

# Quarter I Financial Results - 2009-10

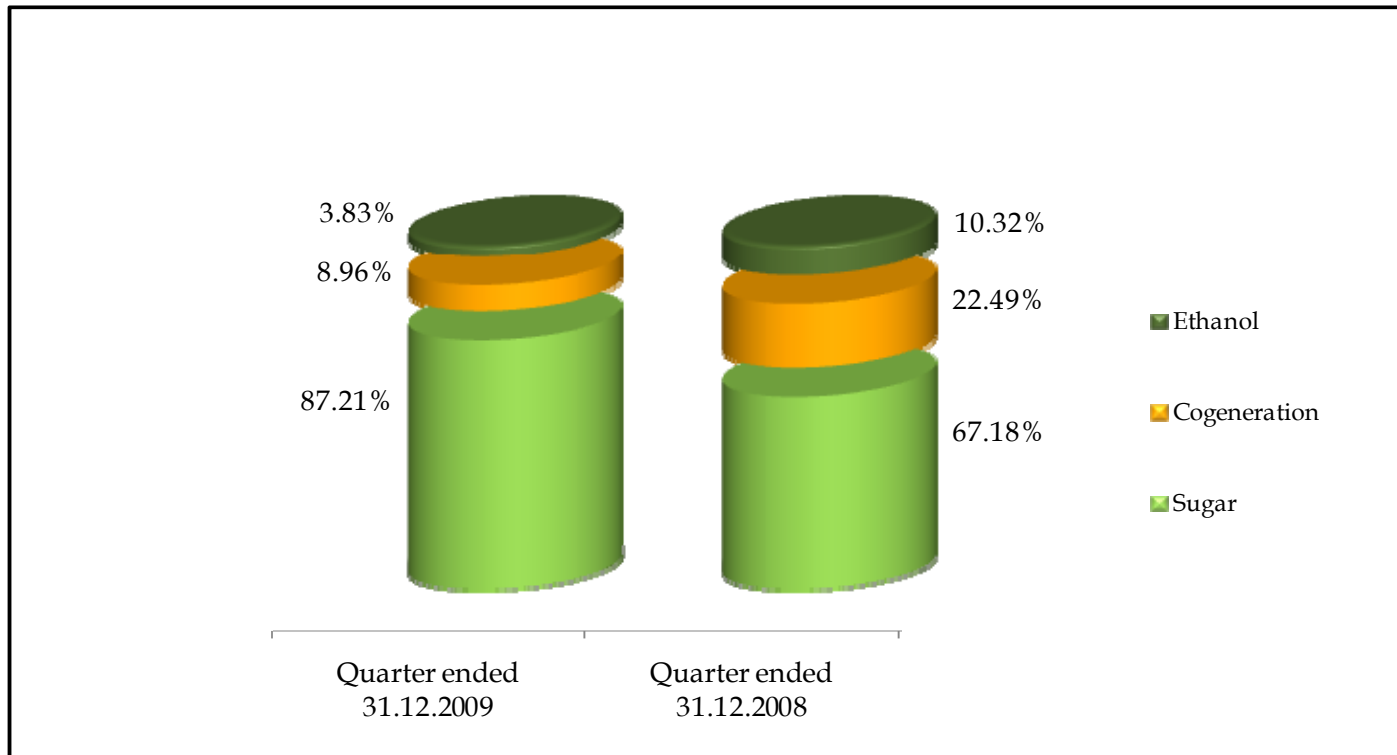
SUGAR ● POWER ● ETHANOL

**Energy**  
for the future



Shree Renuka Sugars Limited

## Segment wise Comparison- Manufacturing



### General Comments:

- ✓ Contribution of Sugar in Manufacturing Revenue increased from 67.18% to 87.21% of the total revenues

**MANAGEMENT AND DISCUSSION ANALYSIS - QUARTER ENDED DECEMBER 31, 2009 WITH THE QUARTER ENDED DECEMBER 31, 2008****Revenues - Standalone**

Our total turnover including total revenues net of excise duty and including other income, for the quarter ending December 31, 2009 (Q1 2010) was Rs. 12,797 million as compared to Rs. 3,394 million in the quarter ending December 31, 2008 (Q1 2009).

