

MSEL//SE/2018-19/13

20th 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 – 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,

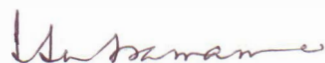
Subject: Disclosure of information pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, please find enclosed herewith a copy of the Investor Presentation with respect to the Financial Highlights of the quarter and year ended 31st March, 2019 of the Company.

Please take the same on record.

Thanking you,

Yours faithfully,
For Magadh Sugar & Energy Limited



S Subramanian
Company Secretary
FCS – 4974



Encl – as above

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Regd Office: P.O. Hargaon, Dist. Sitapur, U.P., PIN 261 121 • Website : www.birla-sugar.com • CIN: L15122UP2015PLC069632



Magadh Sugar and Energy Limited

Investor Presentation May | 2019

Agenda

Q4FY19 Quarter Highlights

Operational Highlights – FY19

Industry Scenario

Growth Strategy





Q4FY19 Quarter Highlights

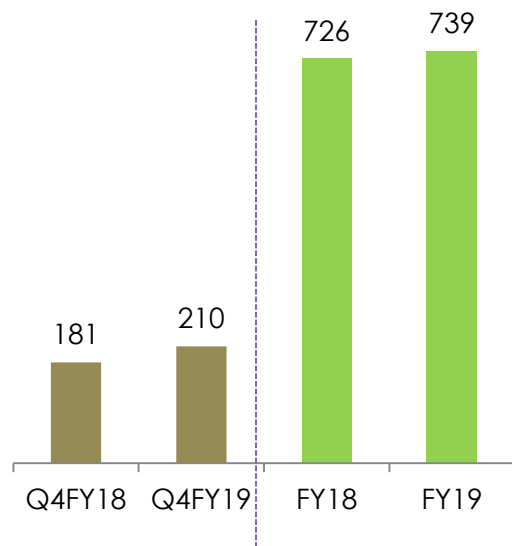
Business Updates FY19

- Sugar Stock as on 31st March 2019, **20.30 lakh quintals**
- Average realization in **FY19 Rs. 3,090 per quintal**; FY18 Rs. 3,640 per quintal
- Crushing during current **FY 24.23 Lac Quintal** compared to 19.87 in FY18; up by 22%
- Average recovery during the Sugar Season 2018-19 (till 31st March, 2019) – 11.07%
- SS 18-19 closed with total crushing **24.72 lac quintal** at average recovery of **11.03%**

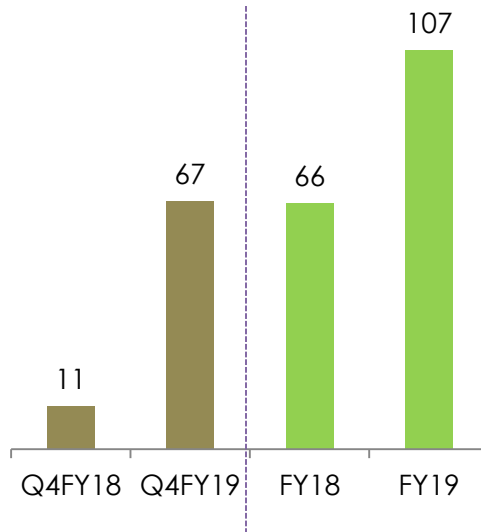
Stock Position	
Opening stock	13.75 Lakh
Production	26.21 Lakh
Sold	19.66 Lakh
Closing stock	20.30 Lakh

Q4 & FY19 Result Highlights

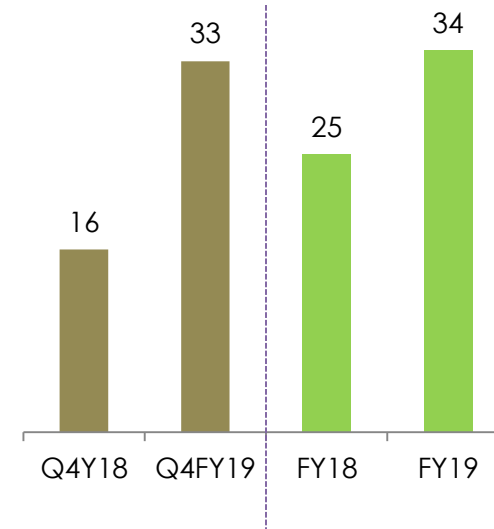
Revenue (Rs. Cr)



