

Serial No:

Addressed to: _____



Shree Renuka Sugars Limited (SRSL)

(Shree Renuka Sugars Limited ("Issuer"/ "Company") was incorporated on 25th October, 1995 as a Public Limited Company under the Companies Act, 1956 with the Registrar of Companies, Karnataka and obtained the Certificate for Commencement of Business on 5th January, 1996.

Registered Office of the Issuer:  Shree Renuka Sugars Limited, BC 105, Havelock Road, Camp, Belgaum-590 001 Tel: 0831-2404000 Fax : 0831- 2404961 Website : http://www.renukasugars.com	Corporate Office of the Issuer:  Shree Renuka Sugars Limited, 7th Floor, Devchand House, Shiv Sagar Estate, Dr. Annie Besant Road, Worli, Mumbai-400 018 Tel: 022-24977744 Fax : 022-24977747 Website : http://www.renukasugars.com
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DISCLOSURE UNDER SCHEDULE I OF SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 ("DEBT REGULATIONS")

Issue:



Issue of Rated, Listed, Secured, Redeemable, Non-Convertible Debentures (the "Debentures") of Rs. 10,00,000/- (Rupees Ten Lacs Only) each aggregating to Rs. 350,00,00,000/- (Rupees Three Hundred Fifty Crores Only) with an option to retain over-subscription of Rs. 50,00,00,000/- (Rupees Fifty Crores Only) for issuance of additional NCDs, on a Private Placement Basis (hereinafter referred to as the "Issue")

Rating:


Fitch A+ (Ind) from Fitch Ratings

Listing:

The Debentures are proposed to be listed on the Wholesale Debt Segment of the Bombay Stock Exchange Limited ("BSE")

<u>Debenture Trustee:</u>  Axis Trustee Services Limited Axis House - 2nd Floor (E-Wing) Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 025. Tel: 022 - 2425 2525 Fax: 022 - 2425 4200 e-mail: debenturetrustee@axistrustee.com	<u>Arranger to the Issue:</u>  TATA CAPITAL LIMITED TATA Capital Limited One Forbes, Dr. V.B. Gandhi Marg, Fort, Mumbai - 400 001. Tel.: 022 - 67459000 Fax: 022 - 66106722 e-mail: commercialfinance@tatacapital.com
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<p><u>Registrar & Transfer Agent:</u></p>  <p>Karvy Computershare Private Limited</p> <hr/> <p>Karvy Computershare Private Limited Plot No 17-24, Vittal Rao Nagar, Madhapur, Hyderabad - 500081. Tel: -40-44655000 Fax : -040-23420814 e-mail: inward.ris@karvy.com</p>	<p><u>Company Secretary and Compliance Officer:</u></p> <p>Mr. D V Iyer Shree Renuka Sugars Limited, 7th Floor, Devchand House, Shiv Sagar Estate, Dr. Annie Besant Road , Worli, Mumbai-400018 Tel: 022-24977744, Fax : 022-24977747 e-mail : iyer.dv@renukasugars.com</p>
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This Information Memorandum of Private Placement ("**Information Memorandum**") is intended for private use and is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by the Issuer under any law for the time being in force. Pursuant to this Information Memorandum, the Company shall have the sole and absolute discretion to issue such number of Debentures on such terms as it may deem fit.

The Debentures have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**") nor does SEBI guarantee the accuracy or adequacy of this document. This Information Memorandum has not been submitted, cleared or approved by SEBI. It should be clearly understood that the Company is solely responsible for the correctness, adequacy and disclosure of all relevant information contained herein.

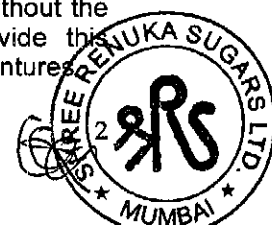
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Information Memorandum contains all information with regards to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

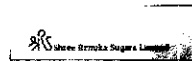
This Information Memorandum is dated 19th September 2011.

GENERAL DISCLAIMER

This Information Memorandum is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public to subscribe for or otherwise acquire the Debentures issued by the Company.

The issue of Debentures, to be listed on the BSE, is being made strictly on a private placement basis. The Information Memorandum is not intended to be circulated to more than 49 (Forty Nine) persons. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. No offer or an invitation to an offer is being made to any persons, other than to those to whom an Application Form along with this Information Memorandum has been sent. Each copy of this Information Memorandum shall be serially numbered and the person to whom a copy of the Information Memorandum is addressed is alone entitled to apply for the Debentures. Any application by a person to whom the Information Memorandum and the Application Form have not been sent by the Company or the Arranger, if any, shall be rejected without assigning any reason. The person who is in receipt of this Information Memorandum shall maintain utmost confidentiality regarding the contents of this Information Memorandum and shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding the contents without the consent of the Issuer. Notwithstanding the foregoing, a Debenture Holder may provide this Information Memorandum to a potential investor for the sole purpose of transferring the Debentures.





Apart from the Information Memorandum, no offer document or prospectus has been prepared in connection with this Issue and no prospectus in relation to the Issuer or the Debentures relating to this offer has been delivered for registration nor is such a document required to be registered under the applicable laws.

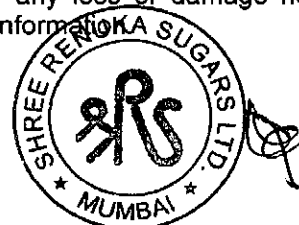
This Information Memorandum is issued by the Company and has been prepared by the Company to provide general information on the Company to potential investors to whom it is addressed and who are eligible and willing to subscribe to the Debentures and does not purport to contain all the information a potential investor may require. Where this Information Memorandum summarizes the provisions of any other document, that summary should not be solely relied upon and the relevant document should be referred to for the full effect of the provisions. Neither this Information Memorandum, nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation. Any recipient of this Information Memorandum should not consider such receipt a recommendation to purchase the Debentures. Each potential investor contemplating the purchase of any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own legal, regulatory, tax, financial, accounting, and/or other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such potential investor's particular circumstances.

The information relating to the Company contained in this Information Memorandum is believed by the Company to be accurate in all respects as of the date hereof.

No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Information Memorandum or in any material made available by the Issuer to any potential investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer. The intermediaries and their agents or advisors associated with this Issue have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any such intermediary, agent or advisor as to the accuracy or completeness of the information contained in this Information Memorandum, or any other information/document provided by the Issuer. Accordingly, all such intermediaries, agents or advisors associated with this Issue shall have no liability in relation to the information contained in this Information Memorandum, or any other information provided by the Issuer in connection with this Issue. Neither the Arranger nor any of its affiliates or their respective directors, employees, officers or agents shall be liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement in or omission from this Information Memorandum, or in any other information or communications made in connection with the Debentures or the Issue.

The contents of this Information Memorandum under the Issue are intended to be used only by those potential investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

This Information Memorandum shall not be considered as a recommendation to purchase the Debentures and recipients are urged to determine, investigate and evaluate for themselves, the authenticity, origin, validity, accuracy, completeness, adequacy or otherwise the relevance of information contained in this Information Memorandum. The recipients are required to make their own independent valuation and judgment of the Company and the Debentures. It is the responsibility of potential investors to ensure that if they sell/ transfer these Debentures, they shall do so in strict accordance with this Information Memorandum and other applicable laws, so that the sale does not constitute an offer to the public, within the meaning of the Companies Act. The potential investors should also consult their own tax advisors on the tax implications relating to acquisition, ownership, sale or redemption of the Debentures and in respect of income arising thereon. Investors are also required to make their own assessment regarding their eligibility for making investment(s) in the Debentures. The Company or any of its directors, employees, advisors, affiliates; subsidiaries or representatives do not accept any responsibility and/ or liability for any loss or damage however arising and of whatever nature and extent in connection with the said information.



Neither the Arranger nor any of their respective affiliates or subsidiaries have independently verified the information set out in this Information Memorandum or any other information (written or oral) transmitted or made to any potential investor in the course of its evaluation of the Issue. Accordingly, no representation or warranty, express or implied, is or will be given by the Arranger and/or any of its affiliates and/or the Debenture Trustee and no responsibility or liability or duty of care is or will be accepted by the Arranger and/or any of its affiliates and/or the Debenture Trustee as to the fairness, accuracy or completeness or otherwise of this Information Memorandum or the information or opinions contained herein or supplied herewith (or as to the reasonableness of any assumption contained therein) or any other written or oral information or the legality, validity, effectiveness, adequacy or enforceability of any documentation executed or which may be executed in relation to this Issue or made available to potential investors or their advisers in connection with the Debentures.

The Arranger, if any, is not required to file this document with SEBI/ROC/RBI as it is strictly on private placement basis to the potential investor to whom it is distributed and not an offer to the general public.

The contents of this Information Memorandum are intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

Distribution of this Information Memorandum does not constitute a representation or warranty, express or implied by the Arranger and/or its affiliates that the information and opinions herein will be updated at any time after the date of this Information Memorandum. The Arranger and/or its affiliates expressly do not undertake to notify any recipient of any information coming to the attention of the Arranger and/or its affiliates after the date of this Information Memorandum. No responsibility or liability or duty of care is or will be accepted by the Arranger and/or its affiliates for updating or supplementing this Information Memorandum nor for providing access to any additional information as further information becomes available. The Arranger is acting for the Company in relation to issue of the Debentures and not on behalf of the recipients of this Information Memorandum. The receipt of this Information Memorandum by any recipient is not to be constituted as the giving of investment advice by the Arranger and/or its affiliates to that recipient, nor to constitute such a recipient a customer of the Arranger and/or its affiliates. The Arranger and/or its affiliates is not responsible to any other person for providing the protection afforded to customers of the Arranger and/or its affiliates nor for providing advice in relation to the Debentures.

Each person receiving and acting on this Information Memorandum acknowledges that such person:

- (A) has been afforded an opportunity to request and to review and has received all additional information considered by him/her/it to be necessary to verify the accuracy of or to supplement the information herein and has not relied on any intermediary that may be associated with the issuance of Debentures in connection with its investigation of the accuracy of such information or its investment decision and
- (B) such person has not relied on the Arranger or any intermediary or agent or advisor that may be associated with the issuance of the Debentures in connection with its investigation of the accuracy of such information or its investment decision.

The Issuer does not undertake to update the Information Memorandum to reflect subsequent events after the date of the Information Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming their accuracy with the Issuer. Neither the delivery of this Information Memorandum nor any sale of the Debentures made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

However, the Issuer shall, file the Information Memorandum, if necessary, and update this Information Memorandum to the extent necessary, which besides being filed with the BSE, shall be issued to the then potential investor of the Debentures.



DISCLAIMER STATEMENT FROM THE ISSUER

The Issuer accepts no responsibility for statements made other than in this Information Memorandum or any other material expressly stated to be issued by or at the instance of the Issuer in connection with the Issue. Any person placing reliance on any other source of information would be doing so at such person's own risk.

ELIGIBILITY OF THE ISSUER TO COME OUT WITH THE ISSUE

As on the date of this Information Memorandum, the Issuer and its directors have not been prohibited from accessing the capital market under any order or directions passed by SEBI.

DISCLAIMER CLAUSE OF SEBI AND THE DESIGNATED STOCK EXCHANGE

As required, a copy of this Information Memorandum for issue of the Debentures pursuant to this Information Memorandum shall be filed with the Wholesale Debt segment of BSE in accordance with the Debt Regulations.

As per the provisions of the Debt Regulations, a copy of this Information Memorandum has not been filed with or submitted to SEBI. This Information Memorandum should not in any way be deemed or construed to have been approved or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the purpose for which the Issue is proposed to be made or for the correctness of the statements made or opinions expressed in this Information Memorandum.

Submission of the Information Memorandum to BSE should not in any way be deemed or construed to mean that the Information Memorandum has been cleared or approved by BSE; nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum, nor does BSE warrant that the Debentures will be listed or will continue to be listed on the BSE; nor does BSE take any responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer.

The Board of Directors of the Issuer have certified that the disclosures made in this Information Memorandum are adequate and in conformity with the Debt Regulations in force for the time being. This requirement is to facilitate potential investors to make an informed decision for investing in the proposed Issue.



