

MSEL/SE/2022-23/27

November 9, 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

**STOCK CODE – 540650**

**SYMBOL – MAGADSUGAR**

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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find enclosed herewith a copy of the Investor Presentation with respect to the Financial Highlights of the Company for the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 and half-year ended 30<sup>th</sup> September, 2022.

Please take the same on record.

Thanking you,

Yours faithfully,  
For Magadh Sugar & Energy Limited

SUBRAMANIAN Digitally signed by  
SUBRAMANIAN  
SATHYAMURTHY SATHYAMURTHY  
HY Date: 2022.11.09 12:48:18  
+05'30'

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 | Q2FY23





# Q2FY23 Highlights

## Operational Updates

- Sugar Stock as on 30<sup>th</sup> September 2022, 2.12 lakh quintals ( 7.59 Lakh quintals on 30<sup>th</sup> September 2021)
- **Average Sugar Realisation:-**  
**Q2FY23 Rs. 3593/- per quintal against Q2FY22 Rs. 3,511/- per quintal**
- Details of Stock Position:-

Stock Position (Lakh Qtls)	Q2FY23
Opening stock as on 1 <sup>st</sup> July 2022	6.47
Production	-
Sold	4.35
Closing stock as on 30 <sup>th</sup> Sep 2022	2.12

## ETHANOL

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

Particulars	Q2 FY23	Q2 FY22
<b>UOM</b>	<b>Lac/Qtls.</b>	<b>Lac/Qtls.</b>
Production	40.76	13.37
Sales	69.89	42.93



- **Details of Outstanding position :-**

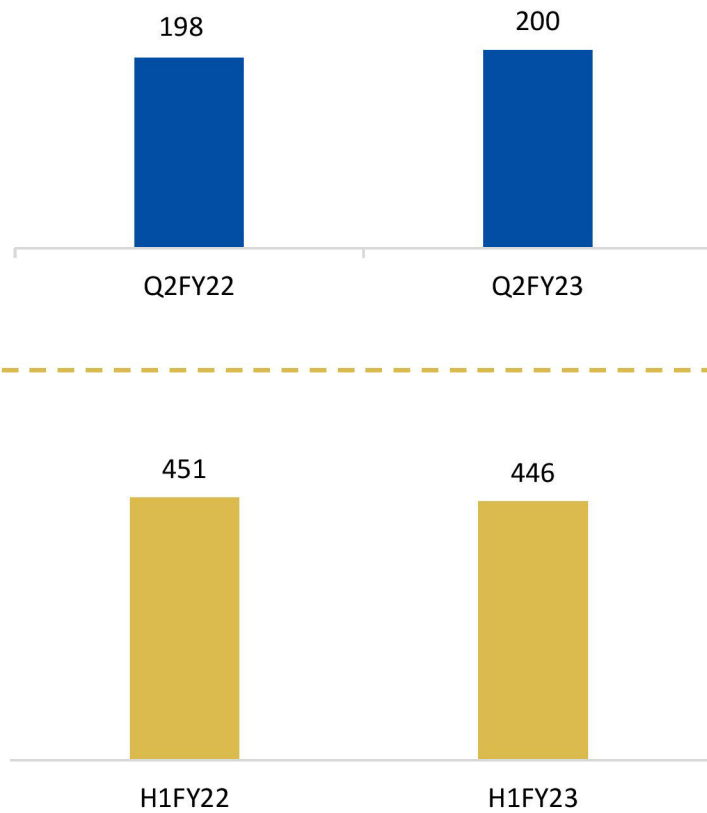
Particulars (Rs. In Crores)	30-Sept-2022	30-Jun-2022	31- March-2022
Term Loan	217*	176*	184*
Cash Credit / Short Term Loan	68	203	384
<b>Total Debt</b>	<b>285</b>	<b>379</b>	<b>568</b>
Cane Dues & Other Payables	-	14	39
<b>Total Outside Liability</b>	<b>285</b>	<b>393</b>	<b>607</b>

