



Financial Results: for quarter and half year ended September 30, 2011

November 07, 2011



Presentation Plan

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Integrated Sugar Business

Sugar Industry Highlights

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Corporate Highlights



Key Highlights – Q2 FY12

Improved Sugar Realization on sequential basis

- Net Sales Realization improved to Rs 27184/MT in Q2'12, vs 26790/MT in Q1'12
- The buoyant trend continues in the month of October

Formal allotment of Renewable Energy Certificate accreditation (REC) accomplished during the quarter

- Total estimated yearly revenue around Rs. 8 crore in SY12

Sold export rights of processed sugar

- Income on account of sale of Export entitlement is Rs 3 Cr for Q2'12 and Rs 6 Cr YTD.



Corporate Social Responsibility

- **Children and Education – 420 children undergoing remedial education programme** that will substantially improve their performance in subjects. We have this year expanded CSR programmes to all our 3 sugar plants.
- **Village empowerment and institutional strengthening – 8 new Self Help Groups with 72 member women have been formed.**
- **Health Services - 4,500 health interventions through the government's national health days (NHD) programme** done, primarily benefitting pregnant women, post-natal care and immunization for young children

Standalone Financial Results



Standalone Financial Results Highlights

Income	Q2'12	HY1'12
• Gross Sales :	Rs. 156 cr; ↑ 17% YoY	Rs. 324 cr
• Net Sales :	Rs. 150 cr; ↑ 18% YoY	Rs. 313 cr
• Total Income :	Rs. 155 cr; ↑ 19% YoY	Rs. 324 cr

Profits	Q2'12	HY1'12
• EBITDA :	Rs. (5) cr; ↑ 64% YoY	Rs. 11 cr
• Net Profit :	Rs. (18) cr; ↑ 38% YoY	Rs. (24) cr

- Higher sales on account of higher releases from the Government
- Lower EBITDA due to increased overheads during the quarter Q2'12

Q2'12 Results – Business wise

(Rs In crores)	Q2'11			Q2'12			YoY%		
	Sugar	Others	Total	Sugar	Others	Total	Sugar	Others	Total
Gross Sales	121	12	133	145	11	156	20%	-14%	17%
Net Sales	115	12	127	140	10	150	21%	-16%	18%
Other Operating Income	2	1	3	3	2	6			
Total Income	117	14	131	143	13	155	22%	-7%	19%
Operating Expenses	135	9	144	153	7	160			
EBITDA	(18)	5	(13)	(10)	6	(5)			
EBITDA Margins %	-16%	37%	-10%	-7%	44%	-3%			
Other Income			0			0			
Depreciation			11			10			
Interest			11			12			
Profit Before Tax			(34)			(26)			
Tax			(11)			(9)			
PAT			(23)			(18)			

* Sugar segment includes Cogen & Distillery; Others include Windfarm, Magnesite and miscellaneous businesses

** Previous period numbers have been reclassified/regrouped as per current quarter groupings

HY1'12 Results – Business wise

Period ending (Rs In crores)	HY1'11			HY1'12			YoY%		
	Sugar	Others	Total	Sugar	Others	Total	Sugar	Others	Total
Gross Sales	308	26	334	305	19	324	-1%	-24%	-3%
Net Sales	297	25	322	294	19	313	-1%	-26%	-3%
Other Operating Income	6	3	9	7	4	11			
Total Income	302	28	330	301	22	324	0%	-20%	-2%
Operating Expenses	342	18	360	300	13	313			
EBITDA	(39)	10	(29)	1	9	11	-104%	-7%	-137%
EBITDA Margins %	-13%	36%	-9%	0%	42%	3%			
Other Income			2			1			
Depreciation			21			20			
Interest			26			27			
Profit Before Tax			(74)			(35)			
Tax			(24)			(11)			
PAT			(50)			(24)			