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RISKS RELATING TO THE DEBENTURES

Risk factors

The Issuer believes that the following factors may affect its ability to fulfill its obligations for the Debentures issued under this Information Memorandum. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

In addition, certain factors which are material for the purpose of assessing the market risks associated with Debentures issued under this Information Memorandum are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Debentures issued under this Information Memorandum but the inability of the Issuer, as the case may be, to pay interest, principal or other amounts on or in connection with any Debentures may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Debentures are exhaustive. Potential investors should also read the detailed information set out elsewhere in this Information Memorandum and reach their own conclusions prior to making any investment decision.

POTENTIAL INVESTORS ARE ADVISED TO CAREFULLY READ THESE KEY RISKS ASSOCIATED WITH THE DEBENTURES. THESE RISKS ARE NOT, AND ARE NOT INTENDED TO BE, A COMPLETE LIST OF ALL RISKS AND CONSIDERATIONS RELEVANT TO THE DEBENTURES OR YOUR DECISION TO PURCHASE THE DEBENTURES.

THIS INFORMATION MEMORANDUM IS NOT, AND DOES NOT PURPORT TO BE, INVESTMENT ADVICE.

(i) Operational Risk

The risk that arise out of systemic issues within an organization. Operational risk is intrinsic to any business. The Company has instituted adequate internal control systems commensurate with the nature of its business and size of operations. The internal audit function is carried out by independent audit firms. All significant internal audit observations are reported to the audit committee of the Company.

(ii) Regulatory Changes

These risks may arise if various concerned authorities amend the regulatory framework, which could impact the Company.

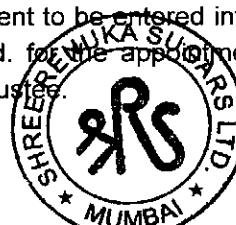
(iii) Risk of Competition

This risk may arise from existing players or new entrants in the business of manufacturing. The management believes that the Company can leverage on its vast experience, its strong brand name and quality service so as to sustain its position in the market.

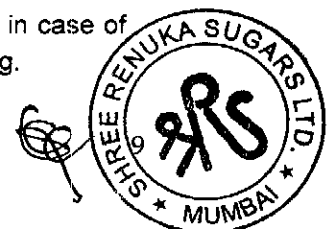


DEFINITIONS / ABBREVIATIONS / TERMS USED

Act / Companies Act	The Companies Act, 1956 (as amended from time to time)
Affiliate	Means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by or is under common control with the Person. For purposes of this definition, "control" (including, with correlative meaning, the terms "controlled by" and "under common control with") of a Person means (a) ownership of more than 50% of the voting rights or other ownership interests of such Person; or (b) the power to direct the management or policies of a Person, whether through the ownership of more than 50% of the voting power of such Person, through the power to appoint more than half of the members of the board of directors or similar governing body of such Person, or through contractual or other arrangements. If the shareholder / such Person is a natural person then the term Affiliates would include his relatives as defined under the Act.
Arranger	Tata Capital Limited
Articles of Association	The Articles of Association of the Company
Beneficial Owners	Shall mean the persons who are, for the time being and from time to time, the Debenture Holders and whose names appear in the Register of Debenture Holders provided by the Depositories, where the Debentures are held in dematerialized form and " Beneficial Owner " means each such person.
Board	Board of Directors of the Issuer or a committee thereof.
Business Day	A day, other than a Saturday, a Sunday, on which banks are open for business in the city of Mumbai, India for effecting payment through the RTGS operated by or on behalf of the RBI.
CDSL	Central Depository Services (India) Limited
Company / Issuer	Shree Renuka Sugars Limited
Debenture Documents	Includes this Information Memorandum, the Security Documents and all other undertakings, , KYC documents of the authorized signatory of the Issuer, agreements, instruments, indentures, deeds, writings, and documents (whether financing, security or otherwise) executed or entered into, or to be executed or entered into, by the Issuer, the Debenture Trustee or any other Person as the case may be, in relation, or pertaining, to the Issue and the transactions contemplated under the Debenture Documents.
Debenture Holder(s)	Shall include the persons who are, for the time being and from time to time, the holders of the Debentures and, who are listed in the register of Debenture Holders as the holders of the Debentures, where such Debentures are held in physical form, or whose names appear in the register of holders provided by the Depositories, where such Debentures are held in dematerialized form, and " Debenture Holder " means each such person;
Debenture Trust Deed	Shall mean the debenture trust deed to be executed between the Issuer and the Debenture Trustee for the creation of such security as specified in the Debenture Documents in favour of the Debenture Trustee for the benefit of the Debenture Holders/ Beneficial Owners.
Debenture Trustee Agreement	Shall mean the debenture trustee agreement to be entered into between the Issuer and Axis Trustee Services Ltd. for the appointment of Axis Trustee Services Ltd. as the Debenture Trustee.



Debenture Trustee/	Axis Trustee Services Ltd.
Trustee	
Debentures / NCDs	Rated, Listed, Secured, Redeemable, Non-Convertible Debentures to be issued pursuant to this Information Memorandum.
Deemed Date of Allotment	Shall refer to such date as specified in the Information Memorandum.
Default Interest	Shall have the meaning ascribed to such term in the Information Memorandum.
Depository/ies	NSDL/CDSL
DP	Depository Participant
FACR	Fixed Asset Coverage Ratio
	Fixed Assets include all immovable properties; together with all structures and appurtenances thereon and thereunder, present and future.
Government	Means the President of India, the Government of India, the Governor and the Government of any State of India, any Ministry or Department of the same and any authority exercising powers conferred by Law.
Governmental Authority	Shall mean the Government of India, Government, or the government of any other state of India or any ministry, department, board, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with the Issuer) or commission under the direct or indirect control of the Government of India.
Investor	Shall have meaning assigned to Debenture Holder(s)/ Beneficial Owners.
Issue	Issue of Debentures on private placement basis on the terms and conditions contained in the Information Memorandum and the Debenture Documents.
Issuer's Account	Account held with INDUSIND BANK LTD, Opera House, Mumbai; Account number 0001721761 050
IT Act	The Income Tax Act, 1961 as amended from time to time.
Law	Includes all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives, circulars and orders of any Government, Governmental Authority, statutory authority, tribunal, board, court or recognized stock exchange governing the operations and business of the Issuer.
Market Lot	Shall mean the minimum number of Debentures which may be subscribed under the Issue which is 1 (one).
NSDL	National Securities Depository Limited
Person	Includes an individual, statutory corporation, company, body corporate, partnership, joint venture, association of persons, Hindu undivided family (HUF), societies (including co-operative societies), trust, unincorporated organization, government (central, state or otherwise), sovereign state, or any agency, department, authority or political subdivision thereof, international organization, agency or authority (in each case, whether or not having separate, legal personality) and shall include their respective successors and assigns and in case of an individual shall include his legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees for the time being.
RBI	Reserve Bank of India



ROC	The Registrar of Companies
RTGS	Real Time Gross Settlement, an electronic funds transfer facility provided by RBI.
Rupees / Rs. / INR	Means Indian rupees, the lawful currency of India for the time being.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time)
Security Documents	As per the Information Memorandum
Stock Exchange	Shall mean the Bombay Stock Exchange Limited ("BSE")



INFORMATION ABOUT THE ISSUER**i) Name and address of the Registered Office of the Issuer**

Shree Renuka Sugars Limited
 BC 105, Havelock Road,
 Camp, Belgaum - 590 001.
 Tel: 0831- 2404000
 Fax: 0831- 2404961

ii) Name and address of the Directors of the Issuer

Sr. No.	Name of Director	Designation	Address
1	Mrs. Vidya Murkumbi	Executive Chairperson	BC105, Havelock Road, Camp, Belgaum – 590 001.
2	Mr. Narendra Murkumbi	Vice Chairman & Managing Director	Flat No. 3001, Beaumonde Towers, B - Tower, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025.
3	Mr. Nandan Yalgi	Director (Commercial & HR)	Flat No.16, 8th Floor, Sea Bird Society, 114, B.J.Road, Bandra Bandstand, Bandra (West), Mumbai – 400 050.
4	Mr. Vijendra Singh	Whole Time Director	Flat No. 52, 5th Floor 'Aashiyana' Salmariya Chs. Ltd. Almeida Park, TPS IV Waterfield Road, Bandra (W), Mumbai – 400 050.
5	Mr. S. M. Kaluti	Non-Executive Director	Plot No 674, T. V. Centre, Belgaum – 590001.
6	Mr. Sanjay Asher	Independent Director	32 Modi Street, 4 th Floor, Fort, Mumbai – 400 001.
7	Mr. J. J. Bhagat	Independent Director	E-75, 2nd Floor, Greater Kailash – II, New Delhi – 110048.
8	Mr. Hrishikesh Parandekar	Independent Director	1003 Casa Grande, S. B. Marg, Next to Matulya Centre, Opp. Peninsula Corporate Park, Lower Parel (W), Mumbai - 400013.
9	Mr. Jonathan Kingsman	Independent Director	Galerie St-François A 1003 Lausanne, Switzerland.
10	Mr. Robert Taylor	Independent Director	251, Cozihome, Flat 23, Block No. B, Nargis Dutt Road, Pali Hill, Bandra (West), Mumbai – 400 050.
11	Mr. S. K. Tuteja	Independent Director	S-307, 2 nd Floor, Panchsheel Park, New Delhi – 110 017.




iii) **A Brief Summary of the Business/Activities of the issuer and its Line of Business:**

Shree Renuka Sugars Ltd. ("Company") incorporated in 1995, was co-founded by the mother-son team of Mrs. Vidya Murkumbi and Mr. Narendra Murkumbi who are first generation entrepreneurs.

Since then SRSL has grown to be one of India's largest sugar companies and is amongst the top ten sugar producers in the world. It is a fully integrated company with focus on manufacturing and marketing of sugar, power and ethanol.

It obtains revenues from:

1. Manufacturing:
 - The Company has manufacturing facilities in India (in Maharashtra and Karnataka) and Brazil (through subsidiary Renuka do Brasil S/A and Renuka Vale Do Ivaí S/A). It is focused on:
 - a. Sugar
 - i. From sugarcane crushing operations – In India and Brazil
 - ii. From raw sugar refining operations – In India
 - b. Power
 - c. Ethanol
2. Trading
 - a. Trading of sugar and ethanol

Some of the highlights of this journey include venturing into power cogeneration in 2000, ethanol distillation in 2002, and value-adding business of refining in 2003. After successfully implementing an innovative business model of leasing the sick co-operative sugar mills in 2003, the company went public in 2005, and has grown the Shareholders' wealth multi-fold since then.

The Company has grown through greenfield and brownfield expansions, acquired Sugar mills and distilleries in India, and two sugar manufacturer/ distillation / power cogeneration facilities in Brazil. Today, Shree Renuka Sugars Ltd. (SRSL) has significant presence in Sugar, Bio-fuels, and Power co-generation, all three segments of the business.

iv) **Brief History and Corporate Profile**

Shree Renuka Sugars Ltd. ("Company") incorporated in 1995, was co-founded by the mother-son team of Mrs. Vidya Murkumbi and Mr. Narendra Murkumbi who are first generation entrepreneurs. The Company acquired a sugar mill (Nizam Sugars) at Hindupur, Andhra Pradesh having a sugar manufacturing capacity of 1,250 TCD in the year 1998, from the Government of Andhra Pradesh and moved this Unit to Munoli, Karnataka and converting it into an integrated sugar manufacturing unit. As on date the plant has a crushing capacity of 7,500 TCD (tons crushed per day), 120 KLPD (Kilo litres per day) distillery and 35.5 MW cogeneration capacity.

The Company has grown through greenfield and brownfield expansions, acquired Sugar mills and distilleries in India, and two sugar manufacturer/ distillation / power cogeneration facilities in Brazil. Today, the Company has significant presence in Sugar, Bio-fuels, and Power co-generation, all three segments of the business.

