

ASEL/SE/2017-18/38

7th November, 2017

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

Scrp Code - 11610

Dear Sirs/Madam,

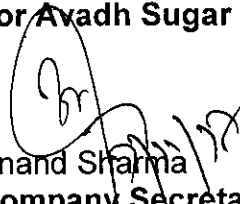
Subject: Disclosure of information pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find enclosed herewith a copy of the Investor Presentation with respect to the Q2 & H1 FY18 Financial Results for the year ended 30th September 2017 of the Company.

Please take the same on record.

Thanking you,

Yours faithfully,
For Avadh Sugar & Energy Limited



Anand Sharma
Company Secretary
FCS - 7305

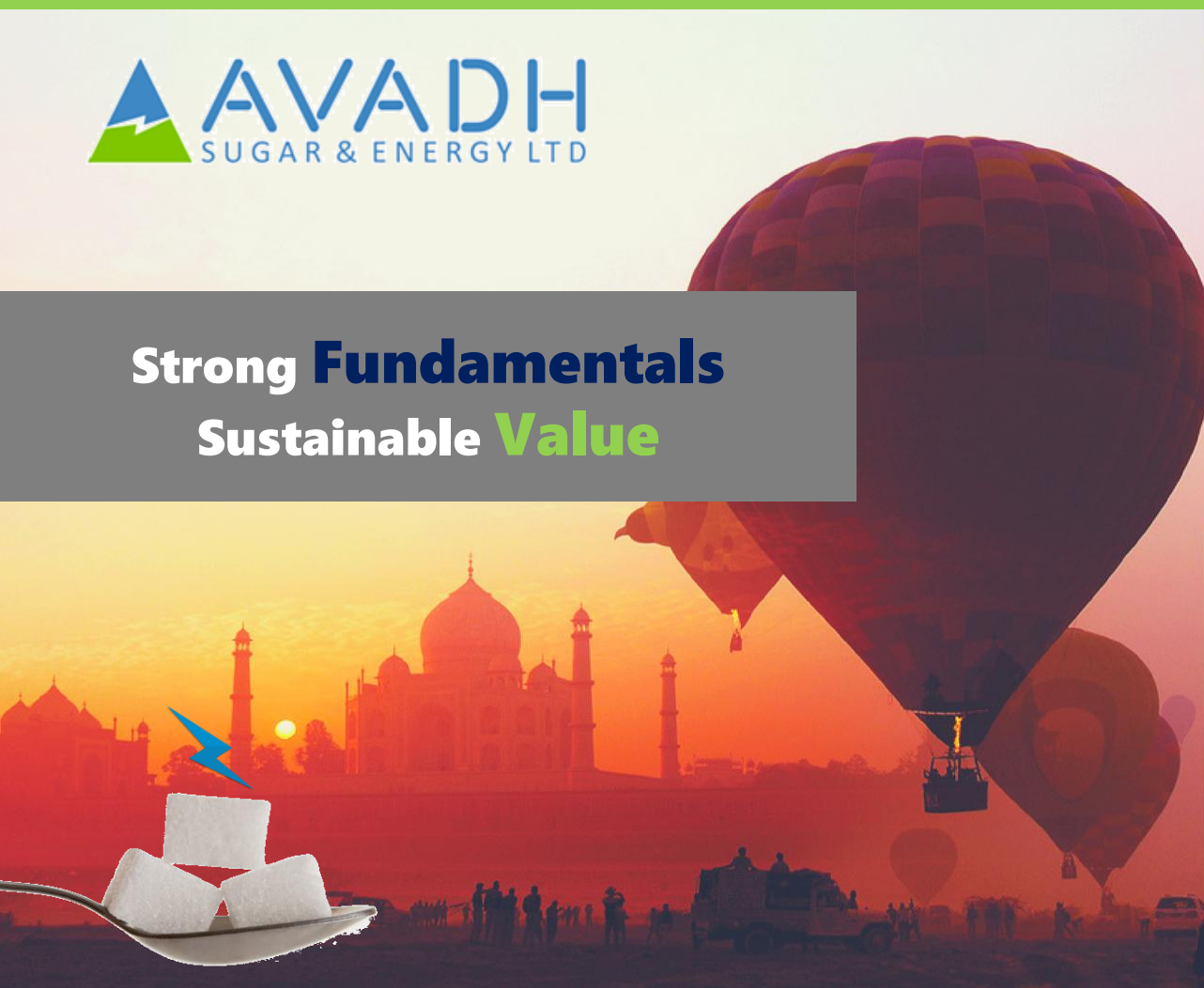
Encl : as above



K.K. BIRLA GROUP OF SUGAR COMPANIES



Strong Fundamentals
Sustainable Value



Agenda



Company Overview

Rationale for Business Re-arrangement scheme

Sugar – Industry Scenario

Strategy Going Forward

Q2 & H1 FY18 Financial Highlights

Company Overview

“Avadh Sugar & Energy Limited (ASEL) – K.K. Birla Group Company”



