



For Immediate Release

February 14th, 2015

**Shree Renuka Sugars Limited
Announces**

**Standalone Results for Quarter Ended 31st December 2014
Quarter ended December 2013 Performance vs. Quarter ended December 2014**

Standalone revenues up by 7% Y-o-Y due to increased sugar sales from refinery
Raw Sugar refining increased by 67% in this quarter Y-o-Y
Co-generation revenues increased by 18% Y-o-Y
Interest cost down by 12% Y-o-Y

Mumbai, India, February 14th, 2015 – Shree Renuka Sugars Limited (referred to as “Shree Renuka” or the “Company”, NSE: RENUKA, BSE: 532670), one of the largest integrated sugar and bio-energy producers globally, announces its Standalone Quarter results for period ended December 2014, in accordance with Indian GAAP.

Commenting on the results and performance, **Mr. Narendra Murkumbi, Vice Chairman and Managing Director of Shree Renuka Sugars Limited** said:

“The company had a tight quarter as turnover of our Indian Operations got impacted by the delay in start of season leading to lower crushing in the quarter and subsequently, lower sales in sugar milling segment. Domestic sugar prices also declined significantly in the quarter. Sugar recovery was marginally higher at 11.18% as compared to 11.06% in same quarter last year. Our refineries contributed positively with increased refining volumes, up by 67% Y-o-Y. There was also a reduction in the interest cost compared to the previous year. Foreign exchange loss was on account of forward premiums for coverage of foreign denominated liabilities.

In co-generation segment, revenues increased by 18% Y-o-Y with a 22% increase in sales realization.

In ethanol segment, average price realisation increased by 6% Y-o-Y to Rs. 39,669/KL.

Sales in the refining segment were up by 26% Y-o-Y due to higher capacity utilisation of Kandla refinery.

As for our Brazilian units, we crushed 7.8 million tons in Renuka do Brasil S/A (RdB) and 2.1 million tons in Renuka Vale do Ivaí S/A (RVdI) for the season 2014-15. Thus, Y-o-Y the crushing was down by 12% and 13% respectively in both the companies.

The sugar mix was particularly skewed towards ethanol with 38% sugar mix in RdB as against 43% last season and 33% sugar-mix in RVdI as against 44% in last season.

On the policy front, the Brazilian Government has increased taxes on gasoline thus, potentially making ethanol more profitable at the pump. The Government is also on the verge of increasing the anhydrous ethanol blend into gasoline from the current 25% to 27%. Both these measures would help to further strengthen the ethanol market in Brazil. Domestic ethanol prices are currently about 8% higher than a quarter ago.

Providing an impetus to the Ethanol Blending Programme in India, the Cabinet Committee on Economic Affairs (CCEA) fixed the supply price of ethanol to Oil Marketing Companies (OMCs) in the range of Rs 48.50 to Rs 49.50 per litre, depending upon the distance of sugar mill from the depot/installation of the OMCs. This gives a net price at the distillery of between Rs. 40 to Rs. 42 per litre. “



Standalone Financial Highlights

(Rs. Millions)	Standalone Financial Performance				
	Quarter Ended 31-12-2014	Quarter Ended 31-12-2013	y-o-y Growth (%)	Quarter Ended 30-09-2014	q-o-q Growth (%)
Net Sales	12,739	11,959	6.5%	16,301	(21.9)%
Operating EBITDA	140	(131)	(206.9)%	(236)	(159.3)%
EBITDA Margin (%)	1.1%	(1.1)%		(1.4)%	
Foreign Exchange gain/(loss)	(269)	(1,225)	(78.0)%	(464)	(42.0)%
Net Profit	(897)	(1,939)	(53.7)%	(1,291)	(30.5)%
Net Profit Margin (%)	(7.0)%	(16.2)%		(7.9)%	
Basic EPS (Rs)	(0.95)	(2.89)		(1.42)	
Diluted EPS (Rs)	(0.95)	(2.89)		(1.42)	

Economic Environment

Global raw sugar prices reduced during the quarter from USD 17.03 cents/lb to USD 14.52 cents/lb due to higher sugar surplus in the international market. Also, countries like China, Indonesia and Iran reduced their import volumes compared to last year. The raw sugar prices traded at an average of USD 15.73 cents/lb during the quarter ended 31st December 2014. The gross refining spreads have been below USD 100/ton during the quarter.

Centre-South Brazil has almost completed its 2014/15 sugarcane harvest. Compared to the previous cane crushing estimate by UNICA of 546 million tons, the Centre-South region in Brazil crushed a total of 570 million tons. This was lower by 4.3% compared to the previous season. The ATR improved by 2.4% due to dry weather in the season compared to previous season.

Sugar production in Centre-South was lower by 6.7% whereas ethanol production was higher by 2.1% as compared to the previous season. 43% of the ATR was diverted towards the production of sugar in the current season as compared to 45% in the previous season.

