



Stronger... Greener... Bigger...

E.I.D.- Parry (India) Limited

Investor Presentation

Dec 2010

This presentation contains forward-looking statements which may be identified by their use of words like “plans,” “expects,” “will,” “anticipates,” “believes,” “intends,” “projects,” “estimates” or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements.

Forward-looking statements are based on certain assumptions and expectations of future events. The companies referred to in this presentation cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements. These companies assume no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events, or otherwise.

- Company Overview
- Sugar Business
 - ▶ World and Indian Sugar Balance
 - ▶ Closer look @ Sugar in South India
 - ▶ EID – Sugar Business
- Bio Products Business
 - ▶ Nutraceuticals
 - ▶ Bio Pesticides
- Consolidated Financials

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No.1 Sugar Producer in South India
including Refinery

Second Largest Phosphatic Fertiliser
producer in India

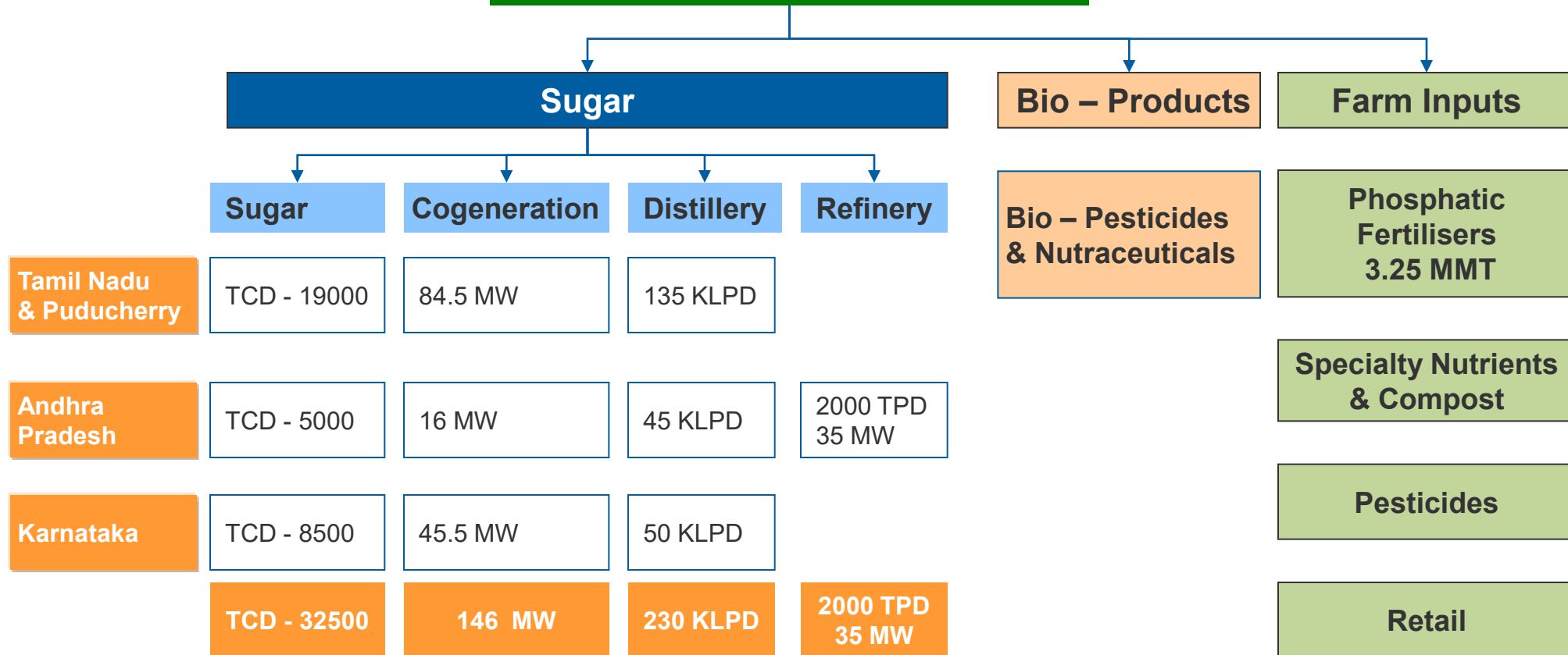
Serving for more than 200 years....

- ➔ Flagship company of Murugappa Group since 1981.
- ➔ **Pioneers in:**
 - ▶ Sugar from 1842
 - ▶ Distillery from 1848
 - ▶ Sanitaryware from 1906
 - ▶ Fertilisers from 1906
 - ▶ Sugar Based confectionery from 1914
 - ▶ Biogas and Bio earth 1987
 - ▶ Bio-pesticides from 1995
 - ▶ Co-generation- Exportable Power from 1997
 - ▶ Algal Nutraceuticals from 1997
 - ▶ Branded Retail sugar from 2004

“ Ranked 51 amongst the Top 200 Companies in India”
- Economic Times 2009 survey

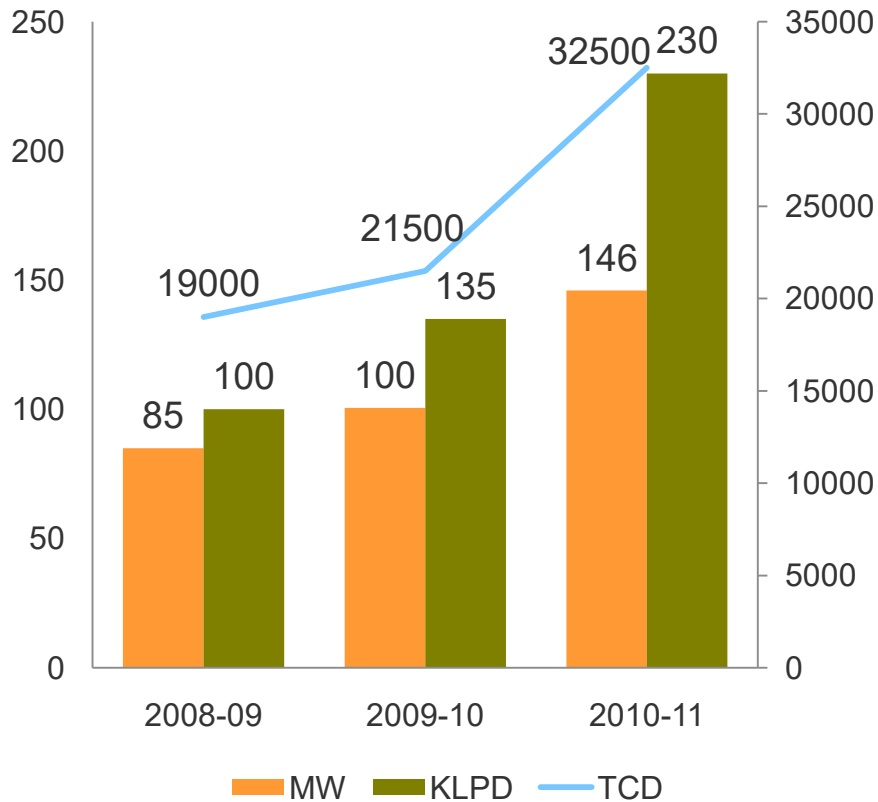
Enrich life by creating value from agriculture

BUSINESS UNDER EID's FOLD

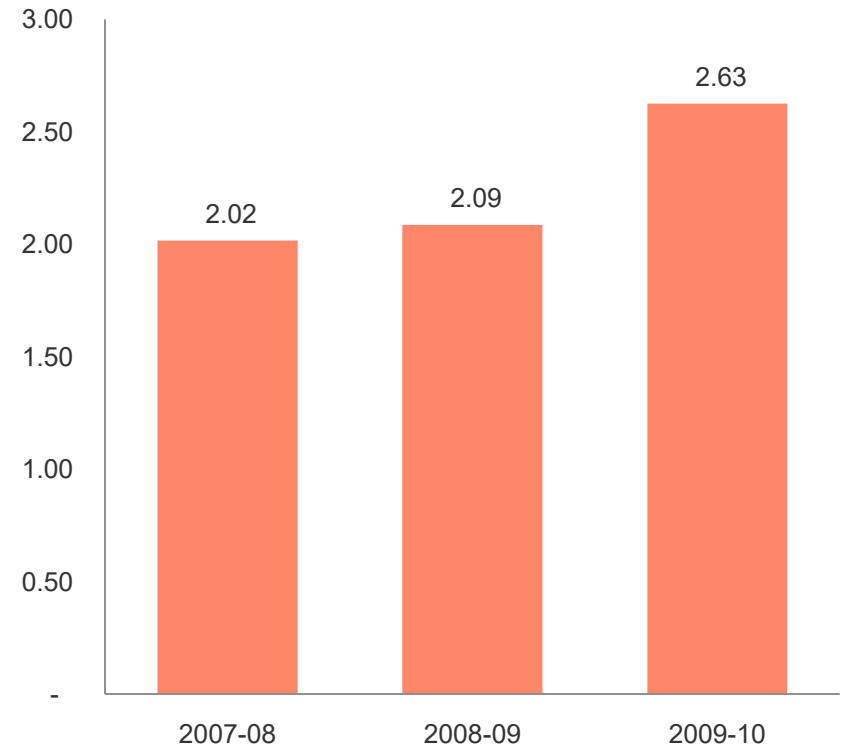


- TCD - Tons crushed per day
- MW - Mega Watt
- KLPD - Kilo Litres per day
- TPD - Tons per day
- MMT - Million Metric Ton