Our total turnover increased mainly due to increase in the segment sales of Sugar to Rs. 9,257 million in Q1 2010 from Rs. 2,682 million in Q1 2009 and an increase in segment sale of power generation to Rs. 951 million from Rs. 898 million.

The segment sales of Manufactured Sugar increased by 126% from 132,237 MT for Q1 2009 to 299,336 MT of sugar sold in Q1 2010 with an average net realization of Rs. 28,886/-per MT as compared to Rs. 16,364/- per MT for the corresponding quarter in the last year which is an increase of 77%.

Revenue from cogeneration plant increased to Rs. 951 million for Q1 2010 as compared to Rs 898 million for Q1 2009 which is an increase of 6%. The net realization of power decreased from Rs. 7.4 for Q1 2009 to about Rs. 5.0 for Q1 2010 per unit export of power; however the total power exported to the grid increased from 72 million units for Q1 2009 to 80 million units for the Q1 2010.

Sales from Ethanol division in Q1 2010 were flat at Rs 406 million as compared to Rs 412 million for Q1 2009 on account of lower sales of 13,780 KL as compared to 16,845 KL for the same period last year. However, the average realization during the quarter was higher at Rs. 29,482 per KL as compared to Rs. 24,500 per KL in the corresponding quarter last year which is an increase of 20%.

**The revenues from Renewable Segment (Ethanol & Power) as a percentage of Manufacturing Revenues have decreased from 33% to 13% largely due to an increased contribution from sugar segment even though there is an increase in absolute terms from Rs.1,310 million in Q1 2009 to Rs. 1,357 million in Q1 2010.**

### Production

The cane crushing at all the plants totaled 1,629,590 MT in the Q1 2010 as compared to 1,994,580 MT in Q1 2009. Sugar bagged decreased to 166,290 MT from 212,145 MT, a decrease of 22%. Sugar yield [recovery] per ton of cane decreased to 10.20% for Q1 2010 from 10.64% for Q1 2009. The lower crushing numbers were due to a late start in crushing caused by rains in Maharashtra and Karnataka. The YTD recovery is 10.7% and as on 13<sup>th</sup> January is 11.6%.

Total raw sugar processed in the refineries for the quarter has increased from 37,818 MT for Q1 2009 to 154,844 MT for Q1 2010. Total refined sugar produced in the refineries from raw sugar has increased from 37,003 MT to 148,971 MT for the Q1 2010.

As on 31<sup>st</sup> December 2009, we had a closing stock of white sugar of 324,395 MT including 111,787 MT of imported white sugar. We also had 329,006 MT of raw sugar. As of 31<sup>st</sup> December 2009, inventory of Ethanol and molasses was 23,422 KL and 100,063 MT respectively.

### Expenditure

Our total expenditure excluding provisions for tax, interest & depreciation was Rs. 9,795 million in Q1 2010 which is an increase by 248% as compared to Rs. 2,816 million in Q1 2009.

### Raw materials

The total consumption of raw materials in Q1 2010 was Rs. 10,342 million as compared to Rs. 4,309 million in Q1 2009, which is an increase of 140%. The increase is on account of increase in cane prices even though there was lower cane crushing.

### Interest

The interest cost in Q1 2010 decreased to Rs. 210 million from Rs. 289 million in Q1 2009, which is a decrease by 27%. This was due to lower interest rates and working capital borrowings for the current quarter.

### **Profit before Tax**

Our Profit before Tax in Q1 2010 was Rs. 2,612 million as compared to Rs. 155 million in Q1 2009. This increase is due to the changes in various revenue and cost items as discussed above.

