



For Immediate Release

May 27<sup>th</sup>, 2014

**Shree Renuka Sugars Limited**  
**Announces**  
**Audited Standalone and Consolidated**  
**Results for Quarter and Financial Year Ended 31<sup>st</sup> March 2014**

**Y-o-Y Cane Crushing for quarter increased in India by 44%**  
**Consolidated Revenues for the year increases by 12% Y-o-Y**  
**Higher Consolidated Foreign exchange loss for the year of INR 6,319 million**

**Mumbai, India, May 27<sup>th</sup>, 2014** – 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 Quarter results for quarter and year ended 31<sup>st</sup> March 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:

*“Globally, last 12 months have been difficult for the sugar industry with the looming surplus in the International and the domestic sugar market. Performance of the company over last 12 months was affected by the surplus sugar situation and also by the volatility in the currencies of the emerging markets i.e. India and Brazil. Operationally, the Company has improved its performance, especially in Brazil where we crushed 11.3 million tons for the season 2013/14 as compared to 9.5 million tons in the season 2012/13.*

*India standalone business reported an EBITDA of Rs. 1,105 million for the quarter which was impacted by low margins in the sugar segment. Prices improved significantly only at the end of the quarter. The standalone business was also impacted by a foreign exchange loss of Rs. 459 million during the quarter due to losses on cancellation of long-term hedges and hedging cost. The standalone business reported a net loss of Rs. 883 million for the quarter.*

*Renuka do Brasil S/A (RdB) has reported an improved EBITDA for the year ending 31<sup>st</sup> March 2014 of Rs. 6,747 million which is 30% higher than previous year. However, Renuka Vale do Ivaí (RVdI) performance was impacted by frost which reduced the productivity and recovery of cane. RVdI reported an EBITDA of Rs. 751 million for the year ending 31<sup>st</sup> March 2014 as against Rs. 2,963 million for the previous year. Brazil subsidiaries have reported a net loss of Rs. 9,354 million for the year ending 31<sup>st</sup> March 2014 on account of higher depreciation and foreign exchange variation charges.*

*On Consolidated basis, the company has reported consolidated revenue of Rs. 116,116 million for the year ending 31<sup>st</sup> March 2014 which is 12% higher than last year on account of higher utilisation of assets. However, weak realisations for sugar and higher depreciation and foreign exchange losses resulted in a net loss of Rs. 14,780 million for the year ending 31<sup>st</sup> March 2014.*

*The Company has entered into a joint venture agreement with Wilmar International Ltd. with Wilmar acquiring 27.7% of expanded share capital through the preferential allotment. We have completed the allotment for raising Rs. 5,173 million on 27<sup>th</sup> May 2014 and planned for subsequent Rights issue to raise approximately Rs. 7,126 million in the next quarter. This will help the company to reduce its debt by approximately Rs. 12,000 million. “*



## Consolidated Financial Highlights

(Rs. Millions)	Consolidated Financial Performance		
	12M ended 31-03-2014	12M ended 31-03-2013	<i>y-o-y</i> <i>Growth (%)</i>
Net Sales	116,116	104,158	11.5%
Operational EBITDA	9,881	15,635	(36.8)%
<i>EBITDA Margin (%)</i>	8.5%	15.0%	
Foreign Exchange gain/(loss)	(6,319)	(2,987)	
Net Profit After Minority Interest	(14,780)	(3,740)	
<i>Net Profit Margin (%)</i>	(12.7)%	(3.6)%	
Basic EPS (Rs)	(22.03)	(5.57)	
Diluted EPS (Rs)	(22.03)	(5.57)	

## Standalone Financial Highlights

(Rs. Millions)	Standalone Financial Performance						
	Quarter Ended 31-03-2014	Quarter Ended 31-03-2013	<i>y-o-y</i> <i>Growth</i>	Quarter Ended 31-12-2013	<i>q-o-q</i> <i>Growth</i>	12M ended 31-03-2014	12M ended 31-03-2013
Net Sales	18,666	19,129	(2.4)%	11,959	56.1%	65,771	64,104
Operating EBITDA	1,105	1,330	(16.9)%	(131)	943.5%	1,947	6,098
<i>EBITDA Margin (%)</i>	5.9%	7.0%		(1.1)%		3.0%	9.5%
Foreign Exchange gain/(loss)	(459)	(88)		(1,225)		(3,317)	(77)
Net Profit	(883)	133		(1,939)		(4,661)	518
<i>Net Profit Margin (%)</i>	(4.7)%	0.7%		(16.2)%		(7.1)%	0.8%
Basic EPS (Rs)	(1.32)	0.20		(2.89)		(6.95)	0.77
Diluted EPS (Rs)	(1.32)	0.20		(2.89)		(6.95)	0.77

## Brazil Financial Highlights

(Rs. Millions)	Brazil		
	12M ended 31-03-2014	12M ended 31-03-2013	<i>y-o-y</i> <i>Growth (%)</i>
Net Sales	35,281	31,513	12.0%
Operational EBITDA	7,485	8,023	(6.7)%
<i>EBITDA Margin (%)</i>	21.2%	25.5%	
Foreign Exchange gain/(loss)	(2,372)	(2,444)	
Net Profit	(9,354)	(4,889)	



## Economic Environment

Global raw sugar prices bottomed till the level of USD 14.74 cents/lb in the end of January 2014 on account of Indian Government declaring subsidies on raw sugar export. Raw sugar prices traded at an average of USD 16.45 cents/lb during the quarter ended 31<sup>st</sup> March 2014. The gross refining spreads have been below USD 100/ton for most part of the quarter.

UNICA has released its initial estimates for Centre-South Brazil for season 2014/15. The sugarcane crushing is expected to be 580 million tons for 2014/15 compared to 597 million tons in 2013/14. Sugar production is expected to be 32.5 million tons and ethanol production is expected to be 25.9 billion litres. The ATR is expected to be 135 kg/ton of cane compared to 133 kg/ton in the previous season.

The crushing season 2014/15 started in Centre South Brazil from March. As on 1<sup>st</sup> May 2014, Centre South Brazil has crushed 40 million tons of cane. Sugar production was 1.5 million tons and ethanol production was 1.6 billion litres. 64.3% of the ATR was diverted towards the production of ethanol.

