sugar

ethanol

power

For Immediate Release **May 11th, 2011**

Shree Renuka Sugars Limited
Announces
Unaudited Consolidated and Standalone

Second Quarter and Half Year Results for Fiscal 2011
Q2 FY2011 Performance vs. Q2 FY2010:
Consolidated Net Sales increased by 6.8%
Consolidated EBITDA decreased by 3.0%
Sugar cane crushed in India increased by 24.3%
Crushing Season Started in Brazil

Mumbai, India, May 10th, 2011 – 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 Unaudited Consolidated and Standalone Second Quarter and Half Year results for Fiscal 2011, 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:

"Shree Renuka continues to benefit from its integrated business model despite challenging conditions in the Indian market. The Company saw volume growth across sugar, ethanol and co-generation export segments in India. We took advantage of lower white-raw sugar spreads by advancing routine maintenance at our Haldia refinery. This, in combination with the additional refining capacity at Kandla, will enable us to capitalize on improving spreads going forward.

Contribution from Brazil was low during the quarter due to the off season. In Brazil very little inventory is carried into the offseason quarter. The 2011-12 production season in Brazil has started on a strong note at both Renuka do Brasil (RdB) and Renuka Vale do Ivai (RVdI). Shree Renuka is focused on maintaining flexibility in its mills to enable it to maximize realization through optimal production mix of ethanol and sugar. Through these flexible integrated mills and effective risk management, Shree Renuka is well positioned to capitalize on the current production season in Brazil in the coming quarters.

Management is focussed on deleveraging the balance sheet by increasing the operating cashflows. This will be achieved through completing the turnaround of the Brazilian acquisitions, effective risk management and the operation of the two Indian Sugar Refineries at their full capacity"

Consolidated Financial Highlights

(Rs. Millions)	Q2 FY2011	Q2 FY2010	y-o-y Growth (%)	Q1 FY2011	q-o-q Growth (%)	H1 FY2011	H1 FY2010	y-o-y Growth (%)
Net Sales	19,305	18,069	*6.8%*	23,031	*(16.2)%*	42,336	32,506	*30.2%*
EBITDA	3,687	3,800	*(3.0)%*	3,566	*3.4%*	7,253	7,561	*(4.1)%*
EBITDA Margin (%)	*19.1%*	*21.0%*		*15.5%*		*17.1%*	*23.3%*	
Net Profit	582	2,247	*(74.1)%*	665	*(12.5)%*	1,247	4,857	*(74.3)%*
Less: Minority Interest	12	(5)		(1)		11	(6)	
Prior Period Adjustments	-	-		-		-	-	
Net Profit After Minority	594	2,242	*(73.5)%*	664	*(10.5)%*	1,258	4,851	*(74.1)%*
Net Profit Margin (%)	*3.1%*	*12.4%*		*2.9%*		*3.0%*	*14.9%*	
Basic EPS (Rs)	0.89	3.48	*(74.4)%*	0.99	*(10.1)%*	1.87	7.59	*(75.4)%*
Diluted EPS (Rs)	0.88	3.33	*(73.6)%*	0.99	*(11.1)%*	1.87	7.20	*(74.0)%*

Standalone Financial Highlights

India

(Rs. Millions)	Q2 FY2011	Q2 FY2010	y-o-y Growth (%)	Q1 FY2011	q-o-q Growth (%)	H1 FY2011	H1 FY2010	y-o-y Growth (%)
Net Sales	12,489	16,017	*(22.0)%*	11,115	*12.4%*	23,503	28,814	*(18.4)%*
EBITDA	1,351	3,341	*(59.6)%*	1,087	*24.3%*	2,438	6,343	*(61.6)%*
EBITDA Margin (%)	*10.8%*	*20.9%*		*9.8%*		*10.4%*	*22.0%*	
Net Profit	292	1,959	*(85.1)%*	304	*(3.9)%*	596	3,906	*(84.7)%*
Net Profit Margin (%)	*2.3%*	*12.2%*		*2.7%*		*2.5%*	*13.6%*	
Basic EPS (Rs)	0.44	3.04	*(85.5)%*	0.45	*(2.2)%*	0.89	6.11	*(85.4)%*
Diluted EPS (Rs)	0.43	2.91	*(85.2)%*	0.45	*(4.4)%*	0.89	5.80	*(84.7)%*

Brazil

(Rs. Millions)	Q2 FY2011	Q1 FY2011	H1 FY2011
Net Sales	5,556	11,115	14,792
EBITDA	2,098	1,087	4,449
EBITDA Margin (%)	*37.8%*	*9.8%*	*30.1%*
Net Profit	130	304	435
Less: Minority Interest	-	-	-
Prior Period Adjustments	-	-	-
Net Profit	130	304	435
Net Profit Margin (%)	*2.3%*	*2.7%*	*2.9%*

Note: Comparisons are non meaningful due to off season in Brazil

Economic Environment

Global raw sugar prices touched a 30-year high of approximately USD 36 cents/lb[1] during Q2 FY2011 and remained consistently high for most of the quarter. This was due to a combination of robust international demand, limited supply of raw sugar and unfavourable

[1] Sugar No.11 Futures

climatic conditions in key sugar producing countries. However the market was in a steep inverse and the futures for October-2011 which is the main contract for new Brazilian season peaked at 26 cents/lb. Sugar prices have since retreated and are currently trading at approximately USD 22 cents/lb. This decline was driven primarily by improving weather conditions and better than expected harvests in the ongoing 2010-11 sugar season. In particular, sugar production in Thailand in this season is expected to be 10.3 million tonnes, approximately 50% higher than originally estimated. This will result in surplus exports from Thailand of 3.5 million tonnes. Further, the Government of India approved up to 0.5 million tonnes of sugar exports under the Open General License ("OGL"). White-raw spreads were significantly below $100/tonne during Q2 FY2011. This spread has rebounded since end of February 2011 and is currently approximately $125/tonne.

The ongoing 2010-11 sugar season in India is on its last leg of completion. Sugar production for the first seven months of this season was 22.6 million tonnes, up 25% compared to previous year. Total sugar production in this season is expected to be 24.5 million tonnes[2]. This performance is expected due to increased cane acreage, well distributed monsoon rains and favourable weather conditions in the key sugar producing states of Uttar Pradesh, Maharashtra and Karnataka. Indian sugar prices[3] steadily declined during the quarter from approximately Rs. 2,900/quintal in January 2011 to Rs. 2,600/quintal in March 2011. Average cane prices declined from Rs. 2,800/tonnes in Q2 FY2010 to Rs. 2,400/tonnes in Q2 FY2011.