		As on 1st February			Season
		2014/15	2013/14	% Change	2013/14
Cane Crushed	mn tons	570	596	-4.3%	597
Sugar Produced	mn tons	32.0	34.3	(6.7%)	34.3
Ethanol Produced	mn m ³	26.0	25.5	2.1%	25.6
ATR (Recovery)	Kg/ton	136.6	133.4	2.4%	133.3
% Sugar		43.1%	45.3%	(2.2%)	45.2%

Source: UNICA

After delay in the start of crushing season in India, the crushing operations began in December during end of the quarter. Total sugar production in the country till 31st January 2015 was 13.48 million tons which is about 15% higher than same period last year. Higher sugar production this year is mainly due to improved recovery in major sugar producing states- Maharashtra, Karnataka & Utter Pradesh.



Financial Performance

The company recorded total standalone revenues of Rs. 12,739 million for the quarter ended 31st December 2014, higher by 6.5% Y-o-Y. The increase was due to increased contribution from refinery sugar sales.

The total sugar sales volume for the quarter was 329,905 tons, an increase of 10% compared to the same quarter last year. The sales in the sugar segment were higher mainly due to higher utilization of the refineries where we sold 280,654 tons of sugar in the quarter compared to 199,113 tons in the same quarter last year. The domestic sugar realization for the quarter was Rs. 30,540/ton, an increase of 4% Y-o-Y whereas the export sugar realization stood at Rs. 27,844/ton for the quarter, a decrease of 12% Y-o-Y.

The ethanol sales volume for the quarter ended 31st December 2014 was down by 13% compared to last year. However, the realization in the ethanol segment for the quarter stood at Rs. 39.7/litre, an increase of 6% Y-o-Y. The power sales quantity for the quarter from Indian mills and refineries was 100 million units which is an increase of 22% compared to last year. The power sales realization for the quarter was Rs. 5.53/unit compared to Rs. 4.52/unit last year.

The standalone EBITDA for the quarter ended 31st December 2014 was Rs. 140 million. The margins in the sugar milling segment was impacted due to drop in sugar prices.

During the quarter, cost of forward premium in order to cover foreign denominated liabilities led to a foreign exchange loss of Rs. 269 million. Company has reported a net loss for the quarter for the standalone business of Rs. 897 million.

Operating Performance

Sugar and Ethanol

(Tons, unless indicated)

	Brazil		India				
	3M ended 31-12-2014	3M ended 31-12-2013	3M ended 31-12-2014	3M ended 31-12-2013	y-o-y Growth (%)	3M ended 30-09-2014	q-o-q Growth (%)
Sugarcane Crushed	2,773,964	3,423,284	1,293,010	1,380,860	-6.4%	-	-
Raw Sugar Processed	-	-	294,130	176,262	66.9%	253,352	16.1%
Recovery ¹	130.0	132.2	11.18%	11.06%	1.1%	-	-
Sugar Production							
From Cane	124,836	172,183	144,572	145,692	-0.8%	-	-
Raw Sugar	124,836	172,183	-	-	-	-	-
White Sugar	-	-	144,572	145,692	-0.8%	-	-
Refined Sugar ²	-	-	288,110	169,882	69.6%	245,957	17.1%
Total Sugar Production	124,836	172,183	432,682	315,574	37.1%	245,957	75.9%

Notes:

1 Recovery calculated as % in India and as ATR in Brazil

2 Refined sugar can be obtained from raw sugar and is produced from refineries

	Brazil		India				
	3M ended 31-12-2014	3M ended 31-12-2013	3M ended 31-12-2014	3M ended 31-12-2013	y-o-y Growth (%)	3M ended 30-09-2014	q-o-q Growth (%)
Ethanol Production (KL)	131,825	152,653	12,800	13,188	(2.9%)	2,655	382.1%



Performance of Brazilian Subsidiaries

Particulars	Season 2014/15	Season 2013/14	Y-o-Y Change
Sugarcane Crushed (mn tons)	9.9	11.3	-12%
ATR (kg/ ton of cane)	128.3	128.5	0%
Sugar Production ('000 tons)	433	573	-24%
Ethanol Production (mn ltrs)	483	493	-2%
Sugar Mix (%)	37%	43%	

Brazilian subsidiaries crushed 9.9 million tons of cane this season as against 11.3 million tons of cane in season 2013-14; lower by 12% mainly due to reduced cane availability as a result of lower yields caused by drought in the region. The recovery or ATR for the season was marginally lower at 128.3 kg/ton of cane compared to previous season where as we diverted about 37% of juice towards sugar compared to 43% in the last season.

During the quarter, our Brazilian subsidiaries crushed 2.8 million tons of cane which is 19% lower than the same quarter last year. The decrease was on account of lower cane availability due to smaller crop this season as compared to the previous season. The sucrose recovery or ATR for the quarter was lower by 1.7% compared to same quarter last year.

About 36% of the total sucrose was diverted into production of sugar during the quarter as compared to 41% in the previous year. As a result, we produced 124,863 tons of raw sugar in the quarter ended 31st December 2014 as compared to 172,183 tons in the same quarter last year.