		As on 01st May			Season
		2014/15	2013/14	% Change	2013/14
<b>Cane Crushed</b>	mn tons	40	42	-3%	597
<b>Sugar Produced</b>	mn tons	1.5	1.7	-13%	34.3
<b>Ethanol Produced</b>	mn m <sup>3</sup>	1.6	1.6	1%	25.6
<b>ATR (Recovery)</b>	Kg/ton	107.6	108.8	(1%)	133.3
<b>% Sugar</b>		35.7%	39.3%	(3.6%)	45.2%

Source: UNICA

2013/14 domestic crushing season saw a delayed start because of the prolonged cane pricing negotiations. Till 30<sup>th</sup> April, 2014, about 23.75 million tons of sugar was produced against 24.6 million tons during the same period last year. Maharashtra has produced 7.65 million tons of sugar at 11.4% of sugar recovery compared to 7.98 million tons last year. Karnataka has produced a record crop, which is at 4.17 million tons at 10.99% of sugar recovery compared to 3.4 million tons last year. Uttar Pradesh has produced about 6.41 million tons of sugar with 9.27% of sugar recovery compared to 7.48 million tons last year. (Source ISMA)

Domestic sugar exports for the season 2013/14 have been strong with total exports of 1.9 million tons. Overall we expect a manageable ending sugar stock of about 5.9 million tons for the season 2013/14.

The company was advanced Rs. 1,460 million of loans under the SEFASU (Scheme for Extending Financial Assistance to Sugar Undertakings) 2014 scheme announced by the Central Government to provide loans to the sugar mills with an interest subsidy of up to 12%.



## Financial Performance

### India Standalone

The company recorded total standalone revenues of Rs. 18,666 million for the quarter ended 31<sup>st</sup> March 2014, lower by 2% Y-o-Y. Though the revenue contribution during the quarter from sugar, ethanol and cogeneration segments were higher as compared to last year, the net revenue was lower on account of reduction in revenues by 45% Y-o-Y from the trading segment.

The total sugar sales volume for the quarter was 490,341 tons, an increase of 11% compared to the same quarter last year mainly on account of higher sales from the sugar milling business. The domestic sugar realization for the quarter was Rs. 27,901/ton, a decrease of 10% Y-o-Y whereas the export sugar realization stood at Rs. 29,354/ton for the quarter.

The ethanol sales volumes for the quarter ended 31<sup>st</sup> March 2014 was 27 million litres compared to 7 million litres last year due to faster off-take by the OMCs (Oil Marketing Companies). Also, the realization in the ethanol segment for the quarter stood at Rs. 36.7/litre, an increase of 20% Y-o-Y. The power sales quantity for the quarter from Indian mills and refineries was 181 million units which is an increase of 12% compared to last year due to higher utilization of the mills. The power sales realization for the quarter was Rs. 5.19/unit compared to Rs. 4.46/unit last year which is an increase of 17%.

The standalone EBITDA for the quarter ended 31<sup>st</sup> March 2014 was Rs. 1,105 million which is 17% lower compared to last year. The margins were impacted due to lower domestic sugar prices and high cost of production. Company has reported a net loss for the quarter for the standalone business of Rs. 883 million mainly on account of low profitability and higher foreign exchange loss of Rs. 459 million.

For the year ended 31<sup>st</sup> March 2014, the standalone revenues increased by 2.6% but the EBITDA reduced by 68% on account higher cane prices and relatively lower domestic sugar prices. The foreign exchange loss for the year was INR 3,317 million compared to a loss of INR 77 million last year. The company has reported a net loss of INR 4,661 million for the year ended 31<sup>st</sup> March 2014.

### Brazil Subsidiaries

For the year ended 31<sup>st</sup> March 2014, the total revenues of the Brazilian subsidiaries increased by 12% compared to last year. The revenues for Renuka do Brasil S/A increased by 20% Y-o-Y on account of higher capacity utilization where as the revenues for Renuka Vale do Ivaí S/A reduced by 13%.

The EBITDA for RdB increased by 31% but the EBITDA for RVdI reduced by 75% compared to last year on account of frost that impacted the performance of RVdI. The EBITDA was also impacted by the lower raw sugar prices for FY 2013/14 compared to last year. The overall EBITDA for the Brazilian subsidiaries was impacted by the performance of RVdI and stood at Rs. 7,485 million for the year ended 31<sup>st</sup> March 2014 compared to Rs. 8,023 million last year.

For the year 31<sup>st</sup> March 2014, the interest cost for the Brazilian subsidiaries increased on account of interest paid on subordinated debt, higher utilization of working capital, increase in base rate (SELIC) of Brazil and depreciation of Brazilian real. Also, the foreign exchange loss for the year was Rs. 2,372 million. The Brazilian subsidiaries reported a net loss of Rs. 9,354 million for the year ended 31<sup>st</sup> March 2014.



## Operating Performance

### Sugar and Ethanol

(Tonnes, unless indicated)

	Brazil		India				
	3M ended 31-03-2014	3M ended 31-03-2013	3M ended 31-03-2014	3M ended 31-03-2013	y-o-y Growth (%)	3M ended 31-12-2013	q-o-q Growth (%)
Sugarcane Crushed	431,498	113,336	3,140,601	2,182,223	43.9%	1,380,860	-
Raw Sugar Processed	-	-	248,502	393,710	(36.9%)	176,262	41.0%
Recovery <sup>1</sup>	107.61	110.59	11.86	11.56	2.6%	11.06	7.2%
<b>Sugar Production</b>							
<b>From Cane</b>	<b>7,334</b>	<b>3,989</b>	<b>376,783</b>	<b>252,195</b>	<b>49.4%</b>	<b>145,692</b>	<b>158.6%</b>
Raw Sugar	7,334	3,989	-	-		-	
White Sugar <sup>3</sup>	-	-	376,783	252,195	49.4%	145,692	158.6%
Refined Sugar <sup>2</sup>	-	-	241,124	381,375	(36.8%)	169,882	41.9%
<b>Total Sugar Production</b>	<b>7,334</b>	<b>3,989</b>	<b>617,907</b>	<b>633,571</b>	<b>(2.5%)</b>	<b>315,574</b>	<b>95.8%</b>

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
- 3 Includes sugar in process of 4,308 tons for the quarter ended 31st Mar 2014 □

	Brazil		India				
	3M ended 31-03-2014	3M ended 31-03-2013	3M ended 31-03-2014	3M ended 31-03-2013	y-o-y Growth (%)	3M ended 31-12-2013	q-o-q Growth (%)
<b>Ethanol Production (KL)</b>	<b>22,114</b>	<b>5,233</b>	<b>45,540</b>	<b>37,995</b>	<b>19.9%</b>	<b>13,188</b>	<b>245.3%</b>

During the quarter, our Brazilian subsidiaries crushed 0.4 million tons of cane compared to 0.1 million tons last year. The increase was on account of extended 2013/14 season by few days in January and early start of the 2014/15 season in month of March. The sucrose recovery or ATR for the quarter was lower by 3% compared to last year.