Cane crushed in south-central Brazil was marginal in Q2 FY2011 due to the end of the harvesting season in early January. High sugar prices in previous quarters led to greater allocation of ATR (recovery) towards sugar production in Brazil. The resulting ethanol supply shortage, in combination with a rise in crude oil prices during Q2 FY2011 led to higher ethanol prices during the later part of Q2 FY2011. This has resulted in increasing ATR (recovery) being allocated towards ethanol production since the beginning of March 2011.

Group Financial Performance

Q2 FY2011 Consolidated Net Sales increased by 6.8% as compared to Q2 FY2010. This increase was primarily driven by a combination of strong growth in the Indian ethanol and co-generation businesses as well as consolidation of Brazil subsidiaries acquired during Q2 FY2010 (for RVdI) and Q4 FY2010 (for RdB).

The co-generation segment in India witnessed strong growth in Q2 FY2011 due to a combination of increased power exports and higher merchant power rates. Merchant power rates increased by 10% y-o-y, as a result of a combination of higher spot merchant power rates and long-term contracts for sales of power. Despatches for the fuel ethanol blending programme continued to be strong during the quarter. A total of 17,262 KL was despatched to Oil Marketing Companies during Q2 FY2011. Consolidated Net Sales growth was offset to some extent by a decline in India standalone Net Sales, due to lower sugar price realization compared to the prior year. Sugar prices declined 27% from an all-time high average of Rs. 34/kg in Q2 FY2010 to Rs. 29/kg in Q2 FY2011. Sales volumes in Q2 FY2011 decreased marginally from the same period last year.

[2] Indian Sugar Mills Association
[3] Refers to Sugar M futures traded on the NCDEX, Kolhapur

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Q2 FY2011 Consolidated EBITDA decreased by 3.0% compared to Q2 FY2010. Significant EBITDA growth in the ethanol and co-generation segments was offset by lower price realization in the sugar segment. Year-over-year Q2 FY2011 EBITDA growth in the ethanol segment was due to lower raw material prices as well as continued strong volume growth through the ethanol blending program in India. Co-generation segment margins benefited from higher usage of low cost bagasse in Q2 FY2011 compared to higher coal usage in Q2 FY2010. Higher cane crushed during the quarter enabled access to increased quantities of lower cost bagasse during the quarter.

Q2 FY2011 Consolidated Net Profit decreased by 73.5% compared to Q2 FY2010. This decrease was primarily due to an increase in net interest expense. Interest expense increased from Rs. 260 million in Q2 FY2010 to Rs. 1,862 million in Q2 FY2011. This was due to additional debt assumed with the Brazil acquisitions in FY2010 as well as higher working capital requirements.

As of March 31, 2011, consolidated debt is Rs. 83,156 million, cash and cash equivalent is Rs. 1,486 million and net debt is Rs. 81,670 million. Total debt consists of Rs. 33,570 in debt at the standalone India entity. Increase in debt in India is related to peak working capital requirements (Rs. 11,667 million) on seasonal basis and the increase in capital work in progress (Rs. 3,227 million) related to the completion of the Gujarat Refinery. There was a marginal debt increase in Brazil related to short-term loans for funding Off-Season expenses.

(Rs. Million)	**Sep 30, 2010**	**March 31, 2011**
India Standalone Debt	17,158	33,570
Subsidiary Debt	48,029	49,586
Total Debt	**65,080**	**83,156**
Cash & Equivalents[2]	6,019	1,486
Net Debt	**59,061**	**81,670**

Segment Operating Performance

Sugar

(Tonnes, unless indicated)	Brazil		India					Consolidated
	Q2 FY2011	SY 2011	Q2 FY2011	Q2 FY2010	*y-o-y Growth (%)*	Q1 FY2011	*q-o-q Growth (%)*	Q2 FY2011
Sugarcane Crushed	170,662	10,449,558	2,803,472	2,254,870	*24.3%*	1,674,090	*67.5%*	2,974,134
Raw Sugar Processed[1]	-	-	69,770	200,309	*(65.2%)*	120,813	*(42.2%)*	69,770
Recovery[2]	106.1	131.1	12.23%	11.76%	*4.0%*	10.40%	*17.6%*	n/m
Sugar Production								
From Cane	**6,790**	**672,064**	**342,958**	**265,088**	***29.4%***	**167,301**	***105.0%***	**349,748**
Raw Sugar	6,790	565,064	-	-		-		6,790
White Sugar	-	107,000	342,958	265,088	*29.4%*	167,301	*105.0%*	342,958
Refined Sugar[3]	-	-	67,080	177,676	*(62.2%)*	114,039	*(41.2%)*	67,080
Total Production	**6,790**	**672,064**	**410,038**	**442,764**	***(7.4%)***	**281,340**	***45.7%***	**416,828**

Notes:
1 During off season Raw Sugar Processed may be negligible due to lack of cane crushed
2 Recovery calculated as % in India and as ATR in Brazil
3 Refined sugar can be obtained from raw sugar and is produced from refineries

Total sugarcane crushed in Shree Renuka's standalone India business increased by 24.3% and sugar produced from cane increased by 29.4% in Q2 FY2011, compared to Q2 FY2010. This was primarily due to improved cane acreage and adequate rainfall in key sugar producing regions. Total production of sugar during the quarter was impacted by a decline in refined sugar production. Due to low white-raw spreads during the quarter, the Company advanced routine maintenance of its refinery at Haldia which impacted refined sugar production in Q2 FY2011. The refinery has since restarted on 27th April 2011.

Average landed cane prices during this season have been approximately Rs. 2,400/tonnes in Maharashtra and Karnataka, Shree Renuka's key producing states.

Ethanol

Ethanol	Brazil	India					Consolidated
	Q2 FY2011	Q2 FY2011	Q2 FY2010	*y-o-y Growth (%)*	Q1 FY2011	*q-o-q Growth (%)*	Q2 FY2011
Production (KL)	8,548	42,952	24,000	*79.0%*	17,594	*144.1%*	51,500
Price / Liter (Rs)	38.08	27.58	29.66	*(7.0%)*	27.70	*(0.4%)*	29.32

Q2 FY2011 Ethanol sales volumes in Shree Renuka's standalone India business increased significantly by 79.0% compared to the prior year. This was primarily due to the ongoing ethanol blending program resulting in significant off take from oil marketing companies during the quarter. The Company has already supplied up to 17% of the 118 million liters of ethanol it had contracted to supply for this program. Ethanol production in India was also positively impacted by a strong cane crushing season.