During the quarter, our Brazilian mills produced a total of 131 million litres of ethanol which is a decrease of 14% as compared to the same quarter last year. This was mainly due to 19% reduction in cane crushing in the quarter as compared to the same quarter last year.

Group Performance in India

Quarter ending 31st December 2014 saw the commencement of crushing operations for our domestic mills after delayed start to the season which impacted our crushing volumes. Our Indian mills crushed about 1.29 million tons of cane during the quarter compared to 1.38 million tons last year with sugar recovery of 11.18% as against 11.06% same period last year. Our mills produced 144,572 tons of sugar during the quarter compared to 145,692 tons in the same quarter last year.

Our refineries processed 294,130 tons of raw sugar to produce 288,110 tons of refined sugar. Total refining was higher by 67% as compared to same quarter last year.

Our Indian distilleries produced 12.8 million liters of ethanol during the quarter compared to 13.2 million liters same quarter last year. As a part of the Ethanol Blending Program, we have dispatched a total of 79.5 million liters of ethanol to the OMCs (Oil Marketing Companies) under the first four tenders with 87.7 million liters of ethanol pending to be lifted as on 31st January, 2015. In the latest tender issued in Dec 2014, your company has received a supply order of 36.9 million liters.



Co-generation

	Brazil		India				
	3M ended 31-12-2014	3M ended 31-12-2013	3M ended 31-12-2014	3M ended 31-12-2013	y-o-y Growth (%)	3M ended 30-09-2014	q-o-q Growth (%)
Power Exports (mn units)	115	268	100	82	22.2%	20	406.6%

Our Brazilian units exported 115 million units of cogeneration power during the quarter compared to 268 million units in the same quarter last year due to reduced crushing. The power exported from our mills and refineries in India for the quarter ended 31st December 2014 stood at 100 million units compared to 82 million units last year.

Outlook

The United States Department of Agriculture (USDA) - Foreign Agricultural Service (FAS) have recently revised down its 2014/15 global sugar production estimate by 2.6 million metric tons (raw value) to 172.5 million tons on reductions in Brazil, Thailand and China while consumption is projected to reach a record 171 million tons. Currently, raw sugar prices are trading at about USD 14.5-15.0 cents/lb on account of increasing global sugar surplus.

Though there was a delay in starting of domestic crushing in India, the sugar production estimates for India for the 2014-15 season have been pegged at about 26 million tons¹ as a result of better yields and higher recovery. The domestic sugar prices are still under downward pressure due to abundant availability and lack of an export incentive by the Government.

With regards to sugarcane pricing, the Government has declared a Fair and Remunerative Price (FRP) of Rs. 230/quintal basis 9.5% recovery of sugar for season 2015-16.

The Cabinet Committee on Economic Affairs (CCEA) has fixed the delivered price of ethanol for supply to OMCs in the range of Rs 48.50 to Rs 49.50 per litre, depending upon the distance of sugar mill from the depot/installation of the public sector OMCs. OMCs have thereafter floated a domestic tender on 29th December, 2014 to procure 970 million litres of ethanol.

1. ISMA estimates

Notes:

1. Net Sales: Includes other operating income and is after excise duties
2. Operating EBITDA: Earnings before interest, taxes and depreciation; includes other income and excludes foreign exchange gain/loss
3. Net Profit: Includes extraordinary items and after minority interest
4. All financial margins are calculated based on Net Sales
5. Net Worth: Share Capital and Reserves and Surplus
6. Basic EPS: Each share face value of Rs. 1.00; Based on 671 million shares outstanding on a weighted average basis



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For further information on Shree Renuka visit www.renukasugars.com

Safe Harbour

This release contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Shree Renuka’s future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Shree Renuka undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

sugar

ethanol

power



Shree Renuka Business Snapshot

Global Market Position

- One of the largest sugar producers in the world with eleven cane mills globally and total crushing capacity of 22 million tons of cane per annum
- One of the largest sugar refiners globally with capacity of 2.3 MTPA
- Leading manufacturer of sugar in India, the world's largest consumer market
- Highly integrated with ethanol capacity of 4,160 KL per day and Co-Generation capacity of 271 MW, in India and 313 MW in Brazil

Best-in-Class Operations

- Higher flexibility to optimize product mix between Ethanol and Sugar in Brazil
- Approximately 70,000 hectares of company owned sugarcane plantations in Brazil with high level of mechanization
- Significant ethanol and power co-generation capacity provide greater resilience to down cycles
- Renuka VDI stake in four logistics companies in Brazil enables competitive export costs
- KBK Chem-Engineering subsidiary provides optimal solutions for fermentation and distillation industries

Location Advantage

- Only sugar/ethanol producer globally with cane crushing operations year round due to complementary seasons in India and Brazil
- Presence in largest sugar producing and consuming regions globally provides better access to commodity price and production information
- Large operations in Brazil, where sugar/ethanol manufacture has low operating cost, high scalability and highly conducive climatic conditions
- Flexible cane pricing and sugarcane with higher recovery through presence in South and West India
- Strategically located port-based sugar refineries in India able to cover Indian, South Asian and Middle-Eastern markets competitively.