About 19% of the total sucrose was diverted into production of sugar during the quarter as compared to 31% in the previous year. During the quarter, we produced 7,334 tons of raw sugar which is 84% higher than the same quarter last year.

During the quarter, our Brazilian mills produced a total of 22 million litres of ethanol compared to 5 million litres last year. This was due to higher diversion of cane towards production of ethanol and higher cane crushing.

### Group Performance in India

Our Indian mills crushed about 3.1 million tons during the quarter compared to 2.2 million tons last year which is an increase of 44%. The sugar recovery was higher by 2.6%. As a result, our domestic mills produced 376,783 tons of sugar during the quarter which is an increase of 49% compared to last year.

The utilization of our Indian refineries reduced during the quarter on account of lower domestic sugar prices (leading to lower utilisation of Haldia Refinery). During the quarter, our refineries processed 248,502 tons of raw sugar to produce 241,124 tons of refined sugar which is 37% lower compared to the same quarter last year.

Our Indian distilleries produced about 46 million liters of ethanol during the quarter compared to 38 million liters last year which is an increase of 19% Y-o-Y due to higher crushing. We have dispatched 33 million liters of fuel ethanol to the OMCs (Oil Marketing Companies) under the first domestic tender and 14 million liters under the second domestic tender till 19<sup>th</sup> May 2014.



### Co-generation

	Brazil		India				
	3M ended 31-03-2014	3M ended 31-03-2013	3M ended 31-03-2014	3M ended 31-03-2013	y-o-y Growth (%)	3M ended 31-12-2013	q-o-q Growth (%)
Power Exports (mn units)	62	100	181	161	12.3%	82	121.5%

Our Brazilian units exported 62 million units of cogeneration power during the quarter compared to 100 million units in the same quarter last year as there were higher power sales from traded power. The power exported from our mills and refineries in India for the quarter ended 31<sup>st</sup> March 2014 was 181 million units compared to 161 million units last year, mainly on account of higher utilization of the mills.

### Outlook

The ISO (International Sugar Organization) revised its 2013/14 global sugar surplus estimate to 4.4 million tons from an August'13 estimate of 4.5 million tons. The world sugar surplus has moved down from 11.2 million tons in the previous year. UNICA has provided its initial estimate for Centre-South Brazil raw sugar production of 32.5 million tons for season 2014/15 which is 5% down than the sugar produced in 2013/14 season.

Most analysts predict a balanced or a small sugar deficit globally for the 2014/15 season. The recent rise in the global raw sugar prices are due to possibility of a lower crop in Brazil and forecasts of El-Nino weather patterns. The diversion of cane towards ethanol production to meet the ethanol blending mandate in Brazil can also lead further reduction in sugar production in Brazil and result in increase in the prices.

In India, domestic stocks have reduced due to strong exports during the period October 2013 - April 2014. Sugar prices improved significantly at the end of the March quarter. Further price outlook would be guided by the progress of monsoon and exports.



**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

**Analyst / Investor / Media Enquiries:**

Vishesh Kathuria, Shree Renuka Sugars Limited +91 22 4001 1400

For further information on Shree Renuka visit [www.renukasugars.com](http://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.*





## 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 100,000 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

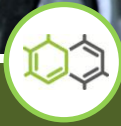
- Only sugar/ethanol producer globally with cane crushing operations year round due to complementary seasons in India and Brazil
- Presence in largest sugar producing and consuming regions globally provides better access to commodity price and production information
- Large operations in Brazil, where sugar/ethanol manufacture has low operating cost, high scalability and highly conducive climatic conditions
- Approximately 53% of sugarcane used in Brazil operations comes from owned cane plantations, enabling higher margins and assurance of raw materials
- 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 and Year ended**  
**31<sup>st</sup> Mar 2014**  
**Earnings Presentation**

27<sup>th</sup> May 2014

## Forward Looking Statements

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# Highlights



- ❖ Y-o-Y Cane Crushing for quarter increased in India by 44%
- ❖ Consolidated Revenues for the year increases by 12% Y-o-Y
- ❖ Higher Consolidated Foreign exchange loss for the year of INR 6,319 million

