

AVADH/SE/2019-20/46

August 16, 2019

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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find enclosed herewith a copy of the Investor Presentation with respect to the Financial Highlights of the quarter ended 30<sup>th</sup> June, 2019 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



## Avadh Sugar & Energy Limited

*Experience ! Expertise ! Excellence*

**Investor Presentation | August 2019**

# Agenda

Q1 FY20 Highlights

Key Industry Developments

Key Growth Drivers

# Q1 FY20 Financial Highlights



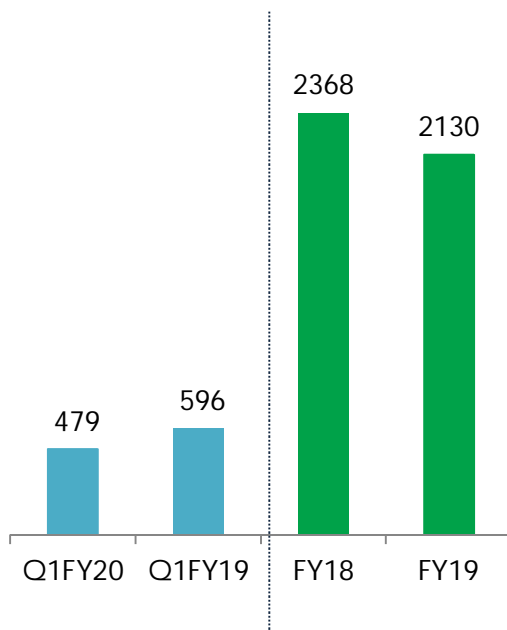
## Key Business Updates – Q1 FY20

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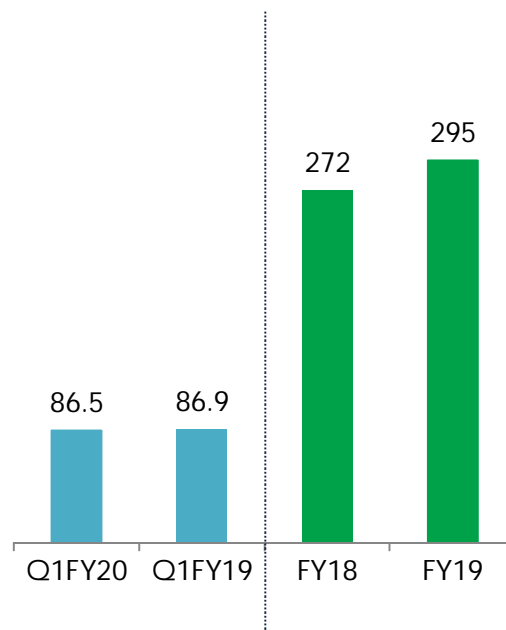
- Sugar Stock as on **30<sup>th</sup> June 2019**, **50.54 lakh quintals** against **31.69 lakh in 30<sup>th</sup> June 2018**
- Average realization in **Q1FY20 Rs. 3,246 per quintal**; **Q1FY19 Rs. 2,766 per quintal**
- Crushing during **Q1FY20 141.32 Lac Quintal** compared to **137.65 in Q1FY19**; up by **2.7%**
- Average recovery during the **Sugar Season 2018-19 11.92%**

# Q1FY20 Result Highlights

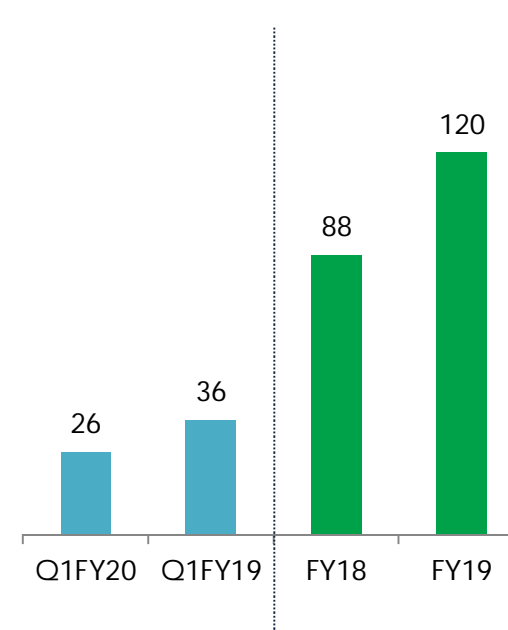
Revenue (Rs. Cr)