Capacity - Sugar Power Distillery



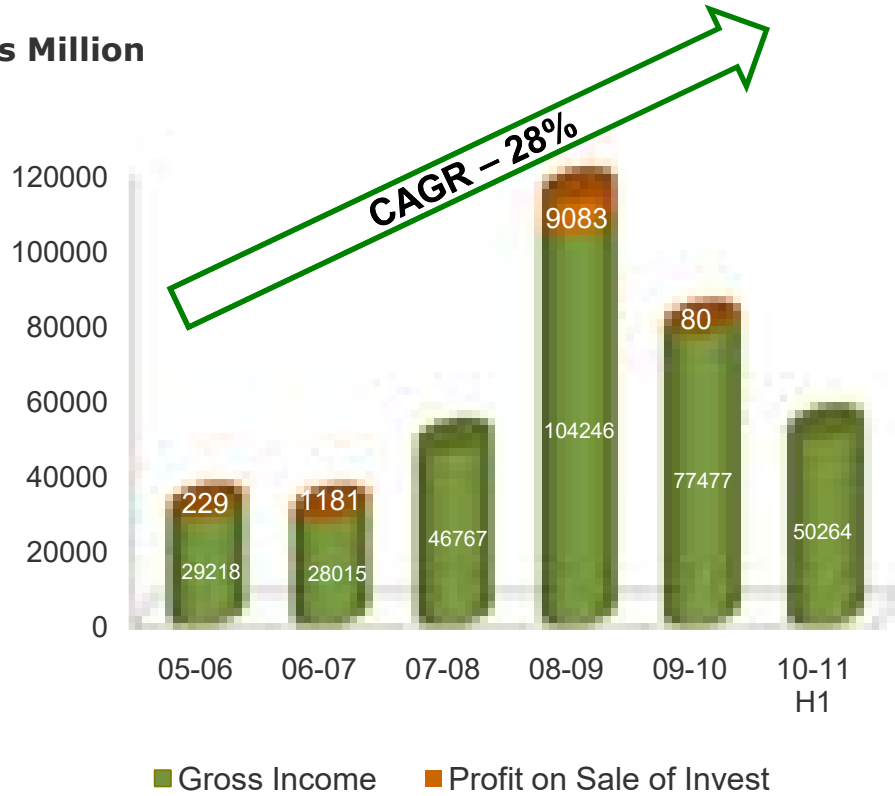
Production (in MMT) -Phosphatic Fertilisers



