

# Navigating challenges. Pursuing growth.



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# FY20

A Year of Transformation

## OPERATIONAL

30,81,677  
MT

CANE CRUSHED

1,147,000  
MT

SUGAR REFINED

477.56  
MN kWh

ENERGY PRODUCED

## FINANCIAL

4,567.94

(₹ in Crore)  
OPERATING REVENUE

207.68

(₹ IN CRORE)  
EBITDA

(551.20)

(₹ IN CRORE)  
LOSS AFTER TAX

(2.88)

EPS (₹)

471.25

(₹ in Crore)  
ETHANOL SOLD

## ENVIRONMENT AND SOCIAL

239.97  
MN kWh

ENERGY CONSUMPTION

6,62,310  
KL

WATER RECYCLED/RE-USED

10,119

TREES PLANTED

## Forward-looking statement

This Report and other statements – written and oral – state that we periodically make, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe', and word of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

# Navigating challenges. Pursuing growth.

FY20 has been a year of challenges that began with global trade tensions, witnessing cyclical slowdown in the Indian economy in the latter half. Erratic weather posed a challenge to the performance of the agriculture sector, especially affecting sugarcane production.

At Shree Renuka Sugars Limited (SRSL), however, the year has been one of navigating challenges with confidence, to demonstrate a strong performance. We have managed to sail through and charge ahead, while remaining committed to our business priorities that are focused on growth.

Our consumer business Madhur outperformed the market, growing by over 32%. We intend to expand in the Northern region of the country with a local packaging presence for Madhur. We reinstated our focus on ethanol production and have pioneered an in-house process to manufacture ethanol out of sugarcane juice. Going forward, we intend to restart our Haldia refinery, as sugar pricing and exports improve.

The last quarter was overshadowed by the COVID-19 pandemic breaking out in India during mid-February, sparking major concerns over health and economy. Three months of lockdowns have ensued since the last week of March. Classified as essential products and services, our operations continued during the lockdowns. Meanwhile, we leaned on government incentives to boost our bottom line. Barring a few minor supply chain hiccups, we maintained business as usual while adhering to government guidelines on the health and safety of our people.

The current crisis represents a great deal of uncertainty and has highlighted the need for greater efficiencies; we have taken this as an opportunity to learn. We have simplified our processes and optimised our value chain for protecting our profitability. We are focused on becoming a better, stronger organisation.



# One Company. Several strengths.

**Shree Renuka Sugars Limited (SRSL) is an agri-business and bio-energy company, with a presence across sugar, ethanol, co-generation and trading. We are a subsidiary of Wilmar Sugar Holdings Pte Ltd, Singapore. Founded in 1995, we are one of the largest sugar manufacturers and refiners in India.**

We pioneered sugar refining and the concept of leasing out sugar manufacturing units in India. With total of six sugar mills in the highly productive sugarcane belts of India including three integrated sugar complexes, as well as two port-based sugar refineries, we are focused on growing our presence in branded sugar, ethanol and undertaking power projects at third-party mills on a build-own-operate-transfer (BOOT) basis. We are the producers of India's #1 consumer packaged sugar brand, Madhur.