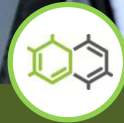
Sugar



power



ethanol



Shree Renuka Sugars Ltd
Audited Results for
Quarter ended 31st Dec 2014
Earnings Presentation

Forward Looking Statements

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Highlights



- ❖ Standalone revenues up by 7% Y-o-Y due to increased sugar sales from refinery
- ❖ Raw sugar refining increased by 67% in this quarter Y-o-Y
- ❖ Co-generation revenues increased by 18% Y-o-Y
- ❖ Interest cost down by 12% Y-o-Y

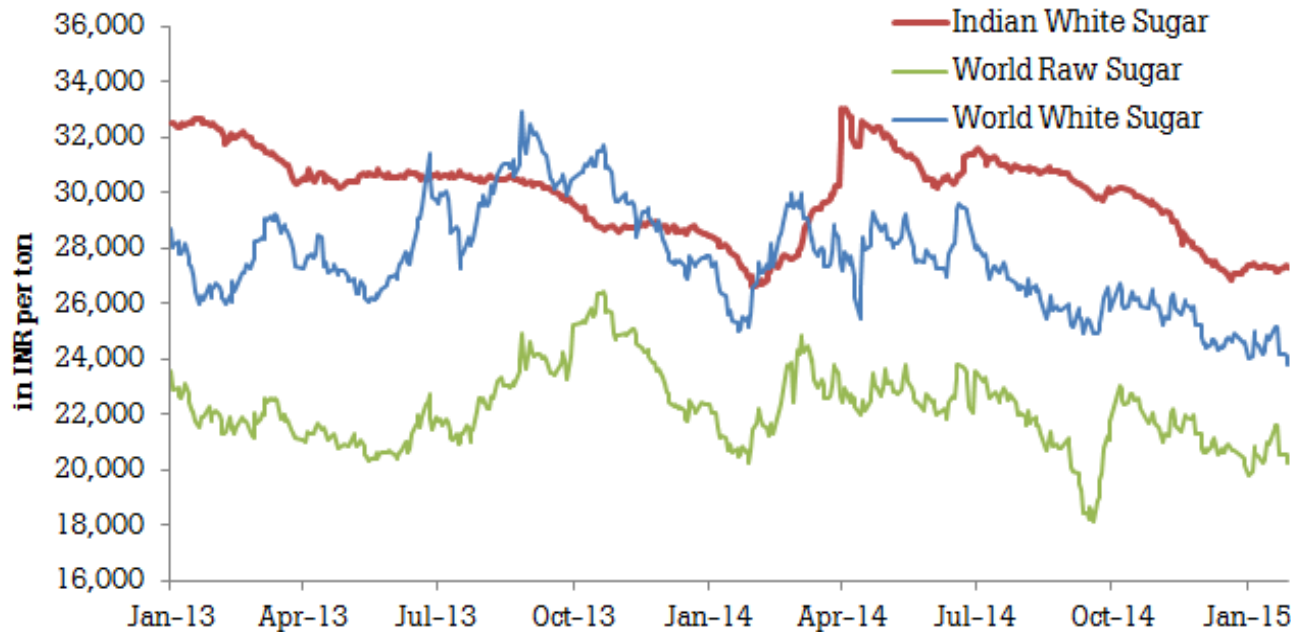
Commenting on the results and performance, Mr. Narendra Murkumbi, Vice Chairman and Managing Director of Shree Renuka Sugars said:

"The company had a tight quarter as turnover of our Indian Operations got impacted by the delay in start of season leading to lower crushing in the quarter and subsequently, lower sales in sugar milling segment. Domestic sugar prices also declined significantly in the quarter. Sugar recovery was marginally higher at 11.18% as compared to 11.06% in same quarter last year. Our refineries contributed positively with increased refining volumes, up by 67% Y-o-Y. There was also a reduction in the interest cost compared to the previous year. Foreign exchange loss was on account of forward premiums for coverage of foreign denominated liabilities. In co-generation segment, revenues increased by 18% Y-o-Y with a 22% increase in sales realization. In ethanol segment, average price realisation increased by 6% Y-o-Y to Rs. 39,669/KL. Sales in the refining segment were up by 26% Y-o-Y due to higher capacity utilisation of Kandla refinery.

As for our Brazilian units, we crushed 7.8 million tons in Renuka do Brasil S/A (RdB) and 2.1 million tons in Renuka Vale do Ivaí S/A (RVdI) for the season 2014-15. Thus, Y-o-Y the crushing was down by 12% and 13% respectively in both the companies. The sugar mix was particularly skewed towards ethanol with 38% sugar mix in RdB as against 43% last season and 33% sugar-mix in RVdI as against 44% in last season.