Production Capacity – 3.25 MMT

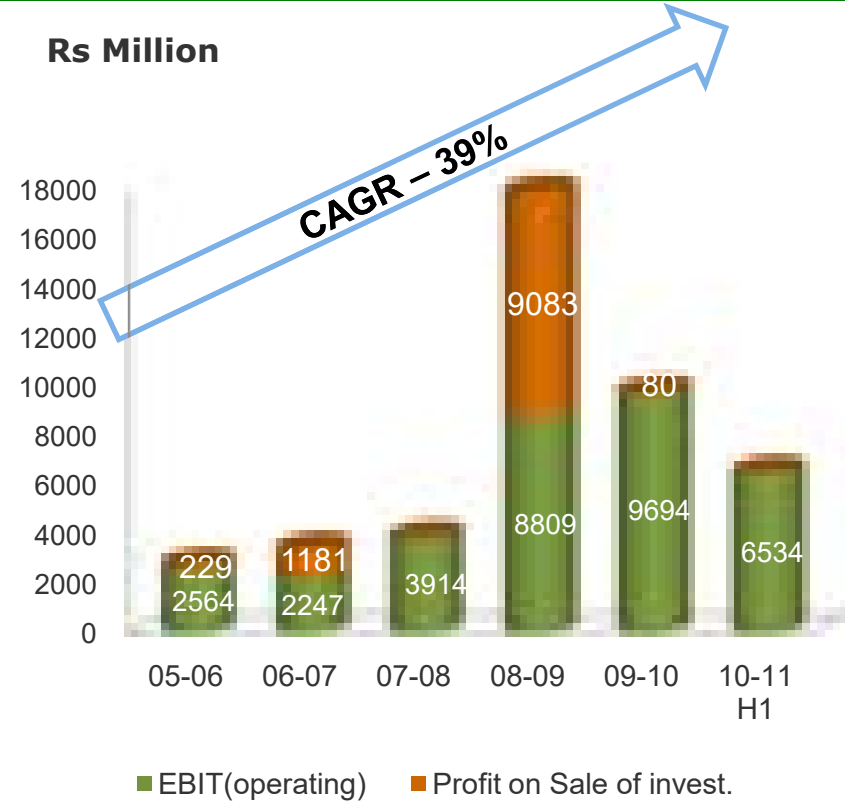
Consolidated Gross Income

Rs Million



Consolidated EBIT

Rs Million

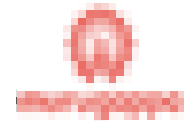


EBIT includes Minority Interest

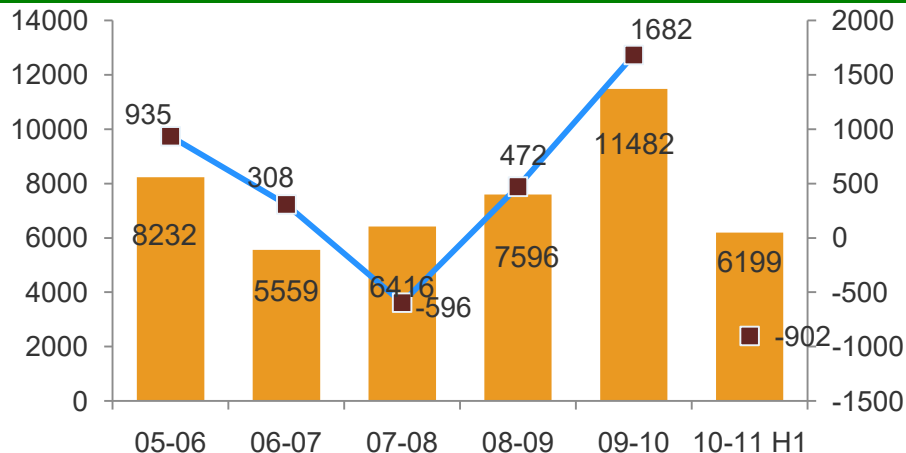
CAGR – Operating CAGR

Segmental Revenue and EBIT

Rs Million

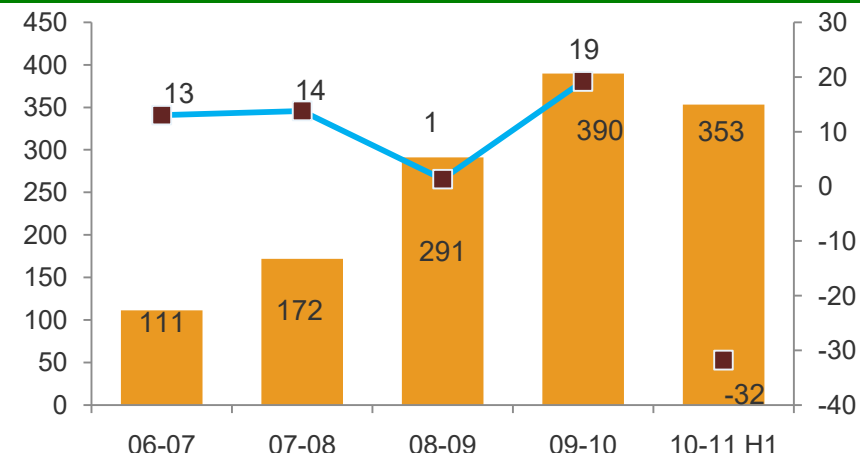


SUGAR

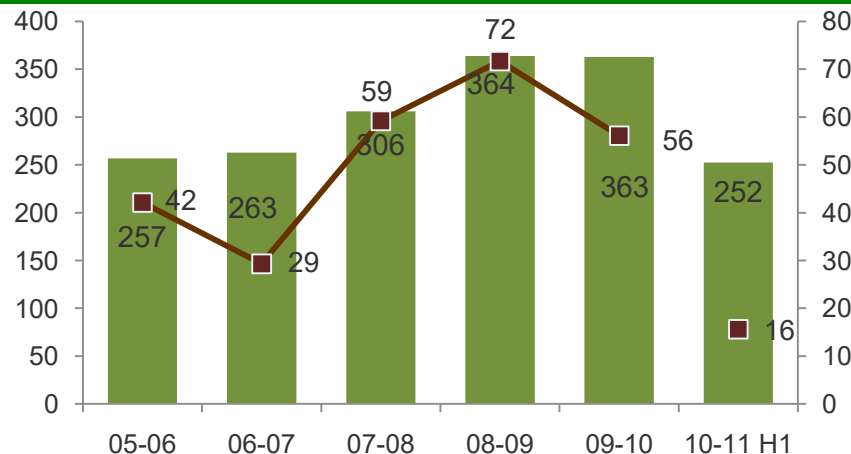


Orange Gross Revenue Blue EBIT

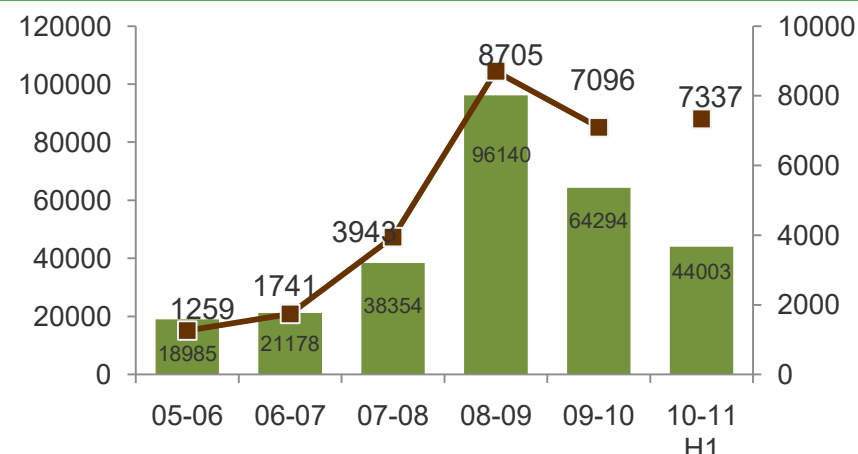
Nutraceuticals



Bio- Pesticides



Farm Inputs



Note: Revenue & EBIT of 2008-09 includes Rs. 159 Crs Business Assistance Agreement

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World Sugar (mln t)

Particulars	2009/ 10	2008/ 09	Changes in mln t in %	
Production	160.5	151.8	8.7	5.7
Consumption	164.3	164.0	0.3	0.2
Surplus / Deficit	-3.8	-12.2		
Import demand	52.9	50.2	2.7	5.4
Export Availability	52.9	49.2	3.7	7.5
End Stocks	57.3	60.7	-3.4	-5.6
Stocks/ Consumption ratio in %	34.9	37.0		

Source: ISO Quarterly Market Outlook, Nov 2010

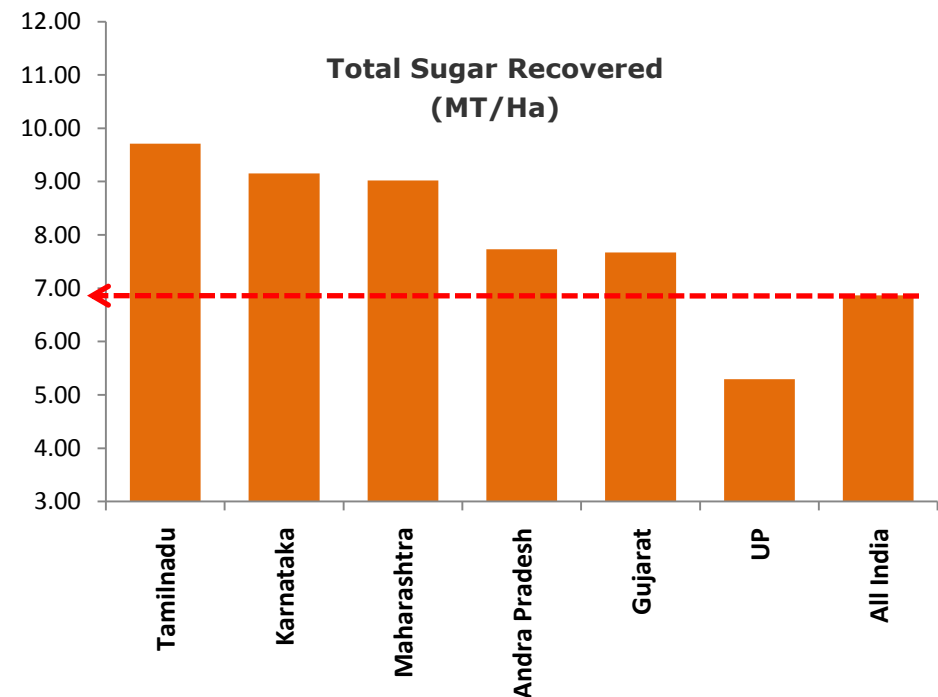
India's Sugar Balance (mln t)

Particulars	SS 2007- 08	SS 2008- 09	SS 2009- 10
Opening stock	11.0	10.5	4.4
Production	26.3	14.6	18.9
Imports	0	2.5	4.1
Consumption	21.9	23.0	21.5
Exports	4.9	0.2	0.2
Closing stock	10.5	4.4	5.7
Stock to Consumption Ratio %	48	20	27

Source: ISMA – Oct 2010

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- ➔ Competitiveness in the Sugar Industry is driven by
 - ▶ Mutual Inter-dependence between the Farmer & the Miller
 - ◈ Combined Productivity (Farm Yields and Factory Recoveries) is the key
 - ◈ Thus, Total Recovered Sugar as MT per Ha (ie Cane Yield in MT per Hectare times Recovery as Ton of Sugar per Ton of Cane) must be maximised
 - ▶ Port Facilities
 - ◈ Freight cost for importing / exporting is Lower for South Indian Mills comparing to North Indian Mills.
 - ▶ Tamil Nadu
 - ◈ Long crushing season being a plus
 - ◈ 100% Drawal for Tamil Nadu Mills
 - ◈ No Poaching
 - ▶ No Prior Period Liabilities for EID



Source: ISMA (5 Yrs average)

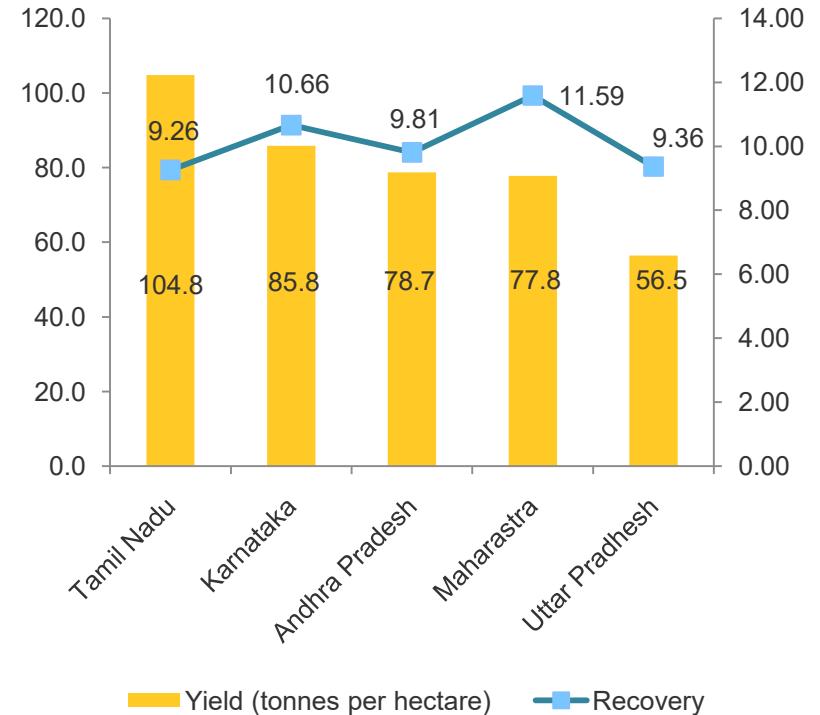
Operating days & Off Season

State	No. of . Operating Days	Off Season Operation ★
Tamil Nadu	210	✓
Karnataka	160	✓
Maharashtra	150	✓
Uttar Pradesh	120	✗
Andhra Pradesh	118	✓