EBITDA (Rs. Cr)



PAT (Rs. Cr)



Profitability Highlights

Rs. Crore	Q4FY19	Q4FY18	YoY	FY19	FY18	YoY
Total Income	208.8	182.4	14.5%	745.2	728.8	2.3%
Total Expenditure	142.2	170.9		637.9	662.7	
EBITDA	66.7	11.5	481.9%	107.3	66.0	62.4%
EBITDA margin (%)	31.9%	6.3%	256 bps	14.4%	9.1%	530 bps
Depreciation	4.3	4.5		18.0	18.7	
PBDT	62.4	7.0	798.0%	89.3	47.3	88.5%
Interest	10.6	10.8		35.4	43.3	
Profit Before Tax	51.8	-3.8		53.9	4.0	1238.6%
Tax	18.5	-20.2		19.7	-14.8	
Exceptional Items	0.0	0.0		0.0	6.1	
Profit After Tax	33.3	16.4	103.0%	34.2	24.9	37.3%
PAT Margin (%)	15.9%	9.0%	690 bps	4.6%	3.4%	120 bps
EPS (Rs)	33.1	16.3		34.0	24.8	



Operational Highlights – FY19

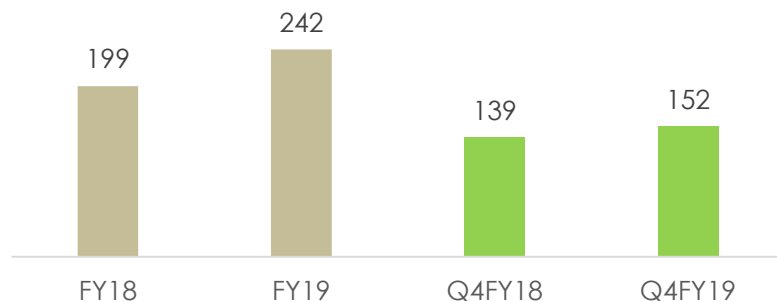
Sugar Segment Performance

	Segmental Revenues (Rs. Lakh)	% contribution to Revenues	PBIT (Rs. Lakh)	% contribution to PBIT
Q4FY19	19,427	74	2,642	41
Q4FY18	17,722	73	(2,013)	-
FY19	66,934	80	1,669	18
FY18	69,789	85	1,437	25
	Sugarcane Crushed (lakh quintals)	Sugar Recovery (%)	Sugar Sold (Lakh quintals)	Average Realization (Rs. Per kg)
Q4FY19	152	11.22	5.26	3,159
Q4FY18	139	10.35	4.34	3,270
FY19	242	10.88	19.67	3,090
FY18	199	10.20	17.17	3,640

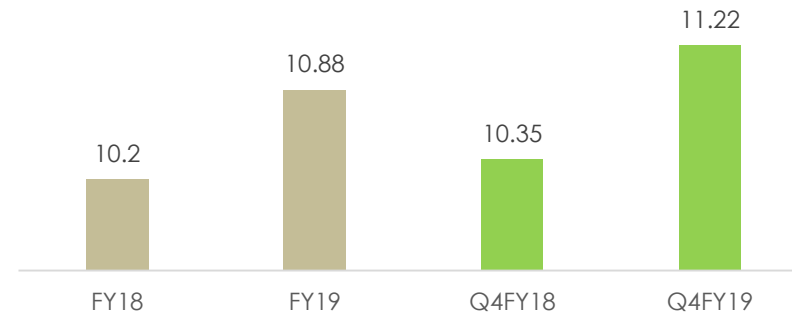
Sugar inventory as on 31st March 2019 was 20.30 lakh quintals valued @ average rate of Rs. 29.60 per kg