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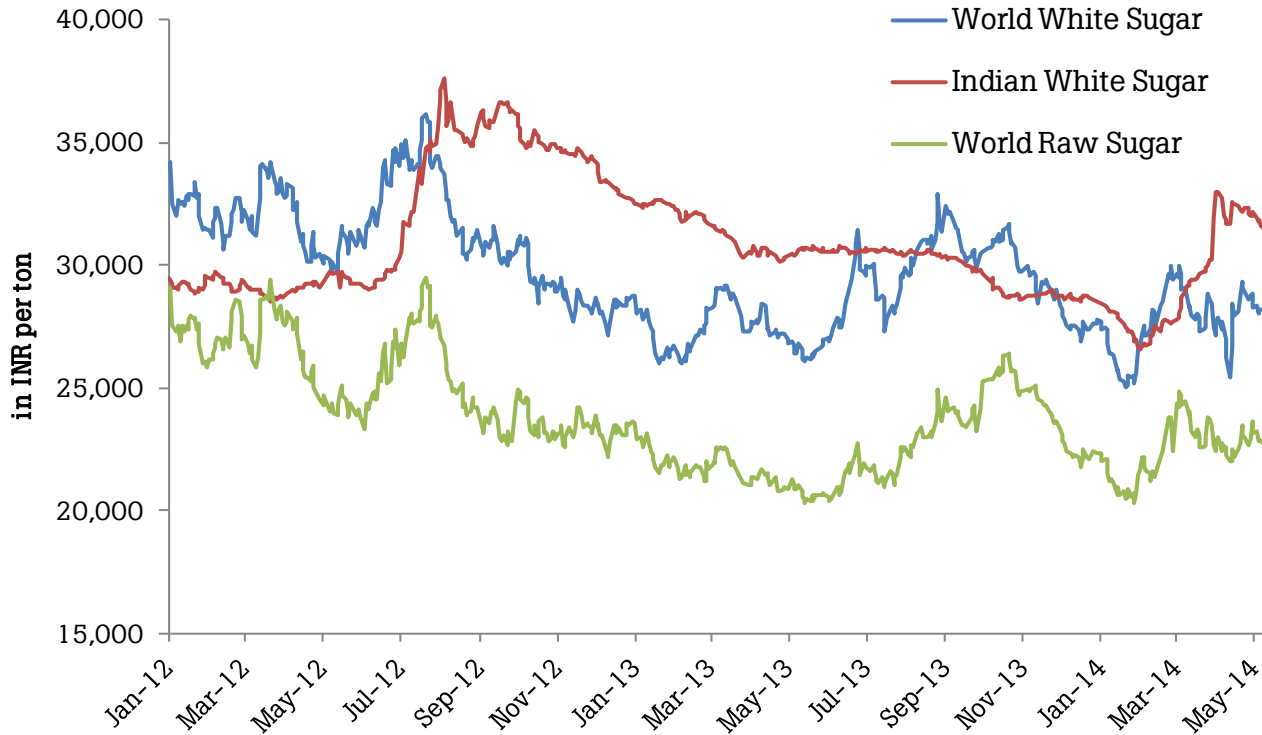
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# Market Overview



### Global Sugar Price Trends (Rs / ton)



Source: ICE, Liffe, NCDEX

### Key Perspectives

- ❖ World raw sugar prices increased during the quarter and traded at average of USD 16.45 c/lb
- ❖ Increase in domestic sugar prices during the quarter due to possibility of raw sugar exports and reduction of inventory
- ❖ Sugar production in the 2013/14 season at 23.8<sup>1</sup> million tons lower than the initial estimate of 25 million tons<sup>1</sup>

1 Source: ISMA Estimate

# Standalone Financial Performance



(Rs. in Million)

	3M ended 31 <sup>st</sup> Mar '14	3M ended 31 <sup>st</sup> Mar '13	% Y-o-Y Growth	Y-o-Y Key Perspectives	12M ended 31 <sup>st</sup> Mar '14	12M ended 31 <sup>st</sup> Mar '13
Net Sales <sup>1</sup>	18,666	19,129	(2.4)%	<ul style="list-style-type: none"> <li>Decrease in total revenues due lower contribution from the trading segment</li> <li>Lower domestic sugar price realization</li> </ul>	65,771	64,104
Operating EBITDA <sup>2</sup>	1,105	1,330	(16.9)%	<ul style="list-style-type: none"> <li>EBITDA margin for the quarter impacted due to low margins in the sugar segment and loss in trading segment</li> </ul>	1,947	6,098
<i>% Margin</i>	<i>5.9%</i>	<i>7.0%</i>			<i>3.0%</i>	<i>9.5%</i>
Foreign exchange gain/ (loss)	(459)	(88)		<ul style="list-style-type: none"> <li>High forex losses for the quarter majorly due to loss in cancellation of long-term hedges and hedging cost</li> </ul>	(3,317)	(77)
Net Profit <sup>3</sup>	(883)	133		<ul style="list-style-type: none"> <li>Impacted due to high non-cash expenses i.e depreciation and forex losses</li> </ul>	(4,661)	518
<i>% Margin</i>	<i>(4.7)%</i>	<i>0.7%</i>			<i>(7.1)%</i>	<i>0.8%</i>
Basic EPS <sup>4</sup> (Rs.)	(1.32)	0.20			(6.95)	0.77
Diluted EPS <sup>4</sup> (Rs.)	(1.32)	0.20			(6.95)	0.77

Notes:

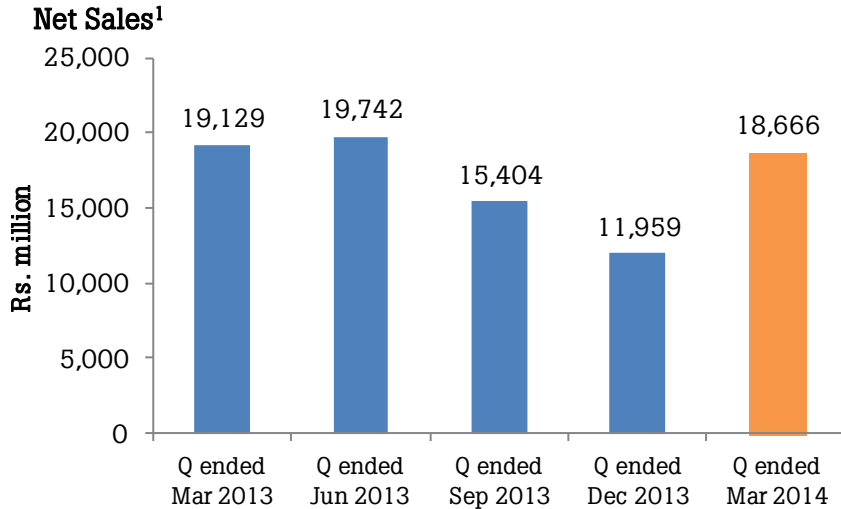
1 Net Sales excludes excise duties, foreign exchange gains and includes other income

