

ASEL/SE/2018-19/14

15th May, 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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find enclosed herewith a copy of the Investor Presentation with respect to the Financial Highlights of the quarter and year ended 31st March, 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 and Energy Limited

Strengthening Roots for Better Tomorrow

Investor Presentation | May 2019

Agenda



Q4FY19 & FY19 Highlights

Key Industry Developments

Key Growth Drivers

Q4FY19 & FY19 Financial Highlights



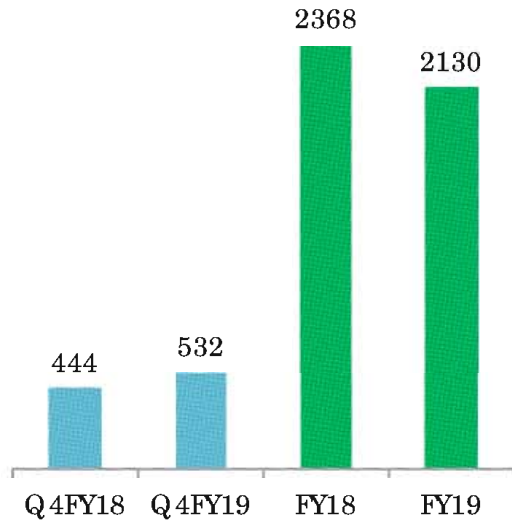
Key Business Updates – FY19

- Sugar Stock as on 31st March 2019, 44.94 lakh quintals
- Average realization in FY19 Rs. 3,002 per quintal; FY18 Rs. 3,551 per quintal
- Crushing during current FY 569 Lac Quintal compared to 519 in FY18; up by 10%
- Average recovery during the Sugar Season 2018-19 (till 31st March, 2019) -12.01%

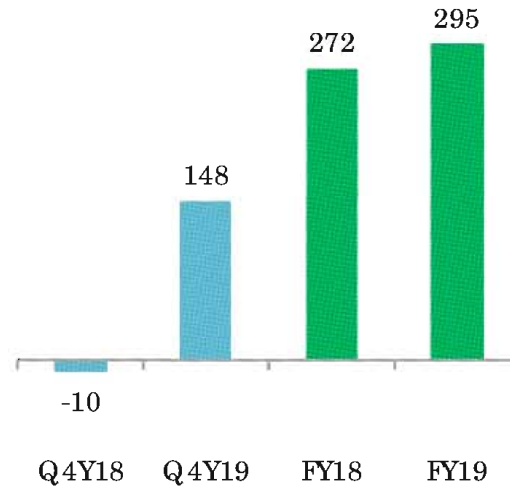
Stock Position	
Opening stock (as on 01.04.2018)	33.48 Lakh Qtls
Production	67.10 Lakh Qtls
Sold	55.65 Lakh Qtls
Closing stock as on 31 st March 2019	44.94 Lakh Qtls

Q4 & FY19 Re sult Hig hlights

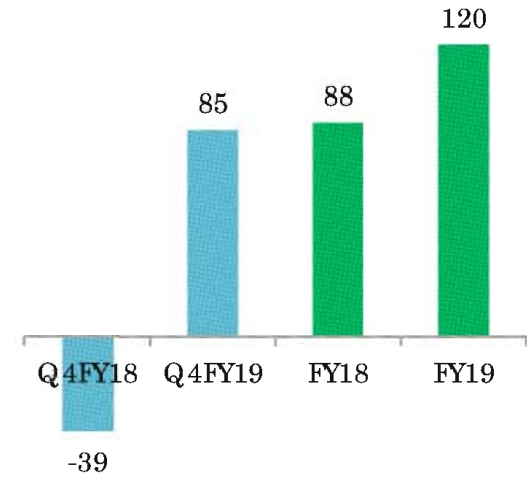
Revenue (Rs. Cr)



EBIDA (Rs. Cr)



PAT (Rs. Cr)



Profitability Highlights

Rs. Crore	Q4FY19	Q4FY18	YoY	FY19	FY18	YoY
Total Income	534.5	446.5	19.7%	2,133.7	2,372.6	-10.1%
Total Expenditure	386.51	456.05		1,838.7	2,099.6	
EBITDA	148.0	-9.6		294.9	273.0	8.0%
EBITDA margin (%)	27.7%	-2.2%		13.8%	11.5%	230 bps
Depreciation	10.9	11.0		43.7	44.5	
PBDT	120.1	-38.6		198.0	158.7	23.3%
Interest	27.9	29.0		96.9	114.3	
Profit Before Tax	109.2	-49.5		154.4	114.2	35.1%
Tax	24.0	-10.2		34.5	26.1	
Profit After Tax	85.2	-39.4		119.9	88.2	36.0%
PAT Margin (%)	15.9%	-8.8%		5.6%	3.7%	190 bps
EPS (Rs)	85.1	-39.3		119.8	88.1	