SRSL controls a cane crushing capacity of 35,000 tcd in India, located across Maharashtra and Karnataka. With recent acquisitions in Brazil (100% equity stake in Renuka Vale do Ivaí S/A, formerly known as Vale Do Ivaí S/A Açúcar E Álcool and a 50.34% equity stake in Renuka do Brasil S/A, formerly known as Equipav S.A. Açúcar e Álcool), it has added a capacity of 59,520 tcd. It has been one of the first mills to be fully forward integrated into alcohol (current distillery capacity of approx. 6000 KLPD (Kilo litres per day), including 930 KLPD in India, and 5,310 KLPD in Brazil) and Co-generation capacity of 188 MW in India and 221 MW in Brazil. Further, it has substantial refining capacity (~9,000 TPD) including 2000 TPD (Tonnes per day) facility at Haldia and 3,000 TPD at Gujarat near Kandla. Both the facilities are closer to the sea-port, which enables to procure raw



sugar, as well as export refined output economically. The balance 4000 TPD capacity is at its existing crushing mills which can be operated during the off season.

The management has been very proactive in its cane development activities and forward integration, venturing into businesses including Refining, Co-generation, and Ethanol production. This has also resulted in partially de-risking the company from the cyclical trends in the sugar business.

	India	Brazil	Total
Crushing capacity (TCD)	35,000	59,520	94,520
Annual Crushing capacity (Mn tons)	7.1	13.6	20.7
Ethanol production capacity (KLPD)	930	5,310	6,240
Sugar Refining capacity (TPD)	9,000	-	9,000
Raw Sugar Production capacity (TPD)	-	4,694	4,694
Power generation capacity (MW)	188	221	409
Own sugarcane plantation (in HA)	-	110,000	110,000

Main subsidiaries

Renuka Vale Do Ivaí S/A (formerly known as VALE DO IVAÍ S/A AÇÚCAR E ÁLCOOL) ("RVDI")

SRSL acquired a 100% equity stake in RVDI in March 2010. RVDI is a Brazilian sugar and ethanol producer with a total crushing capacity of 3.1 million metric tonnes (MT) per annum and it also has strategic stake in PASA sugar loading terminal at Paranagua port in Brazil.

Renuka do Brasil S/A (formerly known as Equipav S.A. Açúcar e Alcool) ("RdB")

SRSL had acquired a controlling stake of 50.34% equity stake in RdB in July 2010. RdB's operations consist of two sugar/ethanol mills with integrated cogeneration facilities in Sao Paulo state in southeast Brazil having a combined cane crushing capacity of 10.5 million tons of cane per annum. In addition, Renuka do Brasil S/A has a co-generation capacity of 203 MW. Cane supply comes from the cultivation of about 115,000 Ha of land of which nearly 2/3rd is farmed by the Company's employees. Renuka do Brasil S/A plans to use a part of the equity capital infused by SRSL during acquisition to expand the crushing capacity to 12.0 million tons (56,600 tcd) per annum and cogeneration capacity to 295 MW. SRSL has further increased its stake in Renuka do Brasil S/A to 52.82%.

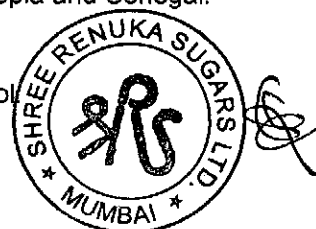
KBK Chem-Engineering Pvt. Ltd. ("KBK")

SRSL holds an 80.28% stake in the Pune based company. KBK Chem-Engineering Private Limited started in the year 1997, as a small Consulting firm for setting up distilleries and has now grown as a turnkey solution provider for setting up of distilleries in India as well as overseas market. The Company has manufacturing facility at Pirangut, an upcoming industrial town in the proximity to Pune city.

KBK has acquired a well-deserved reputation for providing optimal solutions to the fermentation and distillation industries in India, Asia and other continents. Its success in building Turnkey Plants in India and Asia has led us to undertake mega-projects that contribute handsomely to the world's ethanol and distillery industry. KBK's customer base is distributed within the Country as well as outside in countries like Vietnam, Thailand, Malaysia, Myanmar, Ethiopia and Senegal.

Renuka Commodities DMCC, Dubai

It is a 100% subsidiary, in the business of trading of sugar and ethanol



Recent Acquisitions

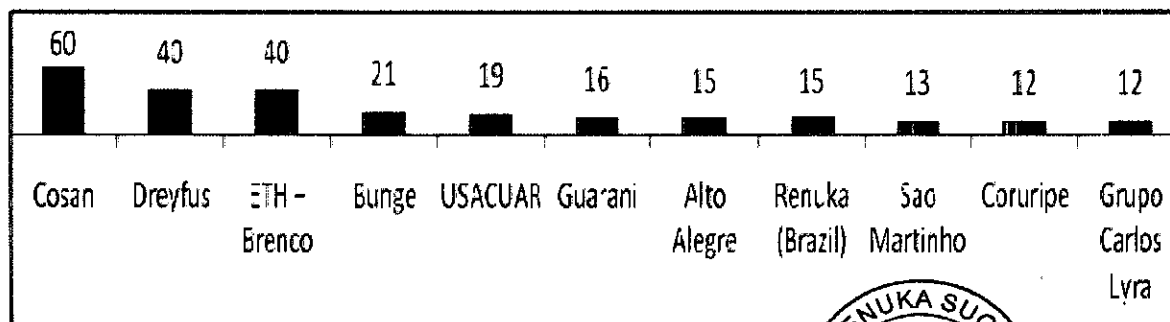
SRSL has recently completed acquisitions of two Brazilian companies:

- 100% in Renuka Vale do Ivaí S/A formerly known as Vale do Ivaí S/A Açúcar e Alcool
 SRSL completed acquisition of Renuka Vale do Ivaí S/A ("RVDI") on March 19, 2010.
 - Includes two sugar and ethanol production facilities located in the Southern state of Parana with a combined crushing capacity of 3.1 million tons per annum.
 - São Pedro do Ivaí : Cane Crushing capacity of 2.2 mn tonnes per annum
 - Cambuí: . Cane Crushing Capacity of 0.9 mn tonnes per annum
 - RVDI does plantation on 25,000 hectares under long term partnership agreement with the land owners
 - RVDI owns equity in 4 logistic companies that contribute to make it competitive for export logistics.
 - In addition, RVDI holds strategic stakes in several logistics assets including terminals for storage and loading of sugar and ethanol at the port of Paranagua.
 - Larger part of the sugarcane requirements at RVDI are met through its own cultivation of more than 25,000 Ha of land on long lease.
 - Better productivity per cut in Parana enables up to 10 cuts per planting (9 ratoons) compared with the six-year cycle in most of Centre-South Brazil
 - There is a significant potential to expand farm output; a large amount of land is potentially available for sugarcane.

- 50.34% in Renuka do Brasil S/A formerly known as Equipav S.A. Açúcar e Alcool
 SRSL completed acquisition of the controlling stake in Renuka do Brasil S/A ("RdB") on July 7, 2010.
 - Renuka Do Brazil S/A consists of two very large and modern sugar/ethanol mills with integrated co-generation facilities in Sao Paulo state in Southeast Brazil having a combined cane crushing capacity of 10.5 million tons of cane per annum.
 - In addition, Renuka do Brasil S/A has a co-generation capacity of 203MW. The mills will be expanded to a combined capacity of 12.0 million tons (56,600 tcd) per annum and cogeneration capacity from 203 MW to 295 MW.
 - Proximity of two mills leads to the creation of a strong cluster in a radius of 75 km, which results in higher utilization rates and reduction in logistics costs.
 - Cane supply comes from the cultivation of about 115,000 Ha of land of which nearly 2/3rd is cultivated by the Company with very high level of mechanization for both planting and harvesting. The mills have easy access to the main ports of Santos and Paranagua.
 - The facilities are close enough from two main sugar export ports, which are well connected from the facility.

The rationale behind the acquisitions is as follows:

1. To achieve economy of scale and presence in the largest sugar producing country of the world Acquisition of Renuka Vale do Ivaí S/A and Renuka do Brasil S/A makes SRSL among the top ten players in Brazil by cane crushing capacity. After expansion SRSL Brazil will have 15.5 million tonnes of cane crushing capacity.



Source: Bradesco BBI and Companies



2. To complement the monsoon dependent nature of industry Brazilian plants can provide for the raw sugar inputs to the refining facilities at Haldia and Kandla, which are aimed at imported input and exporting the produce.

Scenario	Business model
Deficit in Domestic Market	Import raw sugar and sell white sugar in domestic market.
Surplus in Domestic Market:	Buy raw sugar and export white sugar in international business
Tolling	capture the arbitrage opportunities in raw and white sugar.

3. To supplement ethanol production
Brazilian sugarcane ethanol is a global energy commodity that is fully competitive. It uses modern equipment and abundantly available sugar cane as feedstock resulting in high-energy balance and reduction of total life cycle greenhouse gas emissions. Moreover, with the commercial success of flexi fuel vehicles, the outlook for sugarcane ethanol looks secured. SRSL is well positioned to benefit from this positive outlook given our enhanced ethanol capacities, and production flexibility based on market conditions.
Brazilian ethanol can supplement the domestic (India) production, as currently the mandatory blending of ethanol in gasoline is only 5% owing to limited domestic product availability. The Government of India has mandated blending of 20% of ethanol by 2017 which would represent a captive market of approximately 3 billion gallons of ethanol annually.

Capacity Growth over years

Industry	2007-08	2008-09	2009-10*
Cane crushing (TCD)	37,500	35,000	94,520
Ethanol (KLPD)	600	900	6240
Power (MW)	129	173	394
Refining (TPD)	4,000	6,000	6,000

*Includes Brazilian operations for the year 2009 –10

Business strategy in the coming years:

- ❖ Combine the most cost-effective production assets globally with Renuka's leading market position in India, South Asia and the Middle-East
- ❖ Build a best-in-class integrated primary production company with large agricultural plantations and integrated industrial processing
- ❖ Maximize flexibility in product mix to take advantage of the positive price trends in the food (sugar) and energy (ethanol) markets which often peak at different times
- ❖ Leverage the information flow from Renuka's unique global presence in South America and Asia to build a competitive edge in risk management




Sr. Management Details:-

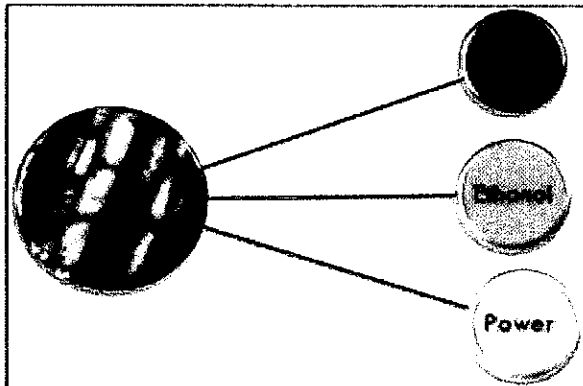
Name of the Official	Designation
Mrs. Vidya M Murkumbi	Executive Chairperson
Mr. Narendra M Murkumbi	Vice Chairman and Managing Director
Mr. Nandan V Yalgi	Director (Commercial & HR)
Mr. Vijendra Singh	Whole time Director
Mr. K K Kumbhat	Chief Financial Officer
Mr. Gautam Watve	Head (Strategy and Planning)

1. Mrs. Vidya M Murukumbi, (Executive Chairperson):- She is a graduate in Chemistry and spent 23 years in trading business. She was initially involved in trading and distribution of various TATA and Parle products and subsequently she moved into manufacturing, marketing, agro processing and chemical formulation business. She is the promoter director of the Company and was recently conferred with Doctorate by Karnataka State Bijapur Women's University.
2. Mr. Narandra M Murukumbi (Vice Chairman and Managing Director):- He is an engineer with a post graduate diploma in management from IIM, Ahmadabad. He has served as an Independent Director on the Board of ICICI Bank Limited. He has recently been awarded the prestigious '**Entrepreneur of the Year - 2010**' by Economic Times.
3. Mr. Nandan V Yalgi, (Executive Director – Commercial and HR):- He is responsible for company's Commercial and HR functions. He is a Bachelor of Engineering and has also completed Management Programme on Small and Medium Enterprise from IIM, Ahmedabad. He also serves as Director on Board of Shree Renuka Energy Ltd.
4. Mr. Vijendra Singh, President - Sugar Mills is a Bachelor of Science from Meerut University and has done his Post Graduation in Sugar Technology from the National Sugar Institute. He has rich and varied experience in the sugar industry and his area of expertise includes Planning System Development, Process Simplification, Quality Assurance Management, Project Cycle Management, Cost Control Strategies, Workflow Planning and Manpower Management.
5. Mr. K K Kumbhat:- Chief Financial Officer, is a qualified Chartered Accountant and also has completed his Company Secretaryship. He has over 26 years of rich experience in finance, accounts, taxation and Corporate Laws.
6. Mr. Gautam Watve (Head, Strategy and Planning):- Has over 11 years of industry experience. in the field of strategy & planning. He has completed his Masters in Strategy/Projects Management from Stevens Institute, New Jersey, USA, holds a MBA Degree from Mumbai University and is a Chemical Engineer from Mumbai University. He was previously employed with TATA Group for a period of 2 years and with GDB International, USA for a period of 3 years.




