

MSEL//SE/2017-18/35

November 8, 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 – 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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find enclosed herewith a copy of the Investor Presentation with respect to the Q2 & H1 FY18 Financial Results for the year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 Magadh Sugar & Energy Limited



S Subramanian
Company Secretary
FCS – 4974

Encl – as above



K.K. BIRLA GROUP OF SUGAR COMPANIES



MAGADH Sugar & Energy Limited

Progress through prudence

Investor Presentation November 2017

Agenda

Company Overview

Rationale for Business Re-arrangement scheme

Industry Scenario

Strategy Going Forward

Financial Highlights – Q2 & H1FY18





Company Overview

Company at glance

Part of prestigious **K. K. Birla Group of Sugar Companies**

One of the few integrated sugar company situated in **Bihar**

Sugar capacity of **17,500 TCD** with **3 Sugar Mills**

3 Co-generation Plants with combined capacity of **38 MW**

1 Distillery with **60 KLPD** capacity

Experienced Leadership

Mr Chandra Shekhar Nopany
Chairman

Mr R K Bagri
Independent Director

Ms Shashi Sharma
Independent Women Director

Mr Yashwant Kumar Daga
Independent Director

Mr. Ishwari Prosad Singh Roy
Independent Director

Mr. Padam Kumar Khaitan
Independent Director

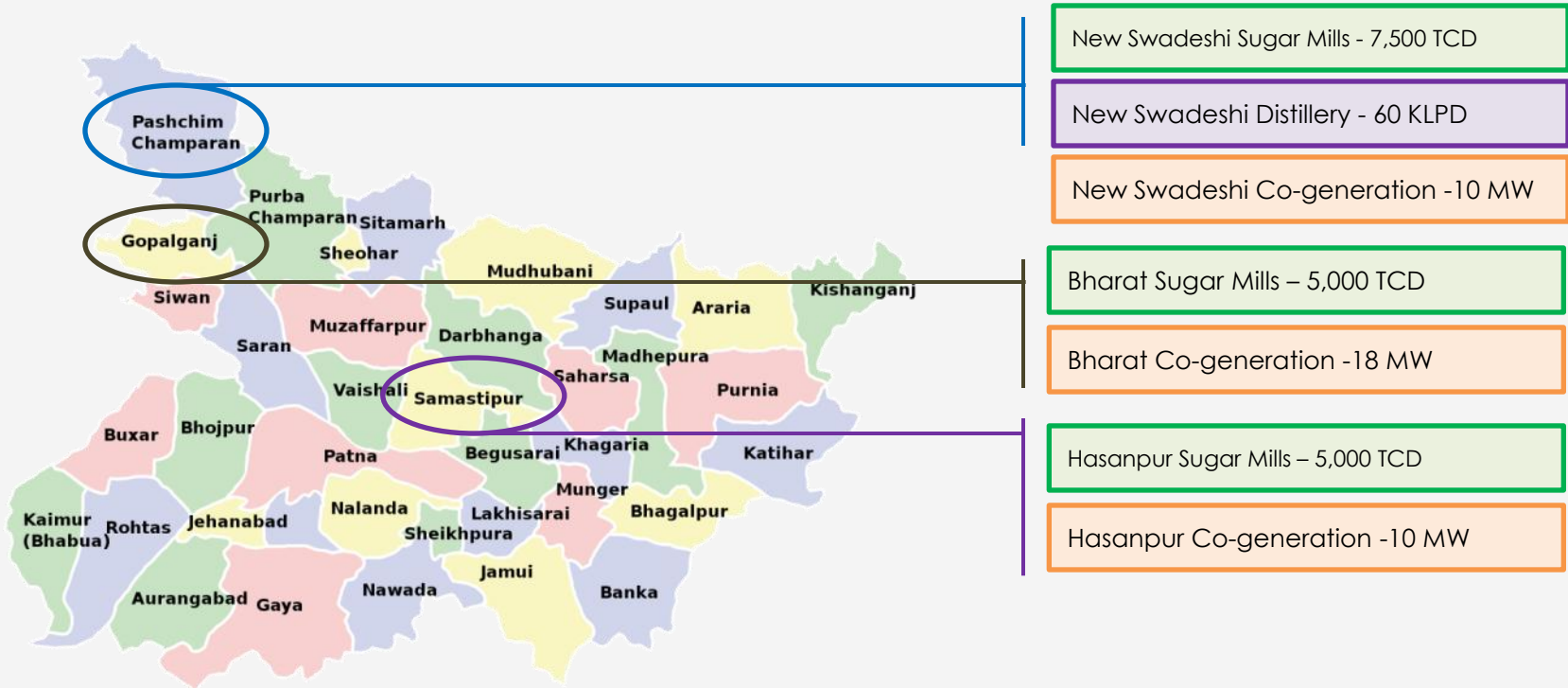
Mr Chandra Mohan
Whole Time Director

Mr Chand Bihari Patodia
Group President

Mr. Sunil Choraria
CFO

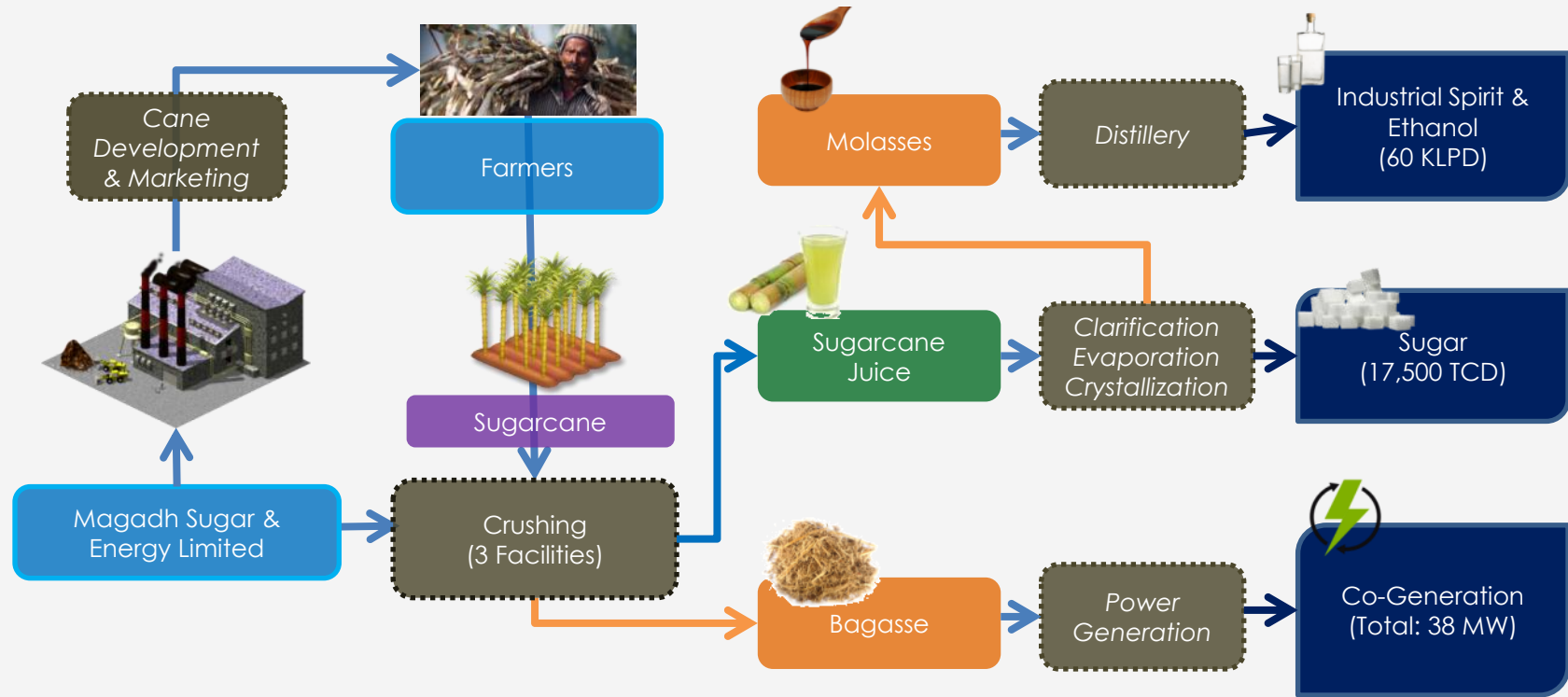
Mr. S Subramanian
Company Secretary

Ready to reap the benefits going ahead



Sugar **17,500 TCD** Distillery **60 KLPD** Co-Generation **38 MW**

Integrated Business Model



Continuous innovation in business model

Integrated operations

- Maximize value from every ton of cane crushed
- Liquor ban in Bihar enhanced ethanol business