EBITDA (Rs. Cr)



PAT (Rs. Cr)



# Profitability Highlights

Rs. Crore	Q1FY20	Q1FY19	FY19	FY18
<b>Total Income</b>	<b>478.6</b>	<b>596.1</b>	<b>2,133.7</b>	<b>2,372.6</b>
Total Expenditure	392.1	509.2	1,838.7	2,099.6
<b>EBITDA</b>	<b>86.5</b>	<b>86.9</b>	<b>294.9</b>	<b>273.0</b>
<b>EBITDA margin (%)</b>	<b>18.1%</b>	<b>14.6%</b>	<b>13.8%</b>	<b>11.5%</b>
Depreciation	11.0	10.9	43.7	44.5
<b>PBDT</b>	<b>75.5</b>	<b>76.0</b>	<b>198.0</b>	<b>158.7</b>
Interest	34.2	29.5	96.9	114.3
<b>Profit Before Tax</b>	<b>41.3</b>	<b>46.6</b>	<b>154.4</b>	<b>114.2</b>
Tax	14.9	10.3	34.5	26.1
<b>Profit After Tax</b>	<b>26.4</b>	<b>36.3</b>	<b>119.9</b>	<b>88.2</b>
<b>PAT Margin (%)</b>	<b>5.5%</b>	<b>6.1%</b>	<b>5.6%</b>	<b>3.7%</b>
EPS (Rs)	13.2	18.1	119.8	88.1

# Q1FY20 Segmental Highlights





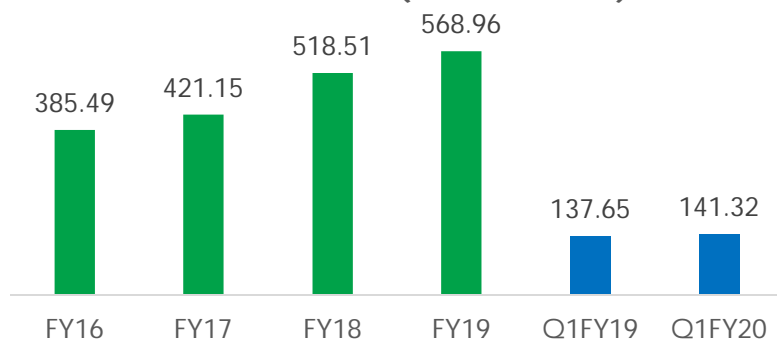
# Sugar Segment Performance

	Segmental Revenues (Rs. Lakh)	PBIT (Rs. Lakh)		
Q1FY20	43,733	2,851		
Q1FY19	54,125	3,442		
FY19	1,91,228	6,801		
FY18	2,24,496	14,255		
	Sugarcane Crushed (lakh quintals)	Sugar Recovery (%)	Sugar Sold (Lakh quintals)	Average Realization (Rs. Per kg)
Q1FY20	141.32	11.72	11.42	3,246
Q1FY19	137.65	11.19	17.65	2,766
FY19	56,895	11.81	55.65	3,002
FY18	51,851	11.3	56.11	3,551

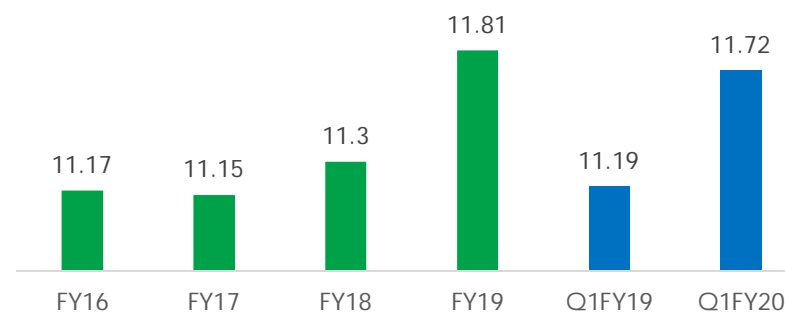
Sugar inventory as on 30<sup>th</sup> June 2019 was 50.54 lakh quintals valued @ average rate of Rs. 29.35 per kg