Co-generation

	Brazil	India					Consolidated
	Q2	Q2		*y-o-y*	Q1	*q-o-q*	Q2
	FY2011	FY2011	FY2010	*Growth (%)*	FY2011	*Growth (%)*	FY2011
Exports (mm units)	40	150	138	*8.7%*	108	*38.9%*	190
Average Price/Unit (Rs)	4.47	5.40	4.90	*10.2%*	3.82	*41.4%*	5.20

Q2 FY2011 power exports in India grew by 8.7% compared to Q2 FY2010 due to higher cane crushed. The primary fuel used to generate power was bagasse which resulted in lower costs of power generation compared to the prior year.

Strategic Initiatives and Outlook

Strategic Initiatives: Shree Renuka has invested in a number of capacity expansion projects:

Kandla Sugar Refinery: Total cost of the project was Rs. 4.5 billion to increase refining capacity by 3,000 tonnes per day through green field expansion. Trial production runs are underway and the refinery is expected to start production in Q3 FY2011.

Cambui Mill Sugar Capacity Expansion, Renuka VDI: Invested BRL 30 million to increase flexibility to produce up to 70% sugar out of total capacity. The expansion project was completed during Q2 FY2011. The mill was commissioned and started crushing in April 2011.

Anhydrous Ethanol Project: Renuka VDI is investing in expanding current anhydrous ethanol production capacity to 300 KLPD. This expansion will enable greater flexibility to appropriately enhance ethanol product mix. Commissioning is expected by June 2011. The project is being executed by KBK Chem-Engineering Pvt. Ltd, an 80% owned subsidiary of Shree Renuka Sugars.

Outlook

Estimated global sugar surplus for the sugar season 2010-11 is 2.5 million tonnes[4]. Continued strong demand growth, low global stocks and tight supply in key sugar producing regions are expected to provide support for sugar prices in the 2011-12 season. Despite a moderate near-term global sugar price environment, Shree Renuka is well positioned to generate strong topline performance having hedged approximately 80% of its Brazilian sugar production capacity at attractive prices.

The Indian sugar 2010-11 season continues to progress well, with the Indian Sugar Mills Association projecting a total production of 24.5 million tonnes. The recent approval of sugar exports by the Government of India under OGL, will positively impact the Company in the current quarter. A rebound in the raw-white spread is also expected to boost the top line as the Company plans to ramp up production through its refineries. Net Sales will also benefit from the new refinery at Kandla, which is expected to become fully operational in the second half of Q3 FY2011.

[4] Kingsman report, May 2011

The 2011-12 Centre-South Brazil sugar season is expected to be similar to last year. UNICA estimates the sugarcane production to be approximately 568.5 million tonnes, up 2.1% compared to the 2010-11 season. Cane crushing has begun in both Renuka VDI and RDB, and 11 – 12 million tonnes of cane are expected to be crushed in the 2011-12 season. Further, with the expiry of legacy low-priced sugar contracts in Brazil, the Company expects to generate higher margins from raw sugar exports in the coming quarters. Due to strong demand for ethanol in Brazil, the Company is currently capitalizing on the flexibility in its mills to allocate greater ATR (recovery) towards ethanol production.

Notes:

1. Net Sales: Includes other operating income and is after excise duties
2. EBITDA: Earnings before interest, taxes and depreciation; includes other income
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 667 million shares outstanding on a weighted average basis

Analyst / Investor / Media Enquiries:

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Vikram Rao, Churchgate Partners	+91 22 3953 7444

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

The Company will host a conference call to discuss Q2 FY2011 earnings at 1700 hours IST on May 11th, 2011. To participate, please use the following dial-in numbers:

Primary Number	+91 22 6629 0305
Secondary Number	+91 22 4039 2605

The numbers listed above are universally accessible from all networks and all countries

Toll Free Numbers

USA:	+1 866 746 2133
UK:	+44 808 101 1573
Singapore:	+65 800 101 2045
Hong Kong:	+852 800 964 448

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.

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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 20.7 million tonnes of cane per annum
- One of the largest refiners globally with expected capacity of 1.7 MTPA
- Leading manufacturer of sugar in India, the world's largest consumer market
- Highly integrated with ethanol capacity of 6,240 KL per day and Co-Generation capacity of 173 MW, in India and 221MW (under expansion to 313MW) in Brazil

Best-in-Class Operations

- Higher flexibility to optimize product mix between Ethanol and Sugar in Brazil
- Approximately 110,000 hectares of company owned sugarcane plantations in Brazil with high level of mechanization
- Significant ethanol and power co-generation capacity provide greater resilience to downcycles
- Renuka VDI stake in four logistics companies enables competitive export costs
- KBK Chem-Engineering subsidiary provides optimal solutions for fermentation and distillation industries

Locational 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 65% 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.

Strong Financial Performance

- Strong Revenue and Net Profit CAGRs of 63% and 56% respectively, from FY2006 to FY2010
- Efficient utilization of assets with average Return on Assets[5] of approximately 20% from FY2006 to FY2010
- Cost management resulted in EBITDA margin expansion from 15% in FY2006 to 18% in FY2010
- Improved commodity risk management globally through trading operations
- Management team with strong track record of completing and successfully integrating strategic acquisitions

[5] Return on Assets defined as Net Profit / Average Assets

Shree Renuka Sugars Ltd

Q2 FY2011
Earnings Presentation

Earnings Conference Call
Wednesday, May 11th 2011 at 17:00 hrs IST

Primary Number	*+91-22-6629-0305*
Secondary Number	*+91-22-4039-2605*

The numbers listed above are universally accessible from all networks and all countries

Toll Free Numbers

USA:	*+1-866-746-2133*
UK:	*+44-808-101-1573*
Singapore:	*+65-800-101-2045*
Hong Kong:	*+852-800-964-448*

Important Notice

Forward Looking Statements

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Highlights

- ❖ Consolidated Net Sales increased by 6.8%
- ❖ Consolidated EBITDA decreased by 3.0%
- ❖ Sugar cane crushed in India increased by 24.3%
- ❖ Crushing Season Started in Brazil

