



**Associated
Alcohols & Breweries Ltd.**

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CIN : L15520MP1989PLC049380

11th November, 2020

Ref No.: AABL/2020-21/CS/SE/002

To,

The Listing Department
National Stock Exchange of India
Limited Exchange Plaza, C-1, G Block,
Bandra Kurla Complex,
Mumbai - 400051
NSE Symbol: ASALCBR

The Department of Corporate Services
BSE Limited
PJ Tower, Dalal Street,
Mumbai - 400001
Scrip Code: 507526

**SUB.: Earning Presentation Quarter II (quarter and half year ended 30th September, 2020)
FY 2020-21**

Dear Sir / Madam,

Pursuant to regulation 30 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 please find attached herewith Earnings Presentation for the quarter and half year ended 30th September, 2020.

The aforesaid presentation is also available on the company's website www.associatedalcohols.com

This is for your information and record.

Thanking you.

Yours faithfully,

For: Associated Alcohols & Breweries Ltd.


Sumit Jaitely

Company Secretary & Compliance Officer





EARNINGS PRESENTATION | H1/Q2 FY21



Operational Snapshot



3 Decades of rich industry domain experience



Largest Single Location integrated manufacturing Facility



ENA manufacturing capacity is of 45 MLPA



32 Bottling Lines



12.5 Mn cases capacity



6 proprietary brands

Financial Snapshot



Industry Best Return Ratios



Net Debt Free



3 year Revenue CAGR : 22%



3 year Net Profit CAGR: 43%



CARE reaffirmed its A-/A2 credit rating for borrowings

Strategic Snapshot



Long standing strategic relationship with Diageo - USL



Diversified Product Portfolio



Expanding proprietary brand reach from 4 to 6 states

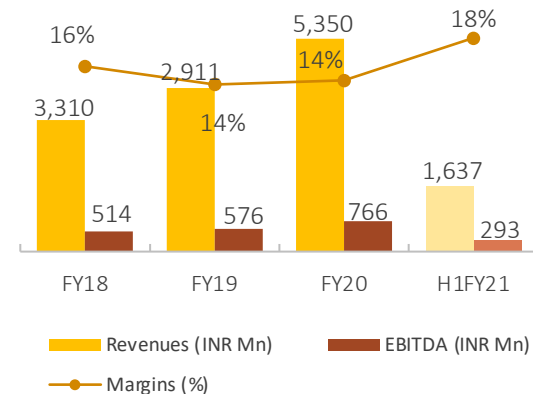
Company Overview



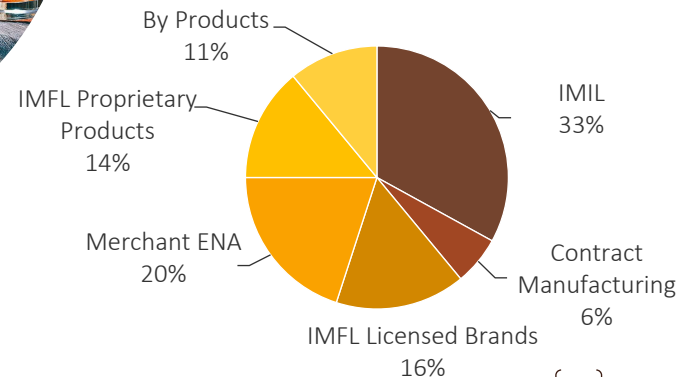
- Associated Alcohols and Breweries Ltd. (AABL) was founded by the late Shri Bhagwati Prasad Kedia in 1989.
- It is run today under the stewardship of his two sons, Mr. Anand Kedia and Mr. Prasann Kedia.
- AABL is one of the largest distillers in India with a state-of-the-art integrated alcoholic beverages manufacturing facility located in Central India near Indore, Madhya Pradesh.
- The company manufactures premium Extra Neutral Alcohol (ENA)/triple distilled/rectified spirit, IMIL and IMFL.
- AABL has diversified business segments, from manufacturing and supply of ENA to contract manufacturing for Diageo-USL, to manufacturing and marketing of licensed brands, as well as IMIL and 6 IMFL brands.