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

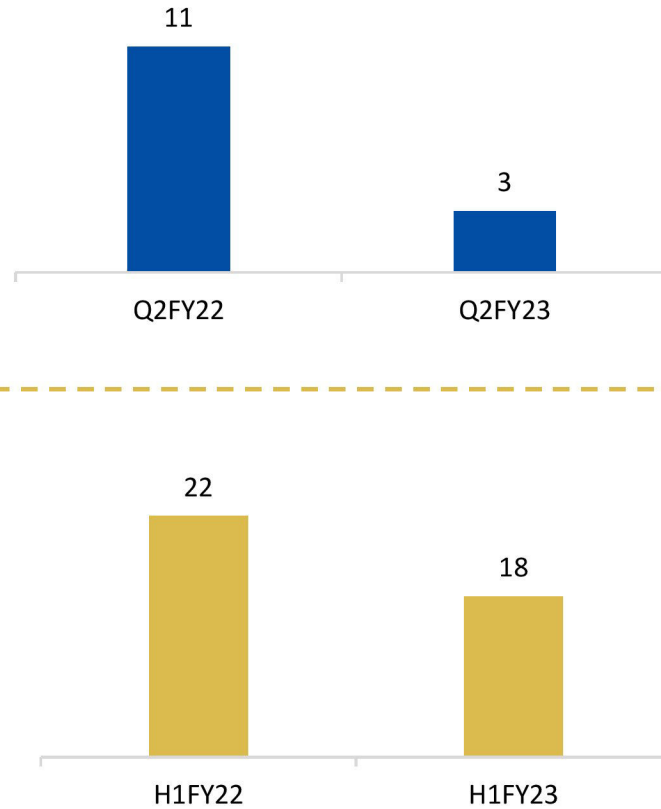
- **Reduction in Total Outside Liability to Rs. 285 crore as on 30-Sept-22 as against 607 cr. as on 31- March- 2022.**
- **Focus on debt reduction by liquidating stock, will further strengthen balance sheet and Ratio parameters in coming quarters.**
- **India Ratings and Research reaffirmed MSEL's rating at Stable Long-Term Issuer Rating of 'IND A(Stable)'**

# Result Highlights – Q2FY23

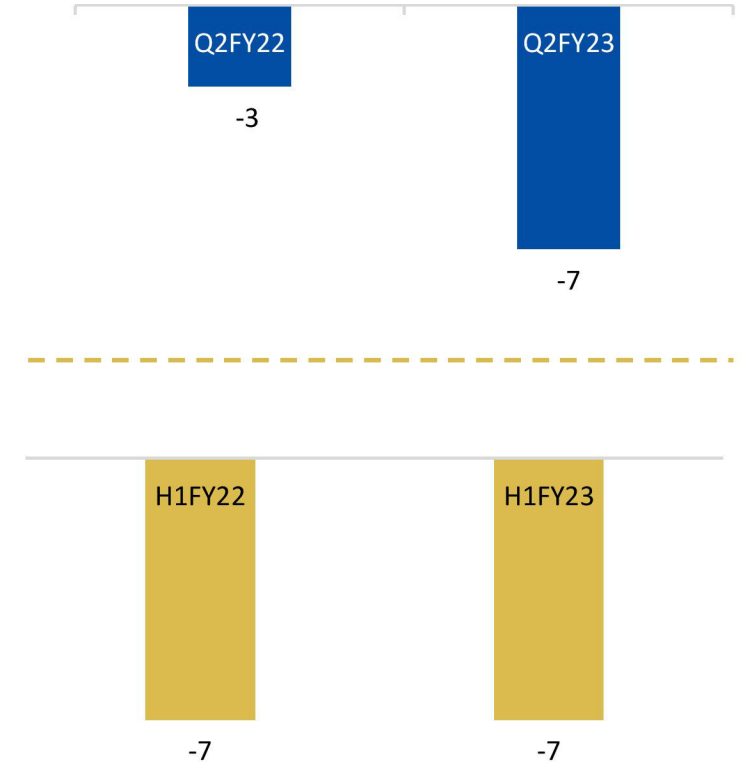
## Total Income (Rs. Cr)



