raw Sugar prices has improved to \$379/MT as in May-June 2021 as against \$356/ MT in April'21 whereas, White Sugar prices moderated at \$443/MT in June'21 as against \$458/MT in May'21.

Domestic Sugar Industry Updates

Total Acreage under sugarcane: As per industry estimates, the total acreage under sugarcane in the country is estimated to be around 54.55 lakh hectares in SS 2021-22, which is about 3% higher than SS 2020-21 sugarcane area of around 52.88 lakh hectares.

Sugar Production in SS 2021-22: ISMA estimates total sugar production at 31.0 million tons for SS 2021-22; estimated sugar production is after consideration of 3.4 million tons of sugar diversion for production of Ethanol using B heavy molasses / juice / syrup.

Sugar Consumption in SS 2020-21: ISMA expect domestic sugar consumption to be at 25.9 million tons in SS 2020-21, Sugar opening stock is at 10.7 million tons after considering the Domestic consumption, exports (7 million tons) and production (30.9 million tons), the closing stock as on 30th Sep 2021 is estimated to be around 8.7 million tons; which is 2 million tons lower than last year.

Sugar Prices: The domestic sugar prices have remained in the range of Rs.32,000–32,500/MT in April–June 2021; the prices moderated marginally during the quarter on account of contraction in demand post implementation of lockdown amidst second wave of covid-19.

Reduction in Commission on Sugarcane Purchase: The Bihar Government approved to reduce the Regional Development Board Commission from 1.80% to 0.20% paid by the Sugar Mills on the purchase of sugarcane during SS 2021-22

Exports to Europe (TRQ): The government has permitted export of an additional 3,675 tons of raw/refined sugar under tariff-rate quota to the United Kingdom.

Structural Changes in Ethanol to Drive Profitability

Increase in ethanol capacities to improve credit profile of sugar mills in FY23

- The resultant ramp-up of ethanol supplies augurs well for the credit profile. We expect reduced inventory levels and thereby lowering borrowings and interest costs, this would meaningfully bolster the credit metrics of the sector from FY23.

Bihar became First state to introduce Ethanol Production Promotion Policy 2021

- Bihar is 5th largest Ethanol producer in India, with 12 Cr ltrs of ethanol production.
- Bihar aims to become the ethanol hub of the Country; target to produce 50 Cr ltrs of ethanol every year.

20% ethanol blending with petrol by 2024-25

- India has set a target of 20% ethanol-blending with petrol by 2024-25.

India is marching towards higher blending

- India has achieved a blending of average 7.90%
- 10% Ethanol** blending target to be achieved in SS 2021-22.

Ethanol Blending to Reduce India's Petroleum Imports & to thrive low carbon economy

- India's net import of petroleum was 185 MT at a foreign exchange outgo of USD 55 billion in 2021, successful E20 program can save India ~Rs. 30,000 crores.
- Ethanol blending can help country to reduce the vehicle emissions and strengthen India in energy security.

Let's Connect



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