Q4FY19 & FY19 Segmental Highlights



Sugar Segment Performance

	Segmental Revenues (Rs. Lakh)	% contribution to Revenues	PBIT (Rs. Lakh)	% contribution to PBIT
Q4FY19	46,996	72.5	6,298	45.93
Q4FY18	39,526	72.8	(7,493)	-
FY19	1,91,228	80.5	6,801	27.06
FY18	2,24,496	86.0	14,255	62.38
	Sugarcane Crushed (lakh quintals)	Sugar Recovery (%)	Sugar Sold (Lakh quintals)	Average Realization (Rs. Per kg)
Q4FY19	28,506	12.37	12.27	3,051
Q4FY18	28,317	11.63	9.95	3,156
FY19	56,895	11.81	55.65	3,002
FY18	51,851	11.3	56.11	3,551

Sugar inventory as on 31st March 2019 was 44.94 lakh quintals valued @ average rate of Rs. 29.85 per kg

Sugar Segment Performance

Cane Crushed (Lakh Quintals)



Sugar Recovery (%)



Production (Lakh Quintals)



Average Realization (Per Kg)



Distillery Segment Performance

	Segmental Revenues (Rs. Lakh)	% contribution to Revenues	PBIT (Rs. Lakh)	% contribution to PBIT
Q4FY19	7,765	11.96	4,525	33.00
Q4FY18	6,009	11.07	3,469	-
FY19	25,445	10.72	14,214	56.56
FY18	19,460	7.45	5,716	25.01
	Total Alcohol Production (Lakh litres)	Total Alcohol Sales (Lakh litres)	Average Realization of Ethanol (Rs./ litre)	
Q4FY19	173	149	43.52	
Q4FY18	174	178	40.86	
FY19	573	617	41.91	
FY18	495	484	39.67	

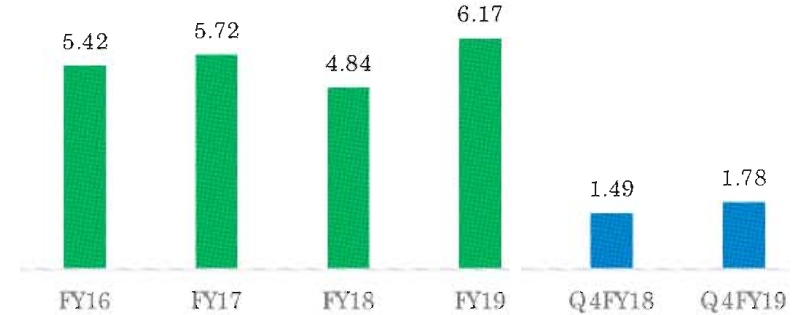
Total Alcohol includes ethanol

Distillery Segment Performance

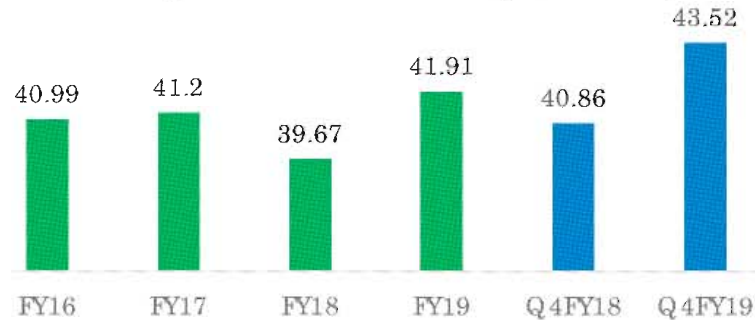
Production (crore liters)



Sales (crore liters)