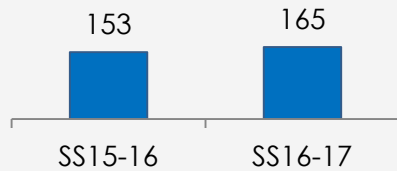
Intra-plant synergies

- Economic sized operations driving cost efficiencies
- Close proximity maximizes by-product utilization

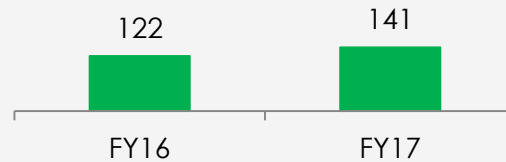
“Supported by strong farmer relationship since 1932”

Operational efficiency

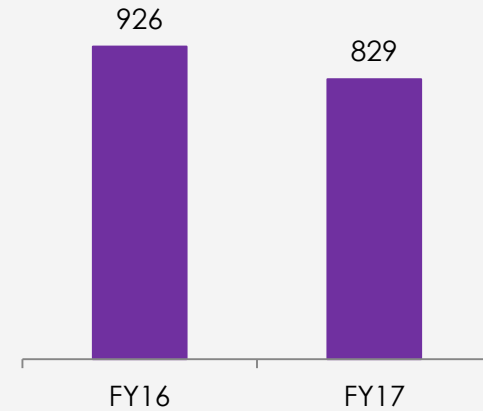
Cane Crushed



Alcohol/Ethanol Produced (Lakh ltr)



Power Generated (units in Lakh)





Rationale to scheme

Scheme - To achieve better efficiencies & commercial synergies

Establish independent companies for

- Uttar Pradesh Sugar and Bihar Sugar geographically
- Food Processing and Other Undertakings
- 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

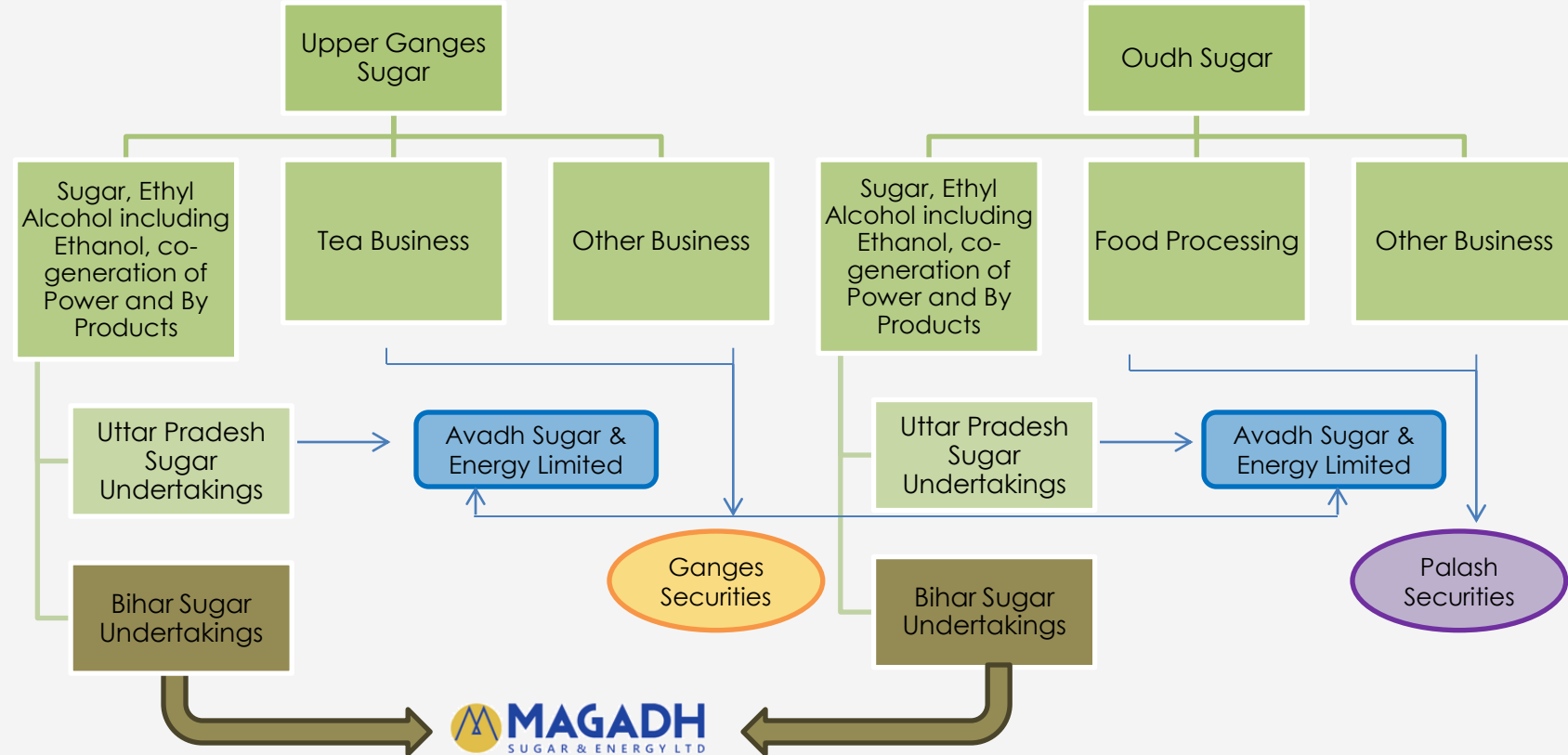
Explore the potential of Food Processing and Tea business