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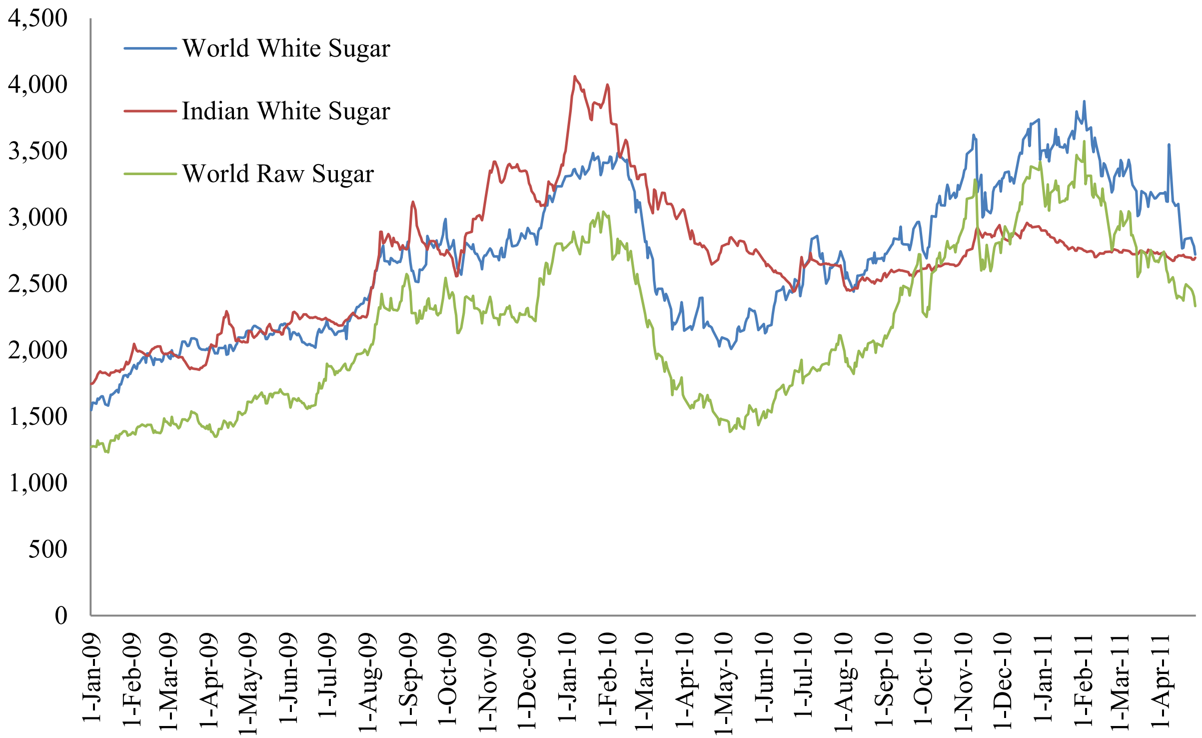
Management is focussed on deleveraging the balance sheet by increasing the operating cash-flows. This will be achieved through completing the turnaround of the Brazilian acquisitions, effective risk management and the operation of the two Indian Sugar Refineries at their full capacity"

Market Overview

Global Sugar Price Trends (Rs / Quintal)

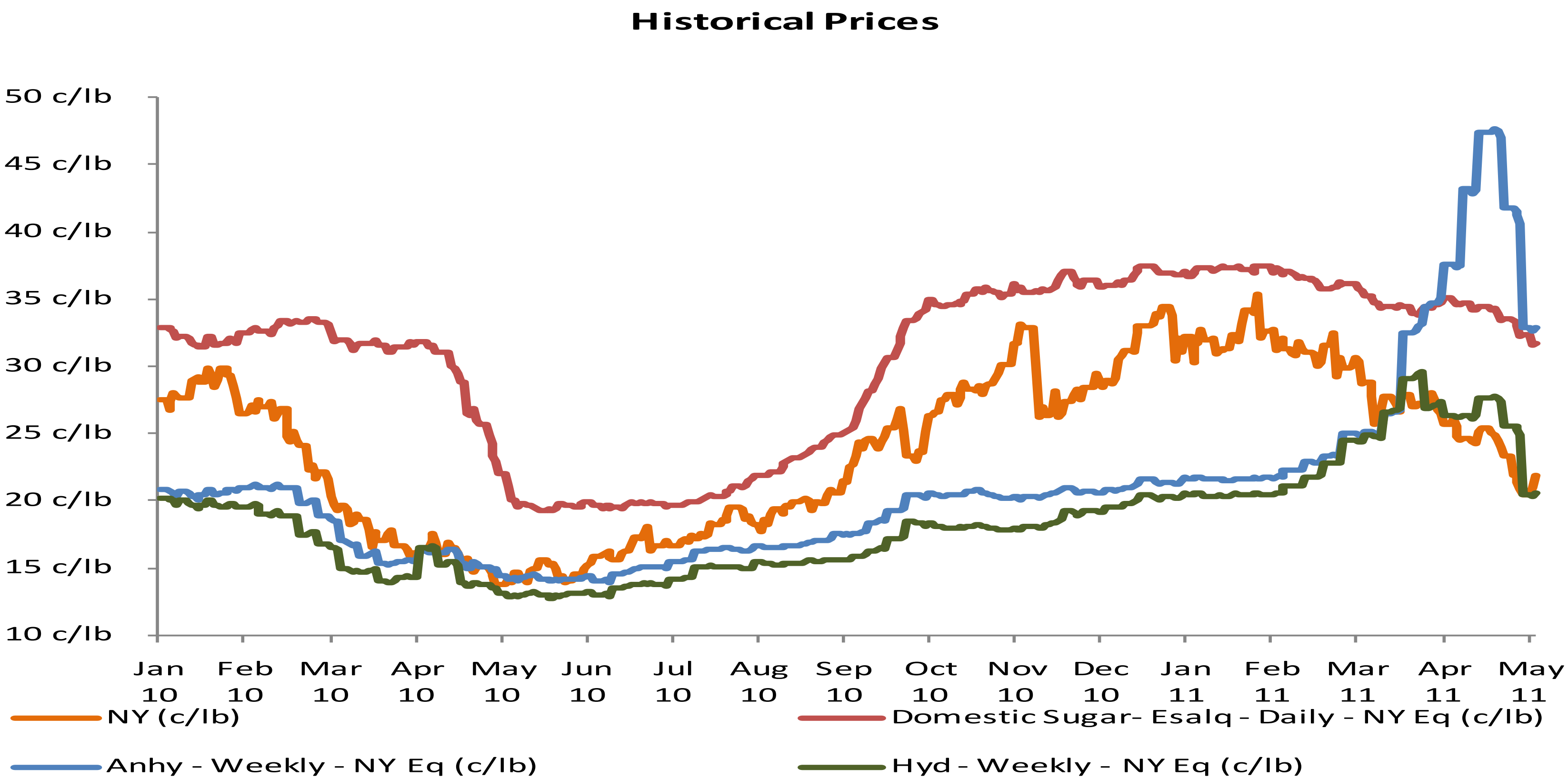


Key Perspectives

- Global sugar prices touched peak levels in Feb 2011
- Sugar prices have declined since Feb 2011 and are currently $0.22lb
- Higher than expected production in Thailand, coupled with exports from India, during the 2010-11 sugar season have contributed to this decline
- Indian sugar prices have declined since Feb 2010 due to lack of export opportunities and continued stock limits on traders

Market Overview (Sugar & Ethanol (Brazil) Sector)

Brazil Product Price Trends



Consolidated Q2 FY2011 Performance

(Rs. in Million)