## Vision

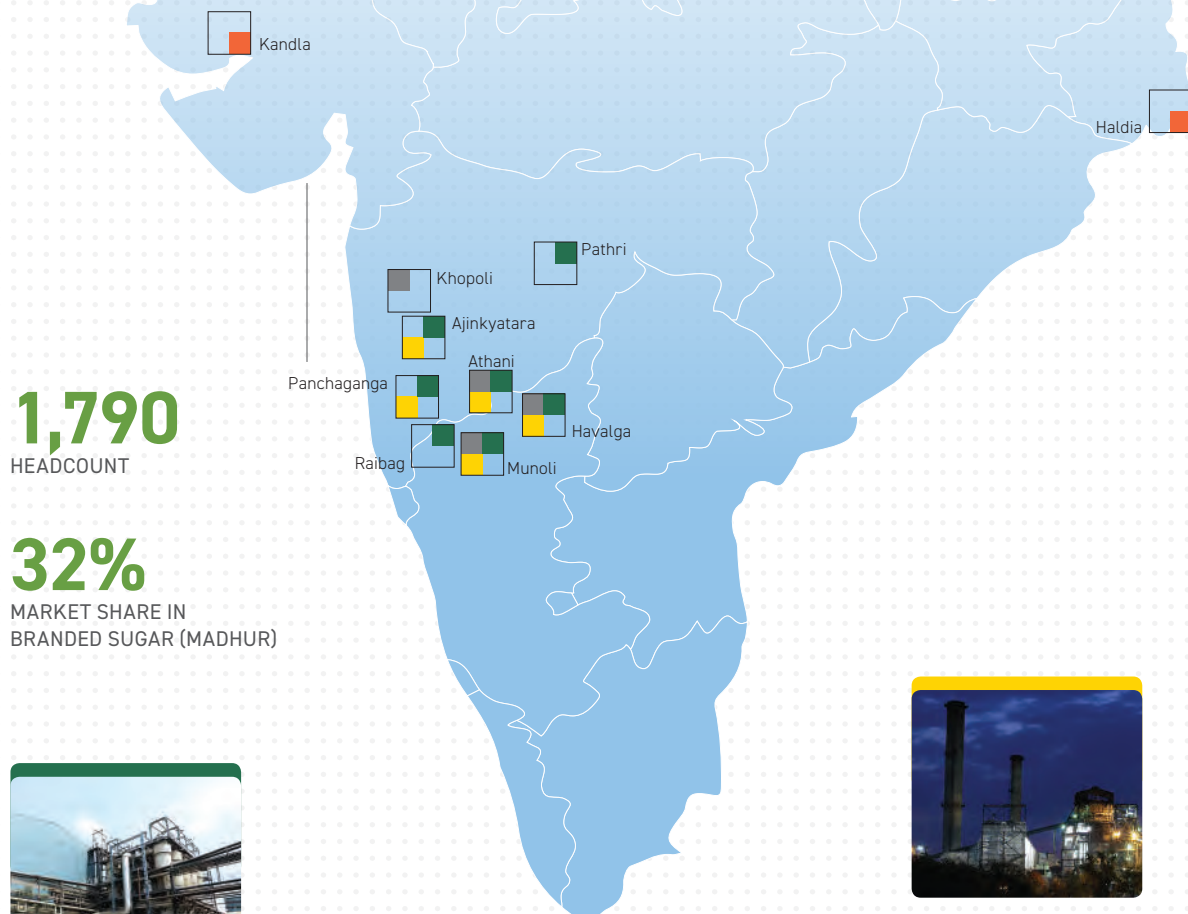
To be among the top three integrated sugar and ethanol companies in the world by harnessing our strengths and realising synergies through our global presence



## Core Strengths

- Presence in one of the world's largest sugar-producing and consuming region, leveraging information flow for sustainable growth
- Indian operations conducted across southern and western parts of the country having good availability of quality sugarcane
- Strategically located port-based refineries in India cater competitively to the markets across India, South Asia and the Middle East
- One of the largest supplier of ethanol to oil marketing companies in India
- Madhur has achieved a high brand recall; it is the largest consumer brand in sugar in India