Patronage of Renowned K. K. Birla Group



Leadership of Mr. C.S. Nopany

Associated with Birla Sugar since 1993



Pioneer in Sugar Industry

Group is in Sugar Business since 1932



Wide experience in Commodity Business

K.K. Birla Group a major player in key industries like fertilizers, chemicals, textiles, shipping etc

The backbone of Avadh Sugar & Energy Limited

“Great **Experience** Builds remarkable **Organisation**”

Mrs Nandini Nopany
Chairperson

Mr C. S. Nopany
Co-Chairperson

Mr Anand Ashvin Dalal
Independent Director

Mr Sunil Kanoria
Independent Director

Mr Gaurav Swarup
Independent Director

Mr Kalpataru Tripathy
Independent Director

Mr Pradip Kumar Bishnoi
Independent Director

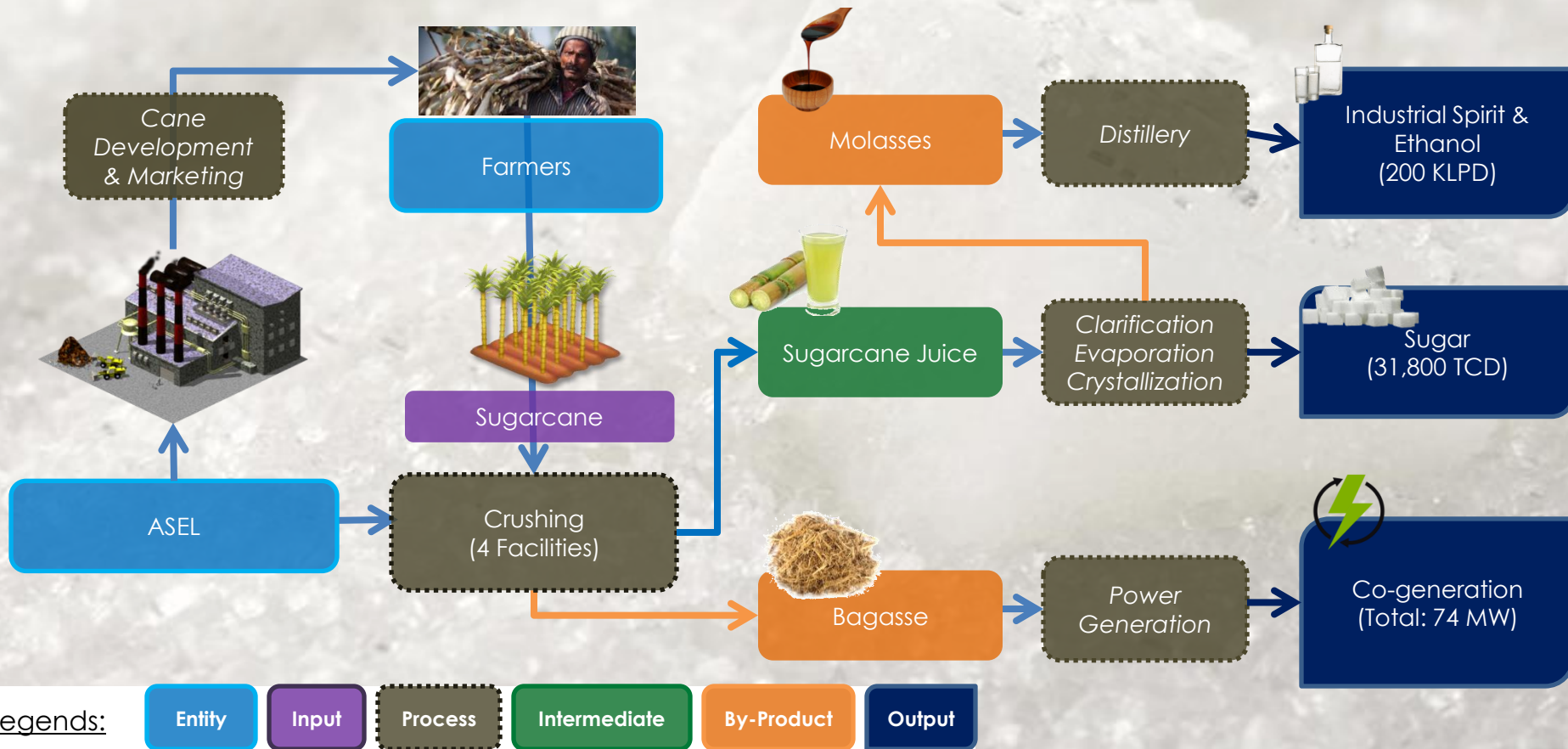
Mr Devendra Kumar Sharma
Wholetime Director

CA Dilip Patodia
President (F) & CFO

Mr. Chand Bihari Patodia
Group President

CS Anand Sharma
Company Secretary & VP (Legal)