Financial Highlights



Segmental Revenue Breakup (H1FY21)



Superior Quality

Multi Grain-based process manufacturer

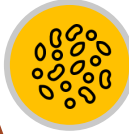


Co-generation power plant

60% of power coming from captive sources and expanding to further 100%

Diversified

Presence across alcohol value chain

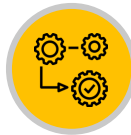


Process residue

Converted into monetizable by-products, accounting for almost 10% of companies revenue

Resource Efficient

Lower consumption of water, power and steam



Strategic Location

Madhya Pradesh is equidistant from all major markets

Strong financials

High growth rate and Deleveraged balance sheet



Environment Focused

Zero Effluent Discharge

One of the few selected and trusted partners

Of Industry Leaders like Diageo-USL



ASSOCIATED

FINANCIAL OVERVIEW



Q2-FY21 Financial Performance

- **Operational Revenue:** INR 1,034 Mn
- **EBITDA:** INR 207 Mn
- **EBITDA Margin:** 20.02%
- **Net Profit:** INR 132 Mn
- **PAT Margin:** 12.77%
- **Diluted EPS:** INR 7.28 per share

H1-FY21 Financial Performance

- **Operational Revenue:** INR 1,637 Mn
- **EBITDA:** INR 293 Mn
- **EBITDA Margin:** 17.90%
- **Net Profit:** INR 179 Mn
- **PAT Margin:** 10.93%
- **Diluted EPS:** INR 9.92 per share

- The plant underwent a voluntary shutdown for 7 days for precautionary measures due to rising Covid cases.
- Capacities were slowly ramped up to pre-Covid levels and reached 100% utilisation in September, with the average capacity utilization for the quarter at approximately 70%, as against an average of capacity utilization of 53% in Q1-FY21 and 100% in Q2-FY20.
- Substantial reduction in Raw Material prices this quarter versus a year ago as well as improvement in price realization of IMIL and IMFL resulted in improvement in margins.
- Certain price benefits due to raw material price reduction were passed on to customers, which resulted in reduction in price realisations for ENA primarily.
- Able to improve market share in Kerala and consolidate its position by increasing sales over 15% on a YoY basis.

Outlook:

- Raw Material prices are expected to continue to remain stable in lieu of the good monsoon season.
- Net Realisations are also expected to remain stable in line.
- Demand has improved substantially and is expected to surpass pre-covid levels going ahead.
- The company is also commencing IMFL proprietary sales in the state of Uttar Pradesh in Q3-FY21.

Quarterly Financial Performance



Particulars (INR Mn)	Q2-FY21	Q2-FY20	Y-o-Y	Q1-FY21	Q-o-Q
Operational Income	1,034	1,226	(15.7)%	604	71.2%
Total Expenses	827	1,094	(24.4)%	516	60.3%
EBITDA	207	132	56.8%	88	135.2%
<i>EBITDA Margins (%)</i>	<i>20.02%</i>	<i>10.77%</i>	<i>925bps</i>	<i>14.57%</i>	<i>545bps</i>
Other Income	9	5	80.0%	10	(10.0)%
Depreciation	36	35	2.9%	30	20.0%
Interest	3	5	(40.0)%	3	NA
PBT	177	97	82.5%	65	172.3%
Tax	45	(14)	NA	17	164.7%
Profit After tax	132	111	18.9%	48	175.0%
<i>PAT Margins (%)</i>	<i>12.77%</i>	<i>9.05%</i>	<i>372bps</i>	<i>7.95%</i>	<i>482bps</i>
Other Comprehensive Income	-	-	NA	-	NA
Total Comprehensive Income	132	111	18.9%	48	175.0%
Diluted EPS (INR)	7.28	6.12	19.0%	2.64	175.8%

Half Yearly Financial Performance



Particulars (INR Mn)	H1-FY21	H1-FY20	Y-o-Y
Operational Income	1,637	2,538	(35.5)%
Total Expenses	1,344	2,191	(38.7)%
EBITDA	293	347	(15.6)%
<i>EBITDA Margins (%)</i>	<i>17.90%</i>	<i>13.67%</i>	<i>423bps</i>
Other Income	20	10	100.0%
Depreciation	66	70	(5.7)%
Interest	5	11	(54.5)%
PBT	242	276	(12.3)%
Tax	63	48	31.3%
Profit After tax	179	228	(21.5)%
<i>PAT Margins (%)</i>	<i>10.93%</i>	<i>8.98%</i>	<i>195bps</i>
Other Comprehensive Income	-	1	NA
Total Comprehensive Income	179	229	(21.8)%
Diluted EPS (INR)	9.92	12.6	(21.3)%