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

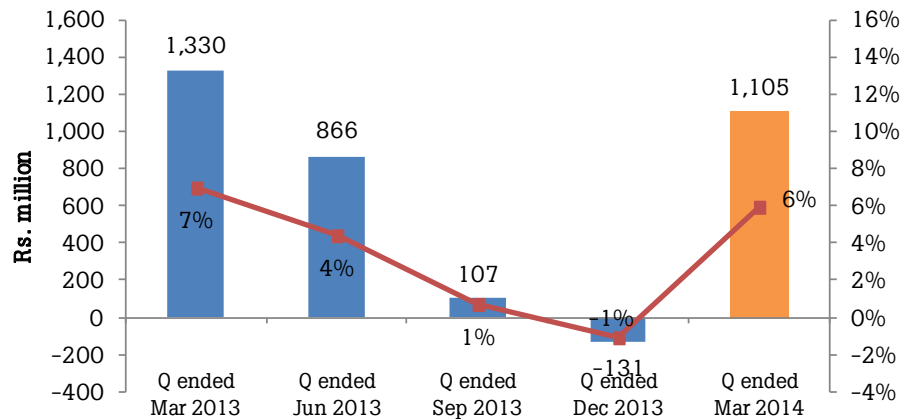
# Standalone Quarterly Financial Performance



## Trends

- ❖ Higher Revenues from the sugar, ethanol and cogeneration segments
- ❖ Higher ethanol sales volume and realization
- ❖ Lower revenue contribution from the trading segment

## EBITDA<sup>2</sup> & Margin (%)



## Trends

- ❖ Low margin in the sugar segment due to lower domestic sugar prices
- ❖ Impacted due to losses in the trading segment
- ❖ Lower margins in cogeneration segment

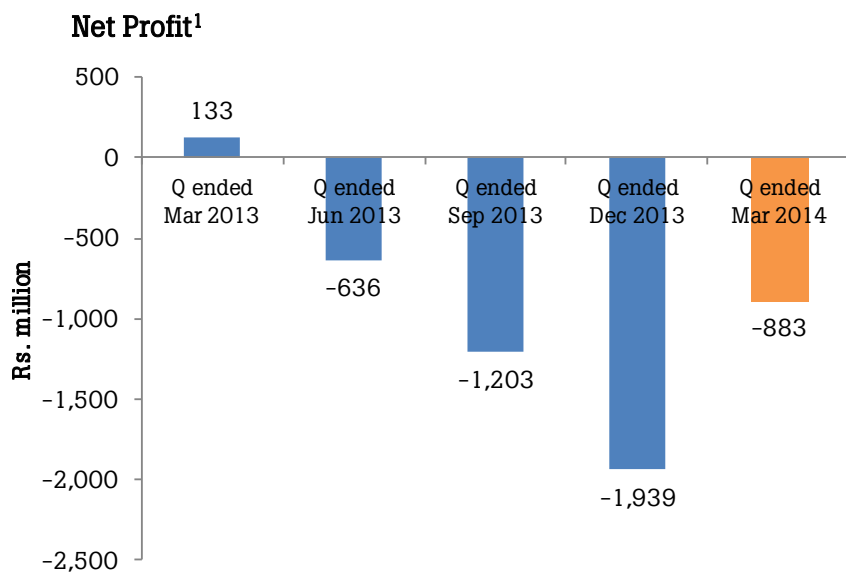
**Notes:**

■ EBITDA    ■ Margin (%)

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# Standalone Quarterly Financial Performance



Notes:

1 Net Profit is after minority interest and prior period adjustments

## Trends

- ❖ Impacted by Lower profitability and high forex loss
- ❖ Cost of hedging and loss in cancellation of long-term hedges leading to foreign exchange loss of Rs. 459 million during the quarter

<b>TOTAL DEBT (Rs. million)</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
India	38,976	26,115
Brazil	49,046	51,442
Other Subsidiaries	7,025	6,704
<b>Consolidated Debt</b>	<b>95,047</b>	<b>84,261</b>

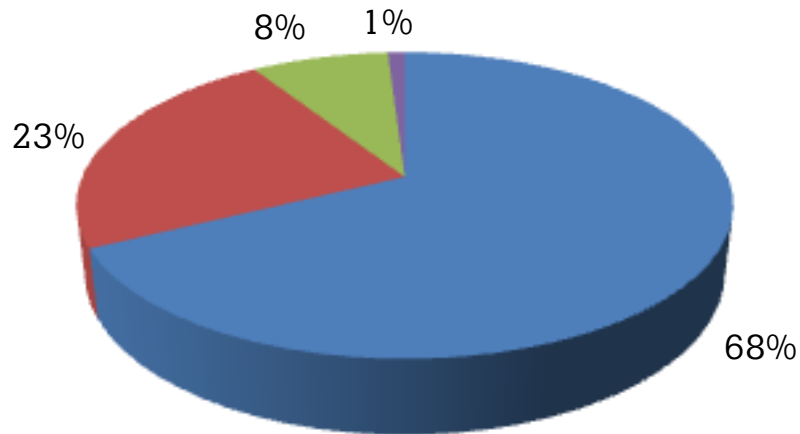


# Standalone Performance - Quarter Ended 31<sup>st</sup> Mar, 2014



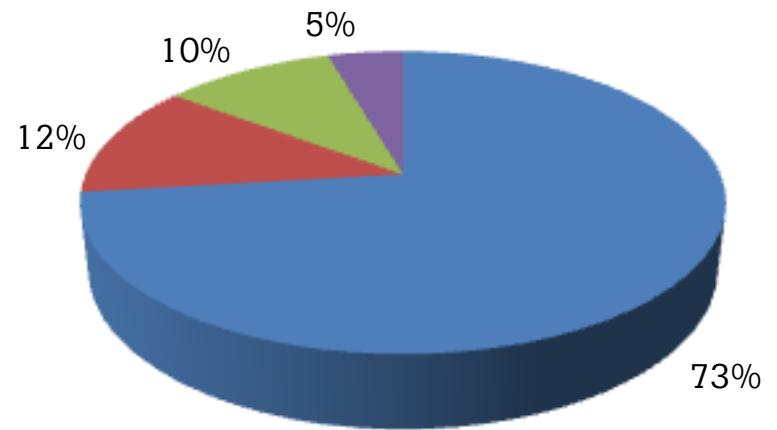
## Net Sales Breakdown - India

Quarter ended March 2013



■ Sugar ■ Trading ■ Cogeneration ■ Ethanol

Quarter ended March 2014



■ Sugar ■ Trading ■ Cogeneration ■ Ethanol

# Closing stock as on 31<sup>st</sup> Mar 2014 - India



## Standalone

	Unit of Measure	As on 31.03.2014
Sugar	MT	269,576
White Sugar	MT	259,925
Raw Sugar	MT	9,651
Ethanol	KL	36,651
Molasses	MT	81,837

