

# Quarter 3 Financial Results - 2008-09

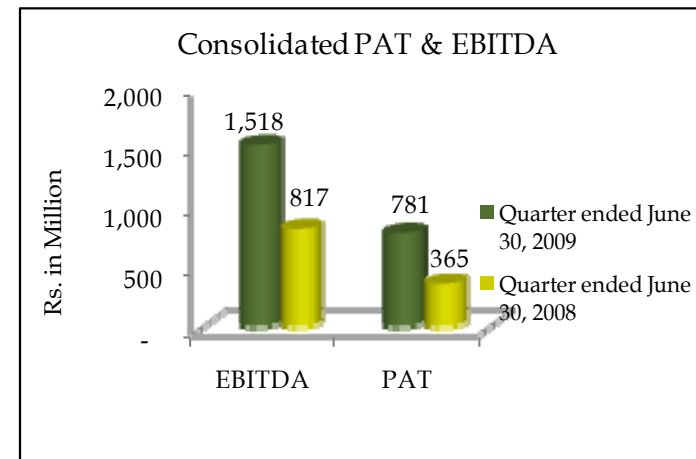
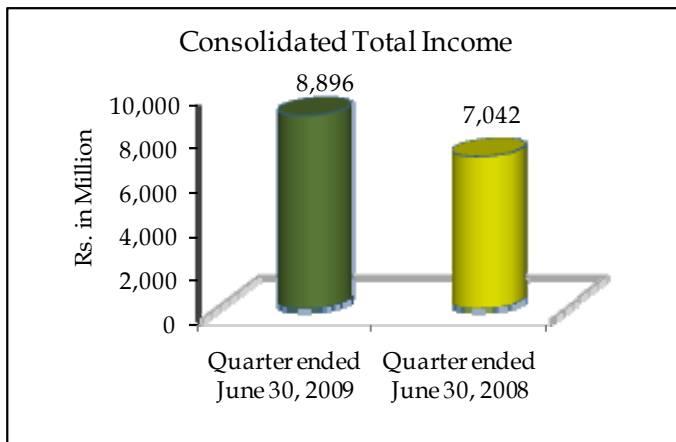
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Shree Renuka Sugars Limited

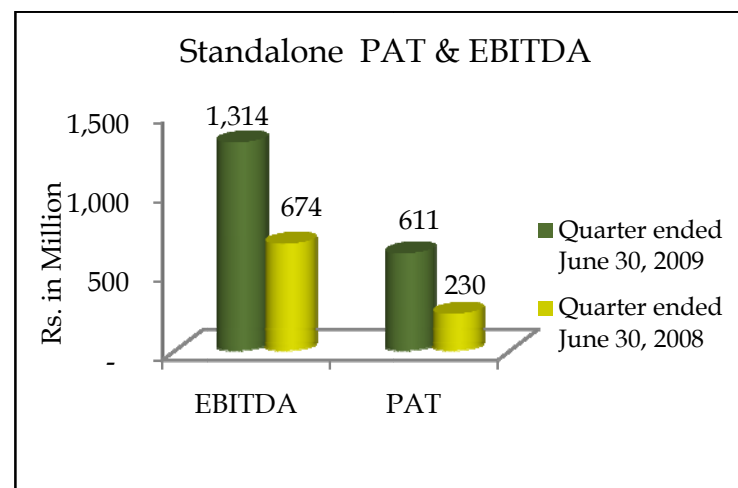
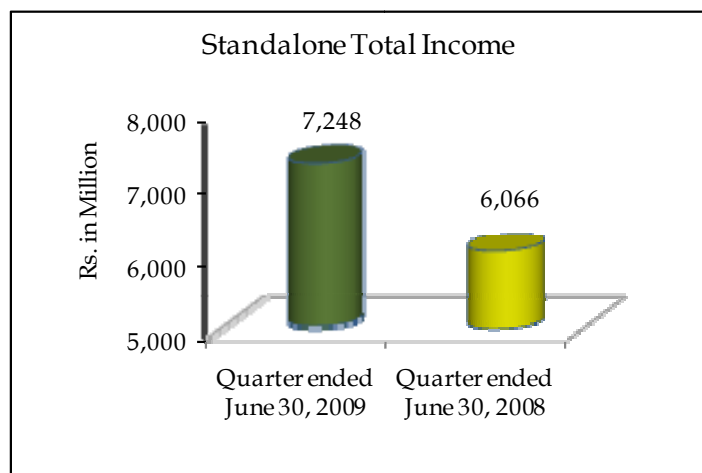
## Quarter 3 - Consolidated Results