Historical Income Statement



Particulars (INR Mn)	FY18	FY19	FY20	H1-FY21
Operational Income	3,310	4,116	5,350	1,637
Total Expenses	2,796	3,540	4,584	1,344
EBITDA	514	576	766	293
<i>EBITDA Margins (%)</i>	<i>15.53%</i>	<i>13.99%</i>	<i>14.32%</i>	<i>17.90%</i>
Other Income	31	42	33	20
Depreciation	113	123	141	66
Interest	38	22	21	5
PBT	394	473	637	242
Tax	142	170	144	63
Profit After tax	252	303	493	179
<i>PAT Margins (%)</i>	<i>7.61%</i>	<i>7.36%</i>	<i>9.21%</i>	<i>10.93%</i>
Other Comprehensive Income	8	3	(9)	-
Total Comprehensive Income	260	306	484	179
Diluted EPS (INR)	13.93	16.74	27.29	9.92

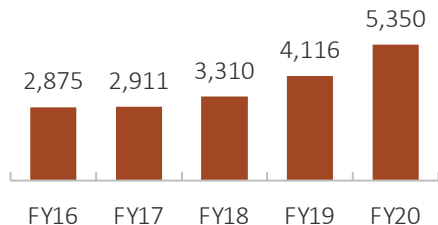
Balance Sheet



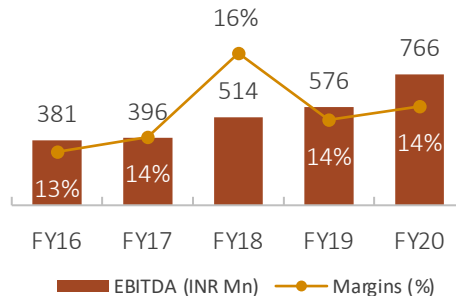
Particulars (INR Mn)	FY19	FY20	H1-FY21
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	1,163	1,070	1,018
Capital Work in progress	19	112	130
Intangible Assets	1	1	1
Rights of Use Assets	-	25	21
Financial Assets			
(i)Investments	31	22	22
(ii)Long-term Loans and Advances	10	11	13
(iii)Other financial Assets	4	4	128
Non current tax Assets	-	12	12
Other non-current assets	65	43	44
Sub Total Non Current Assets	1,293	1,300	1,389
Current Assets			
Inventories	559	573	555
Financial Assets			
(i)Trade Receivables	307	390	531
(ii)Cash and Bank Balance	55	219	120
(iii)Loans	163	213	193
(iv) Others	19	2	3
Other Current Assets	47	38	42
Sub Total Current Assets	1,150	1,435	1,444
TOTAL ASSETS	2,443	2,735	2,833

Particulars (INR Mn)	FY19	FY20	H1-FY21
EQUITY AND LIABILITIES			
Equity			
Share Capital	181	181	181
Other Equity	1,311	1,772	1,933
Total Equity	1,492	1,953	2,114
Non Current Liabilities			
Financial Liabilities			
(i)Borrowings	75	47	32
(ii)Lease Liabilities	-	16	13
Provisions	7	11	13
Deferred Tax Liabilities (net)	87	64	61
Non – current tax liabilities (Net)	1	2	2
Sub Total Non Current Liabilities	170	140	121
Current Liabilities			
(i)Borrowings	147	11	4
(ii)Lease Liabilities	-	8	8
(iii)Trade Payables	306	365	264
(iv)Other Financial Liabilities	151	127	142
Other current Liabilities	155	131	135
Provisions	-	-	1
Current Tax Liabilities	22	-	44
Sub Total Current Liabilities	781	642	598
TOTAL EQUITY AND LIABILITIES	2,443	2,735	2,833