Detailed Analysis on Business

Indian Integrated Cane Processing



End to end of the business

Sugar:

Company produces EC II grade refined sugar. It has capability to produce sulphur-less sugar that can be used for direct consumption as well as industrial usage in Europe and Africa.

Power:

Company produces power from bagasse (by-product in production of sugar) for captive usage, as well as sale to state grid. This bagasse based co-generation plant is eligible for Carbon Credit compensation under Kyoto protocol.

Alcohol/ Ethanol:

Alcohol is produced from Molasses, another by-product in production of sugar, which is processed to obtain ethanol. The Company has 930 KLPD capacity of ethanol production in India.

Residual products of distillery operations are blended with chemicals to be sold as bio-fertilizers.

USP of the product / service provided by the company

Sugar:

India is the largest consumer and second largest producer of Sugar in the world. India is a huge 'swing producer' - severe year-to-year production fluctuations affects its trade status and thereby impacting the international trade balance.

Owning production facilities and supply chains in diverse geographies provides SRSL a unique advantage in smoothening the production volumes.

Market share

The company is among the top ten producers of sugar in the world, leading manufacturer of sugar in India, and one of the leading refiners globally. Indian operations of SRSL include 7 cane crushing units located in states of Maharashtra and Karnataka.

- Karnataka: Munoli, Athani, Havalga, Gokak, Raibag
- Maharashtra: Arag, Pathri, Panchganga

Of these, Raibag and Arag are facilities on lease, whereas Panchganga facility is a BOOT project for cogeneration operated by SRSL. The rest of the facilities are owned by SRSL.

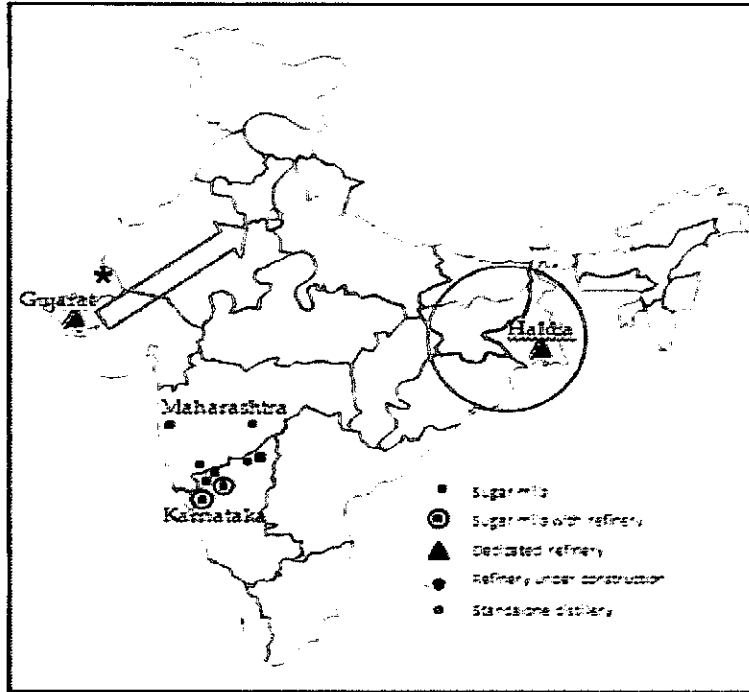
SRSL has two refining capacities, one at Haldia, West Bengal, on the east coast of India, and other near Kandla, Gujarat on the west coast, which has been commissioned in July 2011.

The company has acquired a majority stake in KBK Chem-Engineering Pvt. Ltd., which facilitates turnkey distillery, ethanol and bio-fuel plant solutions.



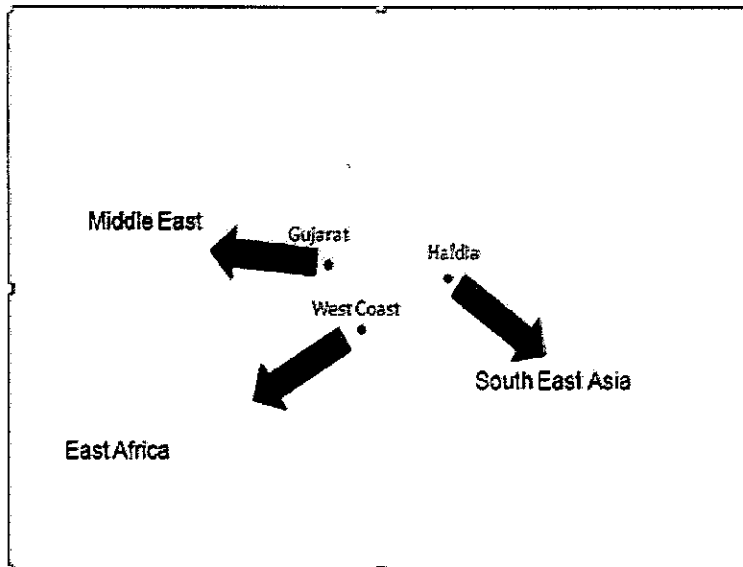

It has also acquired a 100 klpd distillery from Dhanuka Petrochem at Khopoli in Maharashtra, which converts rectified spirit into ethanol. Its capacity has since been increased to 300 klpd.

Facilities:

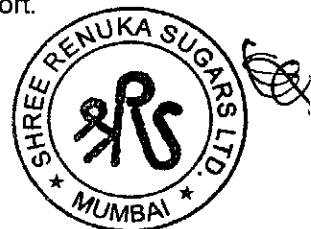


Strategic Advantage:

Strategically chosen locations of refineries close to sea-ports on east and west coast of India enable SRS to use the facilities to refine imported raw sugar and/or export sugar, depending on the under/over production of Cane in India.




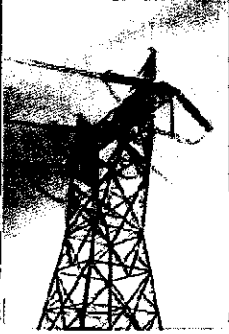
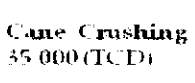
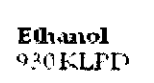
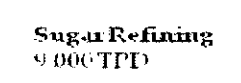
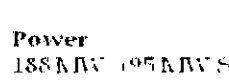


With these, the Haldia refinery can cater to the south-east Asian markets, whereas the Gujarat refinery can cater to the middle-east and east African markets for export.



Capacity Additions:

With the Gujarat refinery in operation, the refining capacity has been increased to 9,000 TPD including off season refining capacity of 4000 TPD.

	Cane Crushing 35,000 (TPD)		Ethanol 930 KLTPD		Sugar Refining 9,000 TPD		Power 175 MW (95 MW Surplus)
	Cane Crushing 35,000 (TPD)		Ethanol 930 KLTPD		Sugar Refining 9,000 TPD		Power 188 MW (95 MW Surplus)

Shree Renuka is the one of the largest buyer of raw sugars in the world and sources most of its requirements from Brazil.

Synergy with Brazil investment with Asia:

1. Asian Demand
2. Efficient farming and manufacturing in Brazil

Sugar/ ethanol sector in Brazil has low operating costs, high scalability and highly conducive climatic conditions.

SRSL is also investing in the acquired firms to increase the capacities in cane crushing as well as ethanol production.

The state of Sao Paolo, where the Renuka Do Brasil plants are located, is the largest contributor of sugar exports. The state of Parana, where the now wholly owned subsidiary, RVDI, is located in state of Parana which is the second largest contributing state in Brazil's sugar exports. It also contributes substantially to the ethanol production.

Brand Madhur

SRSL launched its "Madhur" sugar brand for retail markets. It has presence in most modern retail chains and promising growth in traditional kirana stores.

Product Features:

1. No contamination:
By adopting a sulphur free processing and establishing the process that does not allow hand-touch, the sugar is ensured to be free of any contamination
2. Better and Consistent Quality:
Usage of advanced technology, mechanized processes and quality sugar cane, quality of the product is maintained
3. Convenience of Retail buyer:
Packaging of 1 Kg and 5 kgs are aimed at maximum convenience of a retail buyer

Major Customers

Main customers that form around 25% of sugar supply of SRSL are big corporate consumers like Coke, Nestle, Britannia, ITC, Cadburys etc.

SRSL is also the largest supplier of fuel ethanol in the country to the oil marketing companies IOC, HPCL & BPCL.



Key Raw Materials

- Availability of Raw Materials

Sugarcane is the primary raw material for all the sugar companies and they are directly dependent on the farmers to grow sugarcane. However, factors such as minimum support price offered for the sugar cane, climatic conditions, government policies affect the price, acreage and hence the availability of sugarcane. There is a cyclical nature to the acreage under sugarcane. Years when the SMP for sugarcane as determined by the government is low due to higher supply, the acreage under sugarcane cultivation reduces, which reduces the production in the next years. This generally triggers an increase in SMP, and motivates farmers to switch to Sugarcane.

- Price Fluctuations in the past and Future Outlook

Cane Purchase price in India: The minimum price is government determined. Depending on the sugar content, this price is adjusted upwards by the sugar processing units.

- SAP (State Advised Price) – is prevalent in few states. This is not applicable in Karnataka & Maharashtra where the Company has its sugarcane crushing operations.
- SMP (Statutory Minimum Price) – this is the minimum price set by the Central Government for payment of sugarcane to the farmers. MSP for 2010 -11 is Rs 1,390 per MT of Sugarcane for 9% sugar content.

SRSL has a location advantage for the refining units (Kandla & Haldia), hence they can either import raw sugar from Brazil, or alternatively purchase raw sugar from domestic Co-operative mills depending on the price arbitrage and then export it to the destination countries.

Any other information in relation with the business

SRSL has moved towards achieving a non-cyclical business model, by:

1. Geographical expansion

Ability to procure sugar cane from India as well as Brazil allows more raw-material security

2. Value-added products – Refined sugars

Two refineries which can run round the year on supply of raw sugar from above mentioned crushing facilities

3. Related products – Cogeneration of Power and alcohol distillation

Revenues from Power and ethanol sales are growing – from Rs. 472 Cr in SY2009 to Rs. 540 Cr in SY2010, which is 14% growth Y-o-Y.

The Company is completely integrated across the sugar value chain from cane cultivation to sugar (from cane), sugar refining, ethanol and power.

Manufacturing Facilities

Cane Crushing Units owned by SRSL:

Karnataka: Munoli, Athani, Havalga, Gokak

Maharashtra: Pathri

Brazil: 59,520 tpd

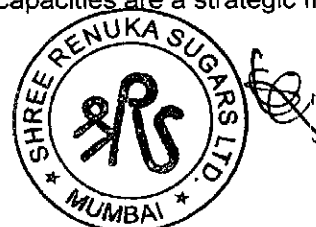
Apart from these, facilities at Raibag (Karnataka) and Arag (Maharashtra) are leased by SRSL, and another cogeneration facility at Panchaganga is operated by SRSL on BOOT basis.

In all, SRSL controls 35,000 tcd of crushing capacity across 7 facilities in India, and 59,520 tpd tones in Brazil.

Refining Facility:

SRSL owns two refining facilities which convert raw sugar into refined sugar at Haldia and Kandla. Both the refineries are closer to the ports which facilitates exports as well as imports. With the addition of cane crushing facilities in Brazil, the refining capacities are a strategic fit.

Total refining capacity (Haldia & Kandla): 5,000 tpd.



Munoli, Athani and Havalgah put together have a total refining capacity of 4,000 tpd which is operational during the off season. This would operate on imported or domestic raw sugar depending upon the domestic demand-supply scenario.

Ethanol distillery:

SRSL has a total distillery capacity of 930 KLPD in India. This includes a 300 KLPD standalone distillery in Khopoli, Maharashtra which converts rectified spirit to ethanol.