	Q2 FY2011	Q2 FY2010	*% Y-o-Y Growth*	Q1 FY2011	*% Q-o-Q Growth*	Y-o-Y Key Perspectives
Net Sales[1]	19,305	18,069	*6.8%*	23,031	*(16.2)%*	• Consolidation of Brazil acquisitions • High ethanol sales growth in India • Lower refined sugar sales
EBITDA[2]	3,687	3,800	*(3.0)%*	3,566	*3.4%*	• Lower raw material cost and higher merchant power rates in co-gen • Decline in Indian sugar prices • Higher contribution from Brazilian subsidiaries
% Margin	*19.1%*	*21.0%*		*15.5%*		
Net Profit[3]	594	2,242	*(73.5)%*	664	*(10.5)%*	• Higher net interest and depreciation expense
% Margin	*3.1%*	*12.4%*		*2.9%*		
Basic EPS[4] (Rs.)	0.89	3.48	*(74.4)%*	0.99	*(10.1)%*	
Diluted EPS[4] (Rs.)	0.88	3.33	*(73.6)%*	0.99	*(11.1)%*	

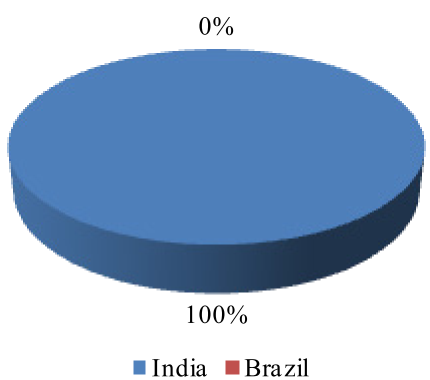
Notes:

1 Net Sales excludes excise duties and includes other income
2 EBITDA defined as earnings before depreciation, interest, exceptional items and taxes; includes other income
3 Net Profit is after minority interest and prior period adjustments
4 Non annualized

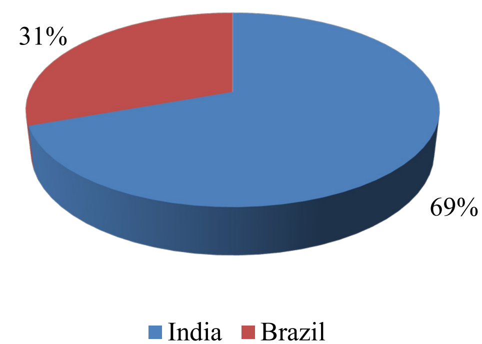
Consolidated Q2 FY2011 Financial Performance

Geographic Net Sales[1] Breakdown

Q2 FY2010

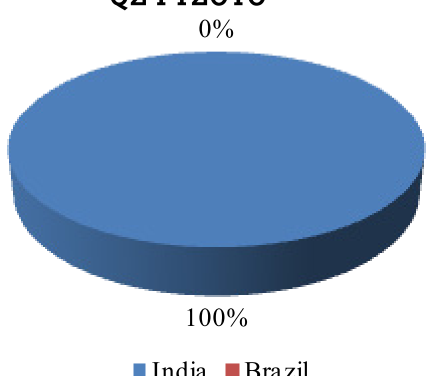


Q2 FY2011

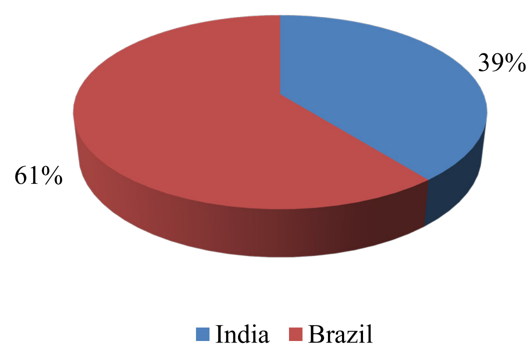


Geographic EBITDA[2] Breakdown

Q2 FY2010



Q2 FY2011



Key Perspectives

- Marginal sugar cane crushing in Brazil due to end of season
- Benefit from higher ethanol prices in Brazil
- Higher sugar production in India due to increased cane crushing and higher recovery
- Improved profitability in bio-energy segments due to higher raw material supply as a result of a strong cane crushing season
- Higher margins in co-generation through improved merchant power rates

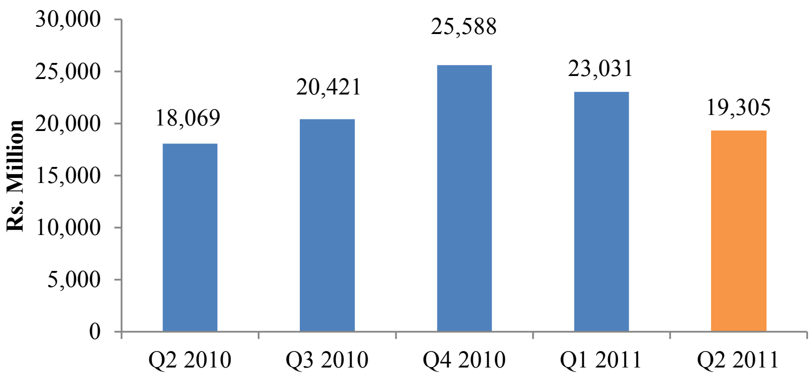
Notes:

1 Net Sales excludes excise duties and includes other income

2 EBITDA defined as earnings before depreciation, interest, exceptional items and taxes; includes other income

Consolidated Quarterly Financial Performance

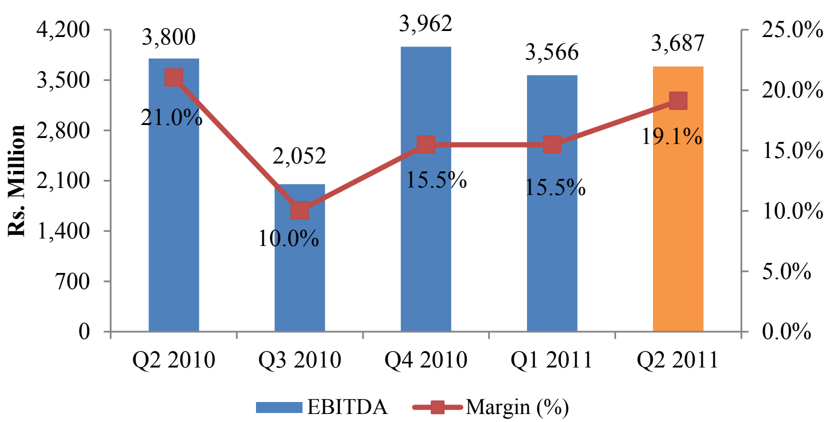
Net Sales[1] & Growth (%)