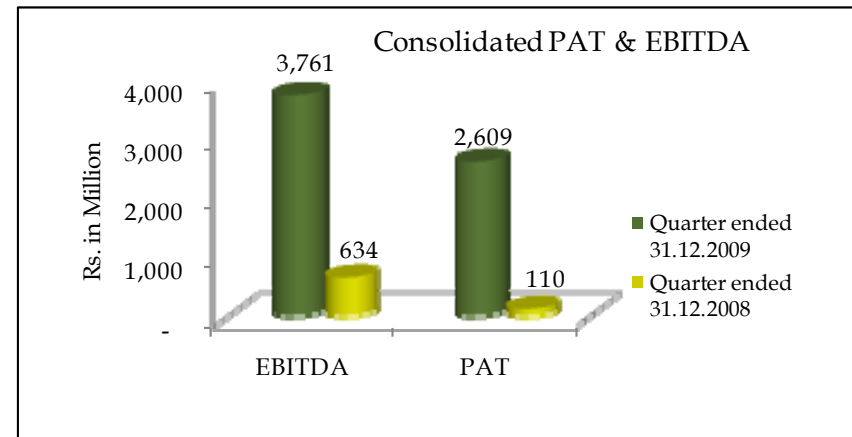
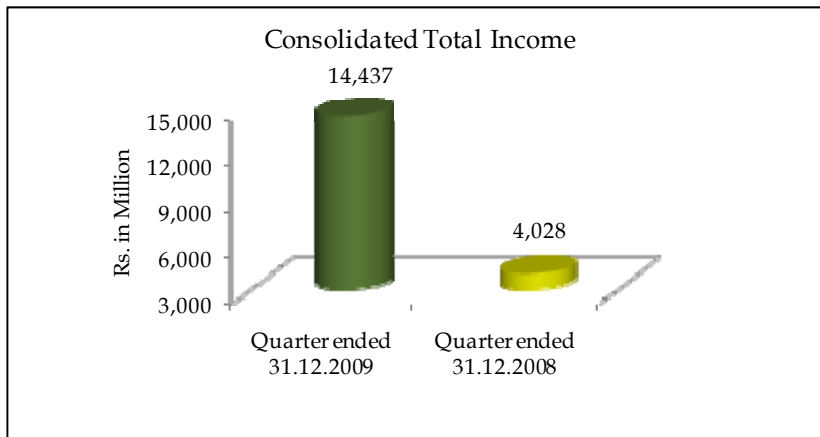
### **Provision for Income Tax**

Provision for Income Tax increased to Rs. 665 million in Q1 2010 from Rs. 54 million in Q1 2009. This is primarily due to increase in taxable income.

### **Profit after Tax**

Our Profit after Tax in Q1 2010 was Rs. 1,947 million as compared to Rs. 101 million in Q1 2009. This increase is due to the changes in various revenue and cost items as discussed above.

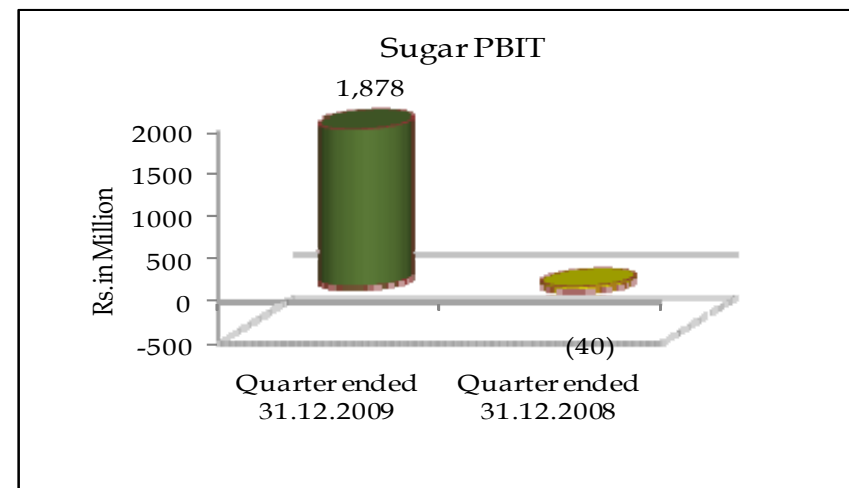
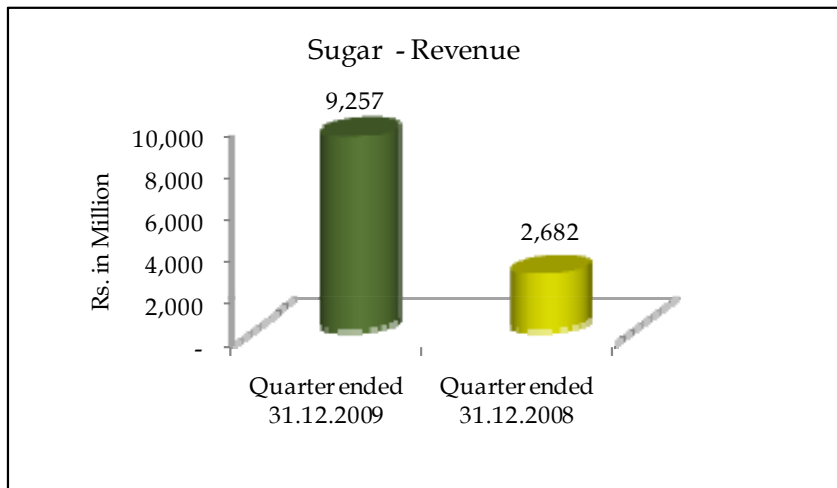
### Quarter I- Condsolidated Analysis