Additionally it has 5,310 KLPD distillery capacity in Brazil.

Operational Details:

A) Sugar Plant

	SY10	SY 09	SY 08
Sugarcane Crushed (Tons)	4,030,068	3,519,953	4,623,550
Raw Sugar Processed (Tons)	876,157	663,032	72,296
Recovery (weighted average)	11.15%	10.73%	11.43%

Sugar Produced

	SY10	SY 09	SY 08
From Cane (Tons)	449,263	377,750	523,797
From Raw Sugar (Tons)	829,000	637,089	67,845
Total Sugar produced (Tons)	1,278,263	1,014,839	591,642

B) Cogeneration Plant –

	SY10	SY 09	SY 08
Generation of Power (mn Kwh)	634	373	268
Power Exported (mn Kwh)	237	232	154
Captive Consumption (mn Kwh)	397	141	115

C) Ethanol Plant –

	SY10	SY 09	SY 08
Total Spirit Produced (Kilolitres)	76,738	77,508	47,020




Share Capital Structure

The equity share capital of the Company as at date of this Offer Document is as under:

Particulars	Rs. In Crores
Authorized Capital (80,00,00,000 Equity Shares of Re. 1/- each) (2,50,00,000 Preference Shares of Rs. 10/- each)	80.00 25.00
Issued and Subscribed (67,13,13,650 Equity Shares of Re. 1/- each)	67.13
Paid up Capital (67,13,13,650 Equity shares of Re. 1/- each)	67.13

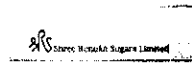
History of Share Capital

Date	Reason for allotment	No. of Shares	Face Value (Rs.)	Issue Price (Rs.)	Cumulative Paid Up Capital (In Rs. Crores)
25-Oct-95	Subscribers to the Memorandum	70	10	10	0.00
24-Dec-98	Further issue of shares	1,670,500	10	10	1.67
5-Mar-99	Further issue of shares	287,000	10	10	1.96
6-Sep-99	Further issue of shares	4,306,430	10	10	6.26
6-Dec-99	Allotted to Karnataka State Industrial Investment & Development Corp Ltd.	2,000,000	10	10	8.26
4-Dec-00	Further issue of shares	3,009,500	10	10	11.27
21-Aug-01	Further issue of shares	636,000	10	10	11.91
26-Jun-02	Further issue of shares	846,500	10	10	12.76
29-Mar-03	Further issue of shares	447,000	10	10	13.20
28-Jun-03	Further issue of shares	99,700	10	10	13.30
19-Nov-03	Further issue of shares	279,500	10	10	13.58
24-Sep-04	Further issue of shares	1,125,000	10	10	14.71
6-Dec-04	Further issue of shares	195,000	10	10	14.90
1-Mar-05	Further issue of shares	786,000	10	10	15.69
9-May-05	Further issue of shares	4,311,800	10	10	20.00
26-Oct-05	IPO	3,508,772	10	285	23.51
29-Nov-05	Green Shoe option	300,877	10	285	23.81
7-Sep-07	Preferential allotment of shares	1,000,000	10	625.71	24.81
31-Oct-07	QIP	2,186,667	10	750	27.00
17-Mar-08	Split of Equity Shares from face value of Rs. 10 each to face value of Re. 1/- each				



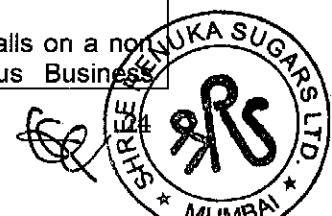

11-Sep-08	Conversion of 6,000,000 warrants issued to Khandepar Investments Private Limited on September 7, 2007	6,000,000	1	62.571	27.60
6-Mar-09	Conversion of 4,000,000 warrants issued to Renuka Sugars Development Foundation and Shree Renuka Sugar Employees Welfare Trust on September 7, 2007	4,000,000	1	62.571	28.00
2-Jul-09	QIP	36,936,840	1	137	31.69
4-Mar-10	Preferential Allotment	18,000,000	1	114.37	33.49
18-Mar-10	Bonus Issue (in the ratio of 1:1)	334,900,000	1	-	66.98
2-Sep-10	ESOPs	582,000	1	29.55	67.04
18-Oct-10	ESOPs	555,200	1	29.55	67.09
15-Nov-10	ESOPs	181,500	1	29.55	67.11
16-Dec-10	ESOPs	63,625	1	29.55	67.12
13-Jan-10	ESOPs	50,975	1	29.55	67.12
11-Feb-11	ESOPs	12,000	1	29.55	67.12
28-Feb-11	ESOPs	23,550	1	29.55	67.13
15-Mar-11	ESOPs	12,000	1	29.55	67.13
10-May-11	ESOPs	20,000	1	29.55	67.13
28-Jun-11	ESOPs	6,400	1	29.55	67.13
11-Aug-11	ESOPs	6,400	1	29.55	67.13
	Total Paid-up Capital as on date				67.13



v) **Details of Debt Securities to be Issued and sought to be listed**

Instrument	Rated, Listed, Secured & Redeemable Non-Convertible Debentures ("NCDs")	
Issue Amount	Rs. 350 Crores with an option to retain over-subscription of Rs. 50 Crores	
Face Value per NCD	Rs. 10,00,000/-	
Tenure	36 Months from the date of allotment	
Repayment	Redemption of NCDs will be made 'At Par' in the ratio of 25:25:25:25 at the 18 th , 24 th , 30 th and 36 th month or on exercise of Put/ Call option.	
Call Option	The Issuer will have the right of exercising the Call option at par anytime after 18 months from the date of allotment. However notice to the effect of exercising the Call option would have to be given 30 days before the actual Call option date. The Issuer retains the right to exercise the option in part or full and from all or any of the investors.	
Put Option	The Debenture Holder will have the right of exercising the Put option at par anytime after 18 months from the date of allotment. However notice to the effect of exercising the Put option would have to be given 30 days before the actual Put option date. The Debenture Holder retains the right to exercise the option in part or full.	
Issuance Mode	Demat	
Rating	Fitch A+ (Ind) by Fitch Ratings	
Option	I	II
	Fixed Rate Option	Floating Rate Option
Interest Rate	<p>11.50% per annum payable quarterly</p> <p>All investors opting for this option will get a fixed rate of interest (as above) on the amount invested from the date of allotment till the maturity.</p>	<p>12.08% per annum payable quarterly</p> <p>The above rate of interest is fixed for first 6 months. For every subsequent 6 months period thereafter till the maturity of the NCDs, the rate of interest will be reset and shall be linked to 6 month commercial paper benchmark rate plus Spread.</p> <p>Spread:- The Spread shall be 2.32% and will remain fixed for the entire tenor of the NCDs.</p> <p>6 months commercial paper benchmark rate:- Rate as appeared on Bloomberg screen for 6 months benchmark commercial paper and represented as "IRCP 6M INDEX"</p> <p>On every interest reset date, the interest will be reset by calculating the simple average of "IRCP 6M INDEX" rates applicable for the end of day rates for seven working days preceding the interest reset date plus spread fixed at the time of allotment of debentures.</p> <p>In case Interest Reset date falls on a non-Business Day, then previous Business</p>



	Day would be the date for calculation of Interest Rate.
Interest Payment Frequency	Quarterly
Security	NCDs will be secured against fixed assets of the company with a FACR cover of 1.25 times.

- vi) **Issue Size:** Rs.350 Crores with an option to retain over-subscription of Rs. 50 Crores
- vii) **Details of utilization of the issue proceeds**
The proceeds of the issue of debentures would be utilized for Capital Expenditure and General Corporate Purpose.
- viii) **Material contracts, agreements involving financial obligations of the Issuer**
- Memorandum and Articles of Association of the Company
 - Annual Reports for the year ended September 30, 2009 and September 30, 2010
 - Letter dated September 6, 2011 from Fitch Ratings assigning A+ rating
 - Consent letter dated August 17, 2011 from Axis Trustee Services Ltd. to work as Trustee to the debenture holders.
- The above material documents and contracts will be available for inspection between 10.00 am to 5.00 pm on all working days in Mumbai at the corporate office of the Issuer
- ix) **Details of Term borrowings as on 31st July 2011 :**

LONG TERM LOANS				(Rs. in Crores)	
S.No.	Name of the Institution/ Bank	Sanctioned Amount	Balance O/s	Tenor (Months)	Maturity
1	ECB				
A	ABN AMRO BANK N.V., Singapore (In JPY Equ. To 40 Mn USD, Balance O/s USD 40 Mn)	261	178	64	Jul-12
B	The Hongkong & Shanghai Banking Corp (Equ. 60 Mn USD)	248	248	62	Jan-13
C	ICICI Bank, Canada ECB III (CAD 55 Mn)	224	207	84	Feb-16
D	ANZ ECB 1 (USD 20 Mn)	900	90	36	Mar-14
E	ANZ ECB 2 (USD 20 Mn)	900	90	36	Jun-14
2	Rupee Term Loans				
	IDBI Bank Ltd., Bangalore	95	23	60	Mar-13
3	IREDA - loan for Panchganga	75	71	125	Dec-20
4	NCDs issued to LIC	60	60	60	Aug-14
5	S D F				
a	S.D.F Munoli Co- gen Expansion	6	2	101	Jul-13
b	S.D.F Munoli Cane Development Loan (unsecured)	2	1	61	Dec-12
c	S.D.F Munoli Sugar Expansion – 2	31	29	106	Mar-17
d	S.D.F Havalgha Sugar Expansion – 1	13	12	94	Mar-16
e	S.D.F Refinery projects – STL	7	5	48	Jan-14
f	S.D.F Cane Development – STL	65	5	48	Jan-14
g	S.D.F - Athani Co-gen	15	1	90	Oct-17
h	S.D.F Havalgha Sugar Expansion – 2	64	27	125	Feb-21
i	S.D.F Havalgha Co- gen Plant	37	32	90	Mar-18
j	S.D.F Athani Sugar Expansion	25	22	125	Feb-21
k	S.D.F Havalgha Distillery	17	14	55	Jul-15
6	Excise Duty Interest Free Loan				
a	ING Vysya Bank, Bangalore	7	3	48	Jun-12
B	AXIS Bank Ltd. (formerly UTI Bank), Bangalore	11	6	48	Aug-12
c	IDBI Bank Ltd., Bangalore	15	6	48	May-12
d	State Bank of India – I	11	5	48	Jun-12
e	State Bank of India – II	19	14	48	Jun-12
	TOTAL	3,108	1,149		

* Above mentioned Term Loans are secured by charge on the Fixed Assets of the Company



Working Capital (Fund Based and Non Fund Based limits)

Rs. in crores

S No	Name of Banks	Sanctioned Amount	Utilization as on 31st July 2011
1	State Bank of India	604	264
2	AXIS Bank Ltd	400	286
3	ING Vysya Bank	195	89
4	ABN Amro Bank	75	49
5	Standard Chartered Bank	500	320
6	IDBI Ltd	1500	748
7	IndusInd Bank	200	200
8	Yes Bank Ltd	300	102
9	ICICI Bank Ltd	1600	683
10	HSBC Bank	125	17
	TOTAL	5499	2758

The above Working Capital limits are secured by Charge on the Current assets of the Company

Commercial Papers outstanding as on 31st July 2011 – Rs. 500 crores.

x) Any material event / development or charge at the time of issue or subsequent to the issue

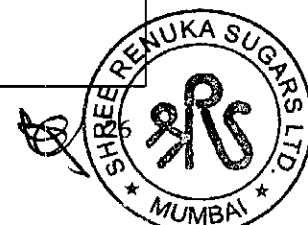
NA

xi) Particulars of debt securities issued :

- | | | |
|--|---|--------|
| i) for consideration other than cash, whether in whole or part | - | NIL |
| ii) at a premium or discount | - | At Par |
| iii) in pursuance of an option | - | NIL |

xii) A list of Top 10 shareholders as of June 30, 2011

Sr. No.	Name of Shareholder	No. of Shares	Percentage Shareholding	Address
1	Murkumbi Investments Private Limited	121414000	18.09	B C 105 Havelock Road Camp, Belgaum 590001
2	Khandepar Investments Private Limited	75400000	11.23	B C 105 Havelok Road Camp, Belgaum 590001
3	Narendra Madhusudan Murkumbi	46770000	6.97	Flat No. 3001, Beaumonde Towers, B - Tower, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025
4	ICICI Prudential Life Insurance Company Ltd	24713839	3.68	Deutsche Bank AG DB House, Hazarimal Somani Marg Post Box No. 1142, Fort Mumbai 400001
5	Shree Renuka Sugars Development Foundation	22500000	3.35	BC 105, Havelock Road Cantonment Belgaum 590001