## Comments

- ✓ Consolidated Net Revenues increased by 26% in the Q3 2009 as compared to Q3 2008
- ✓ Consolidated EBITDA increased by 89% in Q3 2009 as compared to Q3 2008
- ✓ Consolidated PAT increased by 114% in Q3 2009 as compared to Q3 2008

## Quarter 3- Standalone Results



### Comments

- ✓ Standalone Net Revenues increased by 19% in the Q3 2009 as compared to Q3 2008
- ✓ Standalone EBITDA increased by 95% in Q3 2009 as compared to Q3 2008
- ✓ Standalone PAT increased by 166% in Q3 2009 as compared to Q3 2008

**MANAGEMENT DISCUSSION AND ANALYSIS:  
QUARTER ENDED JUNE 30, 2009 WITH THE QUARTER ENDED JUNE 30, 2008**

**Revenues**

Our total turnover including total revenues net of excise duty and including other income, for the 3<sup>rd</sup> quarter ending June 30, 2009 was Rs. 7,248 million as compared to Rs. 6,066 million in the 3<sup>rd</sup> quarter ending June 30, 2008, which has increased by 19%.

Our total turnover increased mainly due to increase in the segment sales of sugar to Rs. 5,859 million in quarter ending June 30, 2009 from Rs. 2,112 million in quarter ending June 30, 2008, which is an increase of 177 %; but there was a decrease in segment sale of trading sugar to Rs.671 million from Rs. 3,451 million, which is a decrease by 414%; increase in sale of power to Rs.801 million from Rs. 622 million, which has increased by 29 %; increase in segment sales of Ethanol to 378 million from 257 million, which has increased by 47% and marginal decrease in other products to Rs.10 million in the quarter ending June 30, 2009 from Rs. 11 million in quarter ending June 30, 2008, which is a decrease of 10%.

The segment sales of Manufactured Sugar increased by 63% from 161,661 MT in quarter ending June 30, 2008 to 263,518 MT in quarter ending June 30, 2009. The segment sales of manufactured sugar was 253,696 MT in half year ending March 31, 2009 and 181,006 MT in half year ending March 31, 2008. Average net realization increased by 73% from Rs. 12,340/- to Rs. 21,366/- per MT (including exports).

Revenue from cogeneration plant also increased by 17 % due to increase in export of power to Grid from 58 million KWH to 68 million KWH and also due to increased plant capacities. But there has been a marginal decrease in net realization from Rs. 6.67 /- to Rs. 6.21/- for per unit export of power, which is a decrease by 7%.

Sales from Ethanol plant in the quarter ending June 30, 2009 has increased by 47% as compared to the sales for the quarter ending June 30, 2008 due to increase in quantitative sales of ethanol from 12,033 K.Ltr to 15,453K.Ltr, which is an increase by 28%. Also average realization during the quarter has increased by 15%, from Rs. 21,329/- to Rs. 24,479/-.

### **Other Income**

Other Income has increased to Rs. 93 million due to net-off gain on foreign letters of credit. The foreign exchange gain is worked out on the basis of difference between exchange rate prevailing on the closing exchange rate of last quarter and closing exchange rate of current quarter. Hence there is an increase in Other Income to Rs. 93 million in quarter ending June 30, 2009 as compared to loss of Rs. 35 million in quarter ending June 30, 2008.

### **Production**

As there has been shortfall of cane for the current season 2008-09, the crushing had stopped in all units by March end. Therefore the cane crushing at all the plants for the quarter June 30, 2009 was nil, as compared to 963,389 MT in the quarter ending June 30, 2008. This shortfall was identified early; hence we operated raw sugar refining capacities at Athani and Munoli plants. The total refining output (including Haldia refinery) from raw sugar for the quarter ending June 30, 2009 was 251,446 MT as compared to 6,926 MT in the quarter ending June 30, 2008. The total production of sugar for the nine months ending June 30, 2009 was 826,452 out of which cane sugar was 375,835 MT and refined sugar was 450,617 MT.