## Geographical Presence



**1,790**  
HEADCOUNT

**32%**  
MARKET SHARE IN  
BRANDED SUGAR (MADHUR)



### Sugar Units (TCD)

Athani Sugar Unit

**10,000**

Munoli Sugar Unit

**10,000**

Havalga Sugar Unit

**7,500**

Panchaganga Sugar Unit

**6,000**

Raibag Sugar Unit

**2,500**

Pathri Sugar Unit

**1,500**



### Distilleries (KLPD)

Athani Distillery

**300**

Munoli Distillery

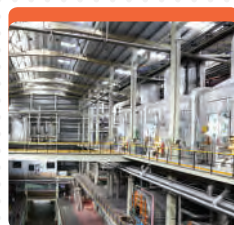
**120**

Havalga Distillery

**210**

Khopoli Distillery

**100**



### Refineries (TPD)

Kandla Refinery

**3,000**

Haldia Refinery

**2,500**



### Power Plants (MW)

Munoli

**35.5**

Athani

**76**

Havalga

**33.5**

Panchaganga

**24**

Haldia

**15**

Kandla

**45**

**Total power produced**

**477.56 million kWh**

TCD - Tonnes of Cane per Day

KLPD - Kilo Litres Per Day

TPD - Tonnes Per Day

kWh - kilowatt-hour

# Balanced portfolio creating sustainable value

## Sugar

### Segment Overview

We have state-of-the-art fully integrated sugar mills to process sugarcane and manufacture sugar.

Molasses, bagasse and press mud, produced as by-products, are further used to manufacture value added products.

We have six mills in India with a total capacity of 36,500 TCD and two port-based sugar refineries with a total capacity of 5,500 TPD.

### Product

#### White Sugar

The most commonly consumed sugar variety across all households and the food industry to produce processed foods and beverages, this variety of sugar is refined and washed, giving it a white appearance. Also called refined sugar, it contains 99.9% sucrose, and is relatively neutral in flavour.

SUGAR MILLS REVENUE

**1,529.90**  
(₹ in Crore)

SUGAR REFINERIES  
REVENUE

**2,716.60**  
(₹ in Crore)

**78.85%**

Mills — 28.41%  
Refineries — 50.44%

## Cogeneration

### Segment Overview

Our cogeneration power plants at Munoli, Athani, Havalga, Panchaganga, Ajinkyatara units use bagasse (the by-product from our sugar manufacturing process) to produce power, while the cogeneration power plants at Haldia and Kandla run on coal.

We have a capacity production of 567 million kWh of power, 49% of which is captively consumed within our plants and the remaining power is sold to the state electricity grid.

Most of our cogeneration process is based on renewable energy, which provides a significant reduction in GHG emissions.

DIVISIONAL REVENUE

**372.21**  
(₹ in Crore)



DIVISIONAL REVENUE

**471.25**  
(₹ in Crore)

8.75%

6.91%

Contribution to  
total revenue

## Listing and Market Capitalisation

Our shares are listed and actively traded on the National Stock Exchange (NSE) under the code RENUKA and on the Bombay Stock Exchange (BSE) under the code 532670. As on 31<sup>st</sup> March 2020, our market capitalisation was ₹ 891 Crore.

## Ethanol

### Segment Overview

Our distilleries manufacture potable grade alcohol and fuel-grade ethanol that can be blended with petrol.

We have a capacity production of 730 kilo litres per day (KLPD).

We also provide turnkey distillery, ethanol and certain sugar process equipment and biofuel plant solutions through our subsidiary, KBK Chem Engineering.

### Product

#### Ethyl Alcohol

Ethanol or ethyl alcohol is produced through two methods — direct fermentation of cane juice or from molasses, a by-product of the sugar manufacturing process. In India, ethanol was mostly produced from molasses, but this approach has been undergoing transformation. To drive the Ethanol Blending Programme, the Indian government has recently allowed the use of sugarcane juice or an intermediate product called B-molasses to produce ethanol. Ethanol has various industrial uses such as blending with petrol as well as chemical industries, among others.

#### Organic Manure

We utilise all the by-products from our sugar manufacturing process. The press mud/filter cake obtained as waste, is mixed with effluents from our distillery operations to manufacture organic manure, which is eco-friendly as well as more cost-effective than chemical fertilisers.