An Integrated Sugar Company

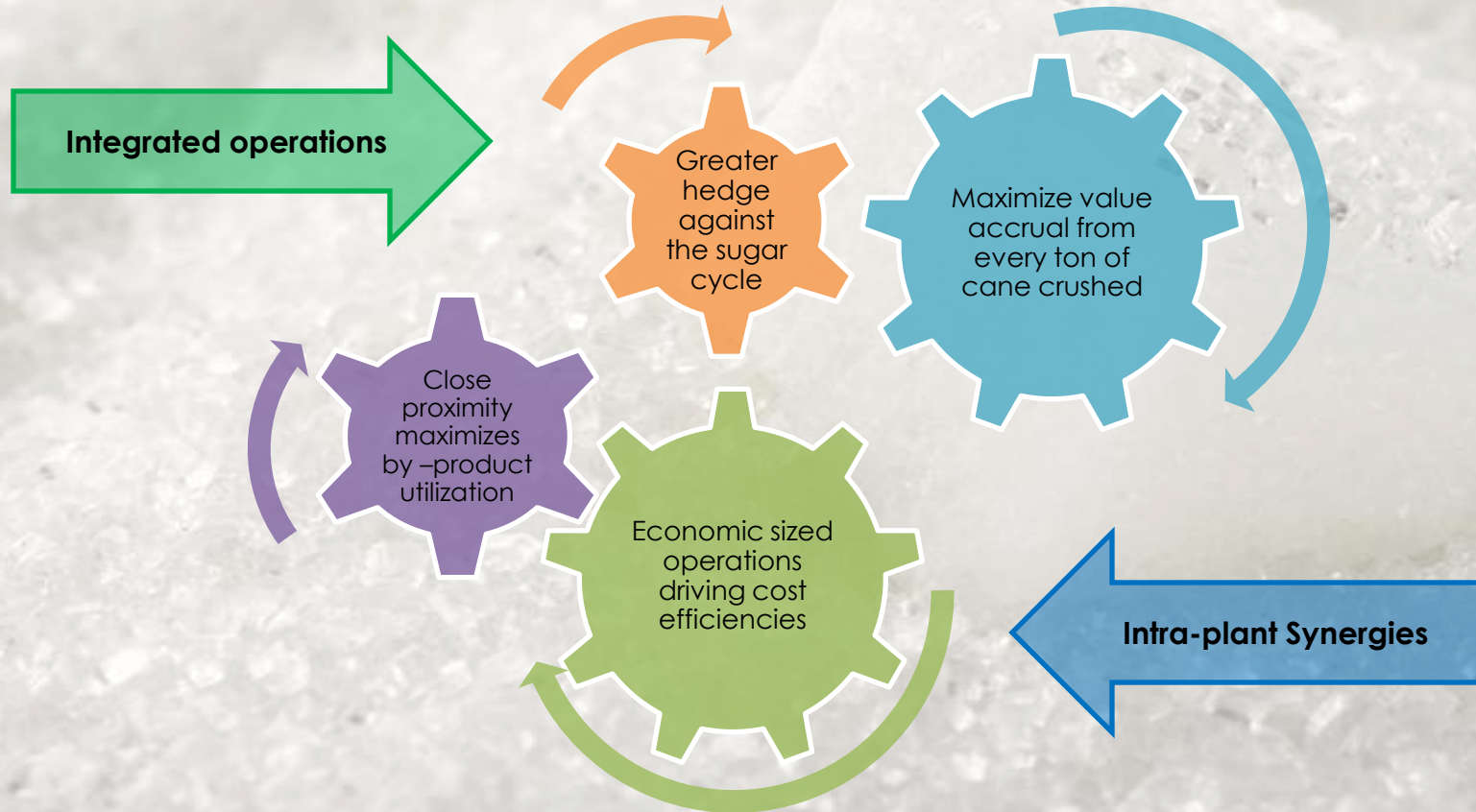


Strategically Located in Leading Sugar Producing State – Uttar Pradesh

Total Sugar Production 31,800 TCD		Total Ethanol Production 200 KLPD		Total Power Co-Generation 74 MW	
Avadh Sugar & Energy Limited					
Type	Plant (Uttar Pradesh)	Crushing			
Sugar Mills	Hargaon Sugar Mills	10,000 tonnes of sugarcane per day			
	Rosa Sugar Works	4,800 tonnes of sugarcane per day			
	New India Sugar Mills	7,000 tonnes of sugarcane per day			
	Seohara Sugar Mills	10,000 tonnes of sugarcane per day			
Distilleries	Hargaon Distillery	100 KLPD of Industrial Alcohol/Ethanol			
	Seohara Distillery	100 KLPD of Industrial Alcohol/Ethanol			
Co-Generation Power Plants	Hargaon Power	15 MW Power			
	Hata Power	35 MW Power			
	Seohara Power	24 MW Power			