- 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

Background of Magadh Sugar & Energy Limited





Industry Scenario

Bihar rising with great opportunities

Bihar Growth Opportunities

Fastest growing state in India

- Economy of Bihar is projected to grow at a CAGR of 13.4%
- Earlier laggard, now in gear to move ahead

Strong agriculture sector

- ~ 80% of the state's population is employed in agriculture

Sugar - largest agro-based industry in Bihar

Crushing capacity of sugar mills in Bihar

- Crushing capacity of sugar mills in the state increased from 32,000 TCD in 2005-06 to 55,000 TCD in 2015-16

Sugarcane farming

- 2015-16 total area under sugarcane farming ~ 3 lakh hectares
- Total sugar produced in 2015-16 stood at 5 lakh MT

Source: IBEF Report

Magadh Sugar & Energy Limited

~31% of Total Bihar Crushing Capacity (2015-16)

Sugar Production in India at glance

Sugar Co's operate **~120 days** between Nov to March

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 (Bihar)	220	240	250	250	280	Yet to be announced

Source: ISMA *Company Estimates

Domestic Sugar Industry Production estimates

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

Bihar to produce 0.5 Mn tones of sugar in SS 2017-18 against 0.5 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



Strategy Going Forward

Continuous efforts to increase sugar productivity



Increase in
**yield per
Acre**



**Varietal
Improvement** of
Cane



**Capex of ~Rs. 19
crores**



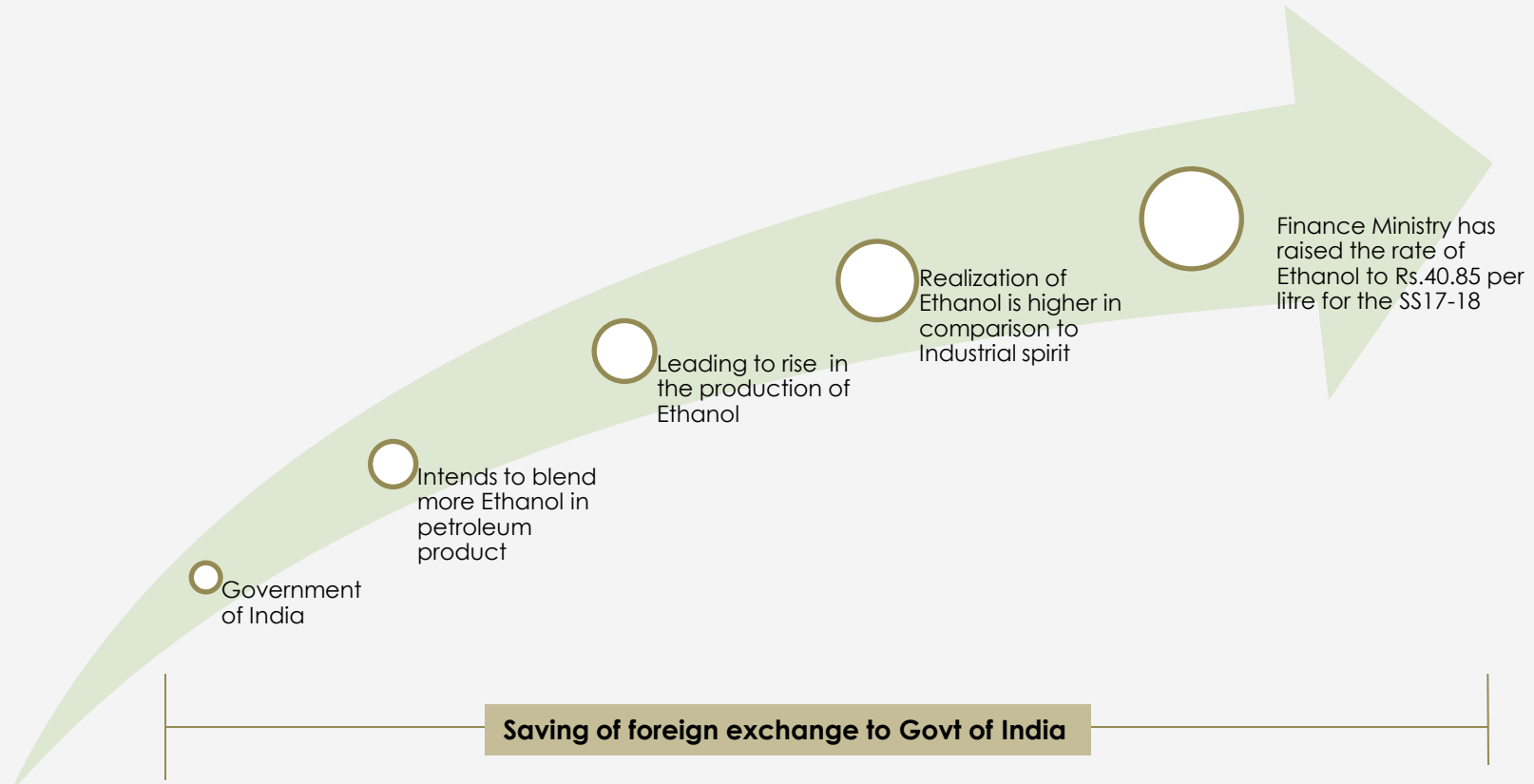
Educating farmers
on best farming
practices



De-bottlenecking
to enhance
crushing capacity



Government's focus to drive ethanol segment



Focus on creating value for all stakeholders



Strengthen the Balance-Sheet

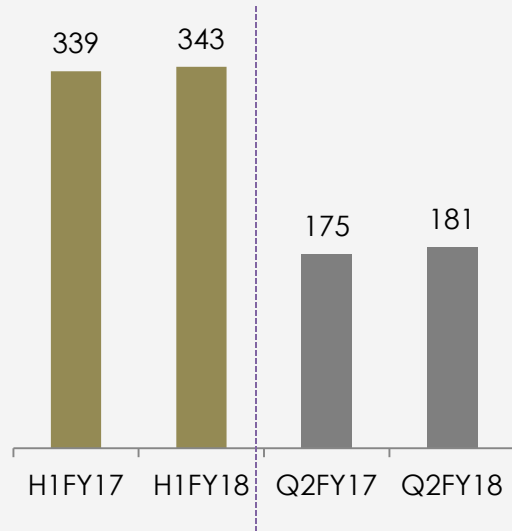
- Helps to reduce interest outgo/blended cost by liquidating old high cost debts
- No major capex plans
- Improving current ratio by reducing debt going forward