# Sugar Segment Performance

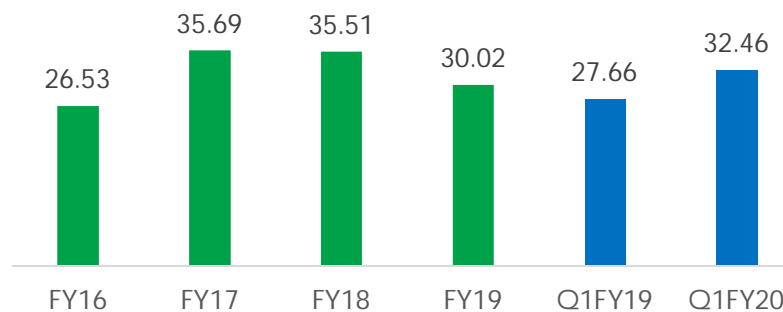
Cane Crushed (Lakh Quintals)



Sugar Recovery (%)



Average Realization (Per Kg)



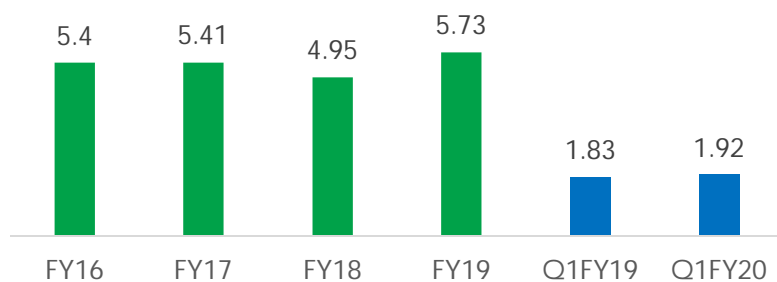
# Distillery Segment Performance

	Segmental Revenues (Rs. Lakh)	PBIT (Rs. Lakh)		
Q1FY20	6,499	3,613		
Q1FY19	6,259	3,131		
FY19	25,445	14,214		
FY18	19,460	5,716		
	Total Alcohol Production (Lakh litres)	Total Alcohol Sales (Lakh litres)	Average Realization of Ethanol (Rs./litre)	
Q1FY20	191.59	149.45	43.60	
Q1FY19	182.55	157.10	40.85	
FY19	573	617	41.91	
FY18	495	484	39.67	

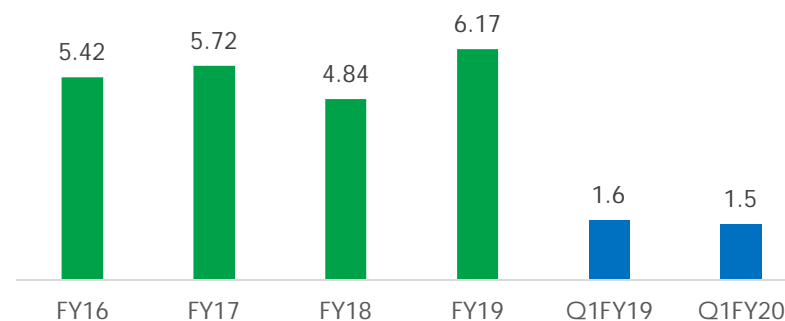
*Total Alcohol includes ethanol*

# Distillery Segment Performance

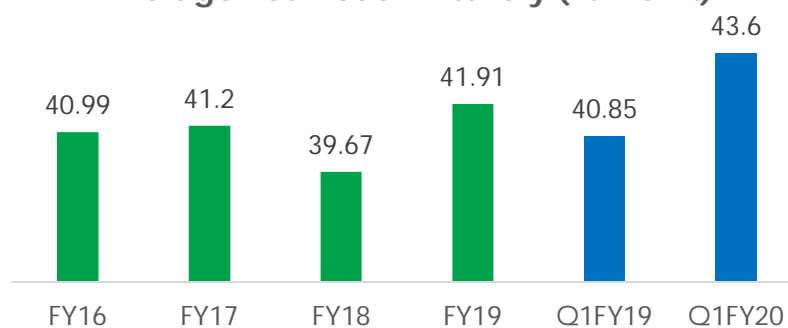
Production (crore liters)



Sales (crore liters)



Average Realization Distillery (Rs. Per Lt)