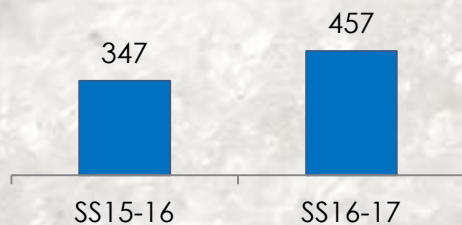


Continuous efforts to Improve efficiency

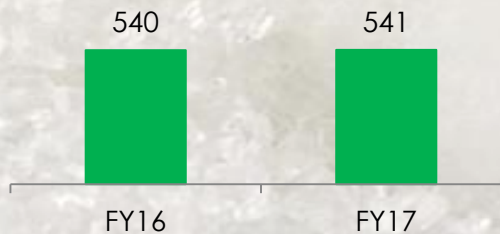


Operations at best efficiencies

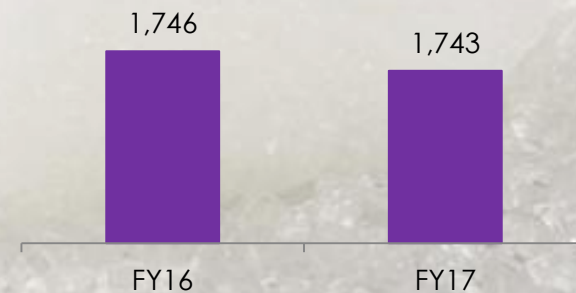
Cane Crushed



Alcohol/Ethanol Produced
(lakh Ltr)



Power Generated (Lakh units)



Rationale to scheme

“To enhance operational, managerial, financial and technological synergy”



Scheme – to achieve better efficiencies & commercial synergies

Establish independent companies for

- Uttar Pradesh Sugar & Bihar Sugar geographically
- Food Processing and other Undertaking
- Tea Undertaking and other Undertakings

Concentrated efforts and focus by the senior management on each business

- Each of the business undertakings have variant capital needs and require a distinct skill set
- Sugar Business is a highly capital intensive business with high risk and rewards
- Capital requirements are low in Food Processing Business and Tea Business along with low risk to rewards ratio
- Each of the Businesses have their respective set of assets, liabilities and employees

Consolidation of Sugar Business to achieve better efficiencies and commercial synergies

- Dynamics of sugar industry in Bihar and UP are vastly different
- Thus consolidation of Sugar Business undertakings of Bihar and UP in separate legal entities is intended to achieve better efficiencies and commercial synergies

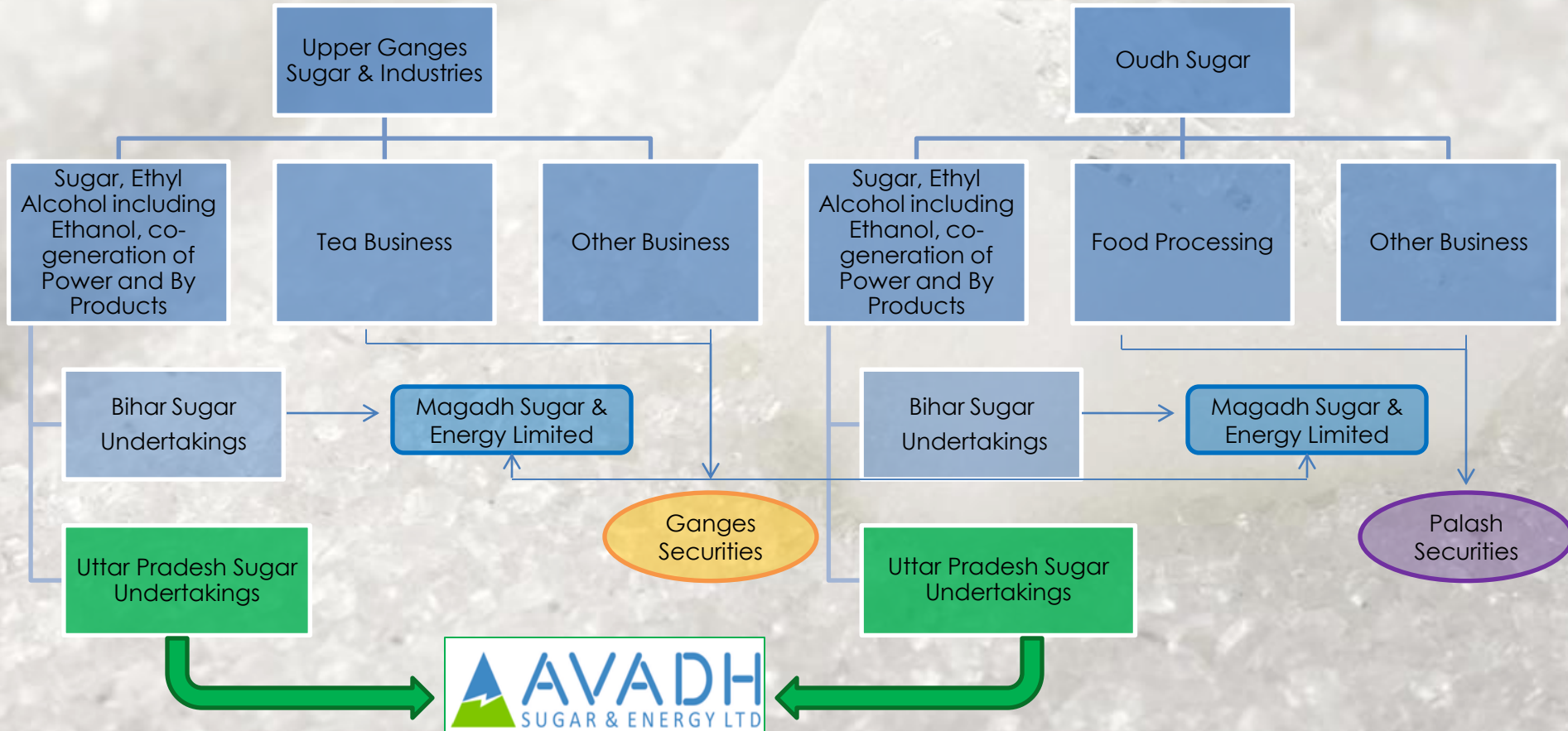
Explore the potential of Food Processing and Tea business

