MAGADH
SUGAR & ENERGY LTD

MSEL/SE/2020-21/26

August 13, 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
STOCK CODE – 540650

The Secretary
The Calcutta Stock Exchange Ltd.
7, Lyons Range
Kolkata 700 001
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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, please find enclosed herewith a copy of the Investor Presentation with respect to the Financial Highlights of the quarter ended 30th June, 2020 of the Company.

Please take the same on record.

Thanking you,

Yours faithfully,
For Magadh Sugar & Energy Limited

S Subramanian
Company Secretary
FCS – 4974

Magadh Sugar & Energy Limited

Encl – as above

Magadh Sugar and Energy Limited

Result Presentation Q1FY21

Agenda

Q1FY21 - Quarter Highlights

Operational Highlights – Q1FY21

Industry Scenario

Growth Strategy

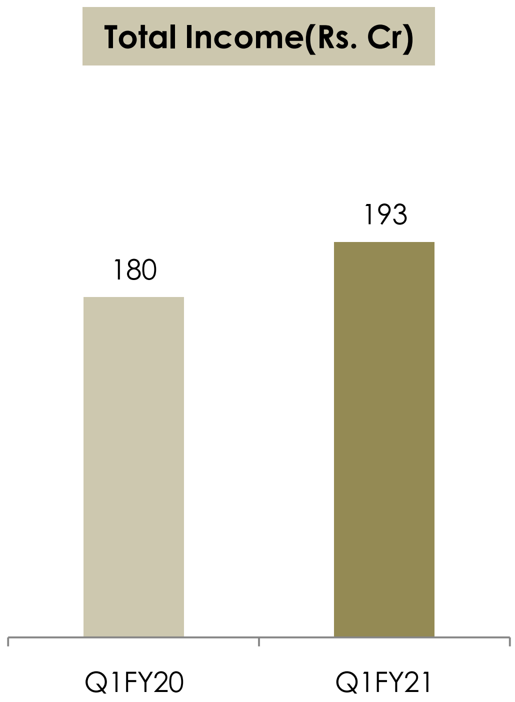
Q1FY21 Quarter Highlights

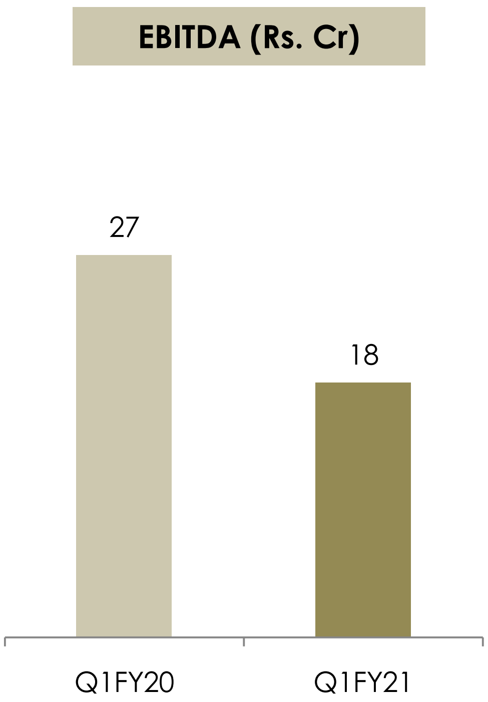
Business Updates Q1FY21

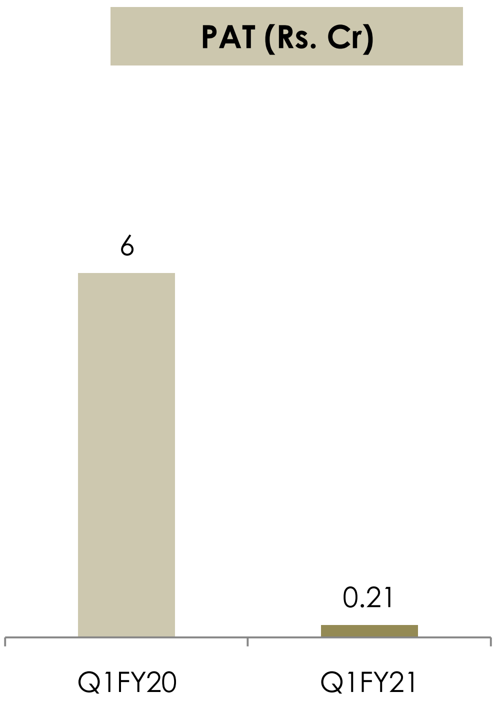
- Sugar Stock as on 30th June 2020, **20.48 lakh quintals**
- Average realization in **Q1FY21 Rs. 3,209/- per quintal** against Q1FY20 Rs. 3335/- per quintal
  - Realisation muted due to nationwide pandemic lockdown
- The expansion of crushing capacity at Hasanpur sugar unit from 5,000 TCD **to 6,500 TCD** on track
- **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)
- Augmentation of Capacity at Existing NSSM Distillery will enable it to **run at 80 KLPD with B heavy molasses**, resulting in **higher volume by 50 lac** litres per year
- Credit Rating – ICRA assigned **'ICRA A-'** rating for the Company's banking facilities

Stock Position (Qtls)	