Sugar Segment Performance

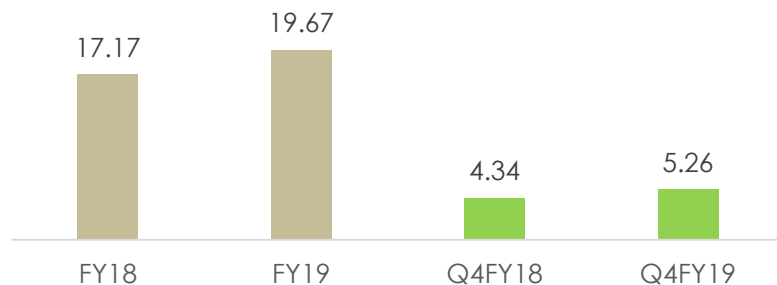
Cane Crushed (Lakh Quintals)



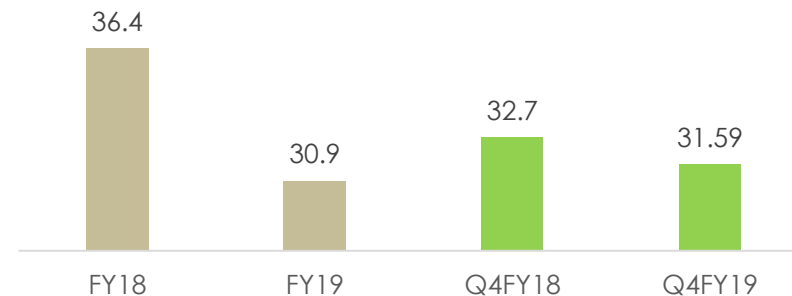
Sugar Recovery (%)



Sales (Lakh Quintals)



Average Realization (Per Kg)



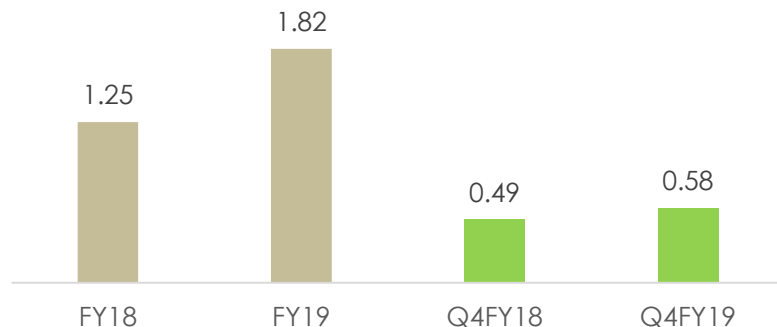
Distillery Segment Performance

	Segmental Revenues (Rs. Lakh)	% contribution to Revenues	PBIT (Rs. Lakh)	% contribution to PBIT
Q4FY19	2,257	9	1,182	18
Q4FY18	1,673	7	594	-
FY19	8,335	10	3,728	41
FY18	5,503	7	1,507	26
	Total Alcohol Production (Lakh litres)	Total Alcohol Sales (Lakh litres)	Average Realization of Ethanol (Rs./litre)	
Q4FY19	58	51	43.46	
Q4FY18	49	40	40.85	
FY19	182	195	41.78	
FY18	125	130	39.62	