On the policy front, the Brazilian Government has increased taxes on gasoline thus, potentially making ethanol more profitable at the pump. The Government is also on the verge of increasing the anhydrous ethanol blend into gasoline from the current 25% to 27%. Both these measures would help to further strengthen the ethanol market in Brazil. Domestic ethanol prices are currently about 8% higher than a quarter ago. Providing an impetus to the Ethanol Blending Programme in India, the Cabinet Committee on Economic Affairs (CCEA) fixed the supply price of ethanol to Oil Marketing Companies (OMCs) in the range of Rs 48.50 to Rs 49.50 per litre, depending upon the distance of sugar mill from the depot/installation of the OMCs. This gives a net price at the distillery of between Rs. 40 to Rs. 42 per litre. "

Global Sugar Price Trends (Rs / ton)



Source: ICE, Liffe, NCDEX

Key Perspectives

- ❖ World raw sugar prices reduced during the quarter and traded at average of 15.73 c/lb
- ❖ Increasing world sugar surplus impacting the global raw sugar price
- ❖ Decrease in domestic sugar prices due to excess availability
- ❖ Sugar production in the 2014/15 season is estimated to be 26 million tons¹ in India

¹ Source: ISMA Estimate

Standalone Financial Performance



(Rs. in Million)

	3M ended 30-09-2014	3M ended 30-09-2013	% Y-o-Y Growth	Y-o-Y Key Perspectives
Net Sales ¹	12,739	11,959	7%	<ul style="list-style-type: none"> • Higher sales volume in refinery segment • Better realisations in ethanol & co-gen segment
Operating EBITDA ²	140	-131	(207)%	<ul style="list-style-type: none"> • Low domestic sugar realisation due to surplus sugar scenario • Better margins in co-generation and ethanol segment
<i>% Margin</i>	1.1%	-1.1%		
Foreign exchange gain/ (loss)	(269)	(1,225)	(78)%	
Net Profit ³	(897)	(1,939)	(54)%	<ul style="list-style-type: none"> • Interest expense down by 12% Y-o-Y
<i>% Margin</i>	(7.0)%	(16.2)%		
Basic EPS ⁴ (Rs.)	(0.95)	(2.89)		
Diluted EPS ⁴ (Rs.)	(0.95)	(2.89)		

Notes:

1 Net Sales excludes excise duties, foreign exchange gains and includes other income

2 EBITDA defined as earnings before depreciation, interest, exceptional items and taxes; includes other income and excludes foreign exchange gain/loss

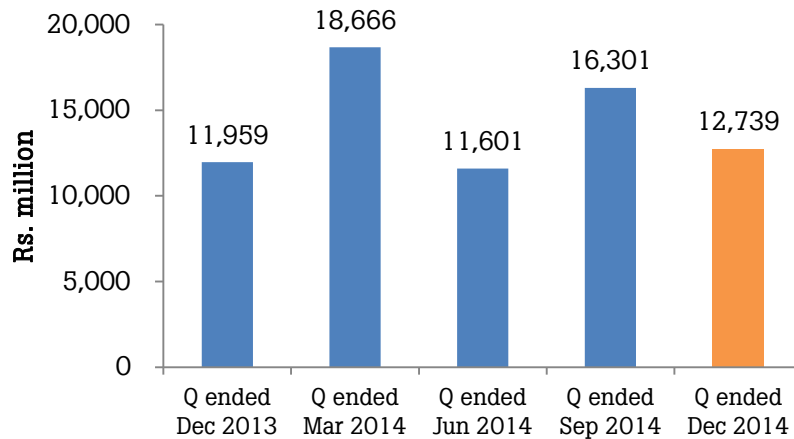
3 Net Profit is after minority interest and prior period adjustments

4 Non annualized

Standalone Quarterly Financial Performance



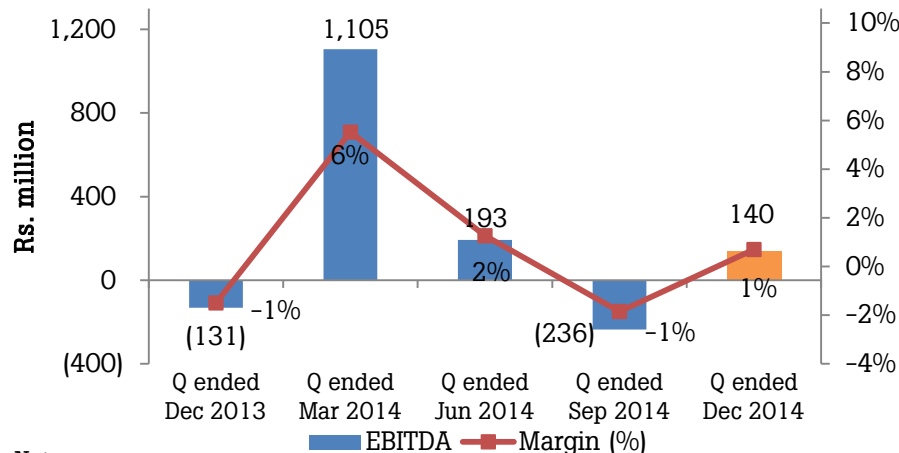
Net Sales¹



Trends

- ❖ Higher sugar sales volume due to increased refinery utilization Y-o-Y
- ❖ Higher ethanol average realization Y-o-Y
- ❖ Higher co-gen sales volume & realization Y-o-Y