★Off Season Operation for running Power, Raw Sugar Processing

Source: ISMA (5 yrs Avg. No. of. Operating Days)

Yield and Recovery



Source: ISMA (5 Yrs Avg. of Yield and Recovery)

Long Duration Vs. High Recovery Mill areas

Long Duration	TCD - 3500 No. of working days - 240 Recovery - 9.5% Investments - Rs.210 Crs. Return on Investment *- 20%	Only Colombia
Short Duration	No Interest	TCD - 5000 No. of working days - 168 Recovery - 10.5% Investments - Rs.326 Crs. Return on Investment - 16%
	Low Recovery	High Recovery

Key Assumptions

Cane Crushing = 8.4 Lakh MTs
Sugar Price = Rs.26000
Cane Price = Rs.2000/MT

Cane Crushing = 8.4 Lakh MTs
Sugar Price = Rs.26000
Cane Price = Rs.2200/MT

Location Advantage

- High Recovery Zone of NW Karnataka Bagalkot, Haliyal & Ramdurg
- Closer to major Indian sugar markets
- Less controls on Molasses and Alcohol than TN
- Proximity to Silkroad minimise the freight cost
- Larger power shortage than TN for Cogen

Recent Acquisitions

I) **Sadashiva – Bagalkot (Karnataka)**

- Date of Acquisition : 7-10-2009
- Capacity - 2500 TCD , 15.5 MW
- 76% Shareholding, Investment Rs. 496 Mn
- Present Debt - Rs. 930 Mn

II) **Parrys Sugars Industries Ltd (PSIL*) – (Haliyal, Ramdurg, Sankili) (Karnataka & Andhra)**

- Date of Acquisition : 27-08-2010
- Capacity - 11000 TCD , 46 MW , 95 KLPD
- 65% Shareholding, Investment Rs. 988 Mn
- Open offer for 20% shareholding at Rs.110.69 (12.18% Subscribed)
- Present Debt – Rs. 3720 Mn

* GMR Industries Ltd name has been changed into Parrys Sugar Industries Ltd

- Experienced Management
 - Strong track record of turning around poorly performing sugar mills
 - Additional benefits from use of Coromandel International's expertise

- Extending EID practices in Sadashiva / Parrys Sugar
 - Farmer relations , Agricultural depots
 - Building Trust with Farmers, Govt, Bankers etc.
 - Tie up with Harvesting & Transport Gangs

- Cane development initiatives across Command area

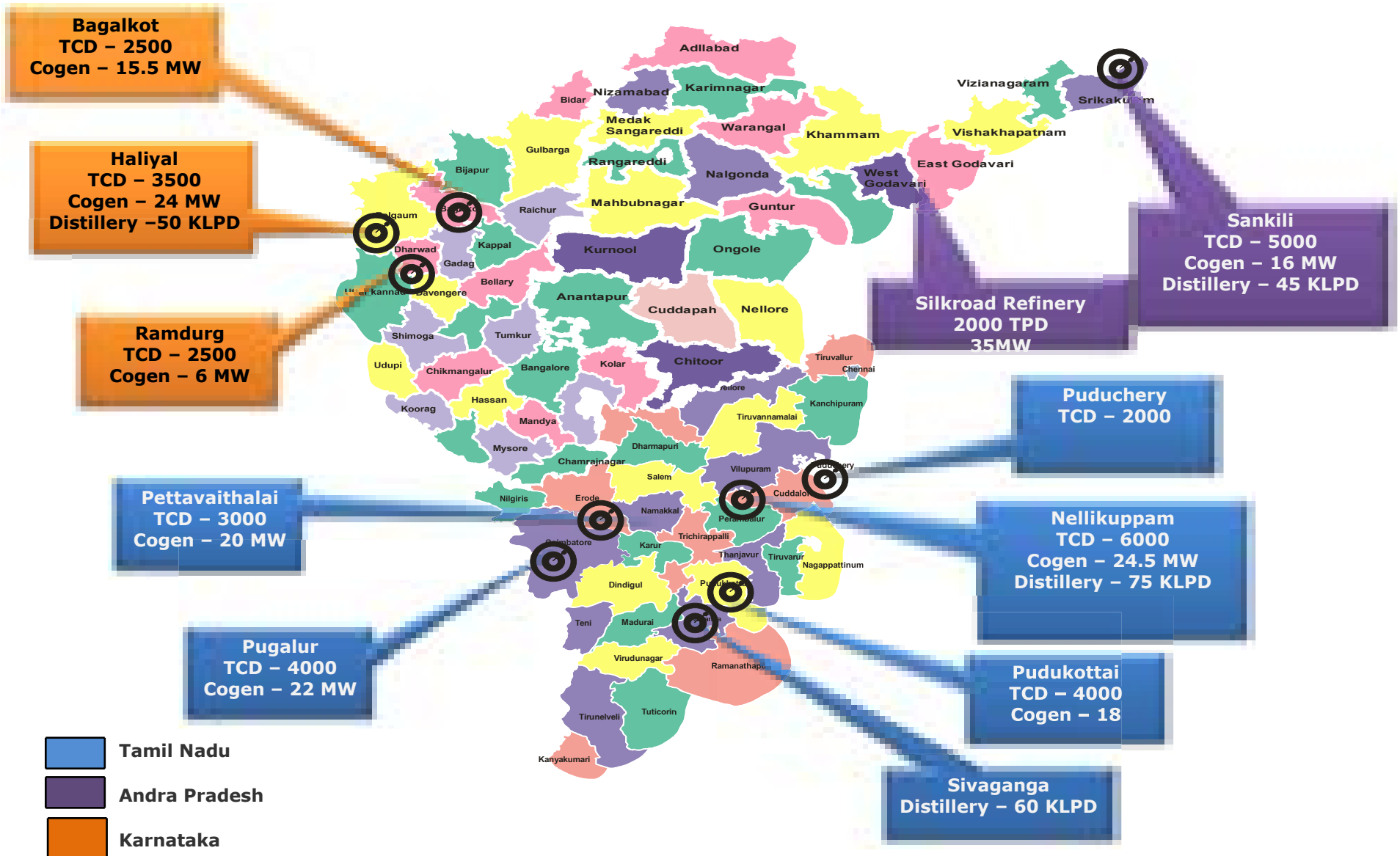
- Working with Bank/Farm equipment suppliers for introducing Best practices including Drip irrigation , Borewells for increase in Acreage & Yield
 - Significant cane planting ensuring cane availability for next season

- Debottlenecking at all factories to achieve 100% capacity utilisation

- Restructure debt – Substitution of high cost debt with low cost debt

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SOUTH INDIA PRESENCE



Sugar – 32500 TCD

	2006-07	2007-08	2008-09	2009-10	2010-11 (Est)
Nellikuppam	5000	5000	6000	6000	6000
Pugalur	4000	4000	4000	4000	4000
Pettavaithalai	2500	2500	3000	3000	3000
Pudukottai	3000	4000	4000	4000	4000
Puducherry	2000	2000	2000	2000	2000
Tamil Nadu & Puducherry	16500	17500	19000	19000	19000
Sankili					5000
Andhra Pradesh					5000
Bagalkot				2500	2500
Haliyal					3500
Ramdurg					2500
Karnataka				2500	8500

Particulars	2006-07	2007-08	2008-09	2009-10	2010-11(Est)
Cane Registration(in acres)	107782	92261	97147	94553	173000
Cane Crushed(Mn MT) *	4.10	4.23	3.37	2.55	5.30
Recovery %	8.93	9.06	9.52	8.89	10.30
Process Loss	1.92	1.91	1.89	1.89	1.85
No. of. Operating days					
in Season	273	278	204	158	150-230
off Season(Power, Raw Sugar)				40	45-50