# Milestones in our journey of growth

## Formation Stage

1998-2003

**1998**

Established SRSL by acquiring the assets of Nizam Sugars Ltd. in Andhra Pradesh

**2000**

Commissioned a cogeneration plant at Munoli, Karnataka

**2001**

Commissioned a 60 KLPD distillery at Munoli

**2003**

Leased the first co-operative mill

## Strengthening the Foundation

2005-2009

**2005**

Completed Initial Public Offering (IPO) and established a greenfield sugar mill at Athani, Karnataka

**2007**

Acquired KBK Chem Engineering Pvt. Ltd. in Maharashtra

**2008**

Commissioned a 2,000 TPD sugar refinery at Haldia, West Bengal

**2009**

Commissioned a cogeneration facility in Maharashtra's Panchganga Co-operative Sugar Mill on BOOT basis





## Gearing up for -Growth

### 2010-2015

#### 2010

Acquired 100% stake in Renuka Vale do Ivai S/A and 50.34% stake in Renuka do Brasil S/A (Equipav Group)

#### 2011

Commissioned a 3,000 TPD port-based refinery near Kandla, Gujarat

#### 2012

Increased stake in Renuka do Brasil S/A to 59.4%

#### 2014

Partnered with Wilmar Sugar Holdings Pte Ltd, Singapore, involving an equity infusion for equal stakes with the existing promoters

## Towards a Sustainable Future

### 2016-2020

#### 2018

Wilmar Sugar Holding Pte. Ltd. has become the holding company by acquiring 58.34% of stake

#### 2019

- Sold stake in Shree Renuka Global Ventures Limited, Mauritius, the holding company of Brazilian operations
- First in Karnataka to produce Ethanol directly from cane juice

#### 2020

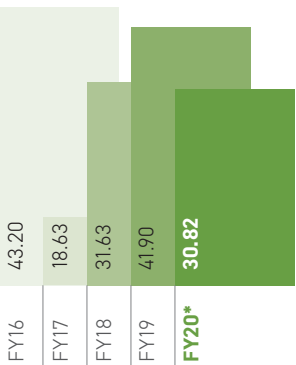
Minimal impact from COVID-19 pandemic (Instead, achieved 32% growth in sales)

# Delivering on our commitment

## Operational

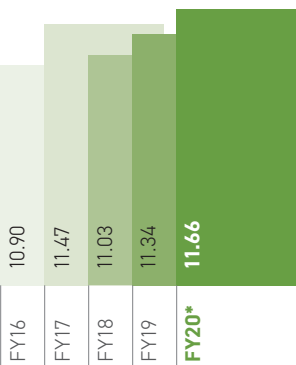
### Sugarcane Crushed

(Lakh Tonnes)



### Sugar Recovery

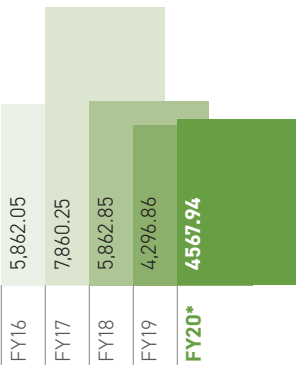
(%)



## Profit and Loss Metrics (Standalone)

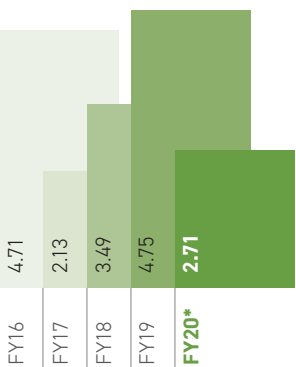
### Revenue

(₹ in Crore)



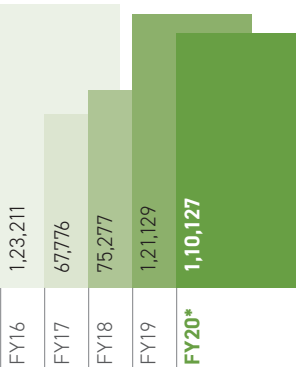
### Sugar Produced from Cane Crushing

(Lakhs Tonnes)



### Alcohol Produced

(Kilo Litres)



### EBITDA Margin

(%)