Opening stock as on 01st April 2020	**23.78 Lakh**
Production	1.66 Lakh
Sold	4.96 Lakh
Closing stock as on 30th June 2020	**20.48 Lakh**

Q1FY21 Result Highlights







Profitability Highlights

Rs. Crore	Q1FY21	Q1FY20	YoY	FY20	FY19	YoY
Total Income	**193**	**180**	**7%**	**919**	**745**	**23%**
Raw Material Cost	152	128	19%	622	521	19%
Employee Cost	11	11	-	48	45	9%
Total Expenditure	12	14	-14%	91	72	25%
EBITDA	**18**	**27**	**-33%**	**158**	**107**	**48%**
Depreciation	4	4	-	18	18	-
PBIT	**14**	**23**	**-39%**	**140**	**89**	**57%**
Interest	13	14	-7%	48	35	36%
PB (Exceptional Item and Tax)	**0.38**	**9**	**-96%**	**92**	**54**	**70%**
Exceptional Item	-	-	-	16	-	-
Profit Before Tax	**0.38**	**9**	**-96%**	**108**	**54**	**100%**
Tax	0.17	3	-94%	25	20	25%
Profit After Tax	**0.21**	**6**	**-97%**	**83**	**34**	**143%**
EPS (Rs)	0.15	4.34	-97%	58.93	24.28	143%

Operational Highlights – Q1FY21

Sugar Segment Performance

	Segmental Revenues (Rs. lakhs)	PBIT (Rs. Lakhs)
Q1FY21	176	3
Q1FY20	164	14
FY20	86,230	9,540

	Sugarcane Crushed (lakh quintals)	Sugar Recovery (%)	Sugar Sold (Lakh quintals)	Average Realization (Rs. Per kg)
Q1FY21	13.25	11.36	4.96	32.09
Q1FY20	21.55	10.54	4.64	33.35
FY20	242.07	11.12	23.49	33.14

Sugar inventory as on 30th June 2020 was 20.48 lakh quintals valued @ average rate of Rs. 29.90 per kg

Distillery Segment Performance

	Segmental Revenues (Rs. In lakhs)	PBIT (Rs. lakhs)	
Q1FY21	2,302	1,087	
Q1FY20	1,748	832	
FY20	7,119	3,092	
	Total Alcohol Production (Lakh litres)	**Total Alcohol Sales (Lac litres)**	**Average Realization (Rs./litre)**
Q1FY21	32.43*	41.74*	52.09*
Q1FY20	45.01	38.67	43.46
FY20	170.83	151.12	44.57