- Food Processing Business and Tea Business has good growth potential
- With a view to explore the potential of these businesses to fullest
- Provide focused leadership and management attention
- Explore possibility of monetization of these businesses

Business re-alignment to create enhanced value for all stakeholders

- Facilitate focused strategy, direction and business planning to optimize operational, managerial, financial, technical and marketing capabilities of each business
- Optimization of resources and reduction of the operational costs

Formation of Avadh Sugar & Energy Limited (ASEL)



Sugar - Industry Scenario

“Our Efforts & Industry Support leads us to achieve our Goals”



Normal rainfall & better yield likely to boost Production

Positive outlook of Sugar Production



Estimated Sugar Production

SS2016-17
20.3 Mn



SS2017-18E
25.1 Mn

No shortage in domestic requirements
(production equal to consumption)



Estimated Sugar Surplus in UP to cater demand of other deficit states

Stable Sugar Outlook
2017 - 2018

- Sugar availability adequate for domestic requirement
- No need to supplement with imports
- Stable Sugar Prices

Domestic Sugar Industry Production Estimates

Total Domestic Sugar Production **25.1 Mn tons** estimation June,2017 (SS 2017-2018)



U.P. to produce 9.9 Mn tones of sugar in SS 2017-18 against 8.7 Mn



Maharashtra to produce 7.4 Mn tones of sugar in SS 2017-18 against 4.4 Mn



Karnataka to produce 2.5 Mn tones of sugar in SS 2017-18 against 2.1 Mn

Sugar cultivation in India at glance



Sugar Co's operate ~160/180 days between Nov to April

Domestic Sugar Balance

	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018E#
Opening Stock	7.6	8.2	6.5	8.8	7.7	4.0
Production	25.1	24.3	28.3	25.1	20.3	25.1
Increase in Production	-4.56%	-3.19%	16.46%	-11.31%	-19.21%	23.65%
Internal Consumption	23.0	24.0	24.8	24.6	23.8	25.0
Closing Stock – net of exports/imports	8.2	6.5	8.8	7.7	4.0	4.1
FRP	170	210	220	230	230	255
SAP (UP)	280	280*	280*	280	305	315

Source: ISMA *incentives declared by Govt of UP # company estimates

Strategy Going Forward

“Loyalty & Dedication for growth comes with prominent strategy to achieve it”



Moving Ahead the Curve

Current Scenario

Sugar Business – TCD 31,800



Strategy Going Forward

Increase in yield per Acre

Educating farmers on best farming practices

Varietal improvement of Cane

De-bottlenecking to enhance crushing capacity

Capex of ~Rs. 20-30 crores

Co-Generation – MW 74



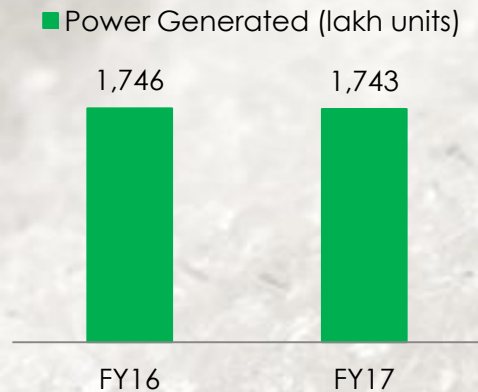
Focus on **continuous energy efficiency**

Capex of ~Rs. 25-30 crores for further energy efficiency

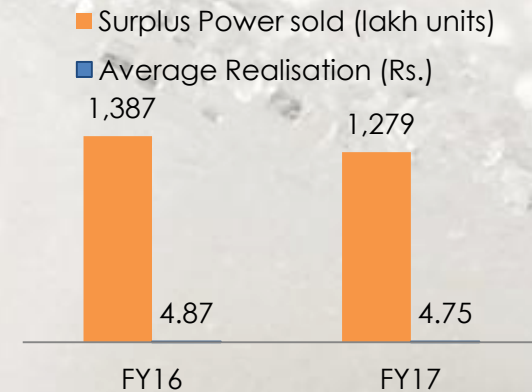
(Exportable Surplus ~50 MW)