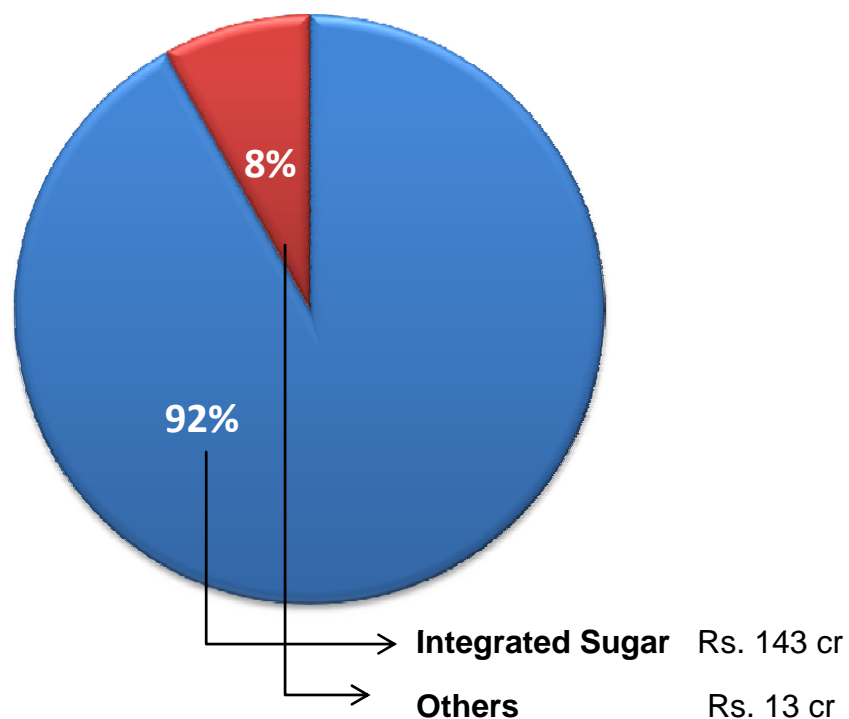
Net Sales grows 6% ...

- **Realizations:**
 - Sugar 1% ↓
- **Volume:**
 - Sugar 7% ↓

* Sugar segment includes Cogen & Distillery; Others include Windfarm, Magnesite and miscellaneous businesses
 ** Previous period numbers have been reclassified/regrouped as per current quarter groupings

Q2'12 Business Mix

Total Net Revenue Mix



Integrated Sugar & Other Business contribute about 92% and 8% respectively to the overall revenue mix