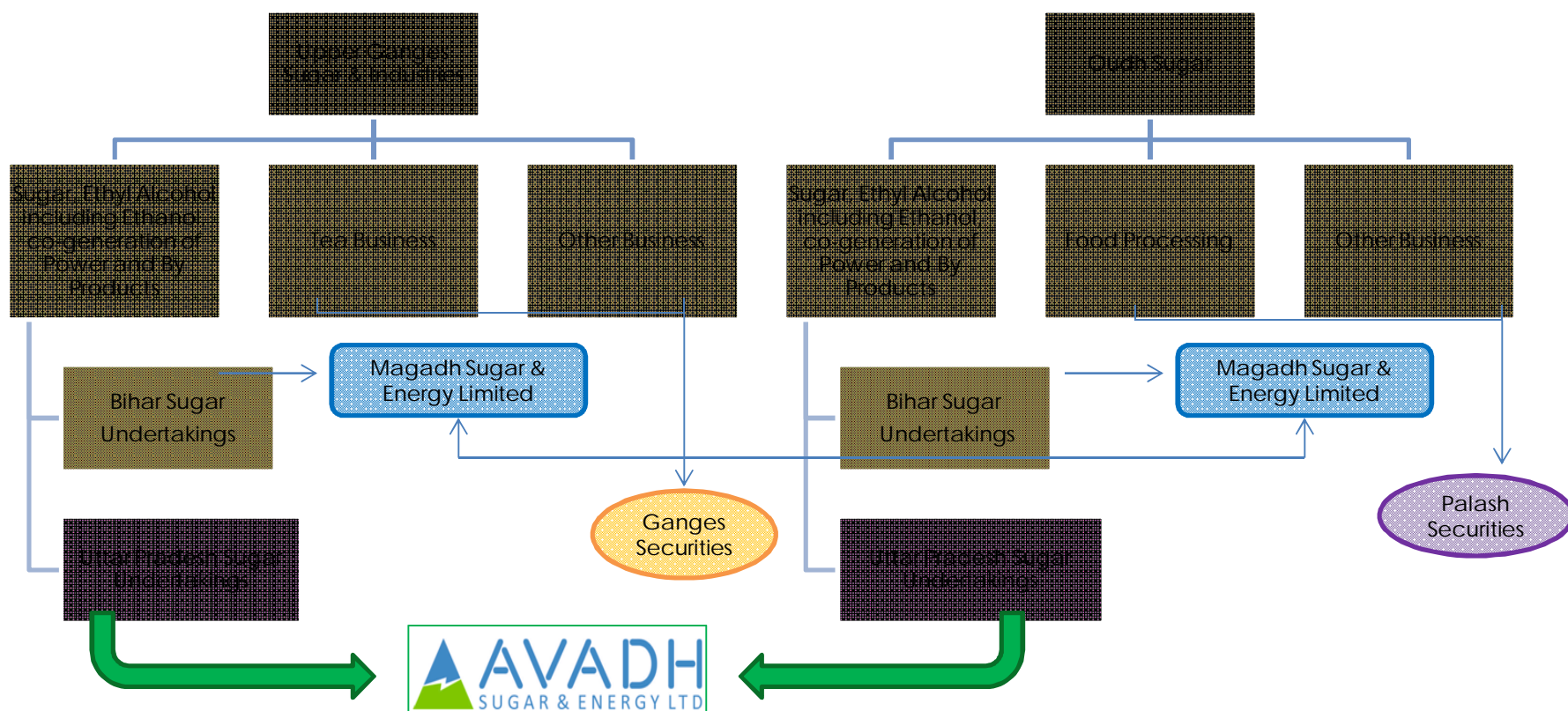
## Co-Generation Segment Performance

	Segmental Revenues (Rs. Lakh)	PBIT (Rs. Lakh)		
Q1FY20	5621	1575		
Q1FY19	4986	1272		
FY19	19,486	5,460		
FY18	16,000	3,998		
	Power Generation (lakh units)	Power Sales (Lakh units)	Average Realization (Rs. Per Unit)	
Q1FY20	666.65	515.30	5	
Q1FY19	639.36	478.30	5	
FY19	2,399	1,903	5.01	
FY18	2,193	1,712	4.8	

# Company Overview



# Avadh Sugar & Energy Limited (ASEL) - Demerger



# ASEL – Company Overview



**Incorporated in 1932 (Group in Sugar Business over 8 decades)**, consequent upon various schemes of merger and demerger this company formed in 2015