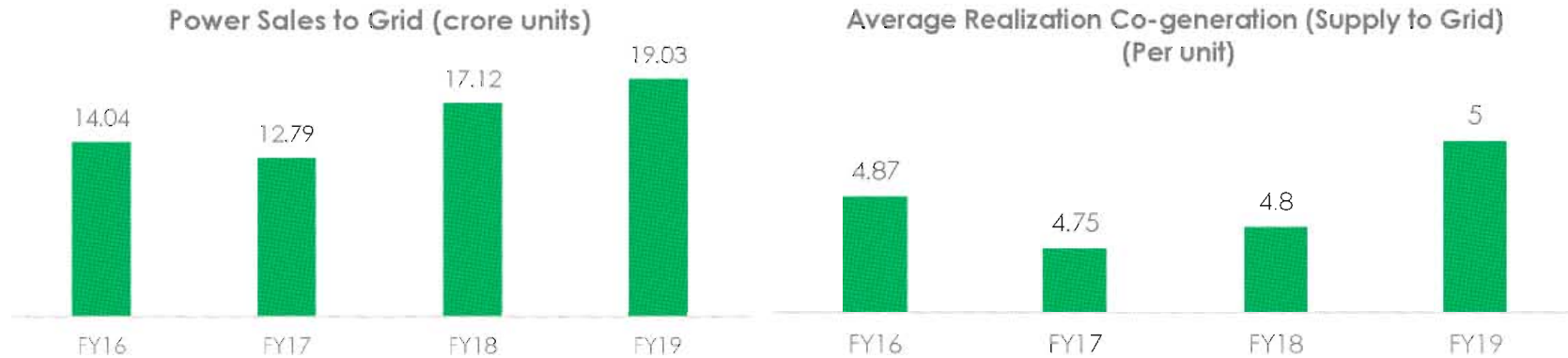
Average Realization Distillery (Rs. Per Lt)



Co-Generation Segment Performance

	Segmental Revenues (Rs. Lakh)	% contribution to Revenues	PBIT (Rs. Lakh)	% contribution to PBIT
Q4FY19	9,515	14.68	3,374	24.61
Q4FY18	8,176	15.06	2,406	-
FY19	19,486	8.20	5,460	21.73
FY18	16,000	6.13	3,998	17.5
	Power Generation (lakh units)	Power Sales (Lakh units)	Average Realization (Rs. Per Unit)	
Q4FY19	1,203	971	5.01	
Q4FY18	1,191	979	4.8	
FY19	2,399	1,903	5.01	
FY18	2,193	1,712	4.8	