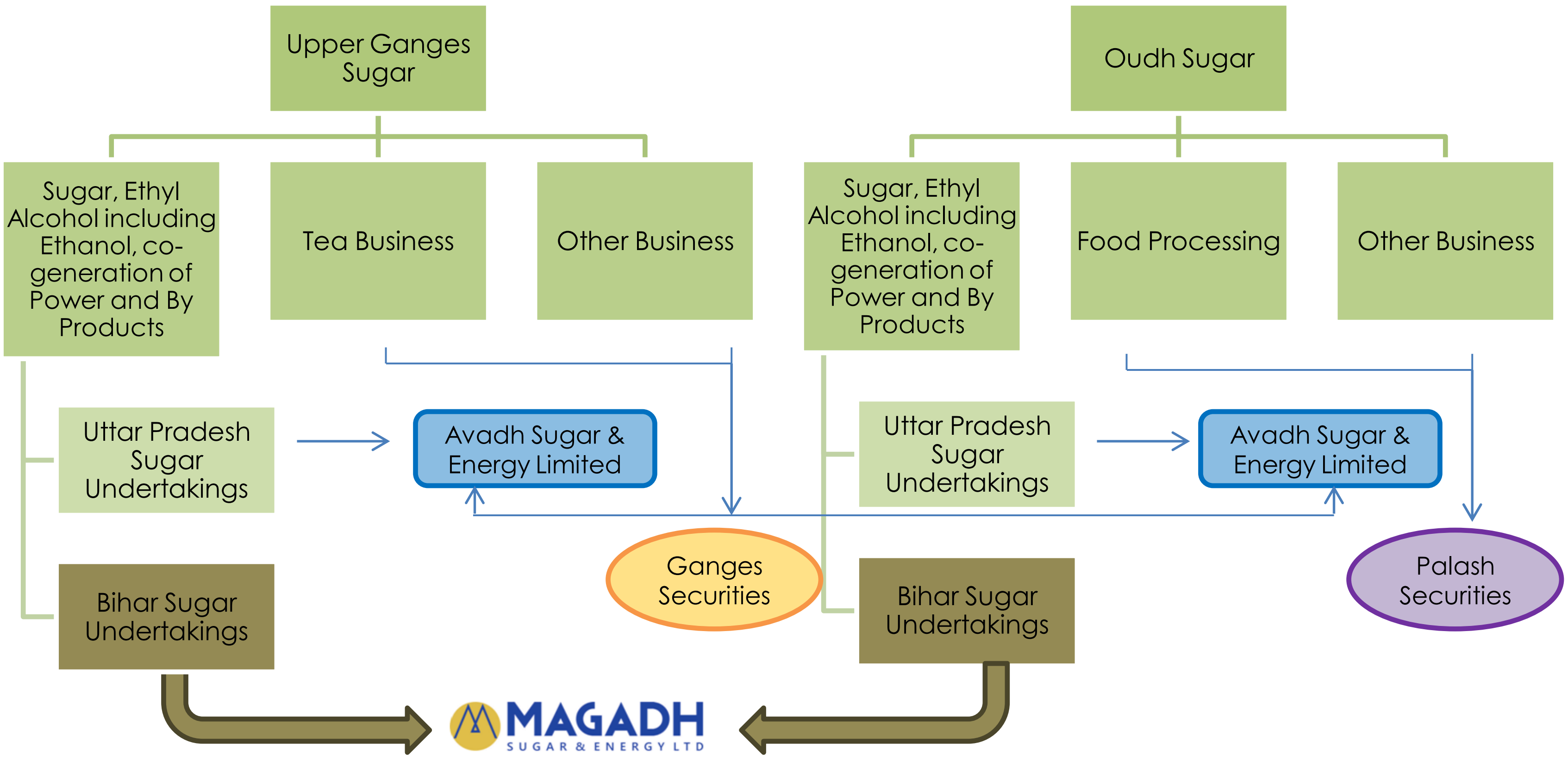
*including B heavy

Co-Generation Segment Performance

	Segmental Revenues (Rs. lakhs)	PBIT (Rs. lakhs)	
Q1FY21	582	106	
Q1FY20	1,385	366	
FY20	8,360	3,719	
	Power Generation (lakh units)	**Power Sales (Lakh units)**	**Average Realization (Rs. Per Unit)**
Q1FY21	71.20	43.78	5.86
Q1FY20	219.66	141.72	5.22
FY20	1,144.33	723.21	5.33