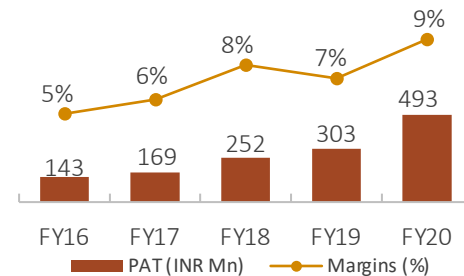
Revenue From Operations (INR Mn)



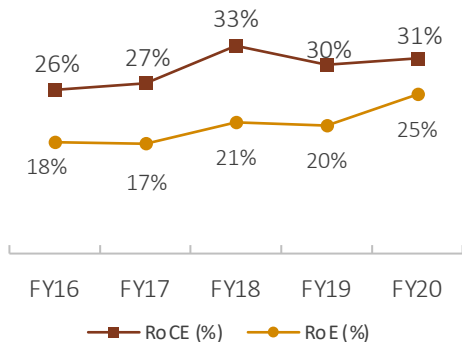
EBITDA (In INR Mn) & EBITDA Margins (%)



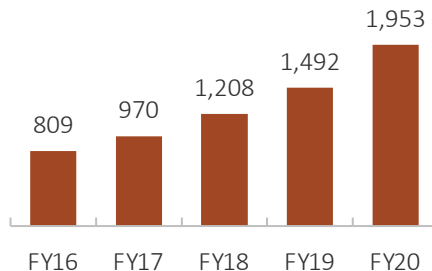
Net Profit (In INR Mn) & PAT Margins (%)



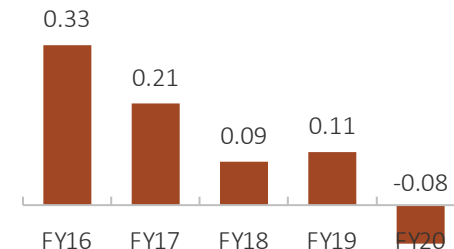
RoCE (%) and RoE (%)

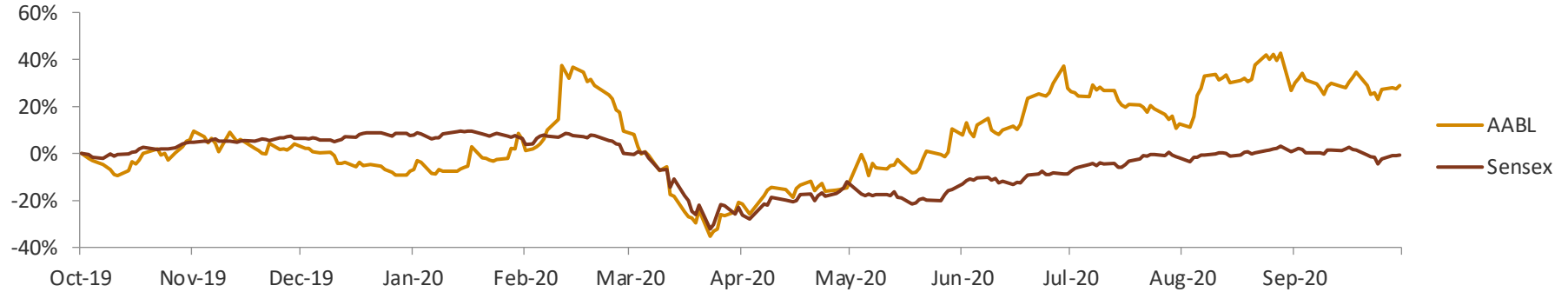


Net Worth (INR Mn)



Net Debt to Equity (x times)

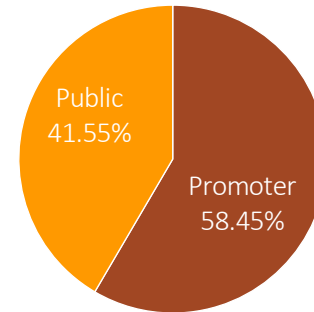




Price Data (30th September, 2020)

Face Value (INR)	10.0
Market Price (INR)	257
52 Week H/L (INR)	334.95/122.0
Market Cap (INR Mn)	4,646.35
Equity Shares Outstanding (Mn)	18.08
1 Year Avg. trading volume ('000)	86.24

Shareholding Pattern as on 30th September 2020



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