# Sales Quantity – India



## Standalone

	3M ended 31-03-2014	3M ended 31-03-2013	% Y-o-Y Growth
Total Sugar Sold(MT)	490,341	442,874	10.7%
Export (in MT)	263,349	205,045	28.4%
Domestic (in MT)	226,992	237,829	(4.6%)
Ethanol (in KL)	26,658	6,677	299.2%
Co-gen (in million units)	181	161	12.3%

# Net Price Realization - India



## Standalone

	3M ended 31-03-2014	3M ended 31-03-2013	% Y-o-Y Growth
Average Manufactured Sugar (in Rs./MT)	28,628	30,248	(5.4%)
Export (in Rs./MT)	29,254	29,177	0.3%
Domestic (in Rs./MT)	27,901	31,172	(10.5%)
Ethanol (in Rs./KL)	36,781	30,716	19.7%
Co-gen (in Rs. per unit)	5.19	4.46	16.5%

Notes:

1. Export Sugar realizations are FOB prices net of taxes

# Standalone Balance Sheet



	<i>(Rs. in Million)</i>	
	31.03.2014	31.03.2013
	(Audited)	(Audited)
<b>SOURCES OF FUNDS</b>		
Net Worth	13,357	17,930
Loan Funds	38,976	26,115
Deferred Tax Liability	710	2,431
Other Non-Current Liabilities	33	32
<b>TOTAL</b>	<b>53,076</b>	<b>46,508</b>
<b>APPLICATION OF FUNDS</b>		
Net Fixed Assets	27,202	27,621
Non-Current Investments	20,140	20,129
Other Long Term Assets	3,876	3,984
Net Current Assets	1,858	(5,226)
<b>TOTAL</b>	<b>53,076</b>	<b>46,508</b>

\* Previous year numbers (FY 2013) have been regrouped where ever necessary

# BRAZILIAN SUBSIDIARIES

# Profit and Loss Statement – Renuka do Brasil S/A



	<i>(Rs. in Million)</i>	
<b>(Rs. in millions)</b>	<b>12M ended 31-03-2014</b>	<b>12M ended 31-03-2013</b>
<b>Net Sales<sup>1</sup></b>	<b>28,426</b>	<b>23,610</b>
Cost of Goods Sold	(18,429)	(14,615)
G&A Expenses	(1,890)	(2,381)
Sales Expenses	(1,361)	(1,476)
<b>Operating EBITDA</b>	<b>6,747</b>	<b>5,138</b>
Interest	(5,035)	(3,760)
Depreciation & Amortisation	(7,494)	(5,983)
<i>Depreciation</i>	<i>(3,748)</i>	<i>(1,691)</i>
<i>Amortisation of Off-season Maintenance</i>	<i>(1,687)</i>	<i>(2,431)</i>
<i>Amortisation of Cane Planting Expenditure</i>	<i>(2,059)</i>	<i>(1,861)</i>
Foreign Exchange Gain/(loss)	(1,864)	(2,048)
<b>Net Profit after Tax<sup>2</sup></b>	<b>(7,740)</b>	<b>(5,515)</b>

Notes:

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

2 Net Profit after tax is after minority interest and prior period adjustments

\* Previous year numbers (FY 2013) have been regrouped where ever necessary



# Balance Sheet – Renuka do Brasil S/A



	<i>(Rs. in Million)</i>	
	31.03.2014	31.03.2013
	(Audited)	(Audited)
<b>SOURCES OF FUNDS</b>		
Net Worth	(3,823)	3,335
Loan Funds	40,227	42,769
Other Non-Current Liabilities	10,278	8,244
<b>TOTAL</b>	<b>46,682</b>	<b>54,348</b>
<b>APPLICATION OF FUNDS</b>		
Net Fixed Assets	35,423	38,535
Deferred Tax Asset	1,584	1,714
Other Long Term Assets	4,026	5,418
Net Current Assets	5,649	8,680
<b>TOTAL</b>	<b>46,682</b>	<b>54,348</b>

\* Previous year numbers (FY 2013) have been regrouped where ever necessary

# Profit and Loss Statement – Renuka Vale do Ivai S/A



	<i>(Rs. in Million)</i>	
<b>(Rs. in millions)</b>	<b>12M ended 31-03-2014</b>	<b>12M ended 31-03-2013</b>
<b>Net Sales<sup>1</sup></b>	<b>6,855</b>	<b>7,902</b>
Cost of Goods Sold	(5,130)	(3,909)
G&A Expenses	(641)	(578)
Sales Expenses	(333)	(452)
<b>Operating EBITDA</b>	<b>751</b>	<b>2,963</b>
Interest	(1,216)	(933)
Depreciation & Amortisation	(1,534)	(1,221)
<i>Depreciation</i>	<i>(433)</i>	<i>(276)</i>
<i>Amortisation of Off-season Maintenance</i>	<i>(393)</i>	<i>(392)</i>
<i>Amortisation of Cane Planting Expenditure</i>	<i>(708)</i>	<i>(554)</i>
Foreign Exchange Gain/(loss)	(515)	(402)
<b>Net Profit after Tax<sup>2</sup></b>	<b>(2,038)</b>	<b>699</b>

Notes:

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

2 Net Profit after tax is after minority interest and prior period adjustments

\* Previous year numbers (FY 2013) have been regrouped where ever necessary

# Balance Sheet – Renuka Vale do Ivai S/A



	<i>(Rs. in Million)</i>	
	31.03.2014 (Audited)	31.03.2013 (Audited)
<b>SOURCES OF FUNDS</b>		
Net Worth	3,108	5,434
Loan Funds	8,819	8,672
Other Non-Current Liabilities	896	1,646
<b>TOTAL</b>	<b>12,824</b>	<b>15,753</b>
<b>APPLICATION OF FUNDS</b>		
Net Fixed Assets	10,328	10,982
Deferred Tax Asset	899	438
Other Long Term Assets	1,032	983
Net Current Assets	563	3,350
<b>TOTAL</b>	<b>12,824</b>	<b>15,753</b>