Company Overview

Background of Magadh Sugar & Energy Limited

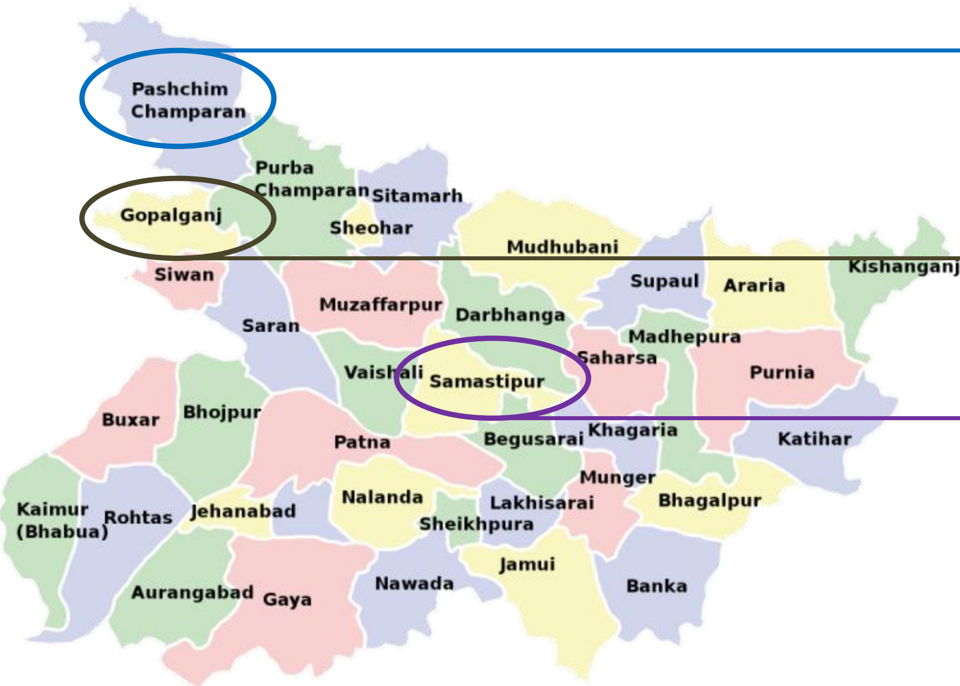


Company Overview

- **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**
Pashchim Champaran	New Swadeshi Sugar Mills	7,500 TCD
	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