** Sugar segment includes Cogen & Distillery; Others include Windfarm, Magnesite and miscellaneous businesses*

*** Previous period numbers have been reclassified/regrouped as per current quarter groupings*

Integrated Sugar Business



Integrated Metrics

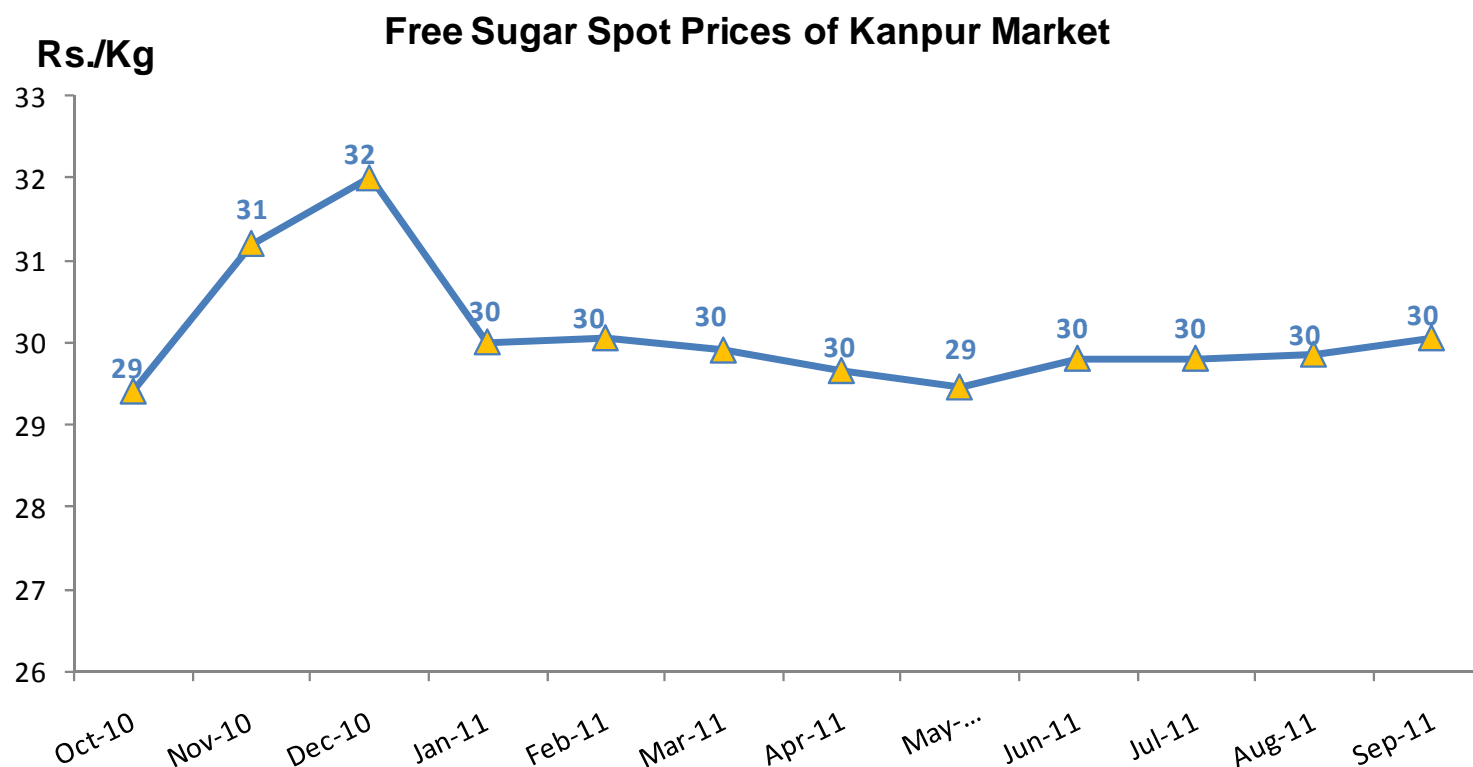
Operational Metrics Sugar	Units	Q2'11	Q2'12	Growth %/bps	HY1'11	HY1'12	Growth %/bps
Crushed cane	T	-	-	-	-	32,664	-
Recovery	%	0.0%	0.0%	-	0.0%	9.6%	965
Production Volume	T	-	-	-	10,006	3,151	-69%
Sales Volumes	T	40,037	48,362	21%	100,821	93,586	-7%
Sales Realizations	Rs/T	25,147	27,185	8%	26,045	26,994	4%

Cogeneration Units	Units	Q2'11	Q2'12	Growth%	HY1'11	HY1'12	Growth %/bps
Installed Capacity	MW	79	79	-	79	79	-
Power generated	lakh kwh	266	-	-100%	626	785	25%
Power Exported	lakh kwh	240	-	-100%	554	696	26%
Power Realization	Rs/Kwh	5.0	-	-100%	5.3	4.6	-14%

Distillery	Units	Q2'11	Q2'12	Growth%	HY1'11	HY1'12	Growth
Installed Capacity	KLPD	80	80	-	80	80	-
Sales Volumes	KL	80	1,751	2089%	1,207	2,167	80%

- No generation of Cogen power due to non availability of bagasse.
- About 6000 T of sugar Inventory as on September 30, 2011, valued at Rs. 25700/T

Free Spot Sugar Pricing



- Sugar prices have stabilized in the range of Rs. 29-30/kg
- Spot prices as on date at Rs. 32/kg (M Grade: Kanpur Market)