Historical Trends

- Brazil off-season in Q2 FY2011
- Strong performance by ethanol in India
- Indian sugar price declined from historical high in Q2 FY2010 to Q2 FY2011
- Q4 FY2010 increase due to consolidation of first full quarter of both Brazil acquisitions

EBITDA[2] & Margin (%)



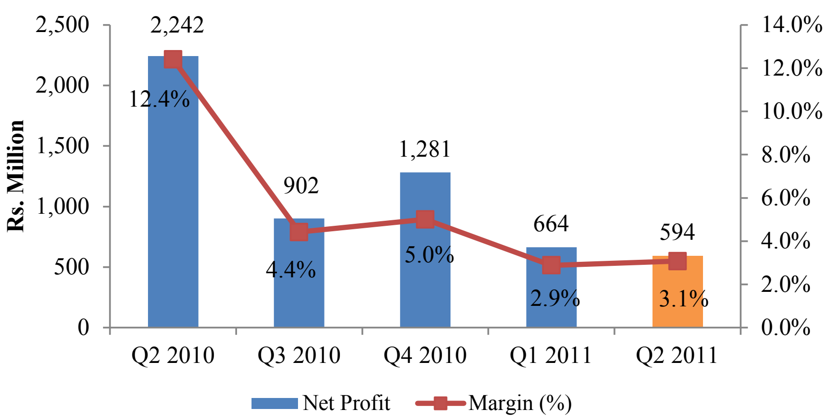
Historical Trends

- Improved margins in ethanol and co-gen segments due to lower raw material prices in Q2 FY2011
- Lower cane costs in Q2 FY2011 compared to Q2 FY2010
- High ethanol prices in Brazil in Q2 FY2011
- Higher margins in Brazil benefited consolidated EBITDA from Q3 FY2010

Notes:
1 Net Sales excludes excise duties and includes other income
2 EBITDA defined as earnings before depreciation, interest, exceptional items and taxes; includes other income

Consolidated Quarterly Financial Performance

Net Profit[1] & Margin (%)



Notes:
1 Net Profit is after minority interest and prior period adjustments

(Rs. Million)	Sep 30, 2010	March 31, 2011
India Standalone Debt	17,158	33,570
Subsidiary Debt	48,029	49,586
Total Debt	**65,080**	**83,156**
Cash & Equivalents[2]	6,019	1,486
Net Debt	**59,061**	**81,670**

Historical Trends

- Increase in net interest expenses in Q2 FY2011 due to higher working capital requirement in India
- Assumption of debt post-Brazil acquisitions in Q2 and Q4 FY2010 resulting in higher interest expenses
- Increase in Standalone India Debt due to peak working capital requirements on a seasonal basis (Net Current Assets increased by Rs. 11,667 million)
- SRSL India Outstanding shares as of Dec 31, 2010 is 671,182,325

Standalone Q2 FY2011 Performance

India

(Rs. in Million)

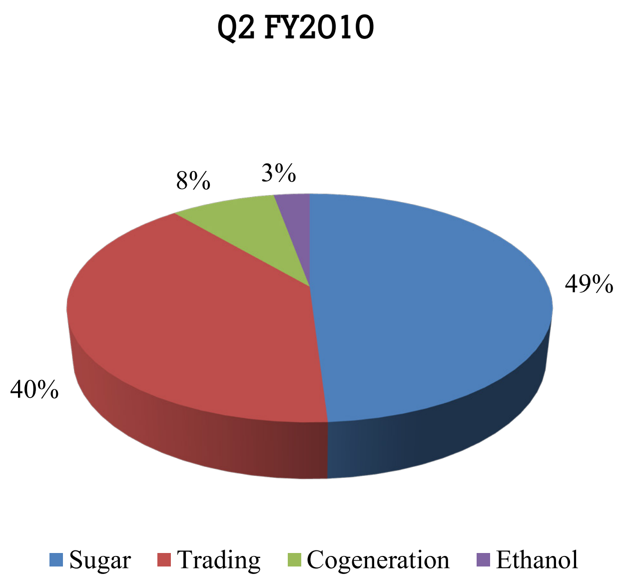
	Q2 FY2011	Q2 FY2010	*% Y-o-Y Growth*	Q1 FY2011	*% Q-o-Q Growth*
Net Sales[1]	12,489	16,017	*(22.0)%*	11,115	*11.1%*
EBITDA[2]	1,351	3,341	*(59.6)%*	1,087	*24.3%*
% Margin	*10.8%*	*20.9%*		*9.8%*	
Net Profit[3]	292	1,959	*(85.1)%*	304	*(3.9)%*
% Margin	*2.3%*	*12.2%*		*2.7%*	
Basic EPS[4] (Rs.)	0.44	3.04	*(85.5)%*	0.45	*(2.2)%*
Diluted EPS[4] (Rs.)	0.43	2.91	*(85.2)%*	0.45	*(4.4)%*

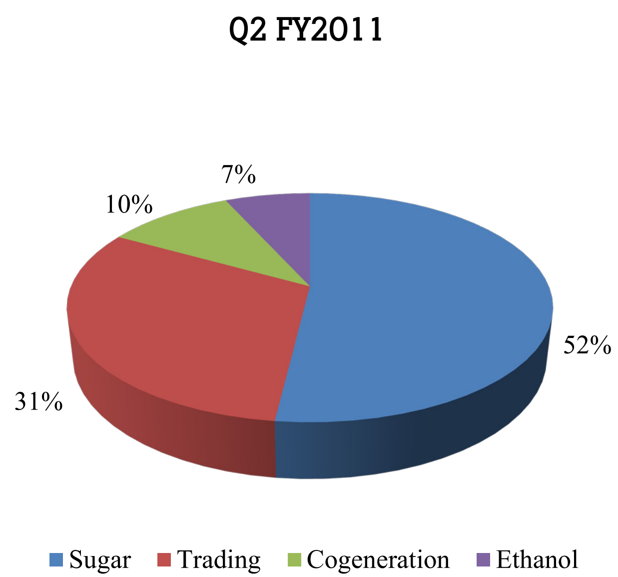
Notes:

1 Net Sales excludes excise duties and includes other income
2 EBITDA defined as earnings before depreciation, interest, exceptional items and taxes; includes other income
3 Net Profit is after minority interest and prior period adjustments
4 Non annualized

Standalone Q2 FY2011 Performance

Net Sales[1] Breakdown – India





Notes: Net Sales excludes excise duties and includes other income

Closing stock as of 31st March 2011

India

	Unit of Measure	Q2 FY2011
Sugar		
White Sugar	MT	380,675
Imported White Sugar	MT	7,715
Raw Sugar	MT	84,382
Ethanol	KL	49,398
Molasses	MT	176,426