**Integrated sugar player** dealing in **Sugar, Spirits & Ethanol, Cogeneration** and other byproducts



**Four sugar mills at Uttar Pradesh** - Combined crushing capacity of **31,800 TCD**



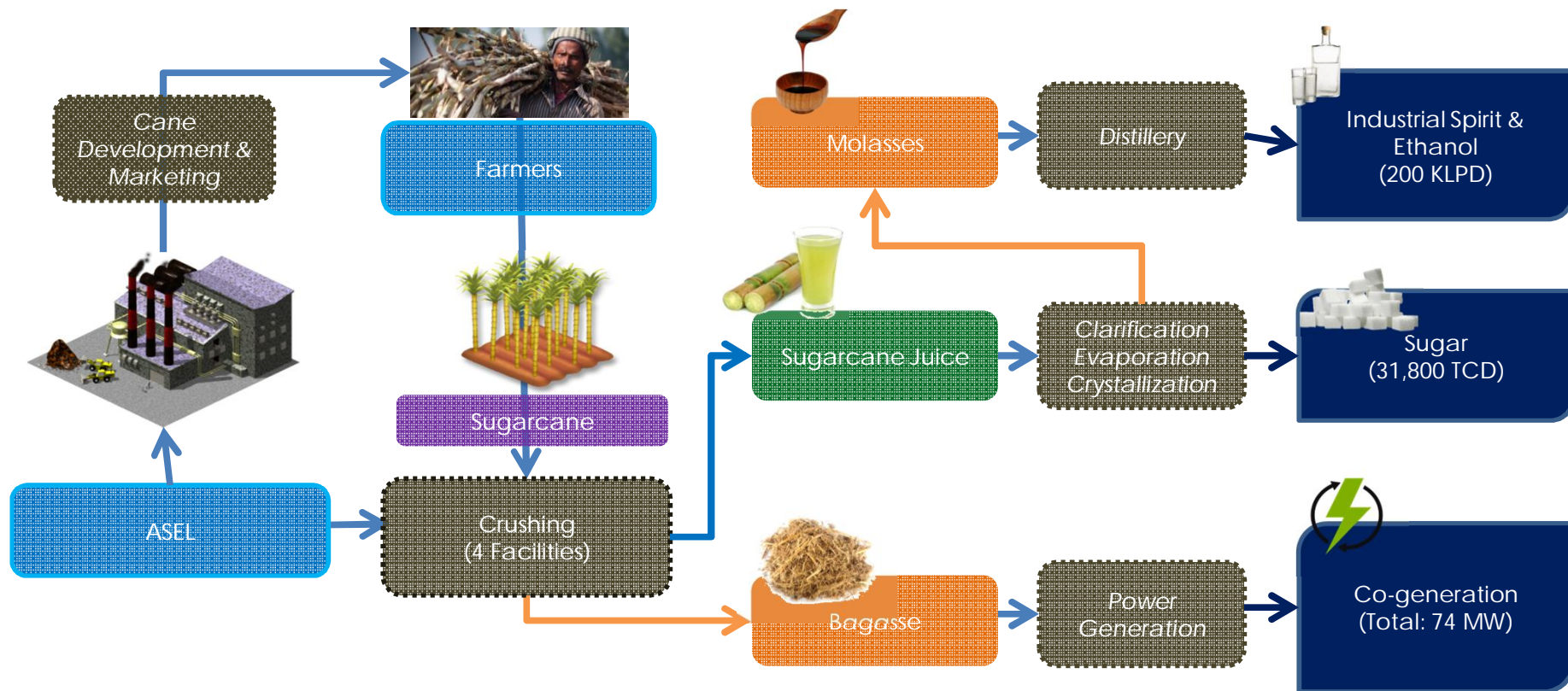
**Two distilleries** with a total capacity of **200 KLPD** to be further expanded to **250 KLPD** in 2019 and **Cogeneration** facilities with capacity of **74 MW**



