

BSE Limited
P.J.Towers
Dalal Street
Mumbai – 400 001.

22nd January 2015

National Stock Exchange of India Limited
Bandra Kurla Complex
Bandra East
Mumbai – 400 051.

Sirs

Sub: Commencement of crushing operations of our factories for the Sugar Season 2014-15 and Cane price announced by the Government of Tamilnadu – reg.

We wish to inform that our sugar factory at Unit II (Mundiampakkam, Villupuram Taluk & District) has commenced its sugarcane crushing operations today, the 22nd January 2015, while Unit III (Gingee Taluk, Villupuram District) will be commencing its sugarcane crushing operations for the sugar season 2014-15 tomorrow, the 23rd January 2015.

State Advised Price (SAP) 2014-15:

As per Press Release No.002 dated 8.1.2015, the Government of Tamilnadu has announced the SAP for sugarcane for 2014-15 season. It is fixed at the same level as for 2013-14 season, namely, Rs.2,650/- including transport charge of Rs.100/- per ton.

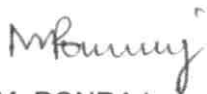
Private sector mills in Tamilnadu have been persistently pleading with the Government for introducing revenue sharing formula like Karnataka and Maharashtra. They have also expressed their inability to pay higher cane price in the backdrop of steep fall in sugar prices.

While the retention of SAP at same level has brought no new negatives, failure to realign cane prices to sugar prices would continue to pose formidable challenge and inflict hefty losses for private sector sugar mills in Tamilnadu for 2014-15 season.

This information is given pursuant to Clause 36 of the Listing Agreement and please take the same on record.

Thanking you

For and on behalf of
RAJSHREE SUGARS & CHEMICALS LIMITED


M. PONRAJ
Company Secretary