New Swadeshi Sugar Mills - 7,500 TCD

New Swadeshi Distillery - 60 KLPD

New Swadeshi Co-generation -10 MW

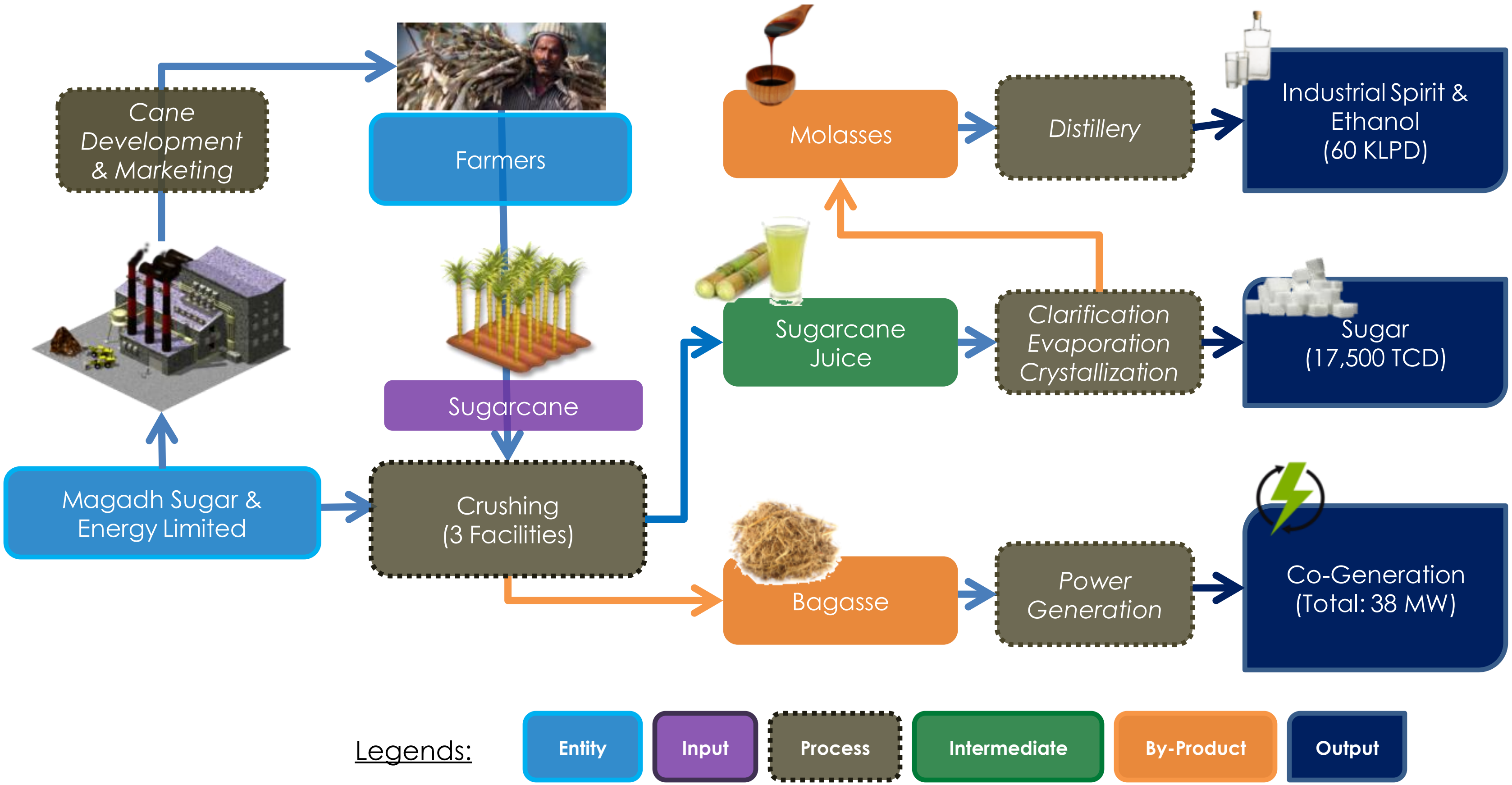
Bharat Sugar Mills – 5,000 TCD

Bharat Co-generation -18 MW

Hasanpur Sugar Mills – 5,000 TCD

Hasanpur Co-generation -10 MW

Integrated Business Model



Continuous innovation in business model

"Supported by strong farmer relationship since 1932"

Integrated operations

- Maximize value from every ton of cane crushed
- Liquor ban in Bihar enhanced ethanol business

Intra-plant synergies

- Economic sized operations driving cost efficiencies
- Close proximity maximizes by-product utilization

Setting up a molasses-based Distillery of 75 KLPD at "Sidhwalia"

Industry Overview

Sugar Industry Updates

New virus outbreak threatens sugar crops in Europe: A crop disease outbreak in Europe hits the sugar farmers. It is expected that this disease could cut sugar production by ~25% in France and even more in Germany if conditions don't improve

Sugar Production: India achieved sugar production of 27.02 mln tonnes so far in SS 19-20 and expected sugar production in SS 20-21 is 30.5 mln tonnes

Raw Sugar Price: Raw sugar prices hardened to 12.54 cents per pound for October 2020 delivery and is upto13.15 cents per pound for March 2021 delivery

MSP: The government has increased the minimum selling price (MSP) of sugar from Rs 31 per kg to Rs. 33 per kg wef 01.10.2020

Export: 5.2 mln tonnes has been exported for SS 2019-20 and is expected to be 5.8 mln tonnes by the end of SS 2019-20; export will continue to get benefits by Government of India resulting in stabilisation of inventory levels

Source: ISMA, ISO

Sugar Industry Updates

Task force recommendations of one time solutions to sugar sector woes:

Niti Ayog submitted its report recommending the following:

1. One time increase of MSP to unburden the mills
2. Capping of farmers land used for sugarcane at 85% of the total land
3. Cash incentive of Rs. 6,000 per hector to farmers for shift to other crops from sugarcane
4. Cess of Rs. 50 per quintal of Sugar
5. Revenue sharing formula with the price stabilisation fund to protect farmers
6. Implementation of scientific formula suggested by C. Rangarajan committee with slightly upward adjustment in sugarcane prices

Source: ISMA, ISO

Disclaimer

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Let’s Connect

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