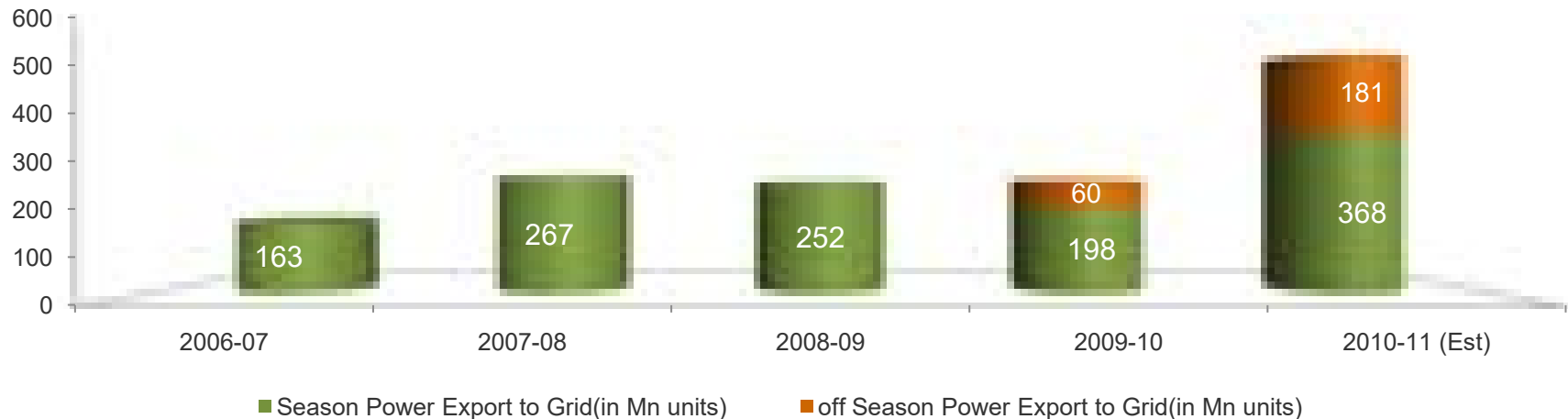
Estimates for 2010-11

* Cane Crushing (Mn MT)

EID – 3.6, Sadashiva – 0.4, PSIL – 1.4

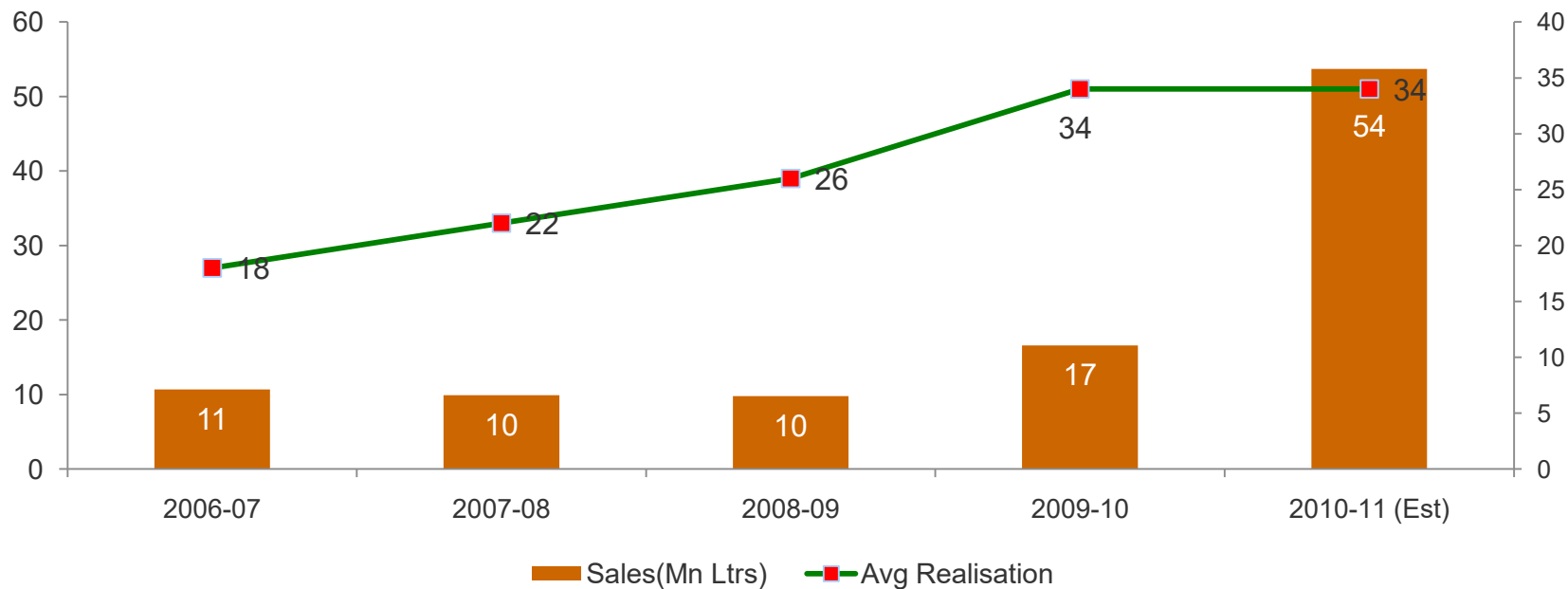
Cogeneration - 146MW

	2006-07	2007-08	2008-09	2009-10	2010-11* (Est)
Nellikuppam	24.5	24.5	24.5	24.5	24.5
Pugalur	22.0	22.0	22.0	22.0	22.0
Pettavaithalai			20.0	20.0	20.0
Pudukottai	18.0	18.0	18.0	18.0	18.0
Tamil Nadu	64.5	64.5	84.5	84.5	84.5
Sankili					16.0
Andra Pradesh					16.0
Bagalkot				15.5	15.5
Haliyal					24.0
Ramdurg					6.0
Karnataka				15.5	45.5

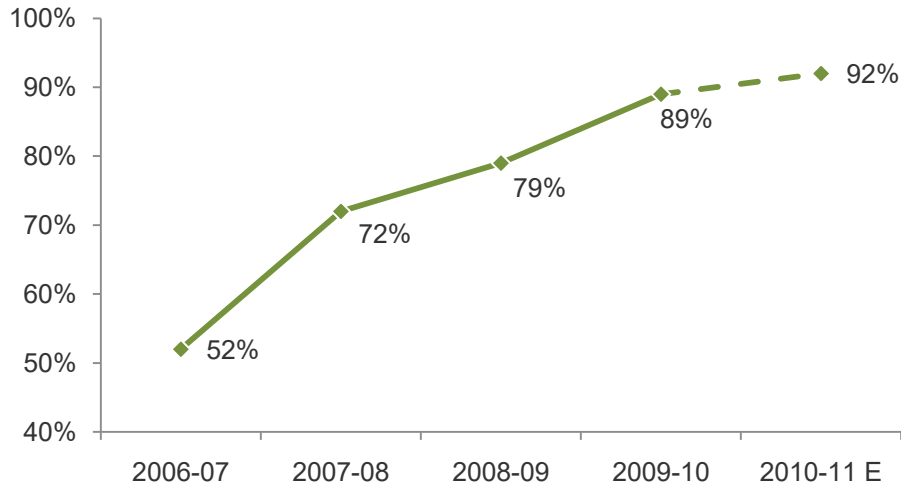


Distillery – 230 KLPD

	2006-07	2007-08	2008-09	2009-10	2010-11* (Est)
Nellikuppam	40	40	40	75	75
Sivaganga			60	60	60
Tamil Nadu	40	40	100	135	135
Sankili					45
Andra Pradesh					45
Haliyal					50
Karnataka					50