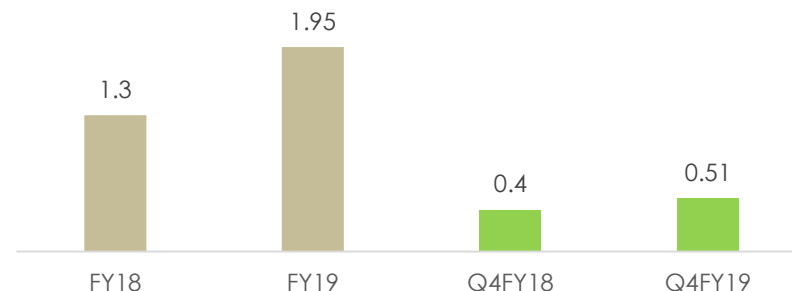
Total Alcohol incudes ethanol

Distillery Segment Performance

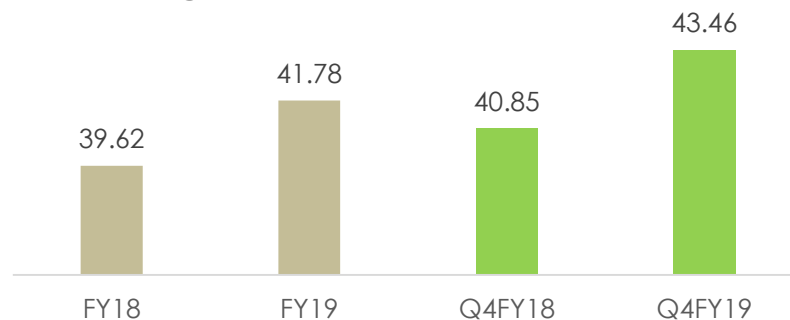
Production (crore litres)



Sales (crore litres)



Average Realization Distillery (Rs. Per litre)

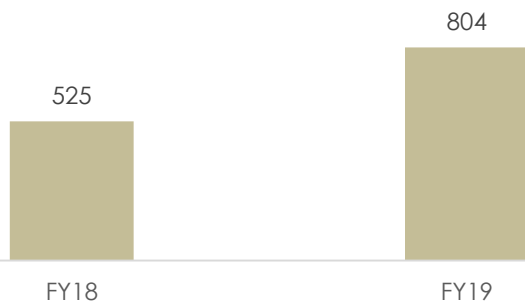


Co-Generation Segment Performance

	Segmental Revenues (Rs. Lakh)	% contribution to Revenues	PBIT (Rs. Lakh)	% contribution to PBIT
Q4FY19	4,657	17	2,570	41
Q4FY18	4,732	20	2,320	-
FY19	1,418	10	3,759	41
FY18	6,818	8	2,907	49
	Power Generation (lakh units)	Power Sales (Lakh units)	Average Realization (Rs. Per Unit)	
Q4FY19	670	391	5.10	
Q4FY18	656	381	5.14	
FY19	1,270	804	4.98	
FY18	900	525	5.11	

Co-Generation Segment Performance

Power Sales to Grid (crore units)



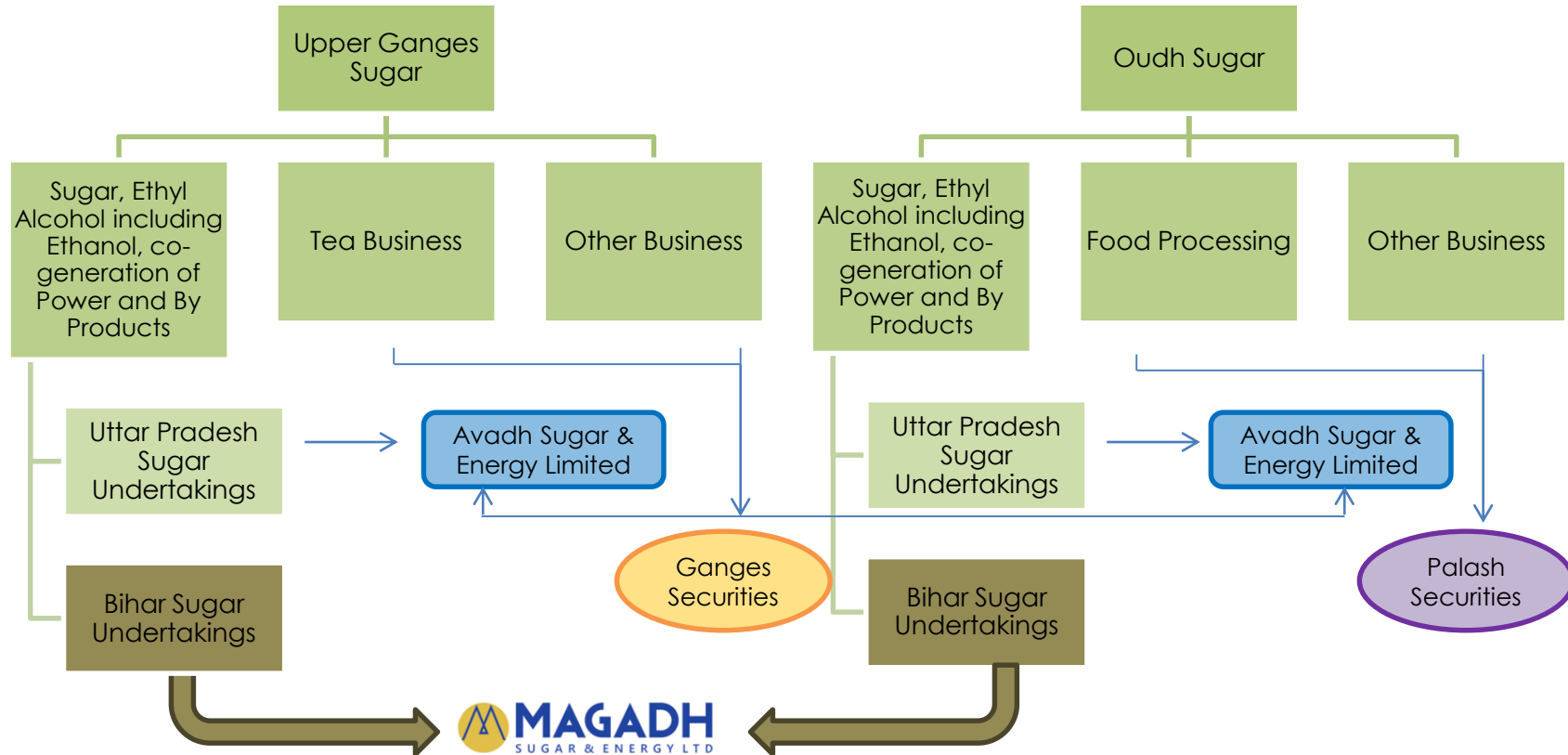
Average Realization Co-generation (Supply to Grid)
(Per unit)