Energy efficiency measure and de-bottlenecking

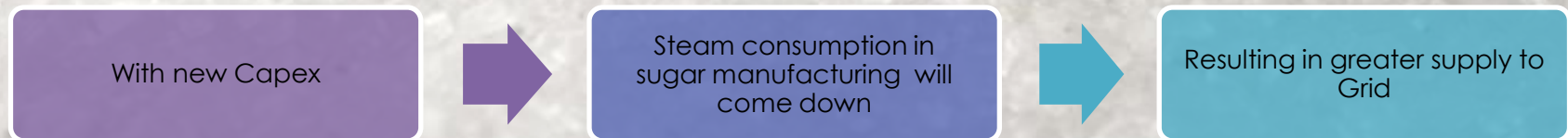
Consistent increase in Power Generation helps operational efficiency



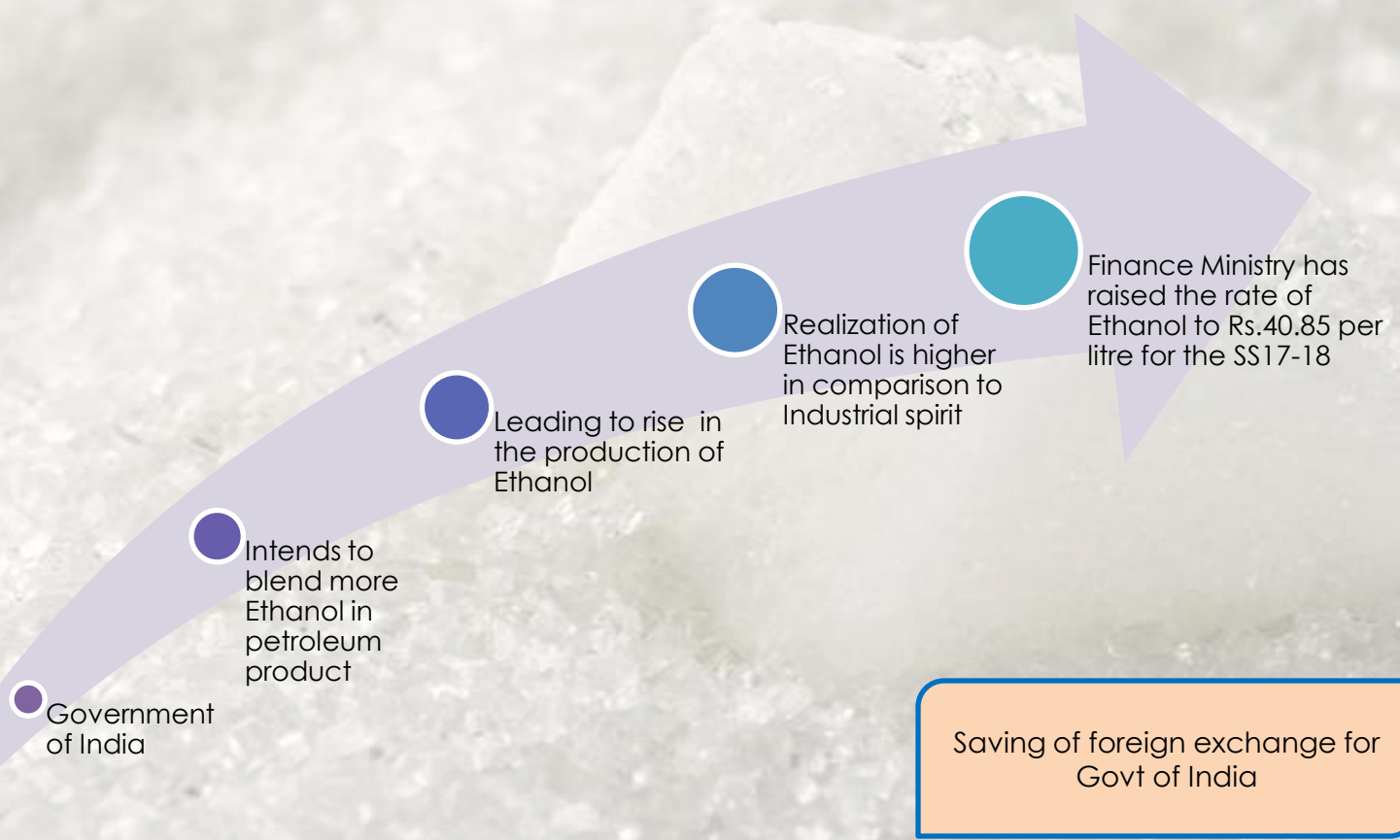
Surplus power is sold to grid



Capex of ~Rs. 25-30 crores for energy efficiency

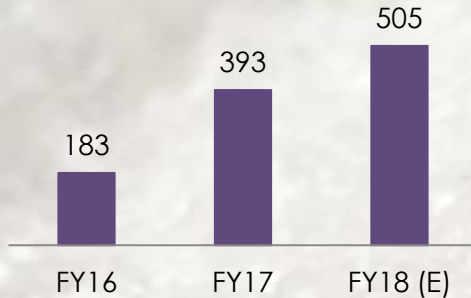


Ethanol production to enhance profitability