**Strategically located** in Uttar Pradesh - **Major state** in manufacturing for sugar **Best recovery pan India**



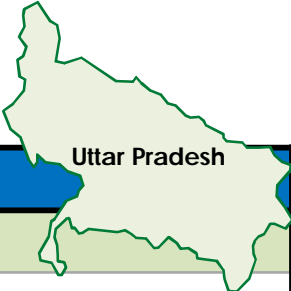
# Production Chain



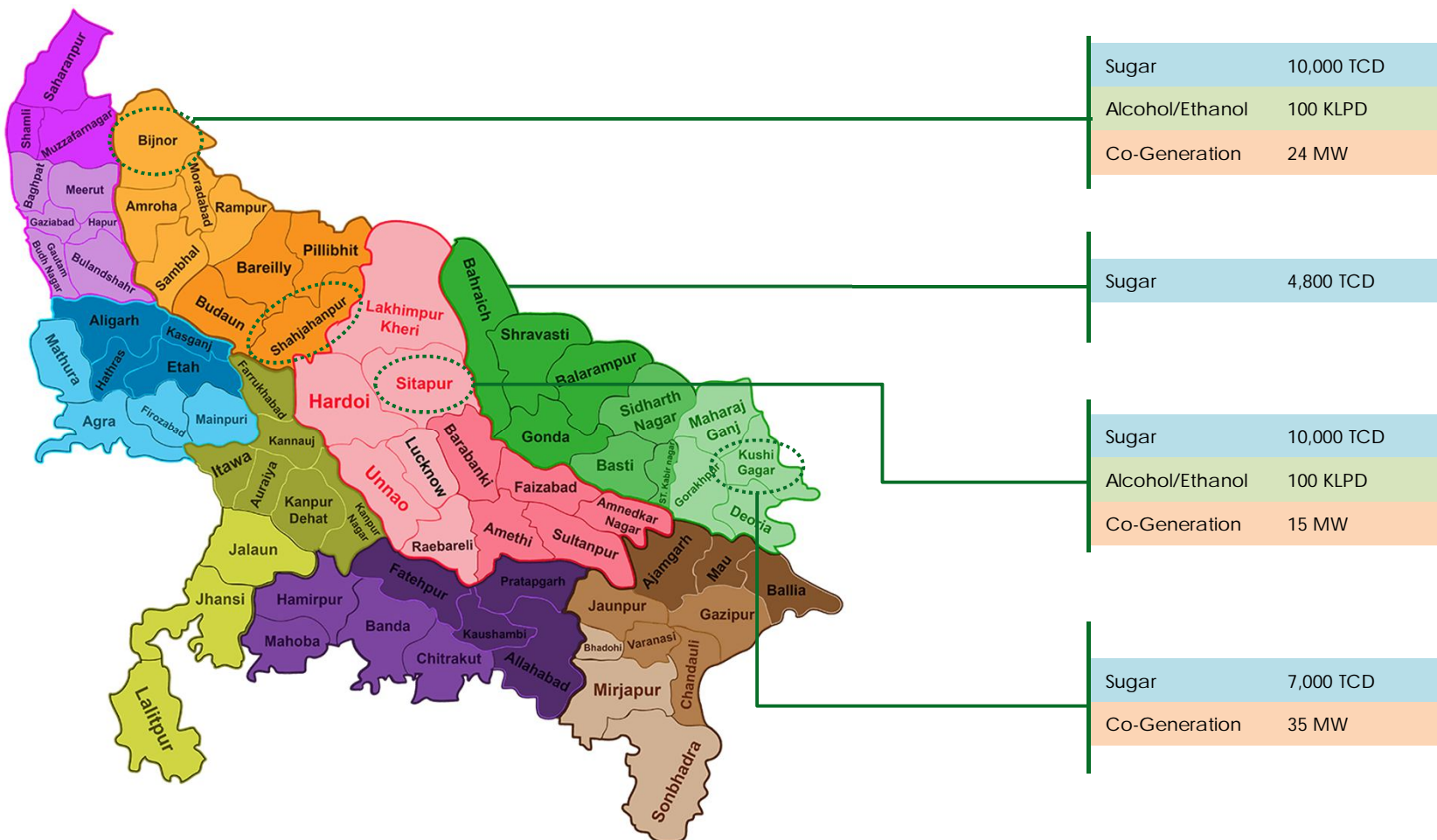
Legends:



# ASEL - Capacities

<b>Total Sugar Production</b> 31,800 TCD	<b>Total Ethanol Production</b> 200 KLPD	<b>Total Power Co-Generation</b> 74 MW	 Uttar Pradesh
<b>Avadh Sugar &amp; Energy Limited</b>			
Type	Plant (Uttar Pradesh)	Crushing	
<b>Sugar Mills</b>	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	
<b>Distilleries</b>	Hargaon Distillery	100 KLPD of Industrial Alcohol/Ethanol	
	Seohara Distillery	100 KLPD of Industrial Alcohol/Ethanol	
<b>Co-Generation Power Plants</b>	Hargaon Power	15 MW Power	
	Hata Power	35 MW Power	
	Seohara Power	24 MW Power	

# Geographical Presence of Capacities



# Key Managerial Personal

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

**Mrs Nandini Nopany**  
Chairperson

**Mr C. S. Nopany**  
Co-Chairperson

**Mr Anand Ashvin Dalal**  
Independent Director

**Mrs Kausalya Madhavan**  
Non- Executive  
Independent Director

**Mr Gaurav Swarup**  
Independent Director

**Mr Kalpataru Tripathy**  
Independent Director

**Mr Pradip Kumar Bishnoi**  
Independent Director

**Mr Devendra Kumar  
Sharma**  
Wholetime Director

**Mr. Chand Bihari  
Patodia**  
Group President

**CA Dilip Patodia**  
President (F) & CFO

**CS Anand Sharma**  
Company Secretary &  
VP (Legal)

## Key Industry Developments



# Key Industry Updates

As per ISMA total sugar production in India hit **32.9 Million Tones** as on 30<sup>th</sup> June, 2019 compared to 32.2 million tonnes SS 2018/17

Centre revised Sugar Minimum Selling price **to Rs 31 per kg** (overall Rs. 2 increase), **a major step** towards sugar industry by government

Govt announced an **additional soft loan of Rs. 12,900 crore** for sugar mills to create ethanol capacity under a recently launched scheme

Buffer Stock of 4 MT announced vide Notification dated 01.08.2019. Assistance in the form of Interest for one year.

ISMA claimed - first time in history of Indian sugar industry, sugar mills have offered to **supply ~ 51 crore litre of ethanol produced from B heavy molasses & sugarcane juice**

- **MIEQ expected for SS 19-20**
- **Global deficit estimates at 5.5 MT**
- **India's production projects at 28.2 MT for SS 2019-20**

# Sugar industry – production and consumption

## Domestic Sugar Balance

	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019 #Est
Opening Stock	7.6	8.2	6.5	8.8	7.7	3.96	10.72
Production	25.1	24.3	28.3	25.1	20.3	32.47	33.0
Increase in Production	-4.56%	-3.19%	16.46%	-11.31%	-19.21%	59.95%	1.63%
Internal Consumption	23.0	24.0	24.8	24.6	23.8	25.75	26.00
Closing Stock – net of exports/imports	8.2	6.5	8.8	7.7	4.0	10.72	14.2
FRP	170	210	220	230	230	255	275
SAP (UP)	280	280*	280*	280	305	315	315 **

Source: ISMA \*incentives declared by Govt of UP # company estimates \*\* no increase in cane prices

## Key Growth Drivers





# Balance Sheet De-leveraging

## Focus on Balance Sheet Deleveraging

Long Term and Medium Term ratings of the Company stands at BBB+ assigned by CARE

The Company repaid long term loans of Rs18 crores during Q1FY20

Long term loans stood at Rs 806 crores as on 30<sup>th</sup> June, 2019, incl Soft Loan of Rs 478 crores @ 2.60% to 5 %

Total inventory as on June 30<sup>th</sup>, 2019, stands at Rs 1,593 crores (at Cost)

The Company has obligations to re-pay Long term loans of Rs 98 crores in Financial Year 19-20

# Capitalizing Ethanol opportunity



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## Let's Connect



Mr. Dilip Patodia  
[dilip.patodia@birla-sugar.com](mailto:dilip.patodia@birla-sugar.com)  
9/1,R.N. Mukherjee Road, Kolkata



Mr. Vikash Verma / Mr. Abhishek Bhatt  
[vikash.verma@stellar-ir.com](mailto:vikash.verma@stellar-ir.com) [abhishek@stellar-ir.com](mailto:abhishek@stellar-ir.com)  
B707, Kanakia Wallstreet, Andheri (East)

For more information visit:  
[www.birla-sugar.com](http://www.birla-sugar.com)