### **Expenditure**

Our total expenditure net of increase/(decrease) in stock and excluding provisions for tax, interest & depreciation was Rs. 5,934 million in quarter ending June 30, 2009 which is a increase by 10%, as compared to Rs. 5,392 million in quarter ending June 30, 2008.

### **Interest**

Interest cost in quarter ending June 30, 2009 increased to Rs. 226 million from Rs. 211 million in quarter ending June 30, 2008, which is an increase by 7 %. This was primarily due to increase in term borrowings for on-going Capex programs.

### **Profit before Tax**

Our Profit before Tax in quarter ending June 30, 2009 was Rs. 924 million as compared to Rs. 364 million in quarter ending June 30, 2008, which is an increase of 154%. This increase is due to the changes in various revenue and cost items as discussed above.

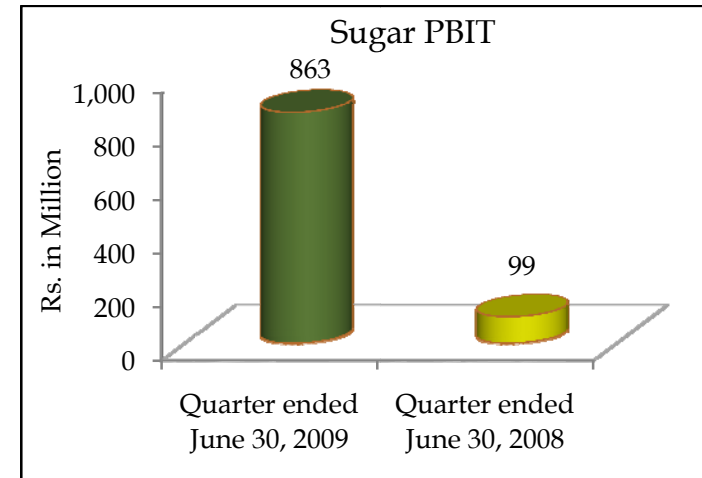
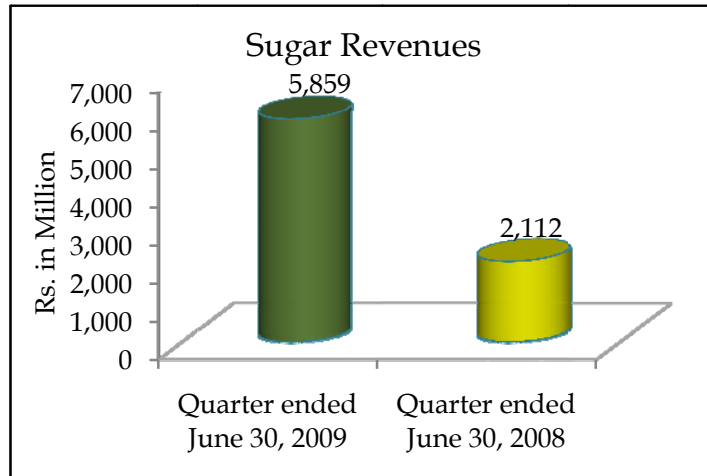
### **Provision for Income Tax**

Provision for Income Tax increased to Rs 313 million in quarter ending June 30, 2009 from Rs. 134 million in quarter ending June 30, 2008 – an increase of 134%. This is primarily due to increase in net taxable income.

### **Profit after Tax**

Our Profit after Tax in quarter ending June 30, 2009 is Rs. 611 million as compared to Rs. 230 million in quarter ending June 30, 2008. This represents an increase of 166%, due to changes discussed above.