Sales Quantity Q2 FY2011

India

	Q2 FY 2011	Q2 FY2010	*% Y-o-Y Growth*
Total Manufactured Sugar (MT)	231,195	238,815	*(3.2)%*
Export (in MT)	115,083	-	-
Domestic (in MT)	116,112	238,815	*(51.4)%*
Ethanol (in KL)	32,988	16,625	*98.4%*
Co-gen (in million units)	150	138	*8.7%*

Net Price Realization for Q2 FY2011

India

	Q2 FY 2011	Q2 FY2010	*% Y-o-Y Growth*
Average Manufactured Sugar (in Rs./MT)	28,719	33,626	*(14.6)%*
Export (in Rs./MT)	34,259	-	-
Domestic (in Rs./MT)	23,458	33,626	*(30.2)%*
Ethanol (in Rs./KL)	27,578	29,664	*(7.0)%*
Co-gen (in Rs. per unit)	5.40	4.90	*10.2%*

Brazilian Subsidiaries Q2 FY2011 Performance

Brazil

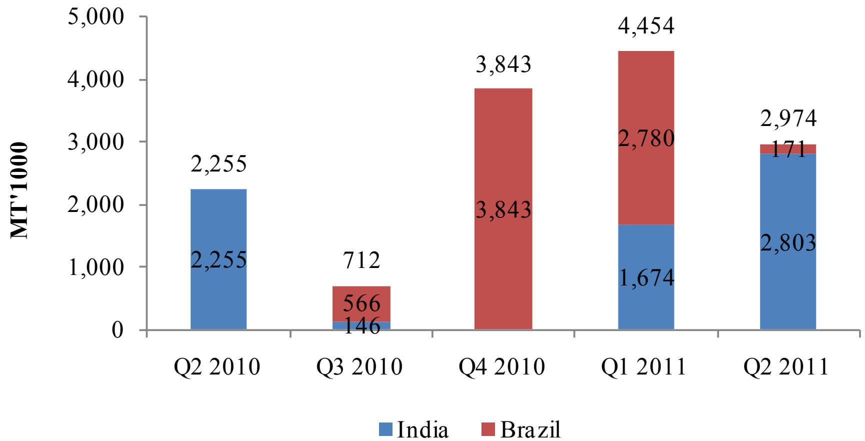
(Rs. in Million)

	Renuka do Brasil		Renuka Vale do Ivai	
	Q2 FY2011	Q1 FY2011	Q2 FY2011	Q1FY2011
Net Sales[1]	5,257	7,535	271	1,624
EBITDA[2]	1,966	1,902	162	391
% Margin	*37.4%*	*25.2%*	*59.6%*	*24.1%*
Net Profit[3]	51	54	103	192
% Margin	*1.0%*	*0.7%*	*38.1%*	*11.8%*

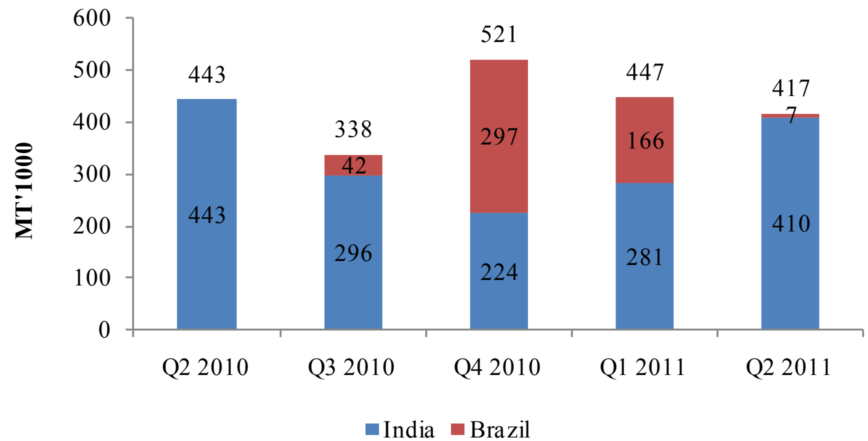
Notes:
1 Net Sales excludes excise duties and includes other income
2 EBITDA defined as earnings before depreciation, interest, exceptional items and taxes; includes other income
3 Net Profit is after minority interest and prior period adjustments
4 Comparisons are not meaningful due to off season

Sugar: Quarterly Operating Performance

Sugarcane Crushed



Sugar Production[1]



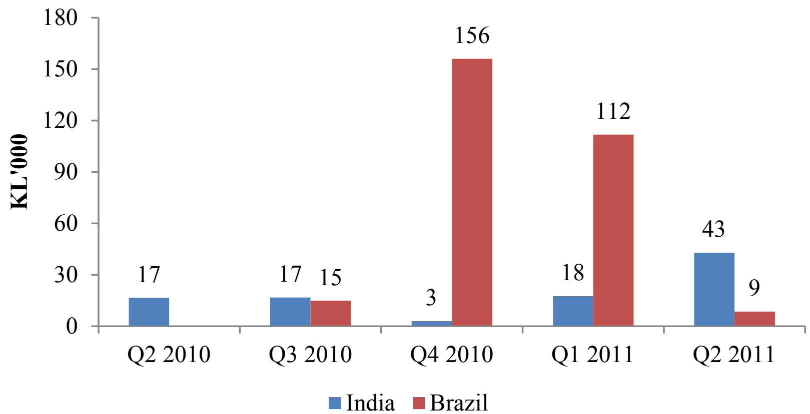
- Low crushing in Brazil in Q2 FY2011 due to the off season
- Strong crushing volumes in India due to increased cane acreage and favourable weather conditions in FY2011
- Crushing started in Renuka VDI on March 15, 2011

- Higher recovery of 12.23% in Q2 FY2011 in Shree Renuka's India operations
- Advance routine maintenance of its Haldia refinery in Q2 FY2011 resulted in lower refined sugar production

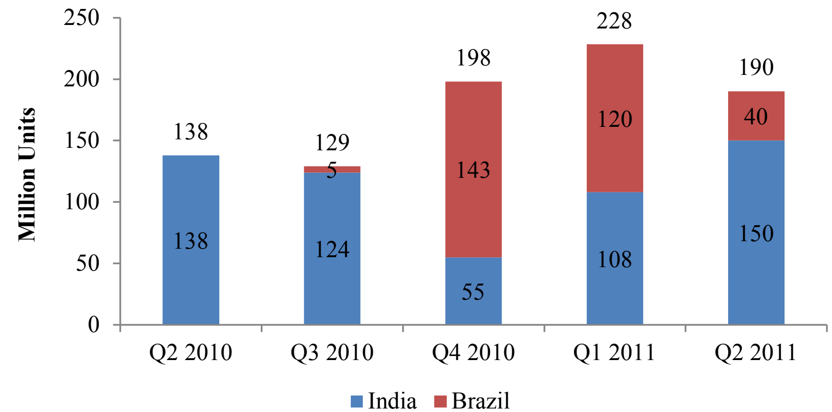
Note:
1 Sugar produced includes raw sugar and white sugar produced from cane, as well as refined sugar produced from raw sugar