6	Life Insurance Corporation of India	18720122	2.79	Investment Department 6th Floor, West Wing Central Office Yogakshema Jeevan Bima Marg Mumbai 400021
7	Carlson Fund - Asian Small Cap	17200000	2.56	Standard Chartered Bank, CRESCENZO Securities Services, 3rd Floor C-38/39 G-Block, BKC, Bandra (East) Mumbai 400051
8	Platinum Investment Management Limited A/C Platinum Asia Fund	13222745	1.97	HSBC Securities Services, 2nd Floor "Shiv", Plot No.139-140 B Western Exp. Highway, Sahar Road Junct, Vile Parle (East) Mumbai 400057
9	Bny Mellon Emerging Markets Fund	10819090	1.61	Deutsche Bank AG DB House, Hazarimal Somani Marg Post Box No. 1142, Fort Mumbai 400001
10	Ivy Funds Global Natural Resources Fund	9000000	1.34	Citibank N A Custody Services 3rd Floor, Trent House G Block, Plot No. 60 BKC, Bandra (East) Mumbai 400051
	Total	359759796	53.59	

A list of Top 10 Debenture Holders as of June 30, 2011

S. No.	Name of Shareholder	No. of Debentures	Percentage holding	Address
1	Life Insurance Corporation of India	600	100.00	Investment Department 6th Floor, West Wing Central Office Yogakshema Jeevan Bima Marg Mumbai 400021

xiii) Undertaking that the Issuer shall use a Common Form of Transfer

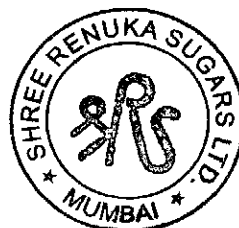
The Issuer would be issuing debentures in demat form only and there is no physical holdings. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his DP. The Issuer undertakes that there will be a common transfer form/ procedure for transfer of the debentures.

xiv) Redemption Amount, period of maturity and yield on redemption

- The debentures shall be redeemed at par as mentioned in the Information Memorandum.
- Period of maturity is 3 years from the date of allotment (in case put/call option is exercised, NCDs shall be redeemed at the end of 18 months from the date of allotment).
- Yield on redemption as mentioned in the detailed term-sheet enclosed herewith the IM.

xv) Information relating to the terms of offer

Shree Renuka Sugars Limited is placing Listed, Secured Redeemable Non Convertible Debentures of face value of Rs. 10 Lacs each aggregating to Rs. 350.00 Crores with an option to retain oversubscription of Rs 50.00 crores for issuance of additional NCDs on a private placement basis.




ISSUE PROCEDURE**xvi) Who Can Apply**

Only the following categories of Investors, when specifically contacted, through a communication by or on behalf of the Company directly are eligible to apply for the Debentures. An application made by any other person will be deemed as an invalid application and shall be rejected.

- Companies
- Scheduled Commercial Banks
- Co-operative Banks
- Financial Institutions
- NBFCs
- Mutual Funds
- Any other person who is eligible to apply

All Investors are required to comply with the relevant regulations / guidelines applicable to them for investing in this issue of NCDs.

Every Application Form is to be accompanied by bank account details and MICR code of the bank for the purpose of availing direct credit of interest and all amounts through electronic transfer of funds or RTGS.

xvii) How to Apply

This Information Memorandum is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures issued by the Company. The Information Memorandum and is for the exclusive use of the institution(s) (as set out under "who can apply") to whom it is delivered and it should not be circulated or distributed to any other classes of investors. The Information Memorandum would be sent specifically addressed to those category of Investors as specified herein under "who can apply" by the Issuer.

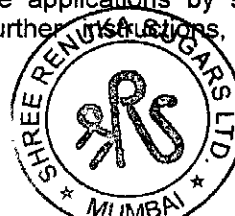
Only Investors as mentioned in "who can apply" may apply for Debentures by completing the Application Form in the prescribed format in BLOCK LETTERS in English as per the instructions contained therein. Applications should be for a minimum of 1 Debenture and in multiples of 1 Debenture thereafter. Applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be filled in the Application Form. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/ redemption warrants.

The applicant should mention his/her Permanent Account Number (PAN) allotted under the IT Act, or where the same has not been allotted, the GIR No. and the Income Tax Circle/Ward/District. As per the provision of Section 139A (5A) of the IT Act, PAN/GIR No. needs to be mentioned on the TDS certificates. Hence, the investor should mention his PAN/GIR No. if the investor does not submit Form 15G/15AA/other evidence, as the case may be for non-deduction of tax at source.

Unless the Issuer specifically agrees in writing with or without such terms or conditions it deems fit, a separate single cheque/ demand draft must accompany each Application Form. Applicants are requested to write their names and application serial number on the reverse of the instruments by which the payments are made. All applicants are requested to tick the relevant column "Category of Investor" in the Application Form.

Application Form must be accompanied by either demand draft(s) or cheque(s) drawn or made payable in favour of 'Shree Renuka Sugars Limited' and crossed 'Account Payee Only'. Cash, outstation cheques, money orders, postal orders and stockinvest shall not be accepted. Detailed instructions for filling up the application form are provided in the Application Form.

No separate receipts shall be issued for the application money. However, the duly completed Application Forms will be acknowledged as the receipt of the applications by stamping and returning the acknowledgment slip to the applicant. For further instructions, please read Application Form carefully.



The said Debenture(s) shall be subject to the terms and conditions incorporated in the Information Memorandum and all other applicable laws / guidelines.

DISCLAIMER: PLEASE NOTE THAT ONLY THOSE PERSONS TO WHOM THE INFORMATION MEMORANDUM HAS BEEN SPECIFICALLY ADDRESSED ARE ELIGIBLE TO APPLY. HOWEVER, AN APPLICATION, EVEN IF COMPLETE IN ALL RESPECTS, IS LIABLE TO BE REJECTED WITHOUT ASSIGNING ANY REASONS FOR THE SAME. THE COMPANY CAN ACCEPT OR REJECT AN APPLICATION AS IT DEEMS FIT. THE REGULATIONS/NOTIFICATIONS REGARDING INVESTMENT MENTIONED ABOVE ARE MERELY IN THE FORM OF GUIDELINES AND THE COMPANY DOES NOT WARRANT THAT THEY ARE ACCURATE, OR HAVE NOT BEEN MODIFIED. EACH OF THE ABOVE CATEGORIES OF INVESTORS IS REQUIRED TO CHECK AND COMPLY WITH EXTANT RULES/REGULATIONS/ GUIDELINES, ETC. GOVERNING OR REGULATING THEIR INVESTMENTS AS ISSUED BY THEIR RESPECTIVE REGULATORY AUTHORITIES, AND THE COMPANY IS NOT, IN ANY WAY, DIRECTLY OR INDIRECTLY, RESPONSIBLE FOR ANY STATUTORY OR REGULATORY BREACHES BY ANY INVESTOR, NEITHER IS THE COMPANY REQUIRED TO CHECK OR CONFIRM THE SAME.

Applications under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with Memorandum, Articles of Association, the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/ document, if any, must be lodged along with the submission of the completed Application Form, failing which, the Company reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Further modifications/ additions in the power of attorney or authority should be notified to the Company or to its Registrars or to such other person(s) at such other address(es) as may be specified by the Company from time to time through a suitable communication.

xviii) Right to Accept or Reject Applications

The Board / Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The Application Forms that are not complete in any respects are liable to be rejected and would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- Number of Debentures applied for is less than the minimum application size;
- Applications exceeding the issue size;
- Bank account details not given;
- Details for issue of Debentures in electronic/ dematerialized form not given;
- PAN/GIR and IT Circle/Ward/District not given;

In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted.

xix) Other information about the Debentures

Market Lot

The market lot will be 1 (one) Debenture (“**Market Lot**”). Since the Debentures are being issued in dematerialized form, the odd lots will not arise either at the time of issuance or at the time of transfer of the Debentures.

Letter(s) of Allotment

Issue of Letter(s) of Allotment

The beneficiary account of the Investor(s) with NSDL/ CDSL/ Depository Participant will be given initial credit within 5 days from the date of allotment. The initial credit in the demat account will be akin to the Letter of Allotment. On completion of all the statutory formalities, such initial credit in the account will be akin to a Debenture Certificate.




Issue of Debenture Certificate(s)

Subject to the completion of all legal formalities within 3 months from the date of issue of the Debentures, or such extended period as may be approved by the appropriate authorities, the initial credit akin to a Letter of Allotment in the beneficiary account of the Investor would be replaced with the number of Debentures allotted.

The Debentures since issued in electronic (dematerialized) form, will be governed as per the provisions of the Depositories Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL/ DP from time to time and other applicable laws and rules notified in respect thereof.

Terms of Payment

The full face value of the Debentures applied for is to be paid along with the Application Form. Investor(s) need to send the Application Form and the cheque(s)/ demand draft(s) for the full face value of the Debentures applied for, in favour of "Shree Renuka Sugars Limited" payable at Mumbai and crossed "A/C PAYEE ONLY" or through fund transfer/ RTGS to Issuer's Account.

Computation of Interest

The interest shall be computed (as per the Information Memorandum) on the basis of actual number of days elapsed in a year, for this purpose a year to comprise of a period of 365 days except in case of a leap year where a year will comprise of 366 days.

Payment of Interest

The interest will be payable to the Debenture Holder(s) whose names appear in the List of Beneficial Owners given by the Depository on the Record Date. Payment of interest will be made by way of cheque(s)/ interest warrant(s)/ demand draft(s)/credit through RTGS system. In case of cheque/demand draft the same will be dispatched to the sole/ first applicant, 7 days before such dates as specified in the Information Memorandum on which the payouts under the Debentures are required to be made, by registered post at the sole risk of the applicant.

Subject to the Security Documents and such terms as specified in the Information Memorandum, in case of default in payment of interest, or payment of principal on due dates, or in case of any other default on the such dates as specified in the Information Memorandum, additional interest @ 2% p.a. over the applicable rate will be payable by the Company for the defaulting period.

Mode of Transfer/Transmission of Debentures

The Debenture issued under the Information Memorandum shall be transferable freely to all classes of Investors as specified under "who can apply". The Debenture(s) shall be transferred and / or transmitted in accordance with the applicable provisions of the Companies Act. The provisions relating to transfer and transmission and other related matters in respect of shares of the Company contained in the Articles of Association of the Company and the Companies Act shall apply, mutatis mutandis (to the extent applicable to debentures) to the Debentures as well. Transfer of Debentures to and from Non-Resident Indians/Overseas Corporate Bodies in case they seek to hold the Debentures and are eligible to do so, will be governed by then prevailing guidelines of the RBI. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, payouts under the Debentures will be made to the person, whose name appears in the register of Debenture Holders / records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Company.

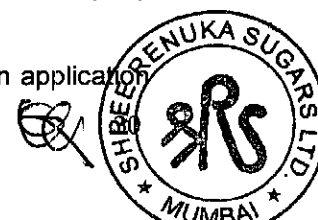
Record Date

The record date will be 15 days prior to such dates as specified in the Information Memorandum on which payouts under the Debentures are required to be made.

Tax Deduction at Source (TDS)

Tax, as applicable under the IT Act or any other statutory modification or re-enactment thereof will be deducted at source. For seeking TDS exemption/ lower rate of TDS, relevant certificate(s)/ document(s) must be lodged at least 15 days before the payment of interest becoming due with the Company Secretary, or to such other person(s) at such other address (es) as the Company may specify from time to time through suitable communication.

Tax exemption certificate/ declaration of non-deduction of tax at source on interest on application



money, should be submitted along with the Application Form. Where any deduction of Income Tax is made at source, the Company shall send to the Debenture holder(s) a Certificate of Tax Deduction at Source within three months of the deduction.