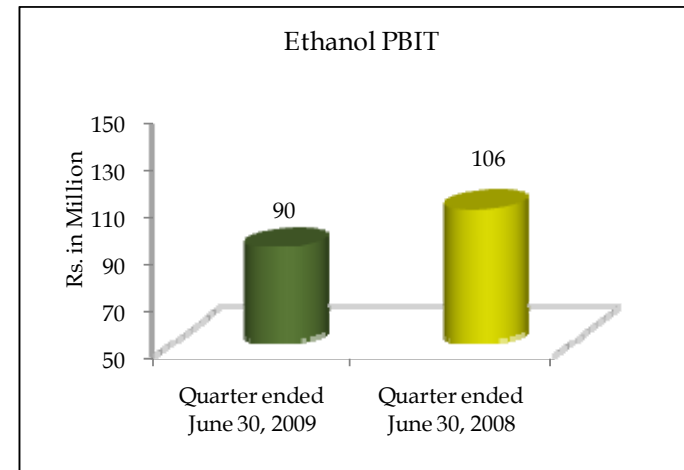
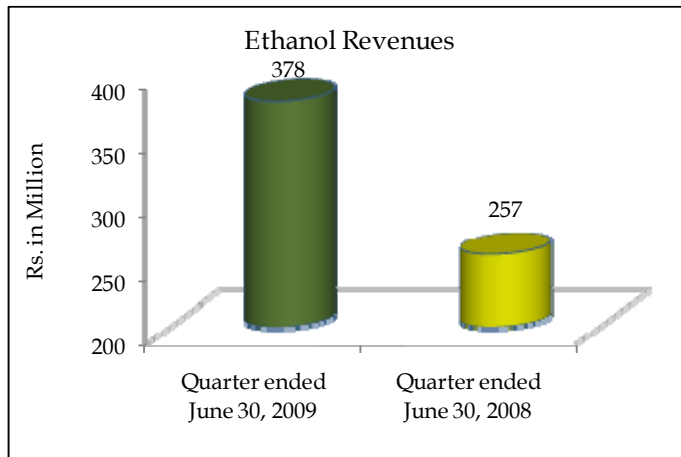
## Segmental Analysis - Sugar



## Comments

- ✓ Sugar Revenues increased by 177% in Q3 2009 as compared to Q3 2008
- ✓ Sugar PBIT increased to Rs. 863 million in Q3 2009 from Rs. 99 million in Q3 2008

## Segmental Analysis - Ethanol

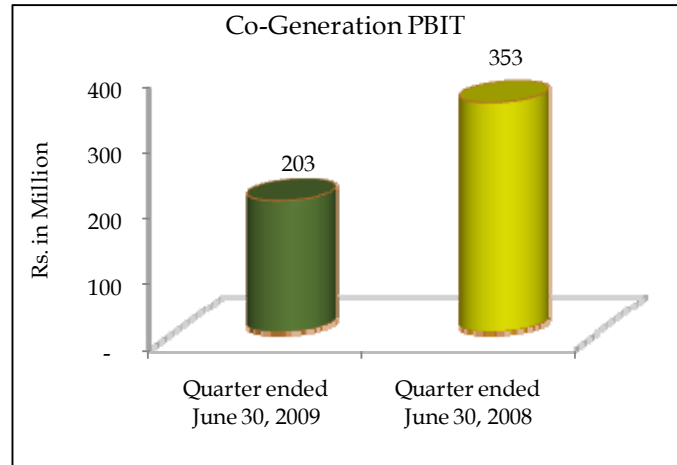
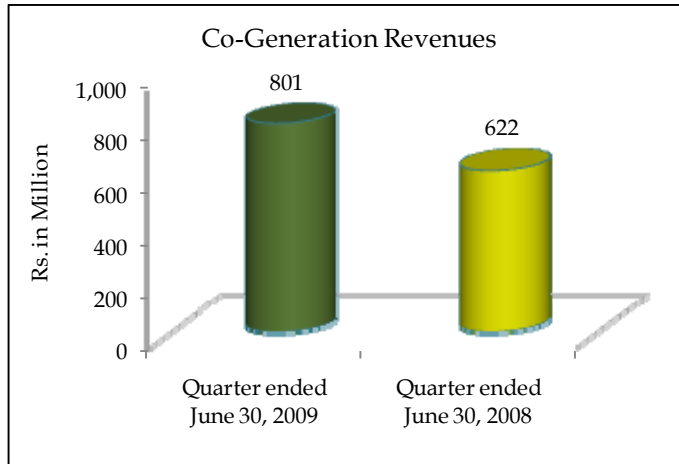