Sugar Industry Highlights



Sugar Demand - Supply Situation in India

Indian Sugar Balance

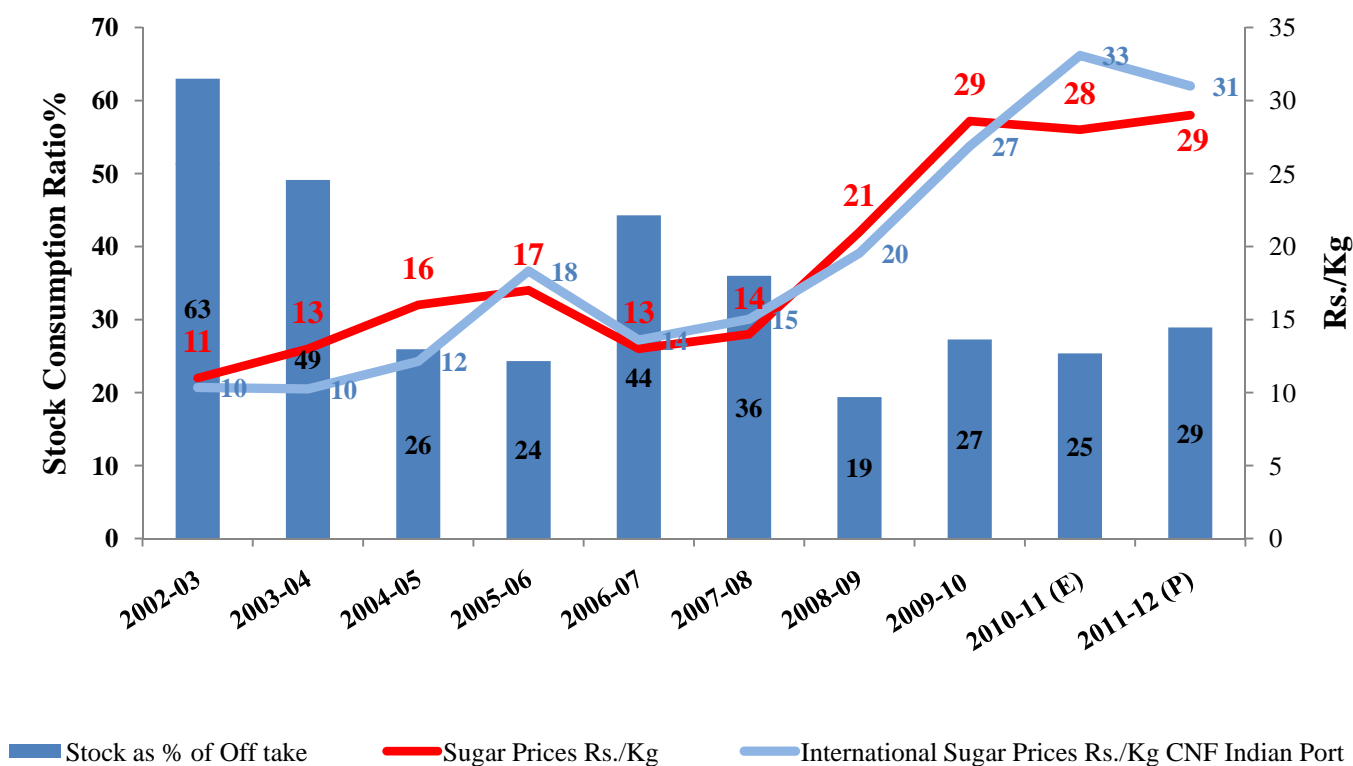
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Particulars	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11 (E)	2011-12 (P)
Opening Stock as on 1st Oct.	113	116	85	48	36	92	100	44	50	55
Production during the Season	201	140	127	193	283	263	148	189	242	263
Imports	0	4	21	-	-	-	25	41	3	-
Total Availability	315	260	233	241	320	356	273	274	296	318
Off-take:										
i) Internal Consumption	184	173	185	185	210	225	227	213	215	219
ii) Exports	15	2	0	11	17	50	2	2	26	35
Total Off take	199	175	185	196	227	275	229	215	241	254
Closing Stock as on 30th Sept.	116	85	48	45	93	81	44	58	55	63
Stock as % of Off take	63%	49%	26%	24%	44%	36%	19%	27%	25%	29%
Sugar Prices Rs./Kg (Ex-Mill)	11	13	16	17	13	14	21	29	28	29
<u>International Sugar Prices</u> <u>Rs./Kg CNF Indian Port</u>	10	10	12	18	14	15	20	27	33	31

➤ Sugar prices in H1' FY 12, have remained range bound. Negative impact of higher production in SY 11-12 may be offset by announcement of Export and withdrawal of stock limits.