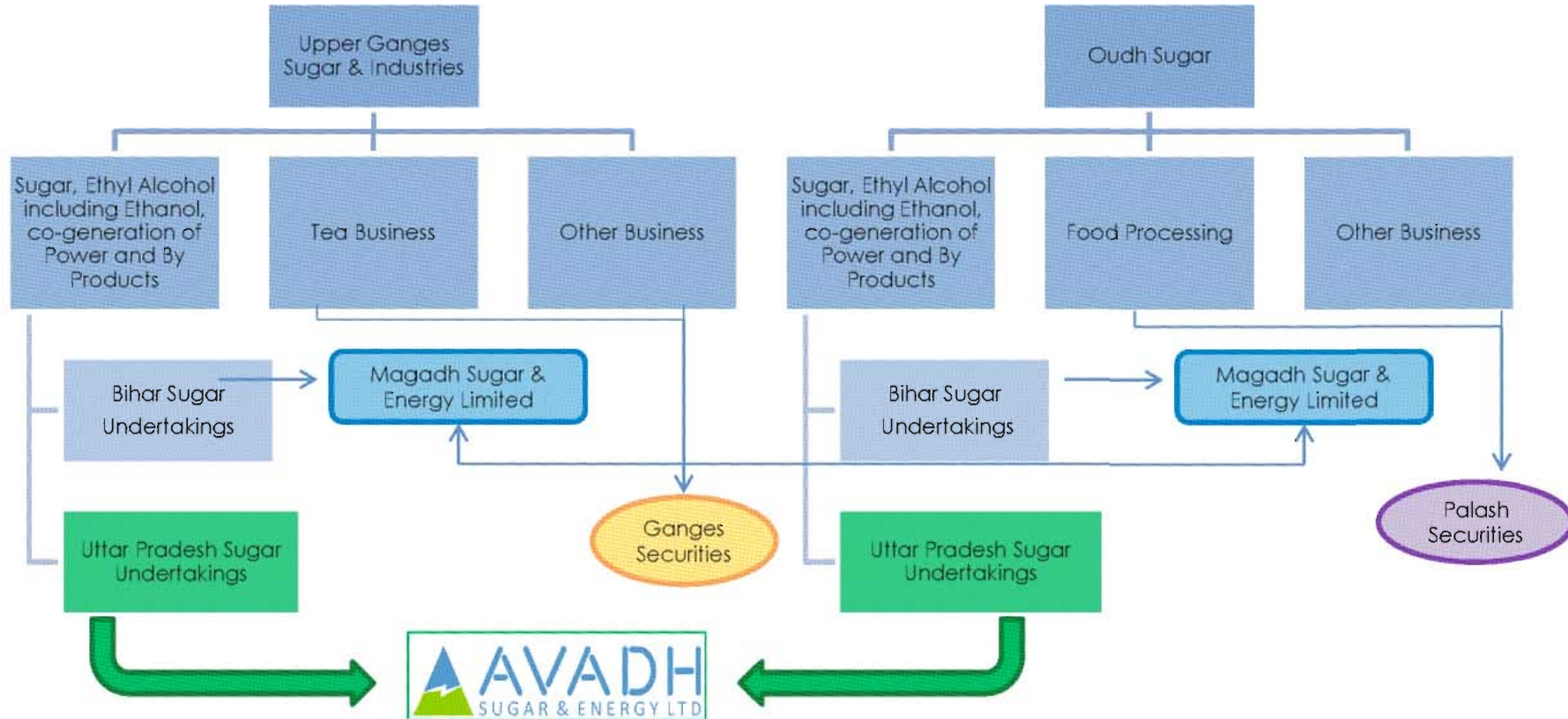
Co-Generation Segment Performance



Company Overview



Avadh Sugar and Energy Limited (ASEL) - Demerger



ASEL – 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



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**

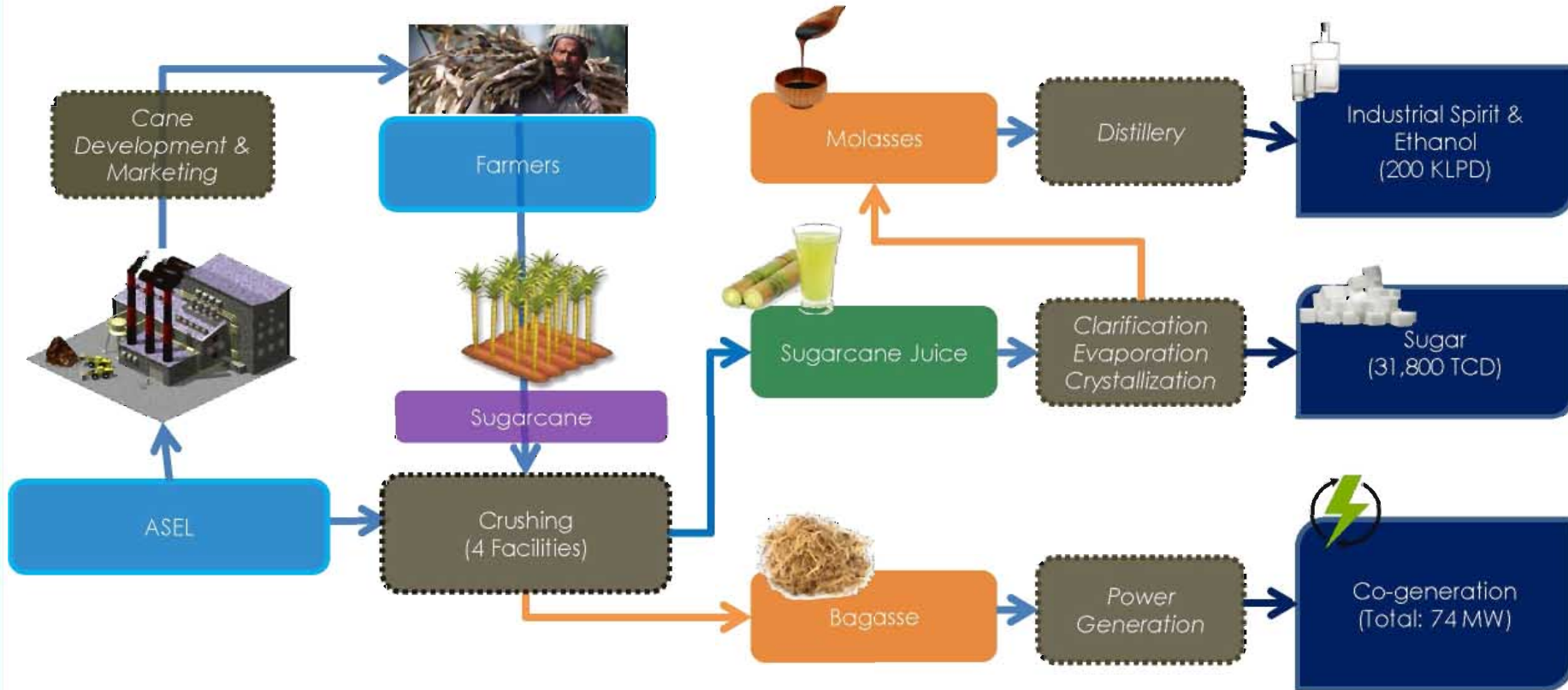