EBITDA² & Margin (%)



Trends

- ❖ Low margin in the sugar segment due to fall in domestic sugar prices
- ❖ Higher margin in the co-generation and ethanol segment Y-o-Y due to improved realization

Notes:

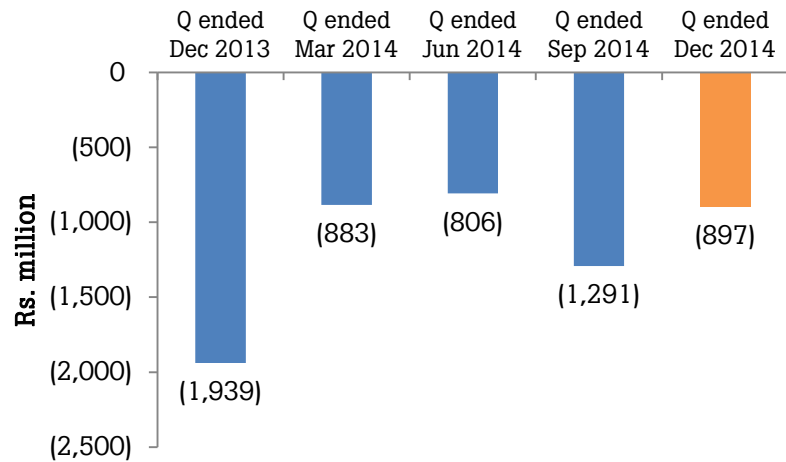
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Standalone Quarterly Financial Performance



Net Profit¹



Trends

- ❖ Interest cost down by 12% Y-o-Y
- ❖ Cost of forward premium to cover foreign denominated liabilities leading to foreign exchange loss of Rs. 269 million during the quarter

Notes:

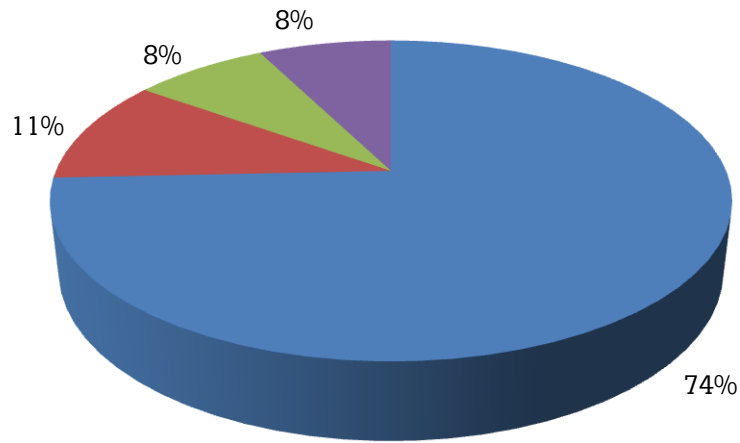
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Standalone Performance - Quarter Ended 31st Dec, 2014



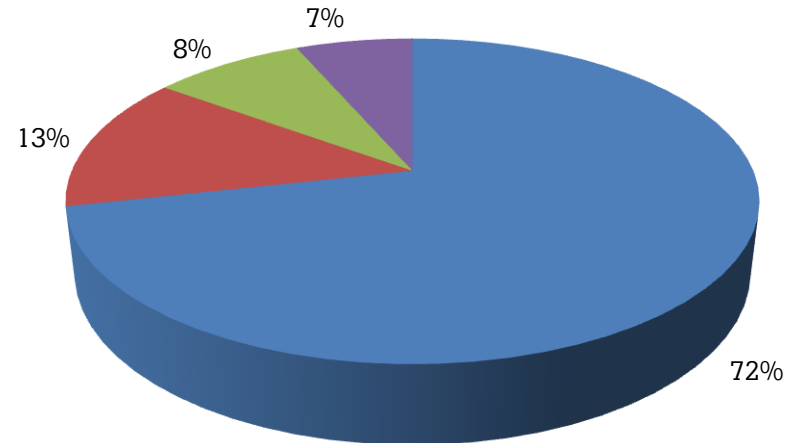
Net Sales Breakdown - India

Quarter ended December 2013



■ Sugar ■ Trading ■ Cogeneration ■ Ethanol

Quarter ended December 2014



■ Sugar ■ Trading ■ Cogeneration ■ Ethanol

Closing stock as on 31st Dec 2014 - India



Standalone

	Unit of Measure	As on 31.12.2014
Sugar	MT	318,225
White Sugar	MT	218,639
Raw Sugar	MT	99,587
Ethanol	KL	14,539
Molasses	MT	34,888

Sales Quantity – India



Standalone

	3M ended 31-12-2014	3M ended 31-12-2013	% Y-o-Y Growth
Total Sugar Sold(MT)	329,905	299,061	10.3%
Export (in MT)	244,136	172,536	41.5%
Domestic (in MT)	85,768	126,525	(32.2%)
Ethanol (in KL)	22,937	26,294	(12.8%)
Co-gen (in million units)	100	82	22.2%