Company Overview

Background of Magadh Sugar & Energy Limited

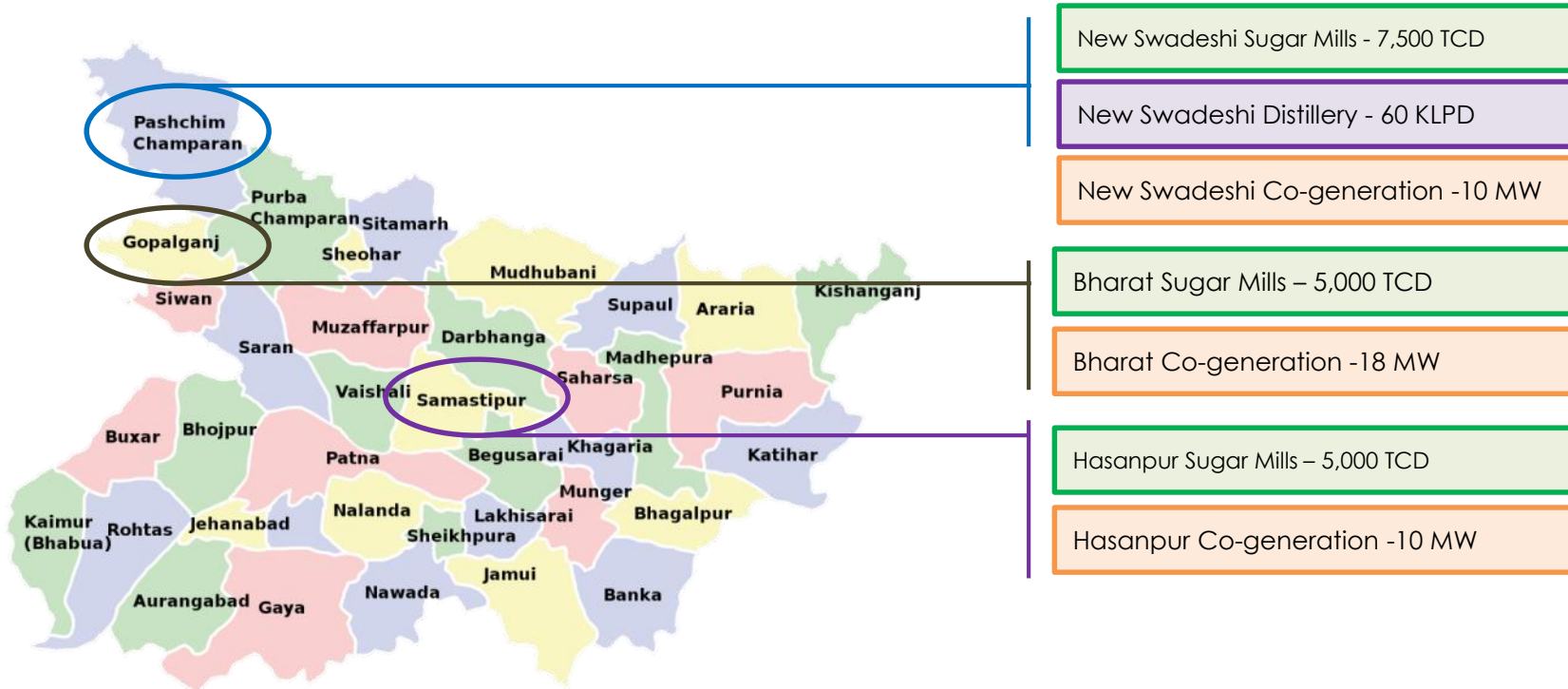


Company Overview

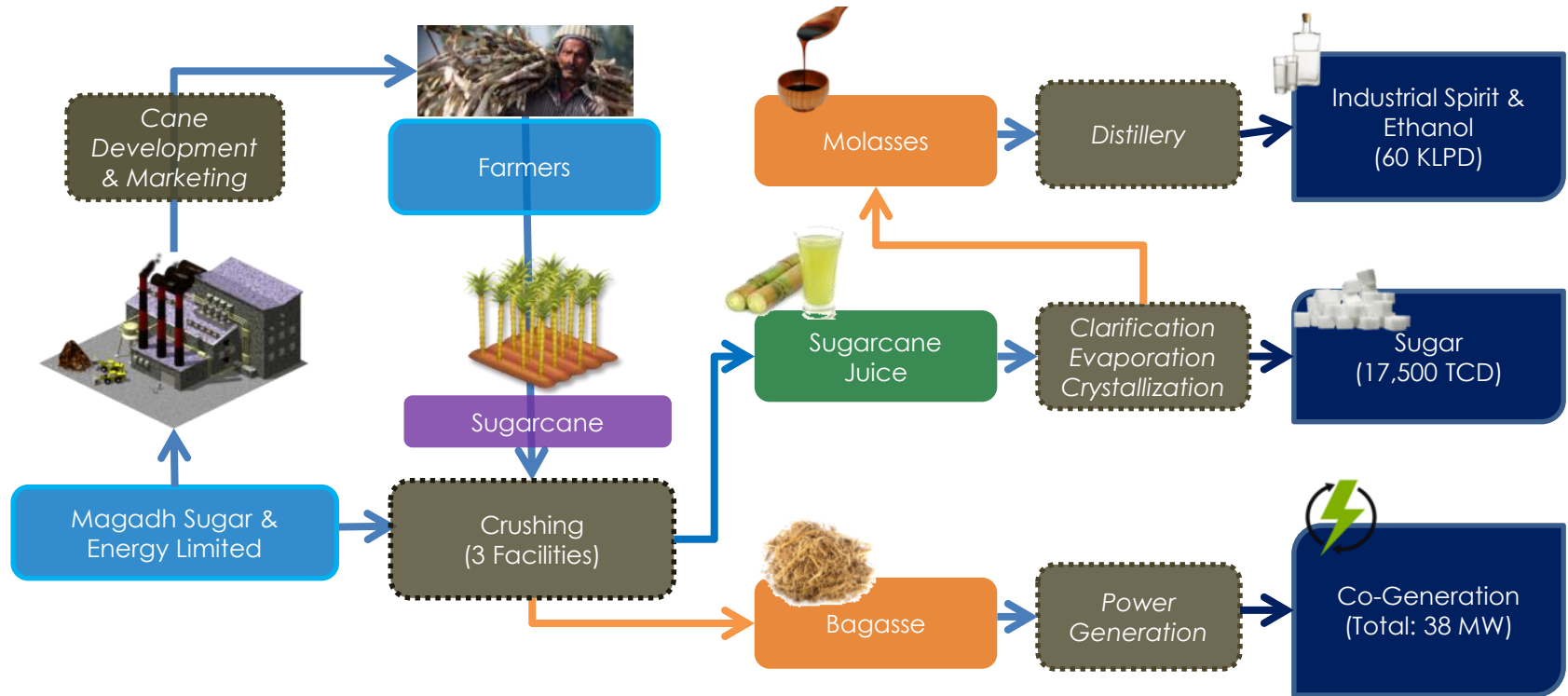
- Incorporated in 1932 (Group in Sugar Business over 7 decades), consequent upon various schemes of merger and demerger this company formed in 2015
- Company's core business includes
 - **Sugar** and sugar products, **Spirits** and alcohol, **Co-Generation** of power
- Company has **3 sugar mills** with 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