Ethanol & CoGen: Quarterly Operating Performance

Ethanol Production



Co-Gen Power Exports



- Renuka VDI capitalizing on higher flexibility in production mix to maximize ethanol for month of March-April to take advantage of high ethanol prices
- Q2 FY2011, ethanol volumes in India increased due to the on going ethanol blending program

- Q2 FY2011, power exports in India improved due to higher cane crushed resulting in strong supply of bagasse
- Brazil off-season led to lower crushing and power exports in Q2 FY2011

Strategic Initiatives

India

- **Kandla Refinery:**
  - Total project cost of Rs. 4.5 billion
  - Refining capacity to increase by 3,000 tons per day
  - Strategically located on the West Coast near the port of Kandla
  - <u>Trial production runs are underway and the refinery is expected to start production in Q3 FY2011</u>

Brazil

- **Cambui Mill Sugar Capacity Expansion (Renuka VDI):**
  - Made a total investment of BRL30 million
  - Sugar production capacity to increase by 76,000 tons per annum to 70%
  - <u>The mill was commissioned and started crushing in April 2011</u>
- **Anhydrous Ethanol Project**:
  - Renuka VDI is investing in expanding current anhydrous ethanol production capacity to 300 KLPD
  - Executed by group co. an 80% subsidiary KBK Chem-Engg Ltd.
  - <u>Project is ongoing and expected to complete in June 2011</u>

Unaudited Standalone Balance Sheet, 31th March 2011

(Rs. in million)

S. No.	Particulars	Standalone		Consolidated	
		As on 31-03-2011 (Unaudited)	As on 31-03-2010 (Unaudited)	As on 31-03-2011 (Unaudited)	As on 31-03-2010 (Unaudited)
1	Shareholders' Funds				
	(a) Capital	671	670	671	670
	(b) Reserves and Surplus	17,746	17,731	24,620	18,353
2	Minority Interest	-	-	141	153
3	Loan Funds	33,570	15,934	83,156	22,965
4	Deferred Tax Liabilities	1,534	1,353	1,724	1,046
	Total	**53,521**	**35,688**	**110,312**	**43,187**
5	Fixed Assets (net of accumulated depreciation)	15,383	14,074	77,537	21,826
6	Capital Work-in-Progress	7,659	2,594	12,112	2,643
7	Investments	18,674	4,966	1,391	1,068
8	Current Assets, Loans and Advances				
	(a) Inventories	15,096	26,666	21,107	29,060
	(b) Sundry Debtors	4,397	1,631	6,800	2,429
	(c) Cash and Bank Balances	591	4,719	1,486	6,796
	(d) Other Current Assets	3,322	4,421	14,597	3,074
	(e) Loans and Advances	6,018	3,810	12,931	7,698
		29,424	41,247	56,921	49,057
9	Less: Current Liabilities and Provisions				
	(a) Libilities	16,123	25,510	34,963	29,699
	(b) Provisions	1,583	1,777	2,781	1,812
		17,706	27,287	37,744	31,511
10	Net Current Assets	11,718	13,960	19,177	17,546
	Miscellaneous Expenditure to the extent not written off or adjusted	87	94	95	104
	Total	**53,521**	**35,688**	**110,312**	**43,187**

Outlook

Sales

- Improved utilization of assets in Brazil and expect to crush 11-12 million tonnes in 2011-12 season
- Approximately 80% of Brazil sugar production hedged at attractive prices
- Flexibility to capitalize on higher ethanol prices currently prevalent in Brazil
- The new refinery at Kandla, which is expected to become fully operational in the second half of Q3 FY2011, will further benefit the topline
- Strong export growth expected leading to higher realization
- Long-term contracts in co-generation segment provide price visibility

Costs

- Ongoing operational improvements in Brazil to improve consolidated margins and production costs per pound
- Increased proportion of owned cane expected to be used in Brazil enabling margin expansion

Fact Sheet

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 20.7 million tonnes per annum (MTPA) or 94,520 tonnes crushed per day (TCD). The Company operates seven sugar mills in India with a total crushing capacity of 7.1 MTPA or 35,000 TCD and two port based sugar refineries with expected capacity of 1.7 MTPA by March 2011.

The Company also has significant presence in South Brazil, through acquisitions of Renuka Vale do Ivai 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 combined crushing capacity of the Brazilian subsidiary companies is 13.6 MTPA which is under expansion to 15.5 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 394MW with exportable surplus of 234MW Indian operations produce 173MW with exportable surplus of 95MW and Brazilian operations produce 221MW with 139MW exportable surplus.

Ethanol: Shree Renuka manufactures fuel grade ethanol that can be blended with petrol. Global distillery capacity is 6,240 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 5,310 KLPD.

The acquisition of a majority stake in KBK Chem-Engineering (80.28% owned) 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 production stands at approximately 165.7 million metric tonnes (MT).

Improving weather conditions globally have resulted in a good 2010-11 sugar season across most major producers globally. Thailand is expected to produce 9.5 million tonnes of sugar, 46% higher than estimated at the beginning of the season. This will result in a 3 million tonne exportable surplus from Thailand. India is also expected to have a strong 2010-11 season with an estimated 24.5 million tonnes of sugar production. Current estimates of sugar balance globally indicate a production/consumption surplus of 2.45 million tonnes, raw sugar surplus of 1.18 million tonnes and white sugar surplus of 1.80 million tonnes.

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 2010/11 harvest, Brazil crushed a record 556.5 million tonnes of sugarcane and is expected to crush approximately 568.5 million tonnes, an increase of 2.1% in the 2011-12 sugar season. About two-thirds of the sugar produced in Brazil is exported with raw sugar from Brazil accounting for more than 65% of global sugar.

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

After two years of being a major net importer, India currently has a large supply backed by robust sugarcane cultivation and favorable weather. Sugarcane cultivation area in Indian 2010-11 season increased by 15% with normal or above average rainfall recorded in major sugar producing areas. India became a sugar surplus country in the 2010-11 sugarcane season. The Government of India approved exports of up to 0.5 million tonnes of sugar through the Open General License ("OGL"). The Government has also reduced levy sugar quota from 20% of production to 10% of production for sugar season 2011/12.

Source: UNICA, Kingsman, Company Research

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