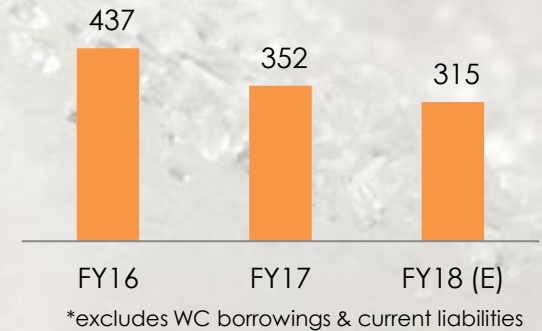


Efforts to strengthen the Financial Parameters

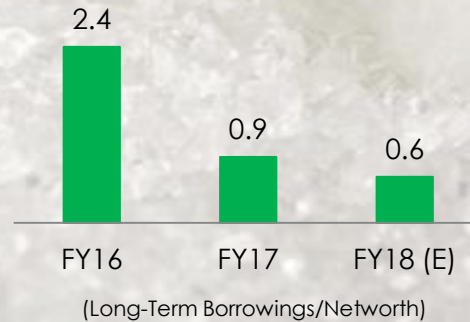
Networth (Rs. Crore)



Total Long-term Borrowings (Rs. Crore)



Reduction in Long-term Debt to Equity (x)



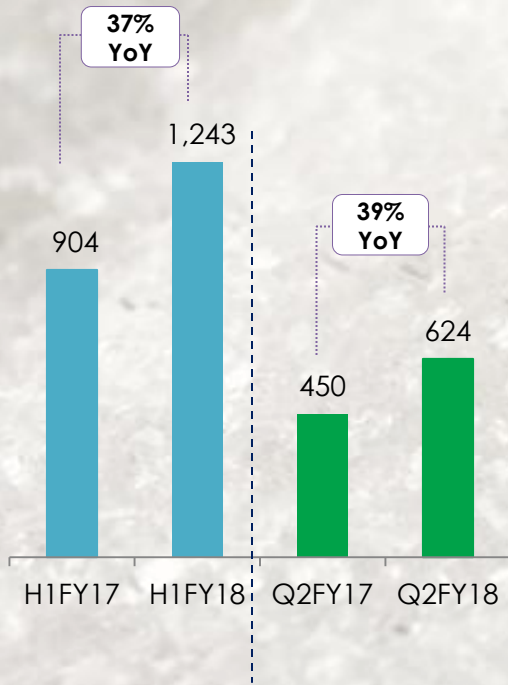
Q2 & H1 FY18 Financial Highlights

“Financial numbers are the reflection of the efforts”