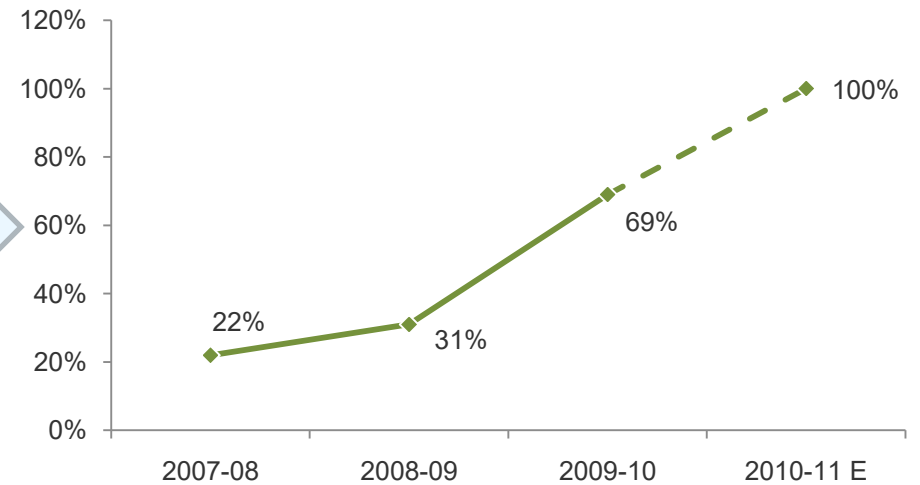


Bagasse utilisation (%) for Value Addition



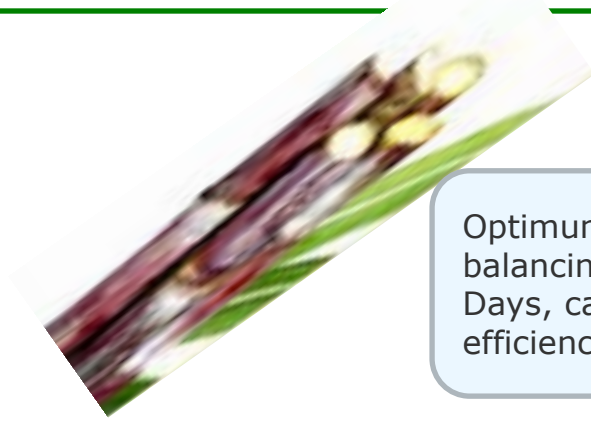
Bagasse to Power

Molasses utilisation (%) for Value Addition



Molasses to Alcohol

Recovery Improvement – Actions Taken



Optimum Utilization during Peak recovery by balancing the Cane supply and Operating Days, capacity expansion, modernization, efficiency improvement(Total Loss).



Increasing the coverage of HSV by introducing of Parry India (PI) Cane Variety through Parry's breeding program

Logistics Management



Ensuring application of fertilizer for improving quality of cane through soil analysis, input supplies on right time by Parry Mayyams ,extension and farmer training programs