### Comments

- ✓ Consolidated Net Revenues increased from Rs. 4,028 million in Q1 2009 to Rs. 14,437 million in Q1 2010
- ✓ Consolidated EBITDA increased from 634 million in Q1 2009 to Rs. 3,761 million in Q1 2010
- ✓ Consolidated PAT increased from Rs. 110 million in Q1 2009 to Rs. 2,609 million in Q1 2010

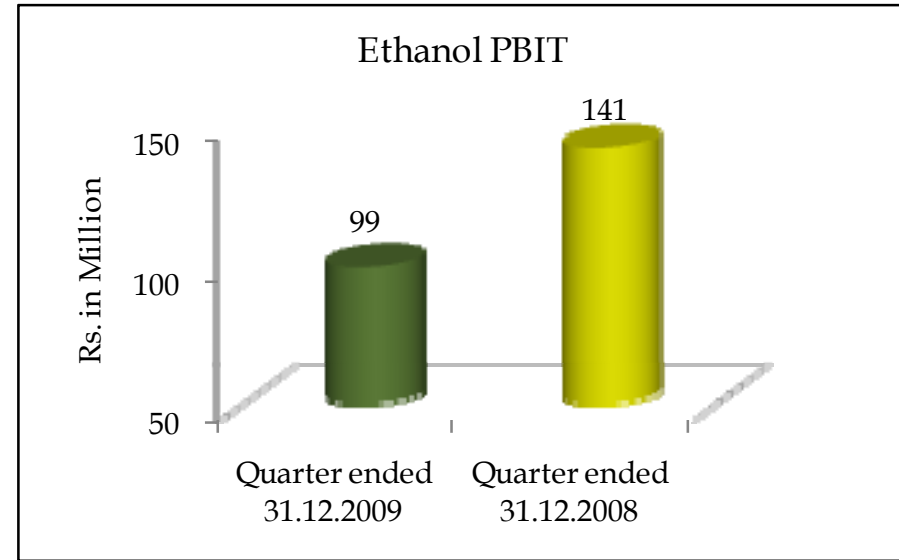
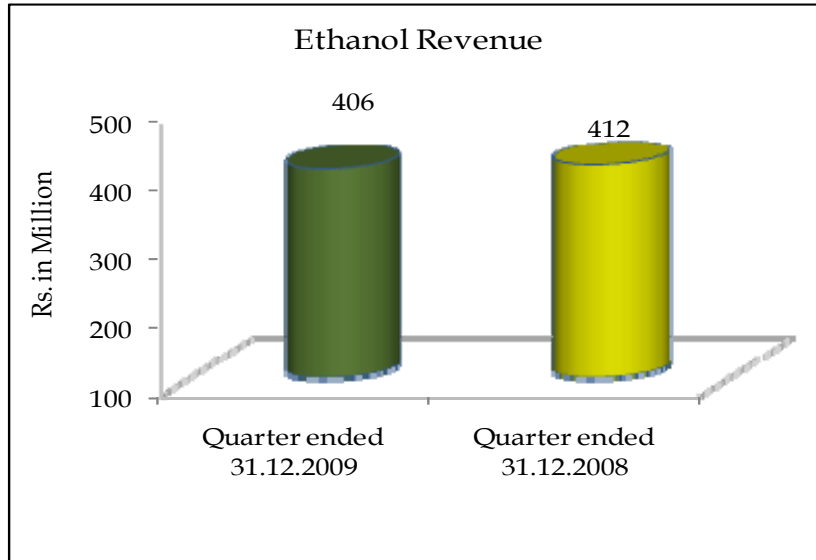
## Segmental Analysis - Sugar



