



For Immediate Release

April 16th, 2013

**Shree Renuka Sugars Limited
Announces**

Performance for the Quarter ended 31st December 2012 for Subsidiaries

Y-o-Y crushing for the season increased by 15% to 9.5 million tons
EBITDA for RdB and RVDI at Rs. 830 million and Rs. 940 million respectively
Y-o-Y lower realization for ethanol

Mumbai, India, April 16th, 2013 – 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 performance for quarter ended 30th September 2012 for its Brazilian subsidiaries, 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 quarter ended 31st December 2012 saw better operating performance at our Brazilian units especially at Renuka do Brasil S/A where we extended our number of operating days as compared to last year. Both our units crushed a total of 9.5 million tons in the season which is an increase of 15% Y-o-Y.

Renuka do Brasil S/A commercial performance during the quarter was negatively affected on account of lower realization for sugar and ethanol and had reported an EBITDA of Rs. 830 million with margin of 13.4%. Renuka Vale do Ivaí continued its better performance with an EBITDA of Rs. 940 million and margin of 38.8%.

Our Brazilian mills have ended the crushing season for 2012-13 in early January 2013 with combined cane crushing number of 9.5 million tons for Renuka do Brasil S/A and Renuka Vale do Ivaí S/A which is an improvement of 15% from the previous season. Additionally 350,000 tons of cane has been carried forward to the start of crushing season 2013-14.

As published earlier, the company has reported a net profit of Rs. 175 million for its standalone business for the quarter ended 31st December 2012 with an EBITDA of Rs. 1,852 million.”

Financial Highlights of Brazilian Subsidiaries

(Rs. Million)	Renuka do Brasil S/A		Renuka Vale do Ivai S/A	
	Quarter ended 31-12-2012	Quarter ended 31-11-2011	Quarter ended 31-12-2012	Quarter ended 31-11-2011
Net Sales	6,198	6,379	2,424	2,707
Operational EBITDA	830	1,467	940	860
EBITDA Margin (%)	13.4%	23.0%	38.8%	31.8%
Net Profit	(753)	2,119	141	892
Net Profit Margin (%)	-	33.2%	5.8%	33.0%
Forex Gain/(loss)	(486)	3,334	(59)	732
Net Profit w/o Forex variation	(267)	(1,215)	200	160

Our trading subsidiary Renuka DMCC, which is based out of Dubai, has reported Net sales of Rs. 7,746 million and Net profit of Rs. 719 million.

Economic Environment

World raw sugar prices have stabilized in the range of USD 18 cents/lb to USD 20 cents/lb. Prices have been in these ranges for last few quarter due to sugar surplus across the globe. The Brazil anhydrous ethanol price (FOB) for exports have increased from USD 690/m³ to USD 710/m³ during the quarter ended December 2012. Currently, the (FOB) export price for anhydrous ethanol is USD 655/m³ for quarter ending June 2013 and USD 650/m³ for quarter ending September 2013. Spot power prices in Brazil have shown significant improvement during the quarter. The spot power prices in Brazil have increased during the quarter from R\$ 179/MWh to R\$ 343/MWh. The current spot power price is around R\$ 189/MWh.

As per the notification issued by the Ministry of Petroleum & Natural Gas (Gazette Notification No. GSR 4 (E) dated 2nd January, 2013), ethanol blending up to 5% has been made mandatory across the Country as a whole. In January, Oil Marketing Companies (OMCs) had released a domestic tender (Tender no. 1000177387) to meet the blending requirements for 2013-14 of 1.4 billion liters of ethanol from indigenous domestic producers, out of which companies had bid for supply of 550 million liters. OMCs have also released a global tender for procurement of ethanol up to 0.8 billion liters through imports.

The 2013-14 crushing season for Centre-South Brazil is expected to be a high yielding crop with estimated crushing of 585 million tons. Brazilian Government has announced an increase in the gasoline price by 6.6% which will increase the price parity for ethanol closer/above the sugar price parity in Brazil. Currently ethanol is trading above the sugar price parity in Brazil. The anhydrous ethanol price is close to USD 20.5 cents/lb and hydrous price is at USD 19.6 cents/lb equivalent of sugar price parity. In addition, it is expected that the ethanol blending ratio will increase from current 20% to 25% from May 2013 onwards helping to increase the overall demand of ethanol. The Government is also expected to



exempt the PIS/COFINS federal tax for hydrous ethanol. Given the above factors, higher demand of ethanol will help in off-setting the higher cane availability in 2013-14 season.

		2012/13	2011/12	% Change
Cane Crushed	mn tons	532	493	7.9%
Sugar Produced	mn tons	34.1	31.3	8.8%
Ethanol Produced	mn m ³	21.3	20.5	3.9%
ATR (Recovery)	Kg/ton	136	138	(1.4%)
% Sugar		49.6%	48.4%	

Domestic Ethanol Consumption in Brazil for 2013 is expected to be around 20 billion liters compared to 17.7 billion liters in 2012

Source: UNICA

Operating Performance of Brazilian Subsidiaries

Brazilian subsidiaries witnessed an improved operating performance during the quarter ended 31st December 2012 on account of higher crushing at Renuka do Brasil S/A. Total of 2.9 million tons of cane was crushed during the quarter ended 31st December 2012 by Renuka do Brasil S/A and Renuka Vale do Ivai S/A which is 139% higher than same quarter last year. The energy exports during the quarter increased by 195% Y-o-Y to 118 million units on account of higher bagasse availability at Renuka do Brasil S/A.

RdB and RVdl	Units	October - December		For the Season	
		2012	2011	2012	2011
Cane Crushed	mn tons	2.9	1.2	9.5	8.3
Sugar	'000 tons	214	93	725	553
Ethanol	'000 m ³	96	40	276	288
ATR	Kg/ton	131	134	130	129
Energy Exported	mn units	118	40	331	205
Sugar Mix	%	59%	59%	63%	56%

We have completed the 2012-13 crushing season at our Brazilian units. Our mills crushed a total of 9.5 million tons of cane this season compared to 8.3 million tons last season which is an increase of 15%. Sugar has been the more profitable product and the company has devoted approximately 63% of total ATR towards the sugar production viz-a-viz 56% compared to last season. Sugar production during the season stood at 725,054 tons compared to 553,612 tons last season, which is 31% higher.

Our Brazilian mills produced 276 million liters of ethanol in the season compared to 287 million litres last season. Of the total ethanol produced, 96% was anhydrous ethanol, a higher remunerative product as compared to hydrous ethanol during the season. Energy sales during the season stood at 331 million units, which is 61% higher than the last season.

**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 667 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.