Cane Development

Linkages Govt..
Institutions

Information
IndiaAgriline.com
Kiosk

Payments On time
Banks/SAP

Harvest Logistics
Transport

Crop Insurance

Bio control
Agents Production
/Supply

Monitoring
Diagnostics
Control

Registration
Crop schedule

Technology transfer
Knowledge sharing
Training

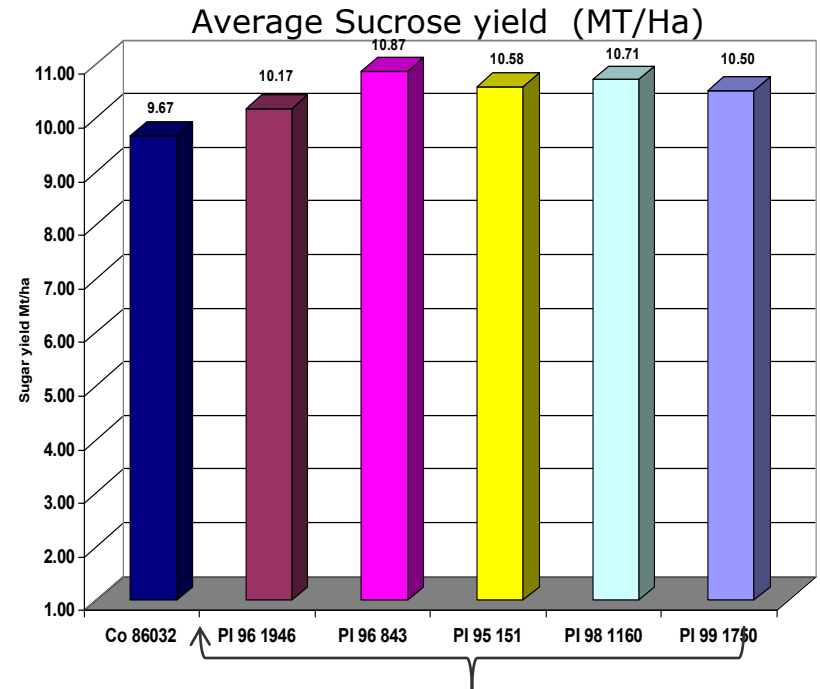
Infrastructure
& Crop loans

Soil analysis
Nutrient schedule
Remote sensing

Agri -inputs

Machinery
Implements

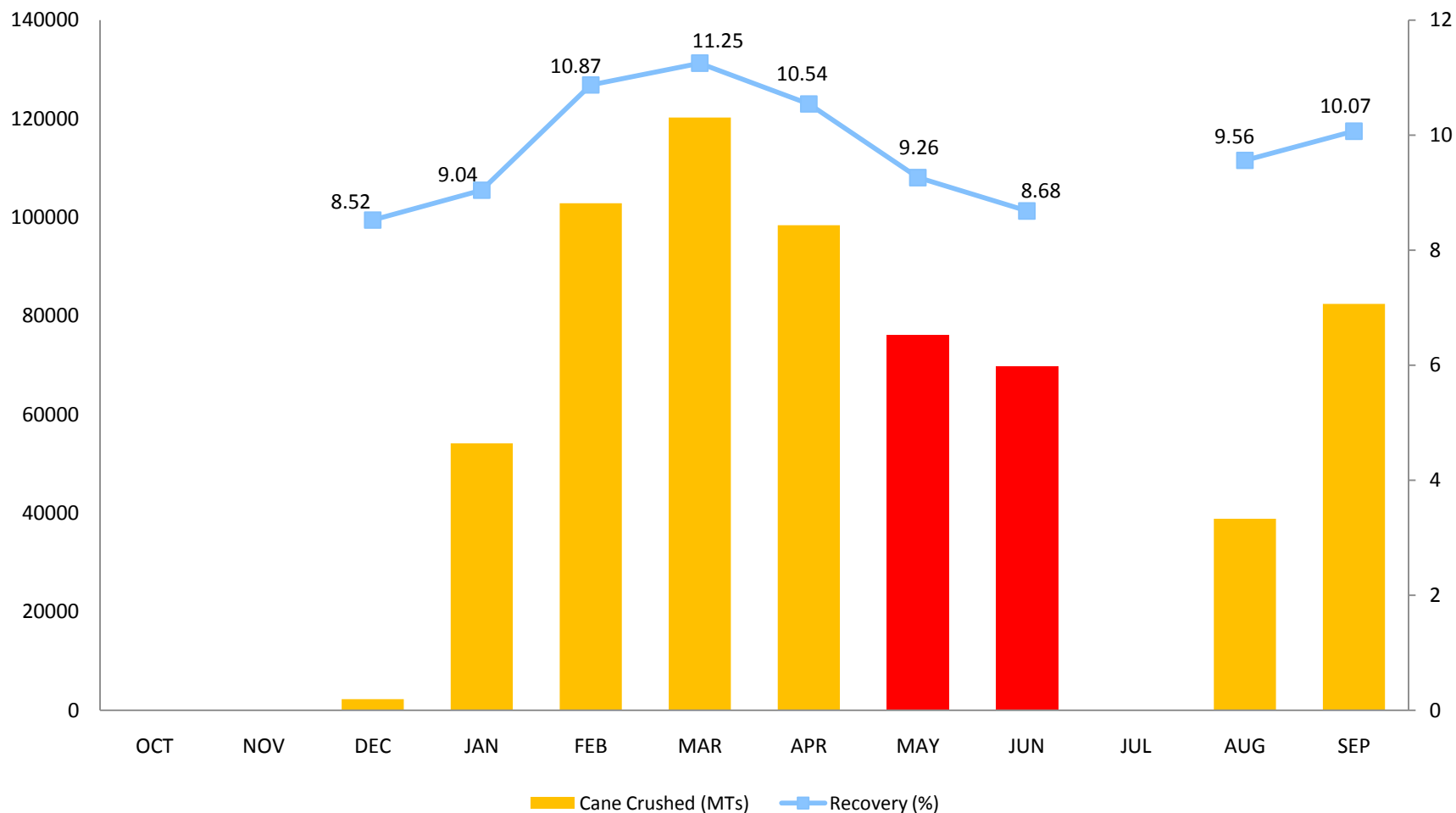
Tissue culture
Plants
Nursery setts



PI – Parry Varieties

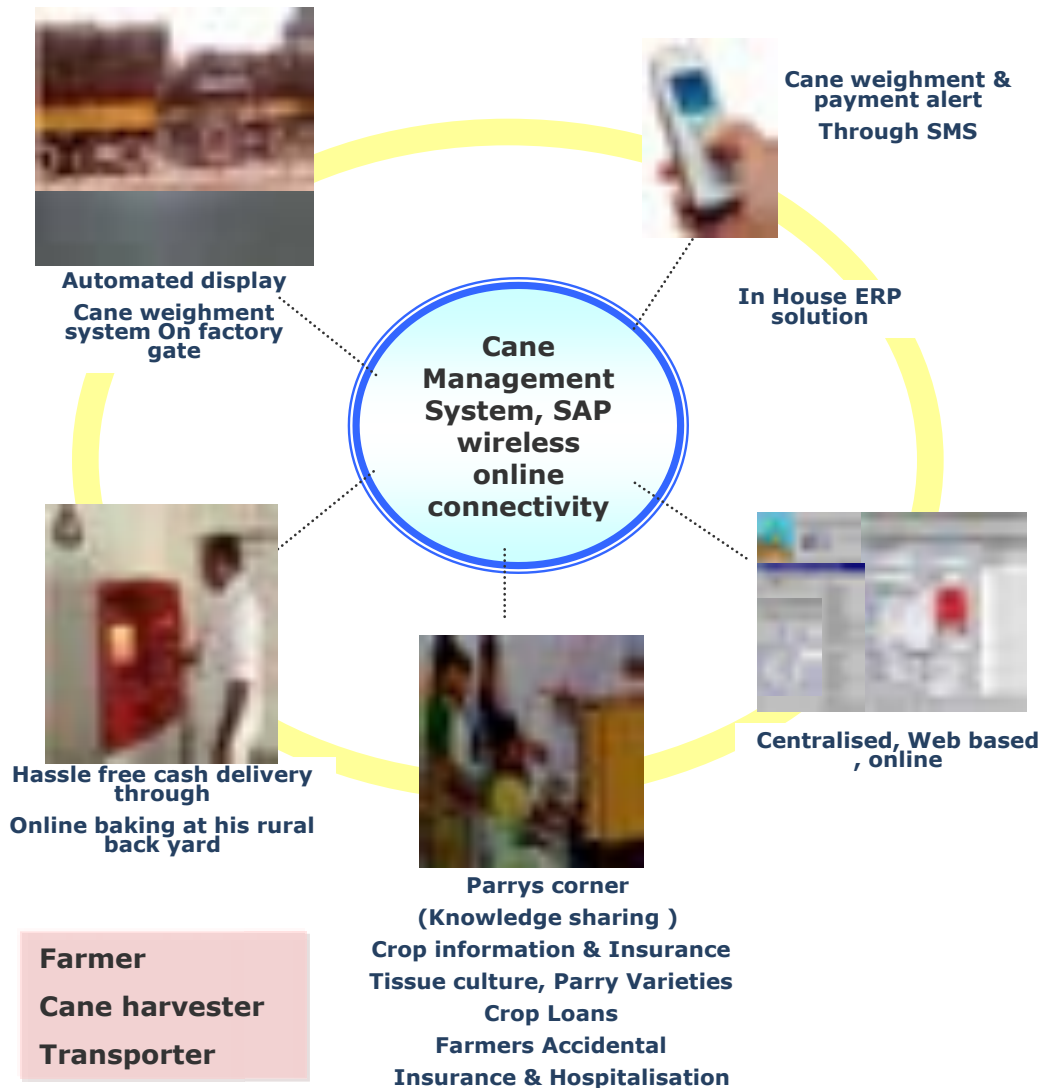
Co – Benchmark Varieties

**The only sugar company in India
& perhaps one of the five in the
world who practice sugar cane
varietal development**

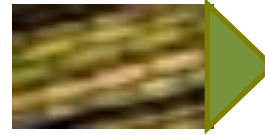


Recent Investments in Sugar will enable Crushing during peak period

Integrated System from Cane Registration to Payment at Rural banks



- Parry Service Kiosks (PARRY MAYYAM)
- Harvesting / Transport Labourers Insurance
- Mechanisation of Cane harvesting
- Centralised cane payment by e-mode...
payment lead time reduced by 3 days

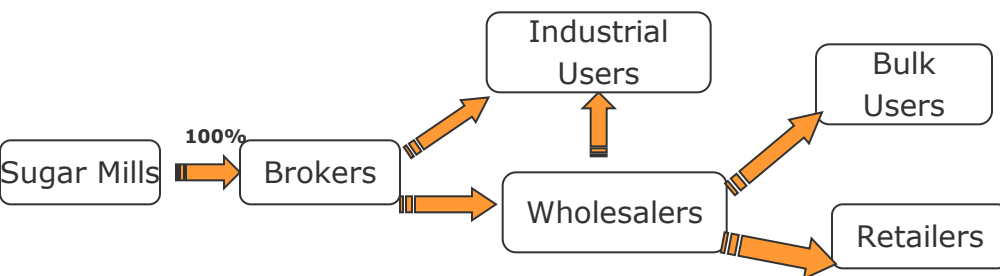


**Timely Supply
of Cane**

Higher Yield



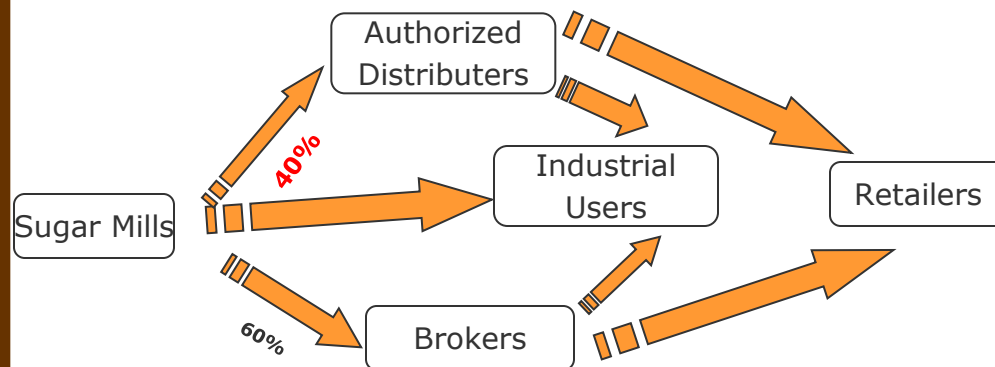
Traditional



Disadvantages

- Pricing determined by few brokers
- End consumer needs not addressed
- Pricing is the "sole purchase criteria"
- No scope for Customization / Value addition

EID

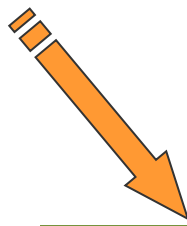
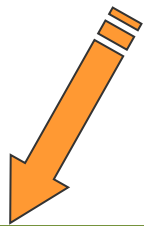


Advantages

- Derisking – Reduced channel dependency
- Customisation and Value addition.

Achieved through

- Moving from Standards to Specifications
- Customised solutions for Industrial customers
Grades, Packing, Pricing modes, Service parameters.
- Retail Brand – Large Sales Network