\* Previous year numbers (FY 2013) have been regrouped where ever necessary

# Sales and Price Summary



Apr 2013 – Mar 2014

Renuka do Brasil	Unit of Measure	Sales Quantity	Average Prices
Sugar	tons	458,499	874 R\$/ton
Ethanol	m <sup>3</sup>	399,207	1,222 R\$/m <sup>3</sup>
Cogen Exports	'000 MWh	511	218 R\$/MWh
By-products/Utilities*	('000 R\$)	47,067	

Renuka Vale do Ivai	Unit of Measure	Sales Quantity	Average Prices
Sugar	tons	121,750	998 R\$/ton
Ethanol	m <sup>3</sup>	92,775	1,244 R\$/m <sup>3</sup>
By-products/Utilities*	('000 R\$)	17,205	

\*By-products/utilities include yeast, molasses and steam

## Closing stock as of 31<sup>st</sup> March 2014 - Brazil



### Renuka do Brasil

	Unit of Measure	As on 31 <sup>st</sup> March 2014
Sugar	MT	2,049
Ethanol	KL	3,075

### Renuka Vale do Ivai

	Unit of Measure	As on 31 <sup>st</sup> March 2014
Sugar	MT	1,350
Ethanol	KL	521

# Loan Funds - Brazil



	Unit	Renuka do Brasil		Renuka VDI		Total Brazil	
		Mar-14	Mar-13	Mar-14	Mar-13	Mar-14	Mar-13
Brazilian R\$ denominated	mn R\$	590	709	123	132	714	841
USD denominated	mn USD	343	374	85	94	428	468
Taxes in Installment	mn R\$	121	75	19	-	140	75
Financial Leases	mn R\$	38	53	-	-	38	53
Debt w/o forex variation	mn R\$	1,440	1,590	313	322	1,753	1,912
Debt w/o forex variation	mn INR	38,784	42,770	8,439	8,672	47,223	51,442
Variation due to Forex	mn INR	1,443	-	380	-	1,823	-
Reported Debt	mn INR	40,227	42,770	8,819	8,672	49,046	51,442

Exchange Rates	Mar-14	Mar-13
BRL / USD	2.2630	2.0138
INR / BRL	26.3704	26.9023

# CONSOLIDATED PERFORMANCE



# Consolidated Financial Performance



*(Rs. in Million)*

	12M ended 31-03-2014	12M ended 31-03-2013	% Y-o-Y Growth
Net Sales <sup>1</sup>	116,116	104,158	11.5%
Operating EBITDA <sup>2</sup>	9,881	15,635	-36.8%
<i>% Margin</i>	<i>8.5%</i>	<i>15.0%</i>	
Foreign exchange gain/ (loss)	(6,319)	(2,987)	
Net Profit <sup>3</sup>	(14,780)	(3,740)	
<i>% Margin</i>	<i>-12.7%</i>	<i>-3.6%</i>	
Basic EPS <sup>4</sup> (Rs.)	(22.03)	(5.57)	
Diluted EPS <sup>4</sup> (Rs.)	(22.03)	(5.57)	

Notes:

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

2 Operating 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

# Consolidated Balance Sheet



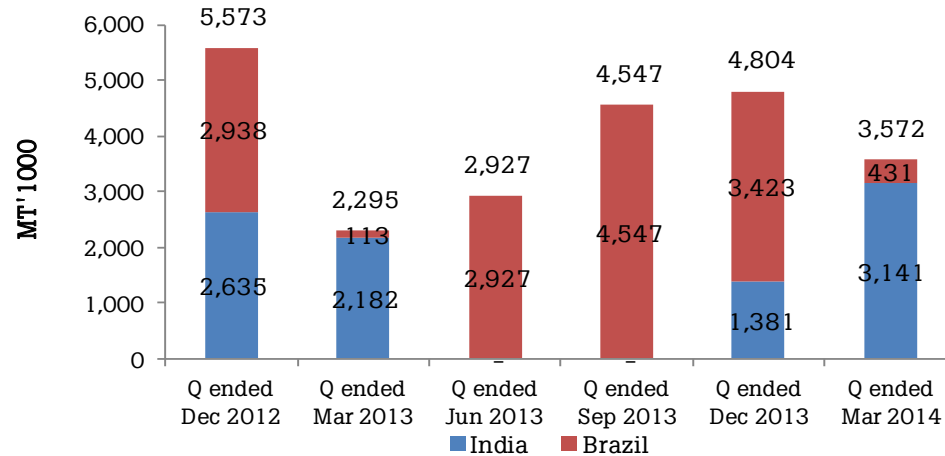
	<i>(Rs. in Million)</i>	
	31.03.2014	31.03.2013
	(Audited)	(Audited)
<b>SOURCES OF FUNDS</b>		
Net Worth	(4,965)	14,597
Minority Interest	23	32
Loan Funds	95,047	84,261
Deferred Tax Liability	-	272
Other Non-Current Liabilities	4,169	3,522
<b>TOTAL</b>	<b>94,274</b>	<b>102,684</b>
<b>APPLICATION OF FUNDS</b>		
Net Fixed Assets	80,020	86,963
Non-Current Investments	1,642	2,270
Other Long Term Assets	8,052	8,206
Deffered Tax Asset	1,862	-
Net Current Assets	2,698	5,245
<b>TOTAL</b>	<b>94,274</b>	<b>102,684</b>

\* Previous year numbers (FY 2013) have been regrouped where ever necessary

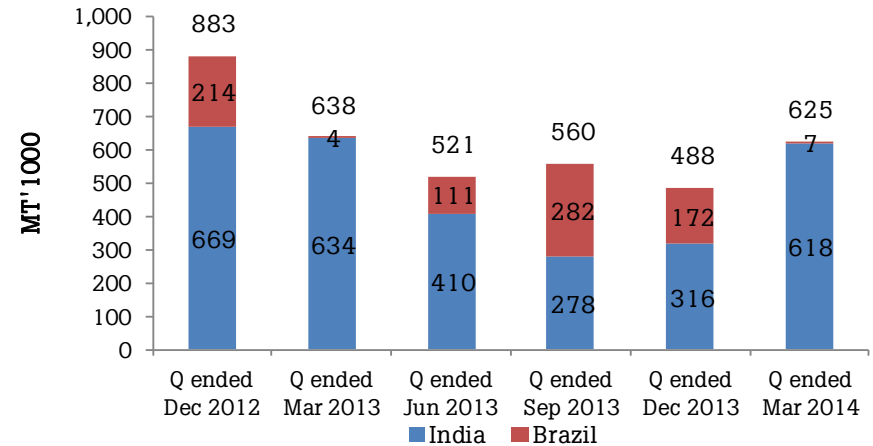
# Sugar: Quarterly Operating Performance