Tax Benefits

The Debenture Holder(s) are advised to consult their own tax advisers on the tax implications of the acquisition, ownership and sale of Debentures, and income arising thereon.

Redemption

The Debentures will be redeemed on such dates and in such manner as specified in the Information Memorandum. In case if such redemption falls on a day which is not a Business Day, then the payment due shall be made on the next business day.

Payment on Redemption

Payment on redemption will be made by cheque(s)/ warrants(s) in the name of the Debenture Holder whose name appears on the list of Beneficial Owners given by the Depository to the Company as on the Record Date. Payment will be made by the Company by way of direct credit through Electronic Clearing Service (ECS), RTGS or National Electronic Funds Transfer (NEFT) and where such facilities are not available, the Company shall make payment of all such amounts by way of cheque(s)/demand draft(s)/coupon warrant(s), which will be dispatched to the Debenture Holder(s) by registered post/ speed post/ courier or hand delivery

Subject to the Security Documents and such terms as specified in the Information Memorandum, the Debentures shall be taken as discharged on payment of the redemption amount by the Company on such dates as specified in the Information Memorandum to the list of Beneficial Owners as provided by NSDL/ CDSL/ Depository Participant. Subject to such terms as specified in the Information Memorandum, such payment will be a legal discharge of the liability of the Company towards the Debenture Holders. On such payment being made, the Company will inform NSDL/ CDSL/ Depository Participant and accordingly the account of the Debenture holders with NSDL/ CDSL/ Depository Participant will be adjusted.

Subject to the Security Documents and such terms as specified in the Information Memorandum, the Company's liability to the Debenture Holders towards all their rights including for payment or otherwise shall cease and stand extinguished from such dates as specified in the Information Memorandum.

Effect of Holidays

Should any of the dates defined above or elsewhere in the Offer Document, excepting the deemed Date of Allotment, fall on a Saturday, Sunday or a Public Holiday, the next business day shall be considered as the effective date.

List of Beneficial Owners

The Company shall request the Depositories to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payouts under the Debentures as per the Information Memorandum.

Debenture Redemption Reserve (DRR)

As per extant circular no. 6/3/2001-CL.V dated 18.04.2002 issued by the Government of India with respect to creation of Debenture Redemption Reserve ('DRR'), for manufacturing and infrastructure companies, the adequacy of DRR is defined at 25% of the value of debentures issued through private placement route. In terms of extant provisions of Act, the Company is required to create Debenture Redemption Reserve out of profits, if any, earned by the Company. The Company shall create a DRR and credit to the DRR such amounts as applicable under provisions of Section 117C of the Act (as amended from time to time) or any other relevant statute(s), as applicable.

Notices

All notices required to be delivered to the Debenture Holders shall be given to:

- every Debenture Holder in the manner provided in the Debenture Trust Deed;
- the persons entitled to a Debenture in consequence of death or insolvency of a Debenture Holder; and
- the Auditor or Auditors for the time being of the Company



in the manner stipulated in Section 53 (Service of documents on members by company) of the Companies Act. Such notice shall be given to the Debenture Holders by sending such notice by post by way of a prepaid letter addressed to the Debenture Holder at its address as registered in the Register of Debenture Holders.

Provided that where the Debentures are held by joint-holders, such notice shall be sent to the Debenture Holder whose name appears first in the Register of Debenture Holders.

Provided further that where the Debenture Holder is deceased or become insolvent, such notice shall be sent to the representative of the deceased or the assignee of the insolvent either by name or by title or by any like description at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving notice in the manner such notice would have been given if the death or insolvency of the Debenture Holder had not occurred.

Provided further that where the notice is given by advertising the same in a newspaper circulating in the neighbourhood of the registered office of the Company, such notice shall be deemed to be duly given on the day on which the advertisement appears, to every Debenture Holder

Description of Security

The security will be created with minimum asset cover of 1.25 times, to be maintained throughout the tenor of the Debentures over the identified fixed assets of the Company to the satisfaction of the Debenture Trustee acting for the benefit of the Debenture Holders/ Beneficial holders in the manner set out in the Security Documents.

Sharing of Information

The Company shall not exchange, share or part with any financial or other information about the Debenture Holders available with the Company, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Company or its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information, except as may be required by law.

Undertaking by the Issuer

The Issuer undertakes that:

- the complaints received in respect of the Issue shall be attended to by the Issuer expeditiously and satisfactorily;
- it shall take all steps for completion of formalities for listing and commencement of trading at all the concerned stock exchange(s), where the Debentures are to be listed and traded within 60 working days from the date of closure of the Issue;
- the funds required for dispatch of refund orders by registered post shall be made available to the Registrar to the Issue by the Issuer;
- no further issue of Debenture shall be made till the Debentures offered through this Information Memorandum are listed or till the application moneys are refunded on account of non-listing, under-subscription, etc.;
- Necessary co-operation to the credit rating agency shall be extended in providing true and adequate information till the debt obligations in respect of the instrument are outstanding;
- All documentation charges, legal, valuation and other expenses shall be borne by the Issuer.

Depository Arrangements

The Company has appointed Karvy Computershare Pvt. Ltd., as Registrars & Transfer Agent for the present Debenture issue. The Company has made necessary depository arrangements with CDSL and NSDL for issue and holding of Debentures in dematerialized form. In this context the Company has signed two tripartite agreements with the Depositories.

Investors can hold the Debentures only in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time.

Trustees for the Debenture holders

The Company has appointed Axis Trustee Services Ltd. to act as the Debenture Trustee for the




Debenture Holders. A copy of letter from Axis Trustee Services Ltd. conveying their consent to act as Debenture Trustee for the Debenture Holders has been obtained.

- a) The Company and the Debenture Trustee will enter into the Debenture Trustee Agreement, inter alia, specifying the powers, authorities and obligations of the Company and the Debenture Trustee in respect of the Debentures.
- b) The Debenture Holder(s) shall, by signing the Application Form and without any further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of their agents or authorized officials to do inter-alia all acts, deeds and things necessary in respect of or relating to the security to be created for securing the Debentures being offered in terms of the Information Memorandum.
- c) All the rights and remedies of the Debenture Holder(s) shall vest in and shall be exercised by the Debenture Trustee without having it referred to the Debenture Holder(s).
- d) No Debenture Holder shall be entitled to proceed directly against the Company unless the Debenture Trustee, having become so bound to proceed, fail to do so.
- e) Any payment made by the Company to the Debenture Trustee on behalf of the Debenture Holders shall discharge the Company pro tanto to the Debenture Holder(s).

The Debenture Trustee will protect the interest of the Debenture Holder(s) in the event of 'Default' under the Debenture Documents by the Company with regard to creation of security, timely payment of interest and such other amount which the Company is under an obligation to pay to the Debenture Holders under the Debenture Documents and they will take necessary action at the cost of the Company.

Future Borrowings

Subject to the terms of the Debenture Documents, the Company shall be entitled to borrow/ raise loans or avail of financial assistance in whatever form as also issue debentures/ notes/ other securities in any manner with ranking as pari-passu basis or otherwise and to change its capital structure, including issue of shares of any class or redemption or reduction of any class of paid up capital, on such terms and conditions as the Company may think appropriate, subject to the consent of, or intimation to, the Debenture Holder(s) as per the terms of the Security Documents.

Modification of Rights

The rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated with the consent, in writing, of those Debenture Holders who hold at least three fourth of the outstanding amount of the Debentures or with the sanction accorded pursuant to a special resolution (as defined in the Security Documents) passed at a meeting of the Debenture Holders, provided that nothing in such consent or resolution shall be operative against the Issuer where such consent or resolution modifies or varies the terms and conditions of the Debentures if the same are not acceptable to the Issuer.

Purchase/ Sale of Debentures

The Company will have the power exercisable at its absolute discretion from time to time to purchase some or all the Debentures at any time prior to the specified date(s) of redemption, at discount, at par or at premium from the open market in accordance with the applicable laws. Such Debentures, at the option of the Company, may be cancelled, held or resold at such price and on such terms and conditions as the Company may deem fit and as permitted by law.

Right to Re-Issue

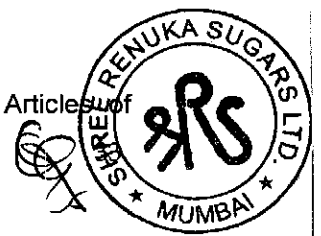
In the event of the Debentures being so purchased and/ or redeemed before the Maturity Date in any circumstances whatsoever, the Company shall have the right to re-issue the Debentures under Section 121 of the Act or any other relevant statute(s), as applicable.

Debenture Holder not a Shareholder

The Debenture Holders will not be entitled to any of the rights and privileges available to the Shareholders.

Rights of Debenture holders

The Debentures are subject to the provisions of the Act, the Memorandum and Articles of



Association, the Information Memorandum. Over and above such terms and conditions, the Debentures shall also be subject to other terms and conditions as may be incorporated in the Security Documents, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Debentures.

Save as otherwise provided in this Information Memorandum, the provisions contained in Annexure C and/or Annexure D to the Companies (Central Government's) General Rules and Forms, 1956 as prevailing and to the extent applicable, will apply to any meeting of the Debenture Holders, in relation to matters not otherwise provided for in terms of the Issue of the Debentures.

A register of Debenture holders will be maintained in accordance with Section 152 of the Act and all interest and principal sums becoming due and payable in respect of the Debentures will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the Register of Debenture holders.

Trustee for the Issue
Axis Trustee Services Ltd.
Axis House - 2nd Floor (E-wing)
Bombay Dyeing Mills Compound
Pandurang Budhkar Marg
Worli Mumbai-400 025
Tel: 022 2425 2525
Fax: 022 - 2425 4200

xx) The discount at which such offer is made and the effective price for the investors as a result of such discount

The Debentures are being issued at the face value and not at discount to offer price.

xxi) The debt equity prior to/after the issue of the said security.

	Prior to issue	After the issue
Long Term Debt / Equity Ratio	0.61**	0.82

** as on 31st July 2011.

The above ratio has been arrived at by considering the option of over subscription being exercised by the Issuer.

xxii)
xxiii)

xxiii) Servicing behavior on existing debt securities, payment of due interest on due dates on term loans and debt securities

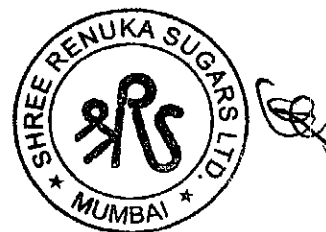
The Company is discharging all its liabilities in time and would continue doing so in future as well. The Company has been paying regular interest and principal whenever due.

xxiv) Permission from existing lenders for creation of pari-passu charge

The Issuer shall arrange NOCs from existing lenders within a period of 120 days from the date of issue of the Debentures according to the terms of the Information Memorandum and the Debenture Documents. The security shall be created in favour of the Trustees in accordance with the terms of the Information Memorandum.

xxv) Confirmation of Debenture Trustees' Consent For Appointment under Regulation 4(4)

Axis Trustee Services Ltd.
Axis House - 2nd Floor (E-wing)
Bombay Dyeing Mills Compound
Pandurang Budhkar Marg
Worli Mumbai-400 025
Tel: 022 2425 2525
Fax: 022 - 2425 4200



The Company has appointed Axis Trustee Services Ltd. to act as Trustees for the Debenture Holders. A copy of letter from Axis Trustee Services Ltd. conveying their consent to act as Trustees for the Debenture holders is enclosed.

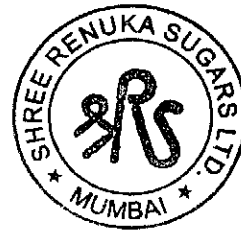
- xxvi) **Rating Rationale adopted by the rating agency shall be disclosed**
Fitch Ratings has assigned A+ rating vide their letter dated September 6, 2011.

A copy of the rating letter is attached as Annexure.

- xxvii) **Names of all the recognized stock exchanges where securities are proposed to be listed clearly indicating the designed stock exchange and also whether in principle approval from the recognized stock exchange has been obtained**

The Company shall get the debentures listed on the WDM segment of the Bombay Stock Exchange Limited and in principal approval from the stock exchange will be obtained.