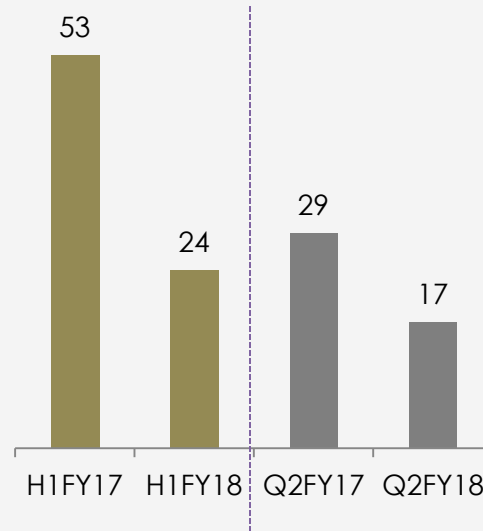
Financial Highlights – Q2 & H1FY18

Q2 & H1 FY18 Result Highlights

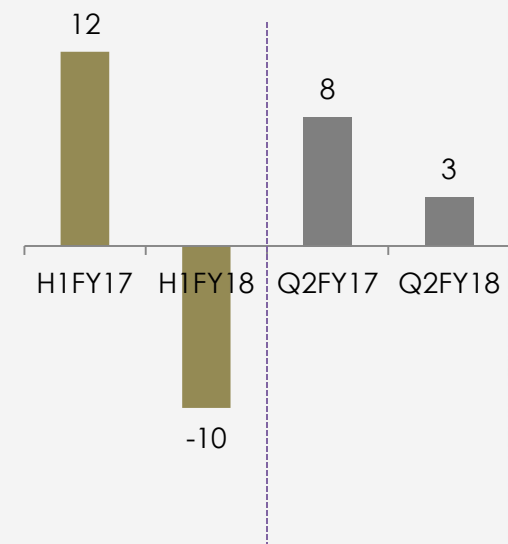
Revenue (Rs. Cr)



EBITDA (Rs. Cr)



PAT (Rs. Cr)



Profitability Highlights

Rs. Crore	Q2FY18	Q2FY17	Q1FY18	H1FY18	H1FY17	FY17
Total Income	181	175	162	343	339	683
EBITDA	17	29	7	24	53	161
EBITDA margin (%)	9.6%	16.7%	4.3%	7.1%	15.5%	23.5%
Depreciation	5	5	5	9	9	20
Interest	9	10	16	25	23	39
Profit Before Tax	3	15	(14)	(11)	21	102
Tax	0	6	0	0	9	43
Profit After Tax	3	8	(14)	(10)	12	59
PAT Margin (%)	1.8%	4.7%	(8.5%)	(3.0%)	3.4%	8.6%
EPS (Rs)	3.46	8.17	(13.74)	(10.28)	11.59	56.68

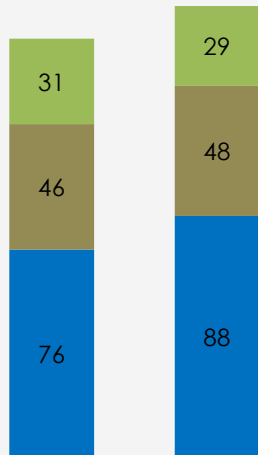
Balance Sheet Highlights

Rs. in Cr	Sep – 17	Mar – 17
Non-current assets	653	647
Fixed assets	652	647
Financial Assets	0	0
Other Non Current assets	1	1
Current assets	172	461
Inventories	125	427
Trade receivables	6	12
Cash and bank balances	2	1
Other current assets	40	20
Total Assets	825	1,108

Rs. in Cr	Sep – 17	Mar-17
Shareholder's Fund	388	405
Share capital	10	10
Reserves & Surplus	378	395
Non-current liabilities	184	177
Long term borrowings	149	145
Other non-current liabilities	35	32
Current liabilities	253	526
Short term borrowings	147	262
Trade Payables	11	105
Other current liabilities	96	159
Total Liabilities	825	1,108

Operational Highlights Plant Wise

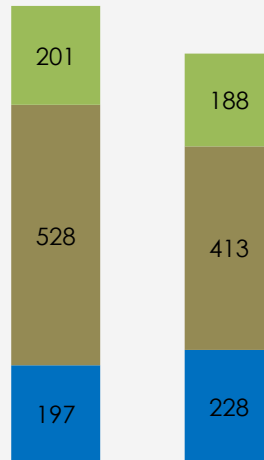
Sugar Cane Crushing (Lakh Qtls)



	SS16	SS17
Hansapur	31	29
Bharat Sugar	46	48
New Swadeshi	76	88

Total 153 165

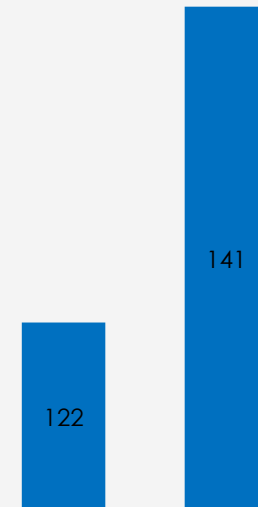
Co-Generation (Lakh Units)



	FY16	FY17
Hansapur	201	188
Bharat Sugar	528	413
New Swadeshi	197	228

Total 926 829

Distillery (Lakh Litres)



	FY16	FY17
New Swadeshi	122	141

Total 122 141

Disclaimer

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