## Sugarcane Crushed



## Sugar Production<sup>1</sup>



- ❖ Y-o-Y cane crushing in Indian mills increased by 44%
- ❖ Y-o-Y cane crushing in Brazilian subsidiaries increased by 281% due to more operating days
- ❖ 19% of cane juice diverted towards sugar production in Brazilian units

- ❖ Y-o-Y sugar production increased by 49% in Indian mills and decreased by 37% in Indian refineries
- ❖ Y-o-Y sugar production in Brazil increased by 84% due to higher crushing
- ❖ Y-o-Y, 2.6% increase in recovery in India cane milling business

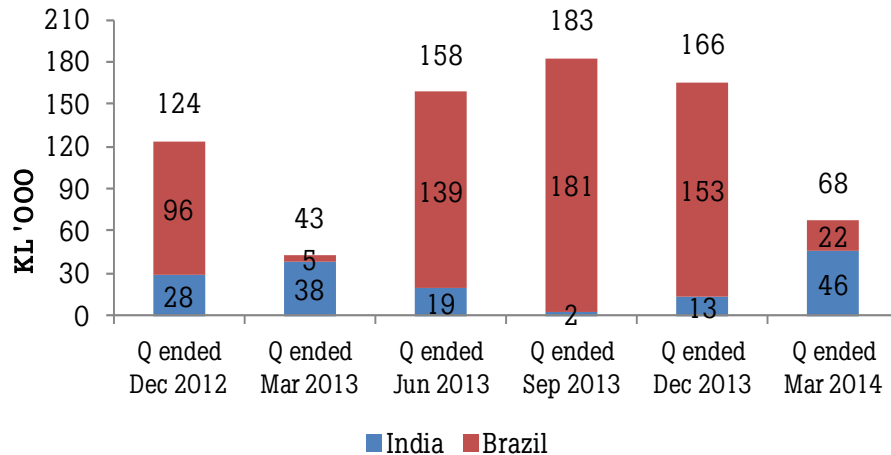
Note:

<sup>1</sup> Sugar produced includes raw sugar and white sugar produced from cane, as well as refined sugar produced from raw sugar

# Ethanol & CoGen: Quarterly Operating Performance

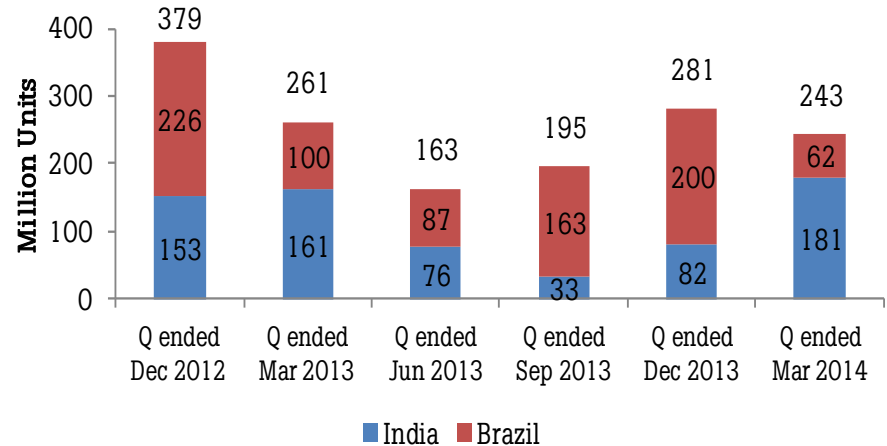


## Ethanol Production



- ❖ Y-o-Y 20% increase in ethanol production in Indian units due to higher crushing
- ❖ Y-o-Y, 323% increase in ethanol production in Brazil due to higher ATR diverted towards ethanol
- ❖ Of the total ethanol produced in Brazil, 90% was hydrous and 10% anhydrous

## Co-Gen Power Exports



- ❖ Y-o-Y energy sales in India increased by 12% due to higher utilization of mills
- ❖ Y-o-Y decrease in energy sales from Brazil units as in previous year there was higher energy sales from the traded power

## 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 583.5MW with exportable surplus of 371.4MW. The Indian operations produce 271MW with exportable surplus of 135MW and the Brazilian operations produce 313MW 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 174 mn tonnes in 2012-13 whereas in 2013-14 the production is expected at 181.5 mn tonnes.

Improved weather conditions globally especially in Brazil have resulted in a good 2013-14 season across major producers. Estimated global surplus of sugar as per the latest estimate of ISO is close to 4.4 mn tonnes of sugar for 2013-14. Centre-South Brazil has produced close to 34 mn tonnes of sugar while India is expected to produce 24.2 mn tonnes of sugar in 2013-14. Other key producing countries are Thailand, Australia 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 2013/14 harvest, Center-South Brazil had crushed 596 million tonnes of cane, producing 34.3 million tonnes of sugar and 25.5 bn liters of ethanol.

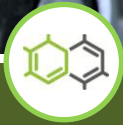
The Government has partially decontrolled the Indian Sugar sector with removing levy obligations and release quota mechanism as per the suggestions of Dr. C. Rangarajan to consider decontrol of the sugar industry.



sugar



power



ethanol



# Shree Renuka Sugars Ltd

**Corporate Office**

7th Floor, Devchand House

Shiv Sagar Estate, Dr. Annie Besant Road,

Worli, Mumbai-400 018.

[www.renukasugars.com](http://www.renukasugars.com)

Vishesh Kathuria  
*Shree Renuka  
Sugars Ltd.*

+91 22 4001 1400  
[vishesh.kathuria@renukasugars.com](mailto:vishesh.kathuria@renukasugars.com)