Two distilleries with a total capacity of **200 KLPD** to be further expanded to **250 KLPD** in 2019 and **Cogeneration** facilities with capacity of **74 MW**



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


Production Chain



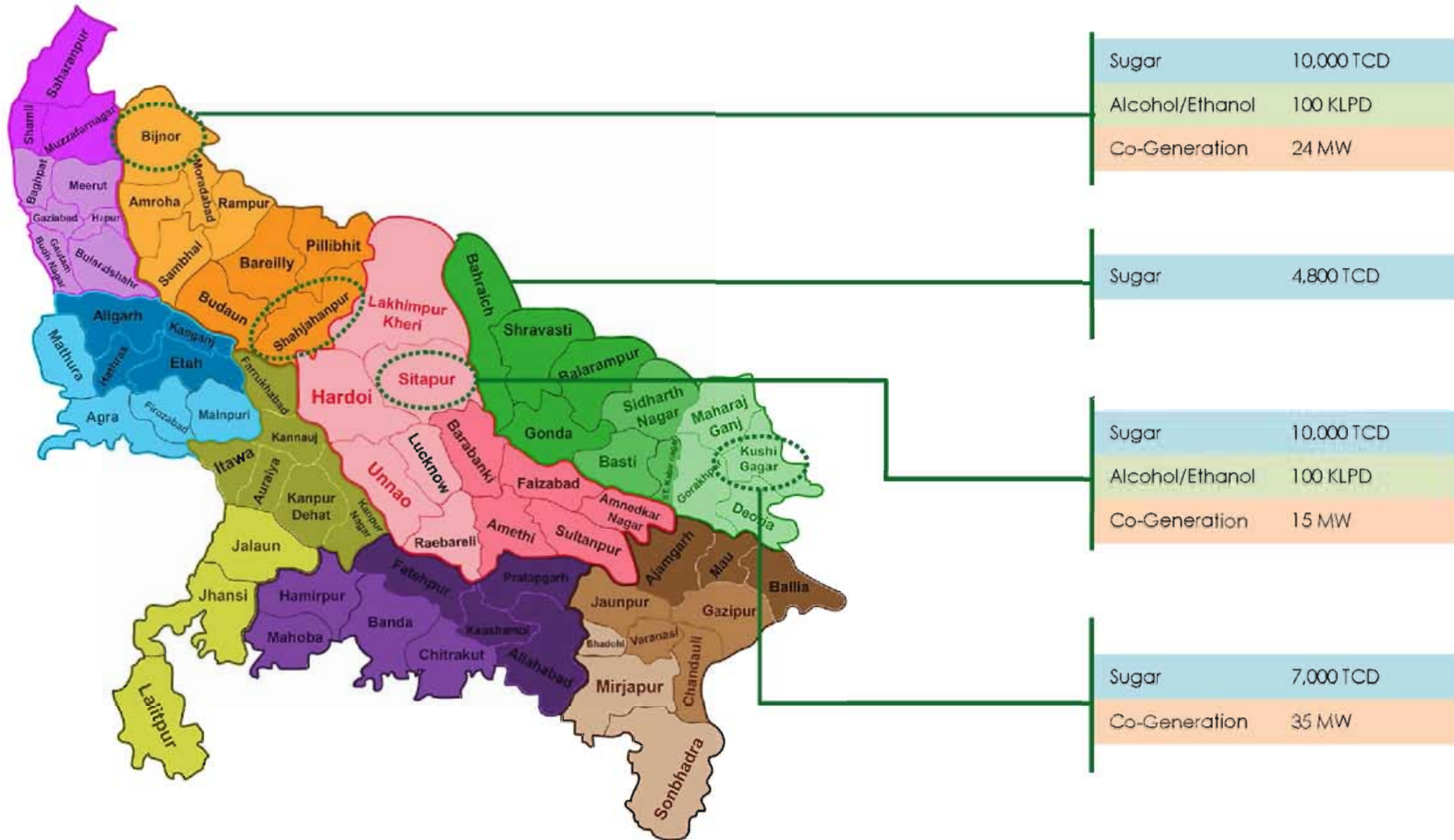
Legends:



ASEL - Capacities

Total Sugar Production 31,800 TCD	Total Ethanol Production 200 KLPD	Total Power Co-Generation 74 MW	 Uttar Pradesh
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	

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

CA Dilip Patodia

President (F) & CFO

**Mr. Chand Bihari
Patodia**

Group President

CS Anand Sharma

Company Secretary &
VP (Legal)

Key Industry Developments



Key Industry Updates

As per ISMA total sugar production in India hit **32.12 Million Tones** as on 30th April, 2019 compared to 31.18 million tonnes SS 2018/17

Uttar Pradesh Government disbursed **soft loan at 5% amounting to 4,000 crore and subsidy of Rs. 4.5 per quintal of sugarcane crushed**

In June 2018, the Centre had **announced a Rs 7,000 crore package** to ease liquidity in the sugar sector

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

Separate **soft loan of Rs. 2,600 crore will be provided to molasses-based** standalone distilleries to augment capacity and set up new units

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**

Till end of February, in first 3 months of current year's supply period, **~12 crore litre of ethanol made from B heavy/sugarcane juice has been supplied**

Sugar industry – production and consumption

Domestic Sugar Balance

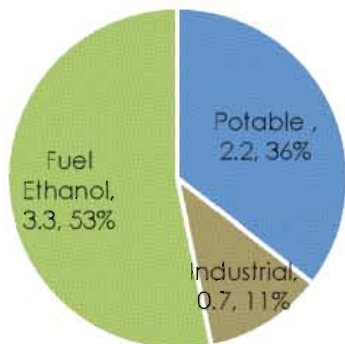
	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019 #Est
Opening Stock	7.6	8.2	6.5	8.8	7.7	3.96	10.72
Production	25.1	24.3	28.3	25.1	20.3	32.47	33.0
Increase in Production	-4.56%	-3.19%	16.46%	-11.31%	-19.21%	59.95%	1.63%
Internal Consumption	23.0	24.0	24.8	24.6	23.8	25.75	26.00
Closing Stock – net of exports/imports	8.2	6.5	8.8	7.7	4.0	10.72 (3 MT Buffer Stock)	14.2 (3 MT Buffer Stock)
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

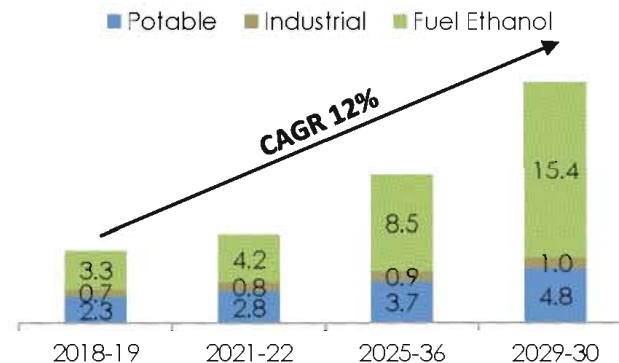
Ethanol a Game Changer

Alcohol demand of 6.3bn litres expected to grow at 12%

Alcohol Demand 2018-19 (Bn Litres)



Alcohol Demand (Bn Litres)



Potable CAGR 7% | Industrial CAGR 3% | Fuel Ethanol 15%

- **India set to double ethanol blending** into gasoline to 8% in 2018-19: ISMA
 - India has set a target of achieving a **20% ethanol blending target by 2021-2022**, which is going to be a major boost
- In September, government **approved an over 25% hike in the price of ethanol produced directly from sugarcane** for blending in gasoline to cut surplus production and oil imports

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 Rs126 crores during FY19

Long term loans stood at Rs 598 crores as on March 31, 2019, including Soft Loan of Rs 257 crores @ 5 %

Working capital loan as on March 31, 2019 stands at Rs 935 crore

Total inventory as on March 31, 2019, stands at Rs 1426 crores

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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