Integrated Business Model



Legends:



Continuous innovation in business model

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

"Supported by strong farmer relationship since 1932"



Industry Scenario

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

Bihar Govt committed to provide **subsidy of Rs. 12.50 per quintal** of sugarcane crushed and relief by way of Rs. 7.25 by way of various taxes

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

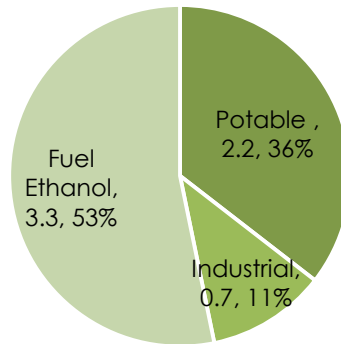
ISMA claimed - first time in history of Indian sugar industry, sugar mills have offered to **supply ~ 51 crore litre of ethanol produced from B heavy molasses & sugarcane juice**

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**

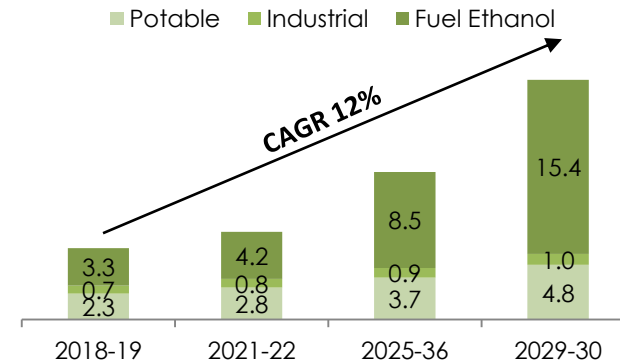
Ethanol a Game Changer

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

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 (Bihar)	220	240	250	250	280	290	290