## Comments

- ✓ Sugar Revenues increased from Rs. 2,682 million in Q1 2009 to Rs. 9,257 million in Q1 2010
- ✓ Sugar PBIT increased from Rs. (40) million in Q1 2009 to Rs. 1,878 million in Q1 2010

## Ethanol

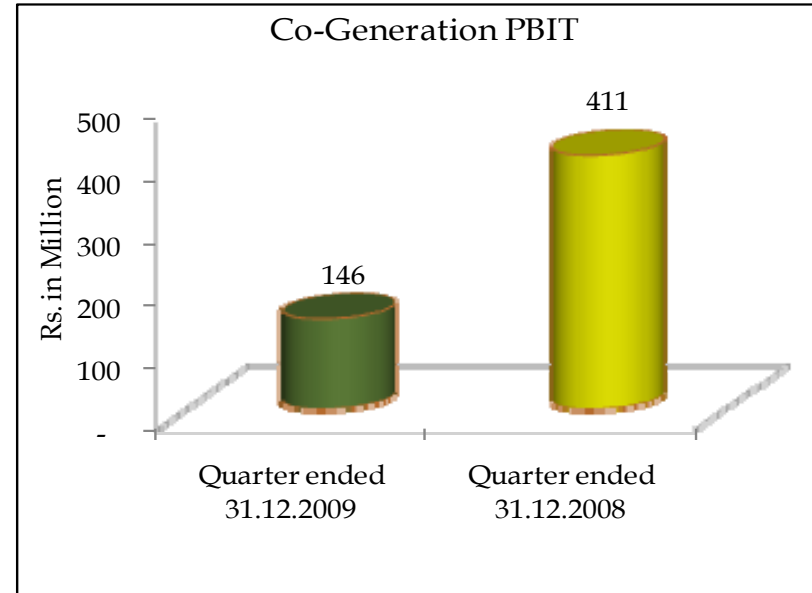
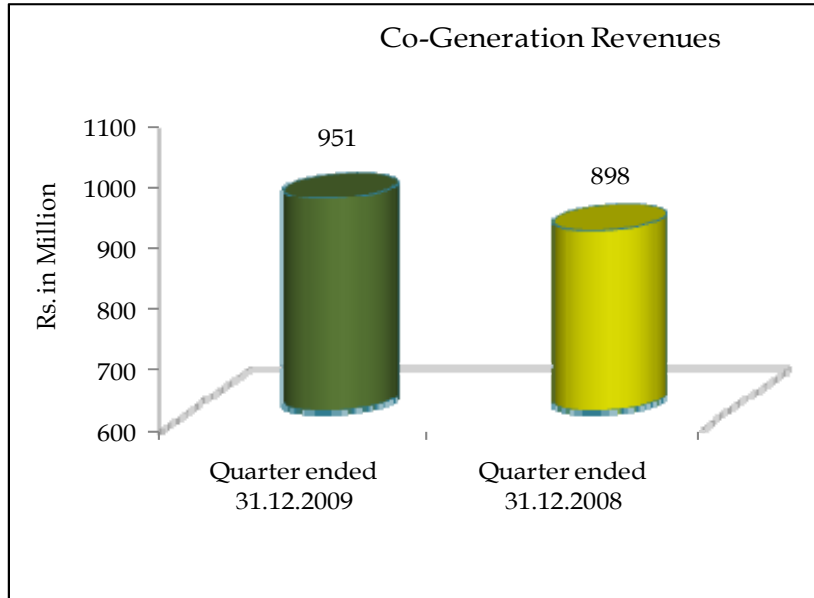