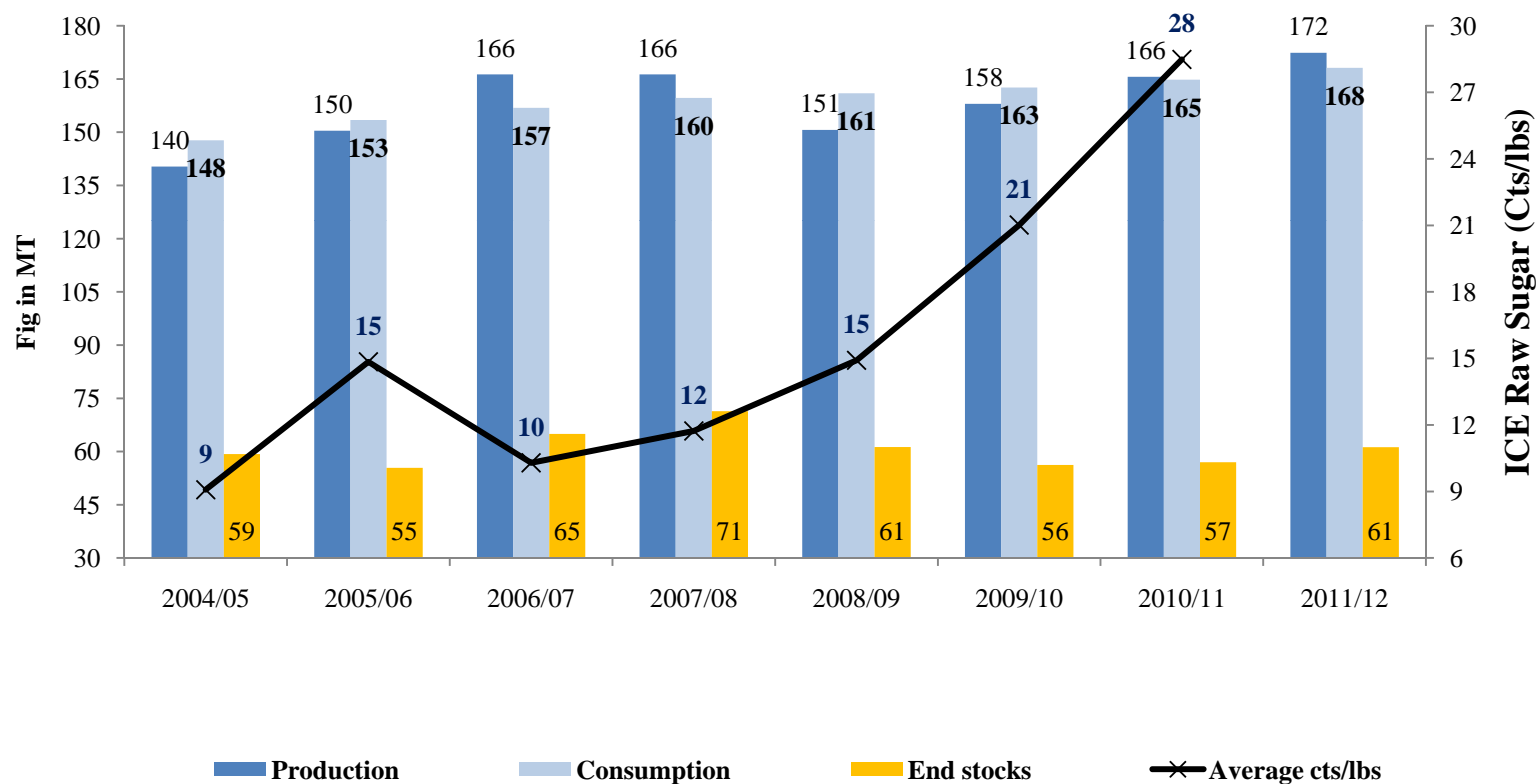
Sugar - Supply Situation in India

Stock Consumption ratio & Sugar Prices



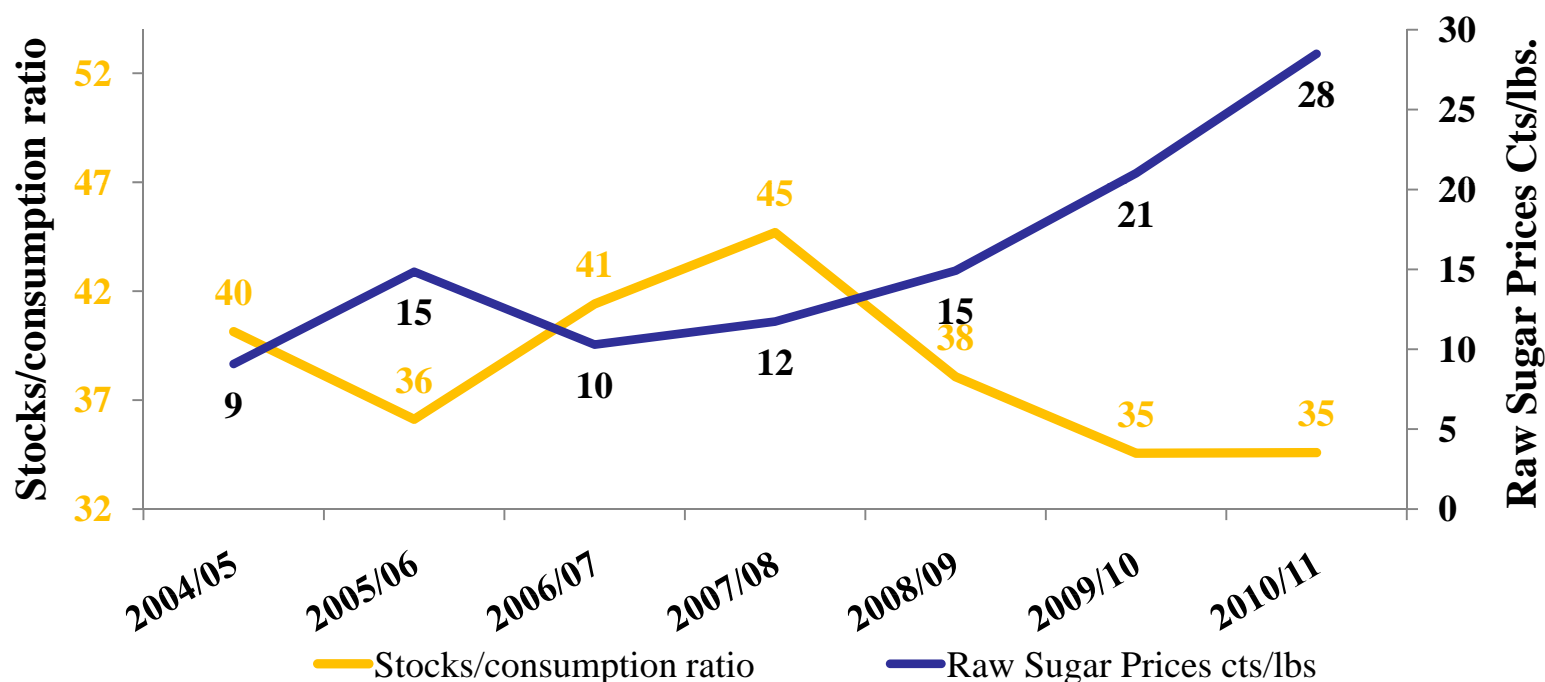
Global Sugar Scenario

World Production, Consumption, Stock & ICE raw sugar prices



Global Sugar Scenario

Stock Consumption Ratio & ICE Raw Sugar Prices



➤ International Sugar Prices which were showing week trend in the recent past has stabilized to 26 cents due to drop in Thailand production on account of floods.

Regulatory Updates

Decontrol of Sugar

- The issue of decontrol which was on the backburner has been revived with the government contemplating partial decontrol in the near future.

Other Matters

- Zero percent import duty on sugar has been extended upto 30th November 2011, even though the country is saddled with excess sugar stocks.
- Institutional stock holding limit notification lapsed on 14th August 2011, however, the notification of stock limit for dealers has been extended to 30th November 2011 in spite of surplus sugar in the country.
- ISMA's petition in respect of relief in fixation of levy prices by considering SAP instead of FRP has been allowed by the Supreme Court and shall come up for hearing in due course.
- Cane price matter viz. SAP fixation of earlier years covering the basis & the powers of the State Government, is to come up before the Supreme Court in the first week of November.

Contact Us



For Queries and Comments

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THANK YOU

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