## Comments

- ✓ 47% increase in revenues in Q3 2009 as compared to Q3 2008
- ✓ 15% decrease in PBIT in Q3 2009 as compared to Q3 2008



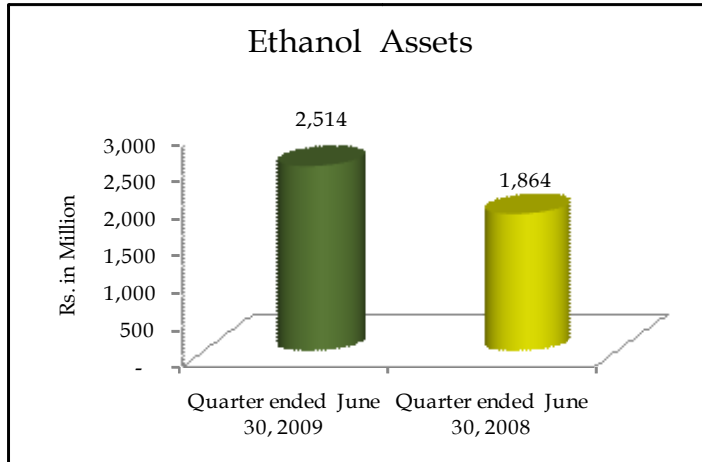
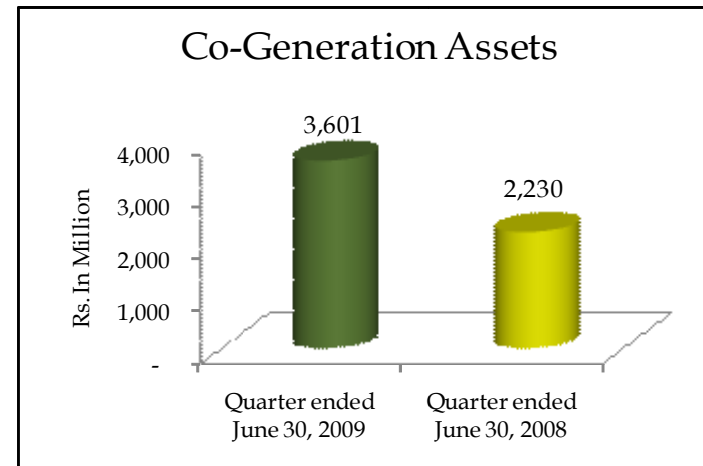
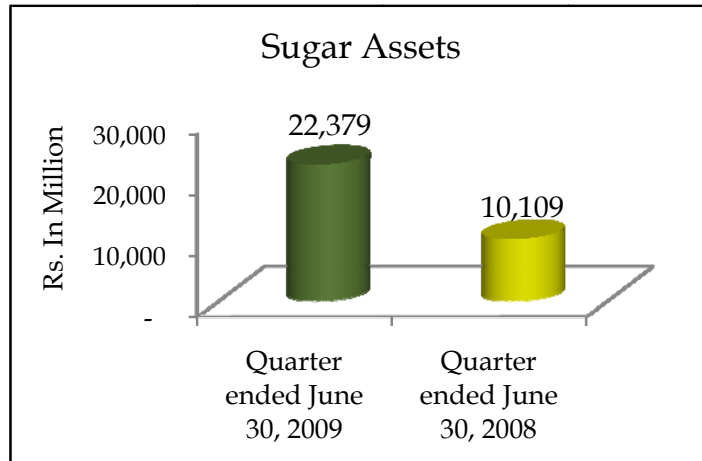
## Segmental Analysis - Cogeneration



## Comments

- ✓ 29% increase in revenues in Q3 2009 as compared to Q3 2008
- ✓ 42% decrease in PBIT in Q3 2009 as compared to Q3 2008

## Assets



## Comments

- ✓ Sugar Assets have increased by 121% in Q3 2009 as compared to Q3 2008
- ✓ Ethanol Assets have increased by 35% in Q3 2009 as compared to Q3 2008
- ✓ Cogen Assets have increased by 61% in Q3 2009 as compared to Q3 2008