Net Price Realization - India



Standalone

	3M ended 31-12-2014	3M ended 31-12-2013	% Y-o-Y Growth
Average Manufactured Sugar (in Rs./MT)	28,545	30,682	(7.0%)
Export (in Rs./MT)	27,844	31,731	(12.2%)
Domestic (in Rs./MT)	30,540	29,252	4.4%
Ethanol (in Rs./KL)	39,669	37,515	5.7%
Co-gen (in Rs. per unit)	5.53	4.52	22.4%

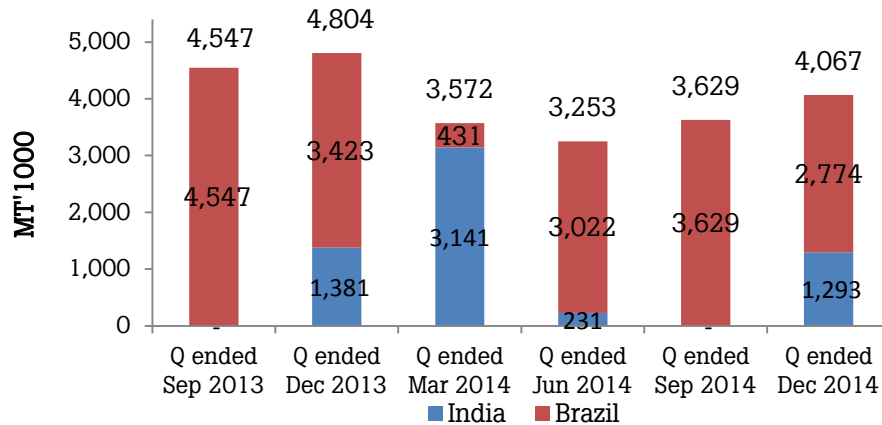
Notes:

1. Export Sugar realizations are FOB prices net of taxes

Sugar: Quarterly Operating Performance

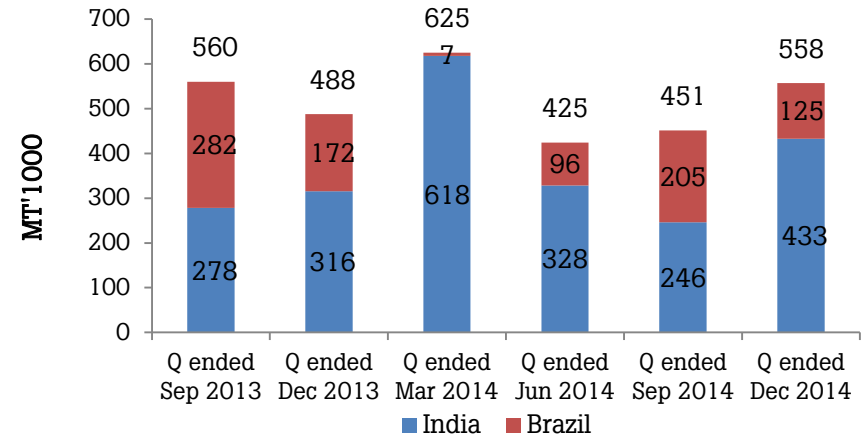


Sugarcane Crushed



- ❖ Delay in the start of crushing operations in India
- ❖ In Dec quarter, Y-o-Y cane crushing in Brazil decreased by 19% due to lower cane availability
- ❖ In 2014/15 crushing season, Brazilian subsidiaries crushed a total of 9.9 million tons, decrease of 12% over previous season

Sugar Production¹



- ❖ Higher sugar production in India due to higher utilization from refineries
- ❖ Lower sugar production in Brazil by 27% Y-o-Y due to lower sugar mix and reduced crushing

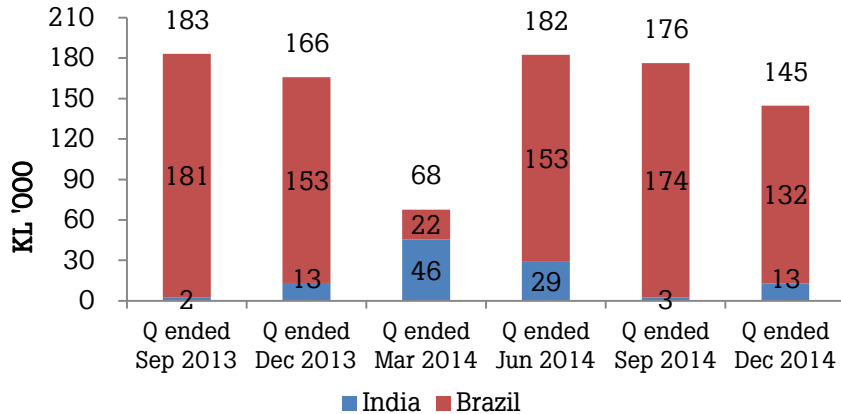
Note:

¹ Sugar produced includes raw sugar and white sugar produced from cane, as well as refined sugar produced from raw sugar