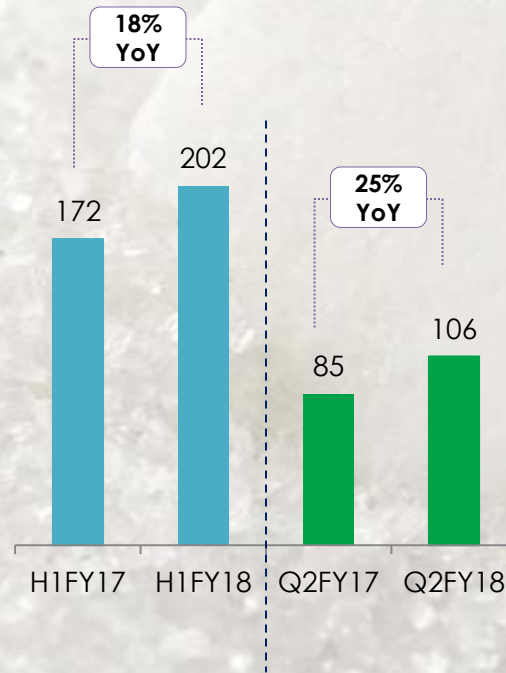


Q2 & H1FY18 Result Highlights

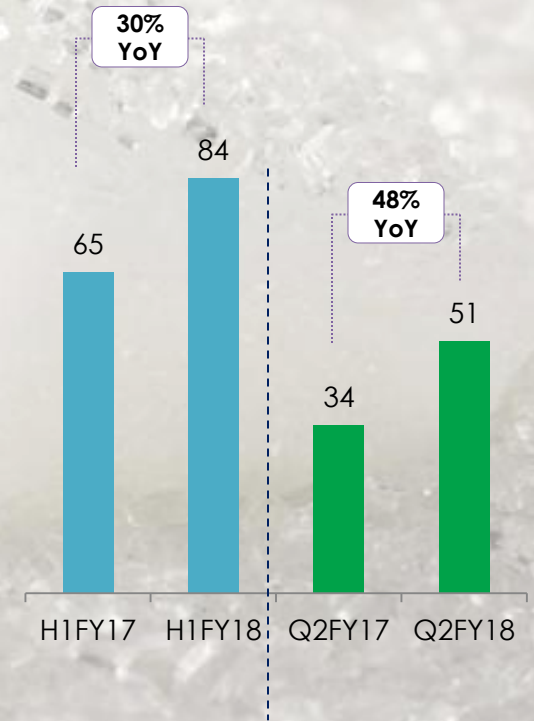
Total Income (Rs. Cr)



EBITDA (Rs. Cr)



PAT (Rs. Cr)



Profitability Highlights

Rs. Crore	Q2FY18	Q2FY17	YoY	H1FY18	H1FY17	YoY	FY17
Total Income	624	450	38.7%	1,243	904	37.4%	1,875
Raw Material Cost	466	298		906	612		1,229
Employee Cost	16	22		32	35		79
Other Cost	36	45		103	86		139
EBITDA	106	85	24.7%	202	172	17.7%	428
EBIDTA margin (%)	17.1%	19.0%		16.3%	19.0%		22.8%
Depreciation	11	12		22	23		46
Interest	30	32		71	70		130
Profit Before Tax	65	41	56.7%	109	79	38.3%	252
Tax	14	7		24	14		43
Profit After Tax	51	34	48.2%	84	65	30.3%	209
PAT Margin (%)	8.1%	7.6%		6.8%	7.2%		11.2%
EPS (Rs)	50.61	34.14		84.40	64.77		202

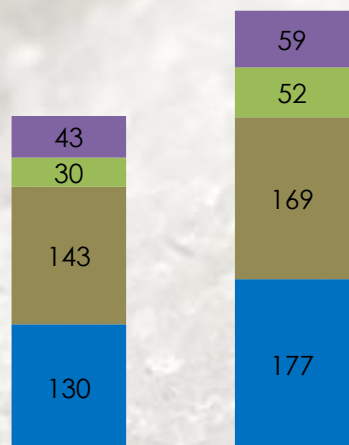
Balance Sheet Highlights

Rs. in Cr	Sep – 17	Mar – 17
Non-current assets	1,022	990
Fixed assets	994	989
Financial Assets	24	0
Other Non Current assets	4	1
Current assets	401	1,235
Inventories	306	1,103
Trade receivables	57	65
Cash and bank balances	4	31
Other current assets	34	36
Total Assets	1,423	2,225

Rs. in Cr	Sep – 17	Mar-17
Shareholder's Fund	398	327
Share capital	10	10
Reserves & Surplus	388	317
Non-current liabilities	282	313
Long term borrowings	277	308
Other non-current liabilities	5	4
Current liabilities	744	1,585
Short term borrowings	467	913
Trade Payables	25	217
Other current liabilities	252	455
Total Liabilities	1,423	2,225

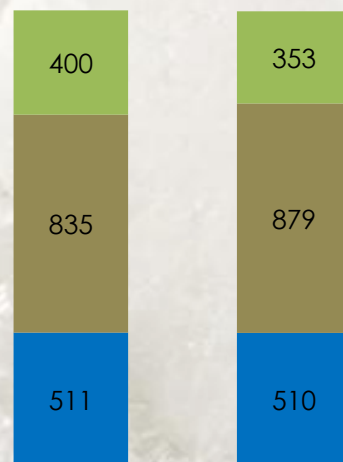
Operational Highlights Plant Wise

Sugar Cane Crushing (Lakh Qtls)



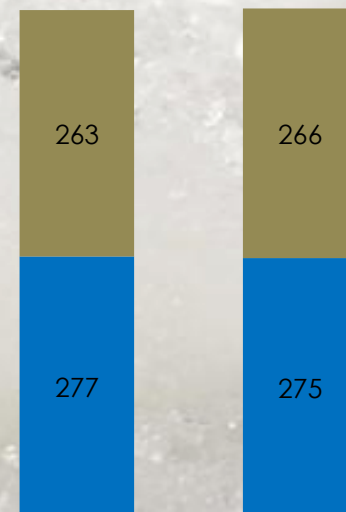
	SS16	SS17
■ Hata	43	59
■ Rosa	30	52
■ Seohara	143	169
■ Hargaon	130	177
Total	346	457

Co-Generation (Lakh Units)



	FY16	FY17
■ Hata	400	353
■ Seohara	835	879
■ Hargaon	511	510
Total	1,746	1,742

Distillery (Lakh Litres)



	FY16	FY17
■ Seohara	263	266
■ Hargaon	277	275
Total	540	541

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Lets Connect



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