## EBITDA (Rs. Cr)



## PAT (Rs. Cr)





# Profit & Loss Highlights

Rs. Crore	Q2FY23	Q2FY22	H1FY23	H1FY22
<b>Total Income</b>	<b>200</b>	<b>198</b>	<b>446</b>	<b>451</b>
Raw Material Cost	169	163	370	383
Employee Cost	12	11	24	21
Other Expenditure	16	13	34	25
<b>EBITDA</b>	<b>3</b>	<b>11</b>	<b>18</b>	<b>22</b>
Depreciation	6	5	12	10
<b>PBIT</b>	<b>(3)</b>	<b>6</b>	<b>6</b>	<b>12</b>
Interest	7	10	16	22
<b>Profit Before Tax</b>	<b>(10)</b>	<b>(4)</b>	<b>(10)</b>	<b>(10)</b>
Tax	(3)	(1)	(3)	(3)
<b>Profit After Tax</b>	<b>(7)</b>	<b>(3)</b>	<b>(7)</b>	<b>(7)</b>
EPS (Rs) *	(4.75)	(2.15)	(4.69)	(4.95)

\* Not Annualised

# Balance Sheet Highlights

Rs. Crore	Sep-22	Mar-22
<b>Shareholder's Funds</b>	<b>582</b>	<b>598</b>
Share capital	14	14
Other Equity	568	584
<b>Non-current liabilities</b>	<b>195</b>	<b>178</b>
Long term borrowings	158	138
Long-Term Provisions	3	2
Deferred tax liability	34	38
<b>Current liabilities</b>	<b>176</b>	<b>571</b>
Short Term Borrowings	145	498
Trade Payables	9	39
Other Liabilities	22	34
<b>Total Equities &amp; Liabilities</b>	<b>953</b>	<b>1347</b>

Rs. Crore	Sep-22	Mar-22
<b>Non-current assets</b>	<b>803</b>	<b>809</b>
Fixed assets	797	806
Capital W.I.P	4	1
Other non-current assets	2	2
<b>Current Assets</b>	<b>150</b>	<b>538</b>
Inventories	107	472
Trade receivables	17	49
Bank, Cash & Cash equivalents	1	1
Other Current Assets	25	16
<b>Total Assets</b>	<b>953</b>	<b>1347</b>



# Segmental Performance

# Sugar Segment Performance

	Q2 FY23	Q2FY22
Segmental Revenues (Rs. Lakh)	15,628	17,444
PBIT (Rs. Lakh)	(978)	(178)
Sugar Sold (Lakh quintals)	4.14	4.95
Average Domestic Realization (Rs. Per kg)	3,592	3,511
Sugarcane Crushed (lakh quintals)	-	-
Sugar Recovery (%)	-	-

	H1FY3	H1FY22
	37,470	40,565
	(1,685)	(1,261)
	9.08	11.43
	3,586	3,438
	-	-
	-	-



# Distillery Segment Performance

	Q2 FY23	Q2 FY22	H1 FY23	H1 FY22
Segmental Revenues (Rs. Lakh)	4,324	2,417	11,898	5,566
PBIT (Rs. Lakh)	912	1,067	2,910	2,839
Total Ethanol Production (Lakh litres)	40.76	13.37	182.94	74.04
Total Ethanol Sales (Lakh litres)	69.89	42.93	194.58	96.60

# Co-Generation Segment Performance




	Q2 FY23	Q2 FY22	H1FY23	H1FY22
Segmental Revenues (Rs. Lakh)	-	-	27	218
PBIT (Rs. Lakh)	(204)	(230)	(456)	(254)
Power Generation (Lakh Units)	-	-	-	39.64
Power Sales (Lakh Units)	-	-	-	32.90
Average Realisation (Rs. Per Unit)	-	-	-	6.22



# 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
 <b>Pashchim Champaran</b>	New Swadeshi Sugar Mills	7,500 TCD
	New Swadeshi Distillery	80 KLPD
	New Swadeshi Co-generation	10 MW
 <b>Gopalganj</b>	Bharat Sugar Mills	5,000 TCD
	Sidhwalia Distillery	70 KLPD
	Bharat Co-generation	18 MW
 <b>Samastipur</b>	Hasanpur Sugar Mills	6,500 TCD
	Hasanpur Co-generation	10 MW



# Industry Overview



# Global Sugar Industry – Update

## Global Sugar Inventory Update

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
<b>Closing Balance for the year</b>	<b>49.8</b>	<b>47.0</b>