## Comments

- ✓ Flat revenues in Q1 2010 as compared to Q1 2009



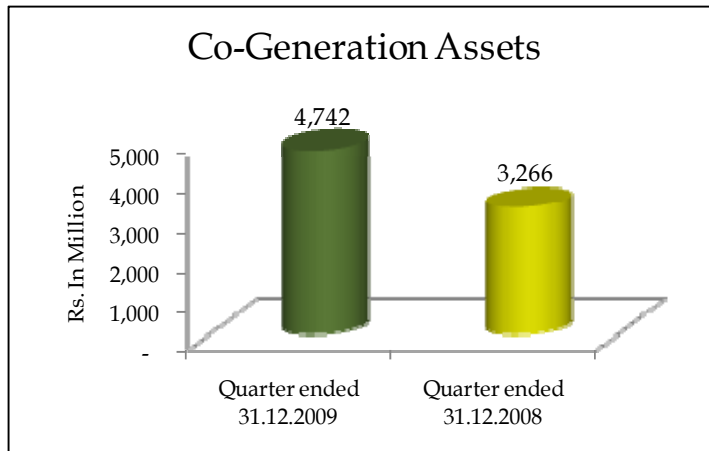
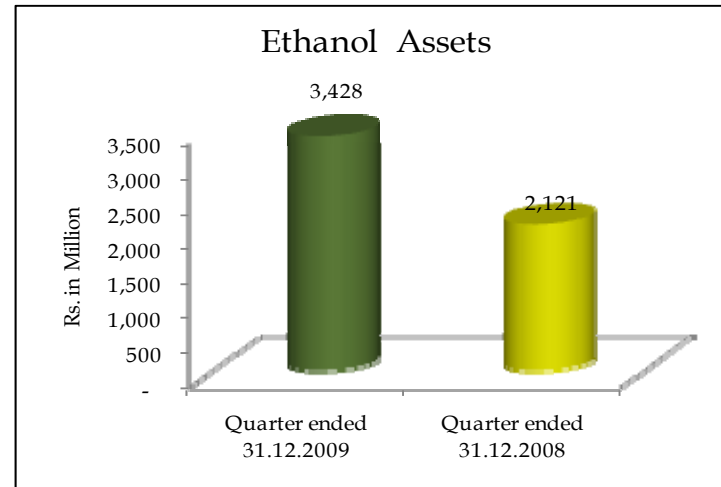
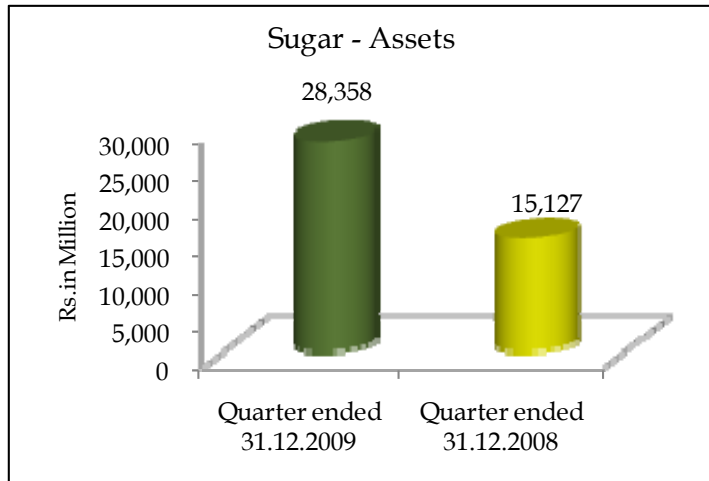
## Cogeneration



## Comments

- ✓ 5.90% increase in revenues in Q1 2010 as compared to Q1 2009

## Assets



### Comments

- ✓ Sugar Assets have increased by 87.47% in Q1 2010 as compared to Q1 2009
- ✓ Distillery Assets have increased by 61.62% in Q1 2010 as compared to Q1 2009
- ✓ Cogen Assets have increased by 45.19% in Q1 2010 as compared to Q1 2009