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



Strategy Going Forward

Continuous efforts to increase sugar productivity



Increase in
yield per Acre



Varietal
Improvement of
Cane



Reap the benefits of
manufacturing ethanol



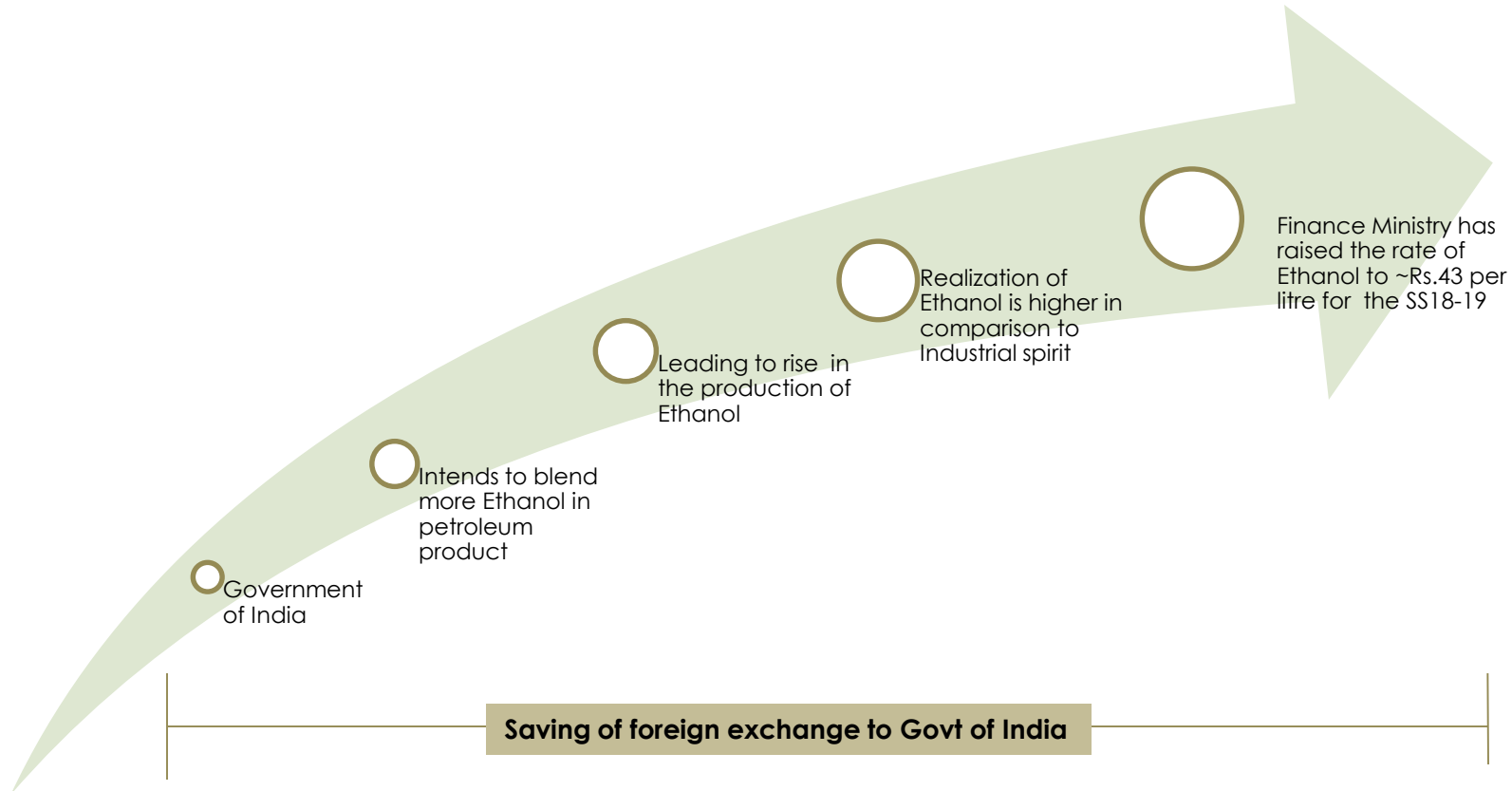
Educating farmers on
best farming
practices



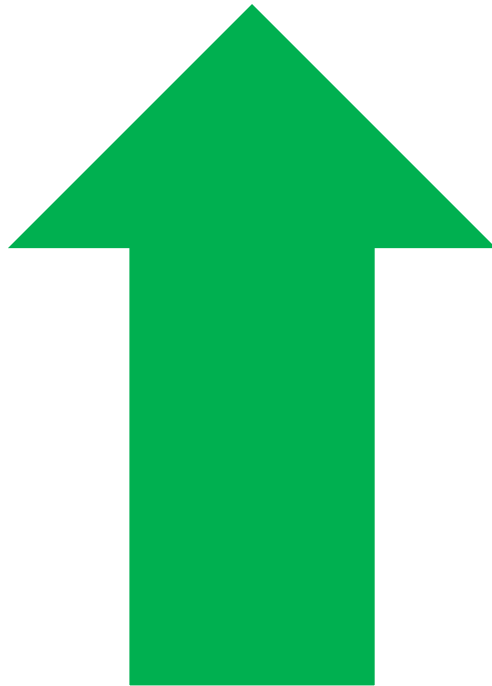
Distillery expansion



Government's focus to drive ethanol segment



Focus on creating value for all stakeholders



Strengthen the Balance-Sheet

- Helps to reduce interest outgo/blended cost by liquidating old high cost debts
- No major capex plans
- Improving current ratio by reducing debt going forward

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