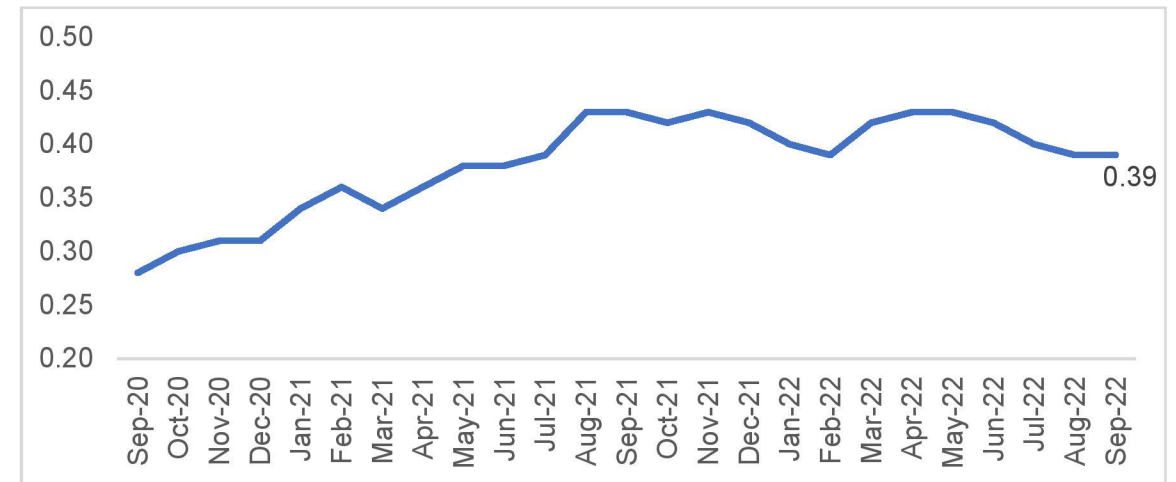
Source: USDA

## 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

## Global Sugar Price Trend (USD/Kg)

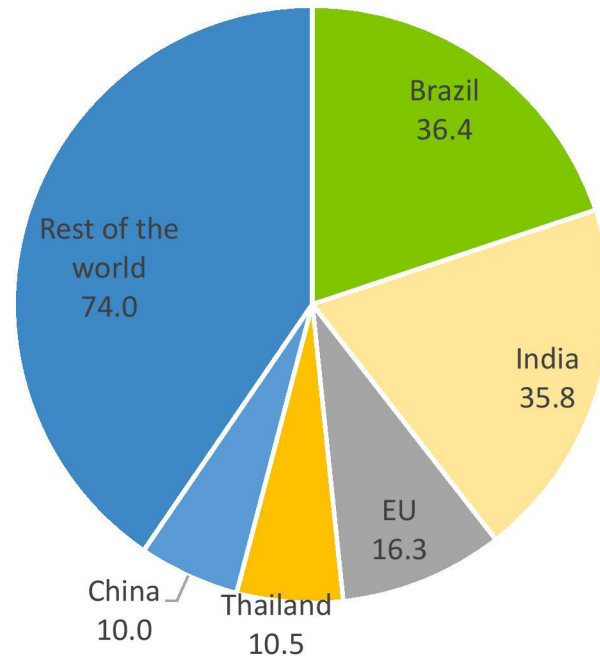


Source: ISO

# Global Sugar Industry – Production

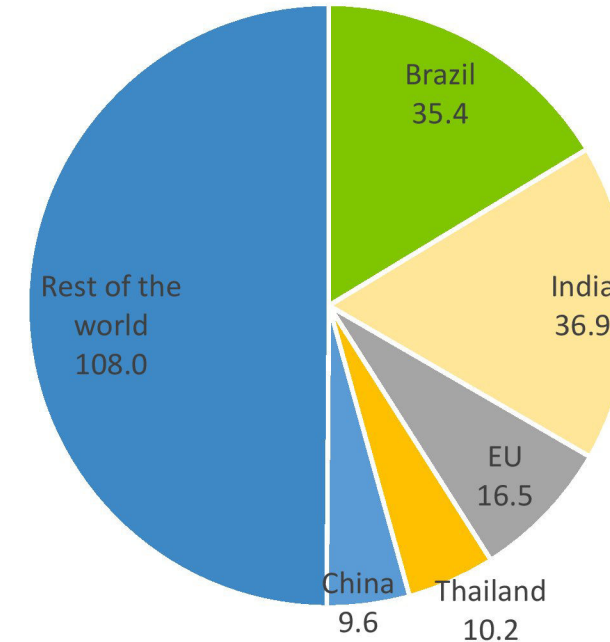
SS 2022-23 (E)