The address of the Exchange is:
Bombay Stock Exchange Limited.,
PJ Towers
Dalal Street
Mumbai – 400 001



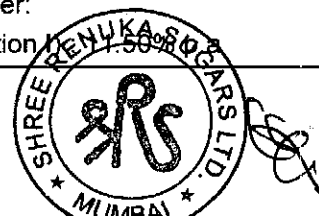
xxviii) A summary term sheet including brief information pertaining to the Secured Non Convertible Debt securities is as follows:

Issue Details

Issuer	Shree Renuka Sugars Ltd.	
Instrument	Rated, Listed, Secured & Redeemable Non-Convertible Debentures	
Purpose of Borrowing	Capital Expenditure and General Corporate Purpose	
Arrangers	Tata Capital Limited ("TCL")	
Issue Amount	Rs. 350 Crores with an option to retain over-subscription of Rs. 50 Crores	
Minimum Subscription of debt securities and in multiples of debt securities	1 Debenture and in multiple of 1 Debenture thereafter	
Face Value per NCD	Rs 10,00,000/-	
Tenure	36 Months from the date of allotment	
Repayment	Redemption of NCDs will be made 'At Par' in the ratio of 25:25:25:25 at the 18 th , 24 th , 30 th and 36 th month or on exercise of Put / Call option.	
Call Option	The Issuer will have the right of exercising the Call option at par anytime after 18 months from the date of allotment. However notice to the effect of exercising the Call option would have to be given 30 days before the actual Call option date. The Issuer retains the right to exercise the option in part or full and from all or any of the investors	
Put Option	The Debenture Holder will have the right of exercising the Put option at par anytime after 18 months from the date of allotment. However notice to the effect of exercising the Put option would have to be given 30 days before the actual Put option date. The Debenture Holder retains the right to exercise the option in part or full.	
Issuance Mode	Demat	
Depository	CDSL / NSDL	
Rating	Fitch A+ (Ind) by Fitch Ratings	
Option	I	II
	Fixed Rate Option	Floating Rate Option
Interest Rate/ Coupon Rate	<p>11.50% per annum payable quarterly</p> <p>All investors opting for this option will get a fixed rate of interest (as above) on the amount invested from the date of allotment till the maturity.</p>	<p>12.08% per annum payable quarterly</p> <p>The above rate of interest is fixed for first 6 months. For every subsequent 6 months period thereafter till the maturity of the NCDs, the rate of interest will be reset and shall be linked to 6 month commercial paper benchmark rate plus Spread.</p> <p>Spread The Spread shall be 2.32% and</p>



	<p>will remain fixed for the entire tenor of the NCDs.</p> <p>6 months commercial paper benchmark rate:- Rate as appeared on Bloomberg screen for 6 months benchmark commercial paper and represented as "IRCP 6M INDEX"</p> <p>On every interest reset date, the interest will be reset by calculating the simple average of "IRCP 6M INDEX" rates applicable for the end of day rates for seven working days preceding the interest reset date plus spread fixed at the time of allotment of debentures.</p> <p>In case Interest Reset date falls on a non Business Day, then previous Business Day would be the date for calculation of Interest Rate.</p>
Interest Payment Frequency	Quarterly
Penal Interest	In case of default on payment of interest and / or principal redemption on the due dates, additional interest @ 2% p.a. over the documented rate will be payable by the company
Security	NCDs will be secured against fixed assets of the company with a FACR cover of 1.25 times from the date of allotment till the tenure of the NCDs.
Security Creation	<p>The Security shall be created within 4 months from the date of disbursement failing which an additional interest @ 2% p.a. on the outstanding amount of debentures shall be payable from the date of disbursement till such creation of security to the satisfaction of the debenture holder.</p> <p>In case security is not created within 4 months as mentioned, the debenture holder shall reserve the right to recall the outstanding principal amount on the aforesaid debentures along with all the amount/accrued interest due in respect thereof</p>
Listing	On WDM segment of BSE
Trustee	Axis Trustee Services Limited
Issue Schedule:	<p>Issue opens on : 21st September 2011</p> <p>Issue closes on : 23rd September 2011</p>
Deemed date of allotment	7 th October 2011
Interest on Application Money	<p>Shall be payable from the date of realization of the cheque/ receipt of funds in case of RTGS till one day prior to Date of Allotment in the following manner:</p> <ul style="list-style-type: none"> Fixed Rate Option (Option 1.50%)



	<ul style="list-style-type: none"> Floating Rate Option (Option II) : 12.08% p.a <p>The interest will be paid within 15 days from the deemed date of allotment.</p>
Other Terms & Conditions	<p>The facility amount would not be utilised for the following purposes:</p> <ul style="list-style-type: none"> In real estate business activities. Any purpose prohibited by RBI/FEMA Any other speculative business. <p>The rating of the issue shall not fall below "A+" till the maturity of issue.</p>

Notes:

The Company reserves the right to change the Issue program and also accept or reject any application in part or in full without assigning any reason.

Annexure to the Information Memorandum:

Annexure 1– Audited Financials of the Company as on September 30, 2009.

Annexure 2– Audited Financials of the Company as on September 30, 2010.

Annexure 3– Unaudited Financial Results for the quarter ended June 30, 2011.

Annexure 4– Rating Letter dated September 6, 2011 from Fitch Ratings assigning the credit rating to the NCD of the Issuer

Annexure 5 – Letter from the Debenture Trustee giving consent to act as a trustee for the Issue

DECLARATION

The Company hereby certifies that the disclosures made in this Information Memorandum are true and correct and generally adequate and in conformity with Schedule I of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 and the Companies Act to the extent applicable, and no statement made in this Information Memorandum shall contravene any of the provisions of the Act and the rules made thereunder.


The Company accepts no responsibility for statements made otherwise than in this Disclosure Document or any other material issued by or at the instance of Shree Renuka Sugar Limited and anyone placing reliance on any other source of information would be doing so at his own risk.

For and On Behalf of Board of Directors

Signed by

Name: Mr K K Kumbhat

Designation: Chief Financial Officer


 Authorised Signatory
 Date: 19th September, 2011
 Place: Mumbai



Private and Confidential (for addressee only)

APPLICATION FORM
(TO BE FILLED IN BLOCK LETTERS in English)

Shree Renuka Sugars Limited ("Issuer"/ "Company") was incorporated on 25th October, 1995 as a Public Limited Company under the Companies Act, 1956 with the Registrar of Companies, Karnataka and obtained the Certificate for Commencement of Business on 5th January, 1996.

(Regd. Office: BC 105, Havelock Road, Camp, Belgaum - 590 001

Tel: 0831-2404000 Fax : 0831- 2404961 Website : <http://www.renukasugars.com>)

Date :

DEBENTURE APPLICATION FORM SERIAL NO.	2	0	1	1	/				
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To
Board of Directors

Dear Sir(s),

Sub: ISSUE OF RATED, LISTED, SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF RS. 10,00,000/- (RUPEES TEN LACS ONLY) EACH AGGREGATING TO RS. 350,00,00,000/- (RUPEES THREE HUNDRED FIFTY CRORES ONLY) WITH AN OPTION TO RETAIN OVER-SUBSCRIPTION OF RS. 50,00,00,000/- (RUPEES FIFTY CRORES ONLY).

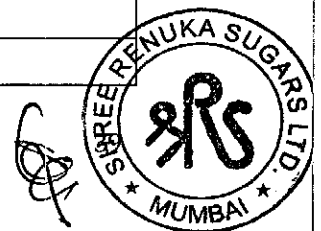
Having read and understood the contents of the Information Memorandum dated September 19, 2011, I/We apply for allotment to me/us of the Rated, Listed, Secured, Redeemable NCDs. The amount payable on application as shown below is remitted herewith. On allotment, please place my / our name(s) on the Register of Debenture holder(s). I/We bind myself/ourselves to the terms and conditions as mentioned in the Information Memorandum.

(Please read carefully the instructions on the next page before filling up this form)

Debenture Detail		
Number of debentures applied for	No. in figures	No. in words
Option Applied For	Option I Fixed Rate Option	Option II Floating Rate Option
	[]	[]
Amount (Rs.) in figures		
Amount (Rs.) in words		
Cheque / Demand Draft / Pay Order / UTR No.	Date	Cheque / Draft drawn on / RTGS Bank

Applicant's name and address in full (in BLOCK LETTERS)

First Applicant's Name:-		
Second Applicant's Name:-		
Third Applicant's Name:-		
First Applicant's Address:-		
		Pin Code
Tel:	Fax:	Email:





I / We understand that we are assuming on our own account, all risk of loss that may occur or be suffered by us including as to the returns on and/or the sale value of the Debentures and shall not look directly or indirectly to the Issuer (or to any person acting on its or their behalf) to indemnify or otherwise hold us harmless in respect of any such loss and/or damage. I / We understand that the Issuer may communicate to or intimate me / us only by e-mail or facsimile message and I / we undertake to accept the same as a valid communication or intimation as if such communication or intimation had been otherwise hand delivered or delivered by registered post or courier. I / We undertake that upon sale or transfer to subsequent investor or transferee ("Transferee"), I / We shall convey all the terms and conditions contained herein and in the Information Memorandum (including the fact that these Debentures cannot be sold to a Non-Resident Indian and/or an Overseas Corporate Body) to such Transferee. In the event of any Transferee (including any intermediate or final holder of the Debentures) suing the Issuer (or any person acting on its or their behalf) we shall indemnify the Issuer (and all such persons acting on its or their behalf) and also hold the Issuer and each of such person harmless in respect of any claim by any Transferee.

Name of Authorized Signatory/ Applicant(s)	Designation	Signature

FOR OFFICE USE ONLY

DATE OF RECEIPT _____ DATE OF CLEARANCE _____
 (Note : Cheque and Drafts are subject to realisation)

------(Tear here)-----

Shree Renuka Sugars Limited (SRSL)
 Regd. Office: BC 105, Havelock Road,
 Camp, Belgaum-590001
 Tel: 0831-2404000 Fax : 0831- 2404961
 Website : <http://www.renukasugars.com>

ACKNOWLEDGEMENT SLIP

Application No. : _____ Date: _____

Received from _____

Rs. _____ /- by Cheque No. / Demand Draft No. / Pay Order No. / UTR

No. _____ drawn on _____ towards application for
 _____ NCDs.

(Cheques / Demand Drafts are subject to realization)



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INSTRUCTIONS

1. Application Form must be completed in full in **BLOCK LETTERS IN ENGLISH**. A blank space must be left between two or more parts of the name. Signatures should be made in English or in any of the Indian languages. Signature in a language other than English must be attested by an authorized official of a Bank or by a magistrate / notary public under his / her official seal.
2. The full amount of Debenture has to be paid along with the application form.
3. The full amount of Debenture applied for has to be paid along with the application form.
4. Applications once submitted cannot be withdrawn.
5. Application form duly completed in all respects, together with Cheque / Demand Draft / Pay Order drawn in favour of **Shree Renuka Sugars Limited** and crossed "**A/c Payee only**" must be **submitted to the Corporate Office of the Issuer** at 7th Floor, Devchand House, Shiv Sagar Estate, Dr. Annie Besant Road, Worli, Mumbai-400 018 on or before the closing date of the issue. The payment may also be made by RTGS to the designated bank account of the Company (Shree Renuka Sugars Limited) as mentioned in the Information Memorandum:

Name of Bank	INDUSIND BANK LTD
Address of Bank	Opera House, Mumbai
IFSC Code	INDB0000001
Bank Account Number	0001 721761 050
Type of Account	Current Account
Name of beneficiary	Shree Renuka Sugars Limited

6. Cash or Stock Invest will not be accepted.
7. Applications made by categories of investors other than individuals must be accompanied by certified copies of Memorandum and Articles of Association, Board Resolution / Power of Attorney for investment, authority to authorized signatories in case of limited companies or corporate bodies.
8. Please mention your Permanent Account Number or the GIR number allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor GIR number has been allotted, the fact of non-allotment should be mentioned in the application form in space provided.
9. Receipt of application will be acknowledged in the "Acknowledgement Slip" appearing below the Application Form. No separate receipt will be issued.
10. The application would be accepted as per the terms of the issue outlined in the Information Memorandum dated September 19, 2011.
11. Shree Renuka Sugars Limited is entitled, at its sole and absolute discretion, to accept or reject any application, in part or in full, without assigning any reasons. An application form which is not complete in all respects is liable to be rejected.