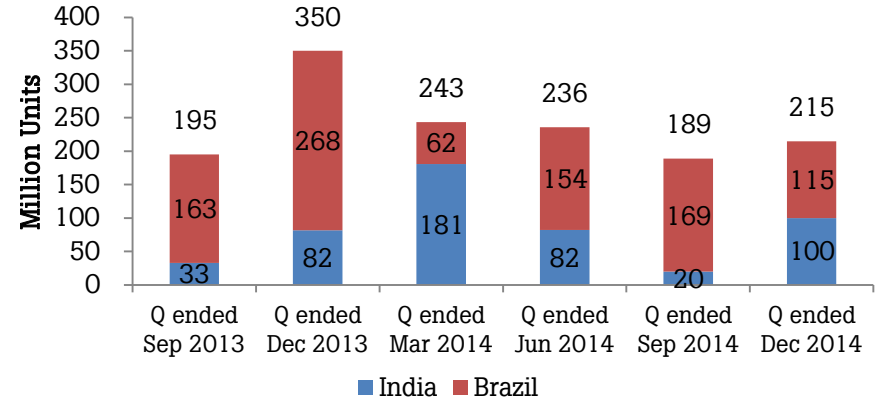
Ethanol & Co-Gen: Quarterly Operating Performance



Ethanol Production



Co-Gen Power Exports



- ❖ Ethanol production in India at the same level in the Dec quarter Y-o-Y
- ❖ Y-o-Y, 14% reduction in ethanol production in Brazil due to lower crushing
- ❖ Of the total ethanol produced in Brazil, 46% was anhydrous and 54% hydrous

- ❖ Higher energy sales in India due to higher utilization of refineries
- ❖ Y-o-Y decrease in energy sales from Brazil units due to reduced crushing

COMPANY BACKGROUND

Shree Renuka Sugars is a global agribusiness and bio-energy corporation. The Company is one of the largest sugar producers in the world, the leading manufacturer of sugar in India, and one of the largest sugar refiners in the world. Shree Renuka operates in three segments:

Sugar: The Company operates eleven mills globally with a total crushing capacity of 22 million tonnes per annum (MTPA) or 101,520 tonnes crushed per day (TCD). The Company operates seven sugar mills in India with a total crushing capacity of 8.4 MTPA or 42,000 TCD and two port based sugar refineries with capacity of 2.3 MTPA.

The Company also has significant presence in South Brazil, through acquisitions of Renuka Vale do Ivaí on 19 March 2010 (100% owned) and Renuka do Brazil on 7 July 2010 (formerly Equipav Acucar e Alcool – 50.34% stake for USD 250 million). The company has exercised its option to increase its stake to 59.4% at the same valuation by a further investment of USD 115 million. The combined crushing capacity of the Brazilian subsidiary companies is 13.6 MTPA.

Trading: Operates a trading hub in Dubai to capitalize on trade opportunities in the Asian region.

Power: Shree Renuka produces power from bagasse (a sugar cane by product) for captive consumption and sale to the state grid in India and Brazil. Total Cogeneration capacity increased to 588 MW with exportable surplus of 371 MW. The Indian operations produce 271MW with exportable surplus of 150 MW and the Brazilian operations produce 295 MW with exportable surplus of 221 MW.

Ethanol: Shree Renuka manufactures fuel grade ethanol that can be blended with petrol. Global distillery capacity is 4,160 KL per day (KLPD) with Indian distillery capacity at 930 KLPD (630 KLPD from molasses to ethanol and 300 KLPD from rectified spirit to ethanol) and Brazil distillery capacity at 3,230 KLPD.

The acquisition of a stake in KBK Chem-Engineering facilitates turnkey distillery, ethanol and bio-fuel plant solutions.

INDUSTRY

The top 5 sugar producing countries are Brazil, India, China, Thailand and USA. The total sugar production was approximately 175 mn tons, raw value in 2013-14 whereas in 2014-15 the production is expected at 172.5 mn tons, raw value

Weather conditions globally have affected sugar production across major producers. Estimated global surplus of sugar as per the latest estimate of USDA is close to 1.46 mn tons of sugar, raw value for 2014-15. Centre-South Brazil has produced close to 32 mn tonnes of sugar while India is expected to produce 26 mn tonnes of sugar in 2014-15. Other key producing countries are EU, Thailand, China etc.

India, the world's largest sugar consumer and second largest producer, is a key player in the global sugar supply/demand dynamics. The sugar industry in India is highly fragmented. There are 624 sugar factories, dispersed over UP, Maharashtra and other states, with average crushing capacity of approximately 3,500 TCD. While co-operative societies and government-

owned entities own ~50% of India's sugar capacity, the rest is owned by the private sector.

Brazil is the leading producer and exporter of sugarcane, sugar and ethanol. It is among the most efficient major sugar producers in the world. During the 2014/15 harvest, Center-South Brazil had crushed 569 million tonnes of cane, producing 32.0 million tonnes of sugar and 26.0 bn liters of ethanol.

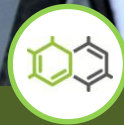
Sugar



power



ethanol



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