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

## Sugar Production

- All India Sugar Production in SS 2022-22 stood at 360 lakh tonnes (from 360 lakh tonnes expected) after considering diversion of 35 lakh tonnes of sugar equivalent to ethanol production
- 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 272 lakh tons, Sugar exports of 110 lakh tons (cap by GOI)
- The closing stock as on 30th September 2022 is 60 lakh tons

## Exports

- **Highest ever exports of about 110 lakh tons with no financial assistance**
- Supportive international prices and Indian government policy led to this feat of the Indian Sugar Industry
- These exports earned foreign currency of about Rs. 40,000 crore for the country

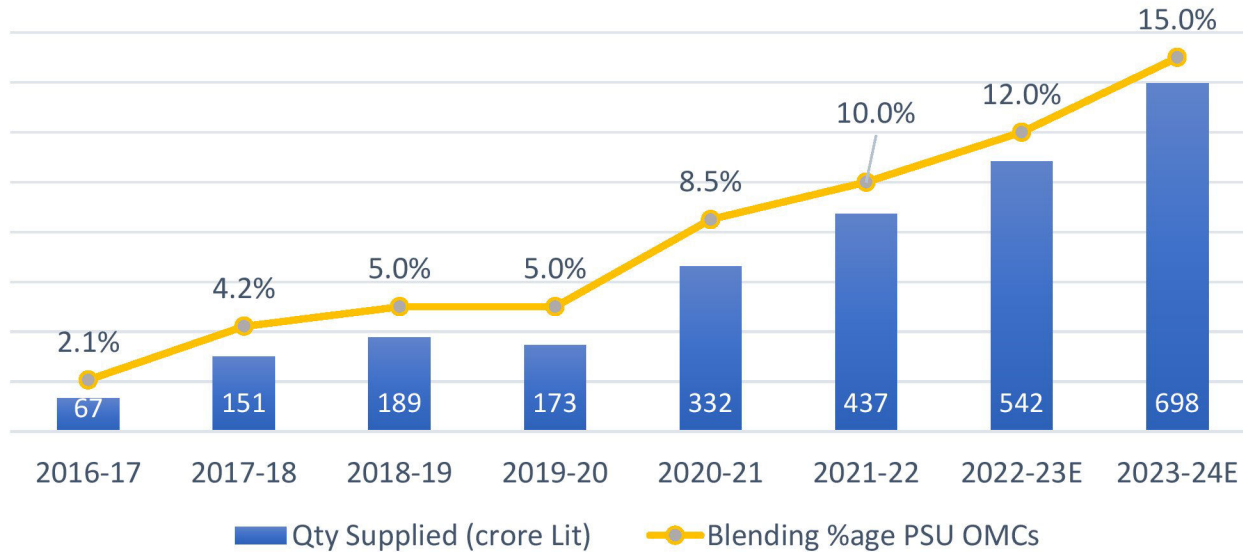
## Outlook

- ISMA estimates net sugar production at 400 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



### Current Price of Ethanol ESY 22-23

Sources	Price per Litre
Sugarcane juice/ sugar syrup	Rs. 65.61
B Heavy molasses	Rs. 60.73
C Heavy Molasses	Rs. 49.41

- India has achieved the 10% Ethanol blending target in petrol in May 2022.
- The achievement of E10 resulted in additional revenue of about Rs 18,000 crores in revenue of sugar mills which will exceed 35,000 on achievement of E20 blending with petrol by 2025
- In 2021-22, about 35 lakh metric tonnes of sugarcane has been diverted for ethanol making
- Toyota's much-awaited Corolla Altis Hybrid, India's first ethanol-ready flex fuel hybrid car (FFV – SHEV) is launched in Oct, 2022. It is first of its kind pilot project vehicle and is powered by a 1.8 litre ethanol ready petrol-hybrid engine.

# 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