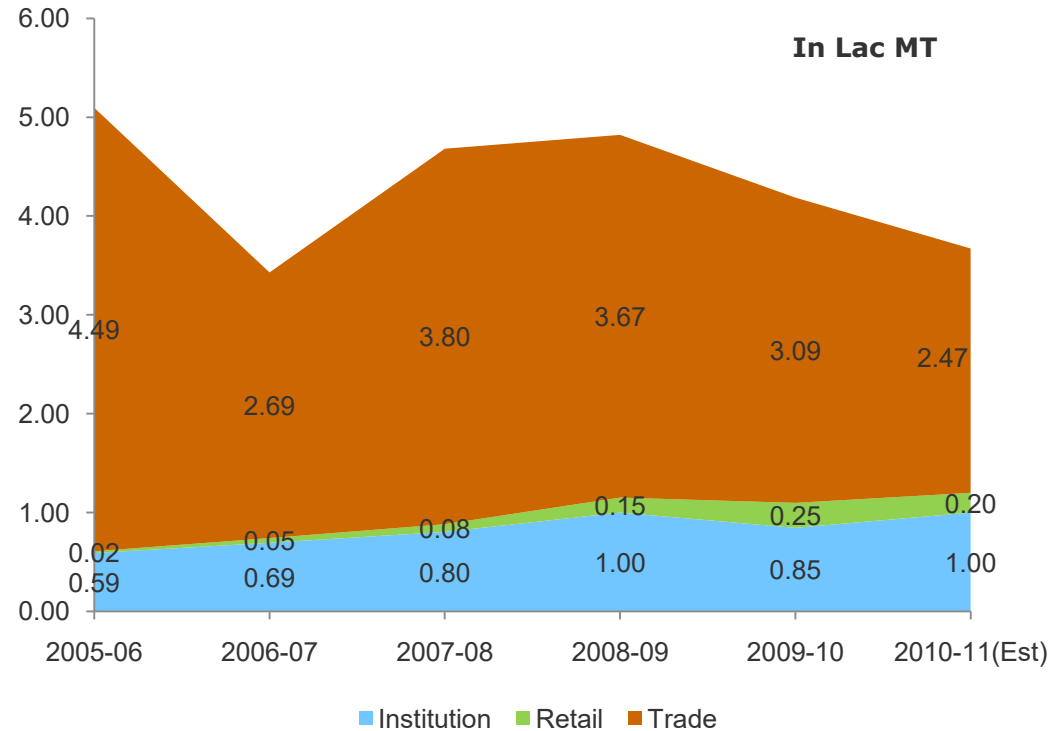


Institutional Customers
250

Retail Outlets
19000



Sugar Sales Segment wise – Last 6 Years



Reduced dependency on Traditional Channels

Confectioner's sugar



Baker's sugar



Beverage sugar



Biscuits



Sugar for Indian Sweets



Pharma sugar



Our Certifications



Halal



ISO 9001-2008



Kosher



Indian Pharmacopoeia



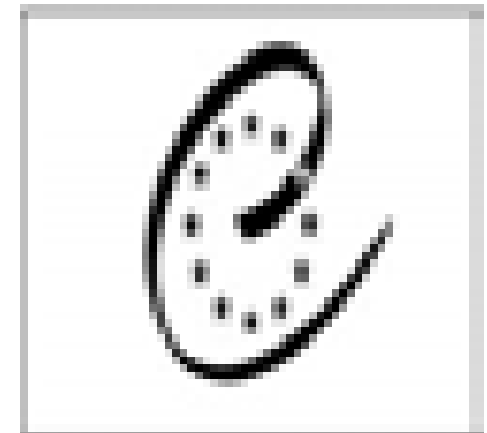
Japanese Pharmacopoeia



US Pharmacopoeia



British Pharmacopoeia



European Pharmacopoeia

Cane Growing

- Mitr Phol – Thailand
- CTC – Brazil
- ICSB
- ISSCT

Milling

- SPRI – USA
- SRI – Australia
- Mitr Phol – Thailand
- TLPT – UK
- Honeywell Tech.
- IPRO – Germany
- ISSCT

Marketing

- Cargill
- Sucden
- Czarnikow

Silkroad Sugar... An Innovative Business Model



REACHING OUT BEYOND TRADITIONAL FRONTIERS.....

Why Refinery in India?

- Destination Refinery concept
 - ▶ Logistical Advantage in transportation of Raws and refining at destination

Why Silkroad ?

- Locational Advantage
 - ▶ East Coast Advantage, proximity to Kakinada Port
 - ▶ Sugar Consumption /demand strongly correlated , future growth in countries like China, India
- Cargill backing, largest Sugar trader accounting 25% of global trade
- SEZ Advantage
 - ▶ Duty , Tax concessions
- Power Plant
 - ▶ Integrated for energy, thus low cost

Capacity & Investments

- Unit in Parry Infra SEZ , Kakinada (Andhra Pradesh)
- Joint Venture company of
 - EID Parry India Ltd (50%)
 - Cargill Asia Pacific Private Ltd (49%)
 - New Ambadi Estates Private Ltd (1%)

Capacity levels

- ▶ Refined Sugar – 2000 TPD(Annual capacity of 0.60 mn MT)
- ▶ Power – 35 MW
- ▶ Exportable Power – 25 – 27 MW

Investment – Rs 4300 Mn

Concept -- Refinery + Power plant
Model -- India + Overseas.....

- ***Pioneering technology***

Integration of Gas Turbine Power Plant with Refinery is Globally UNIQUE

- ***Strategic Location***

Landfall point of India's largest *Natural Gas* find

All weather deep draught Private port

Deficit sugar geography

Above all

**Opportunistically
can source from
OR
supply into India**

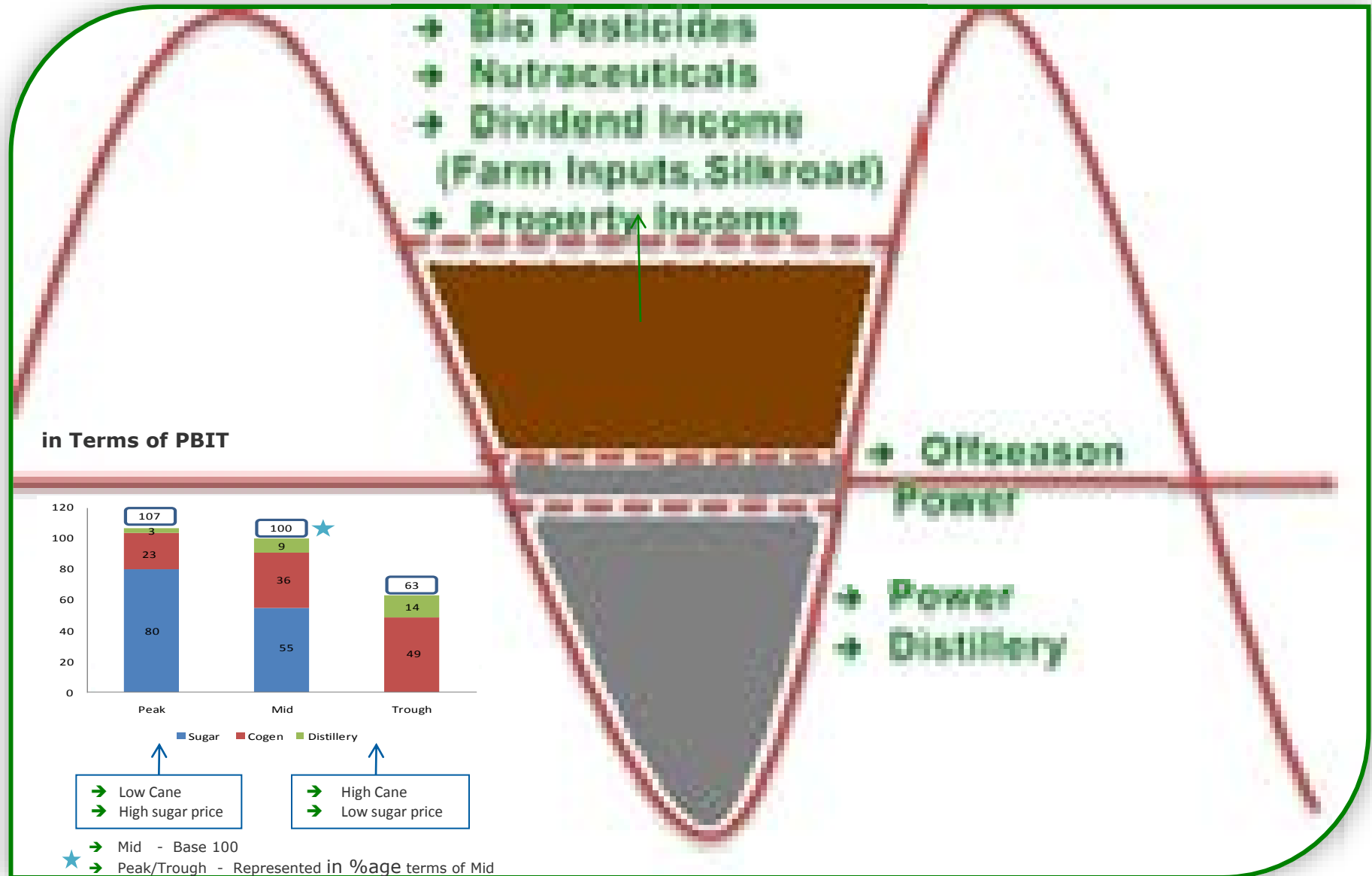
Rs. Million

Investment	05-06	06-07	07-08	08-09	09-10	10-11 (Est)	Total
Existing Facilities	1019	1158	909	2975	816	400	7276
Puducherry Unit		563					563
Silkroad Sugar		36	459	355	143		993
Sadashiva					496		496
GMR						988	988
Total	1019	1756	1369	3330	1455	1388	10316

Note:

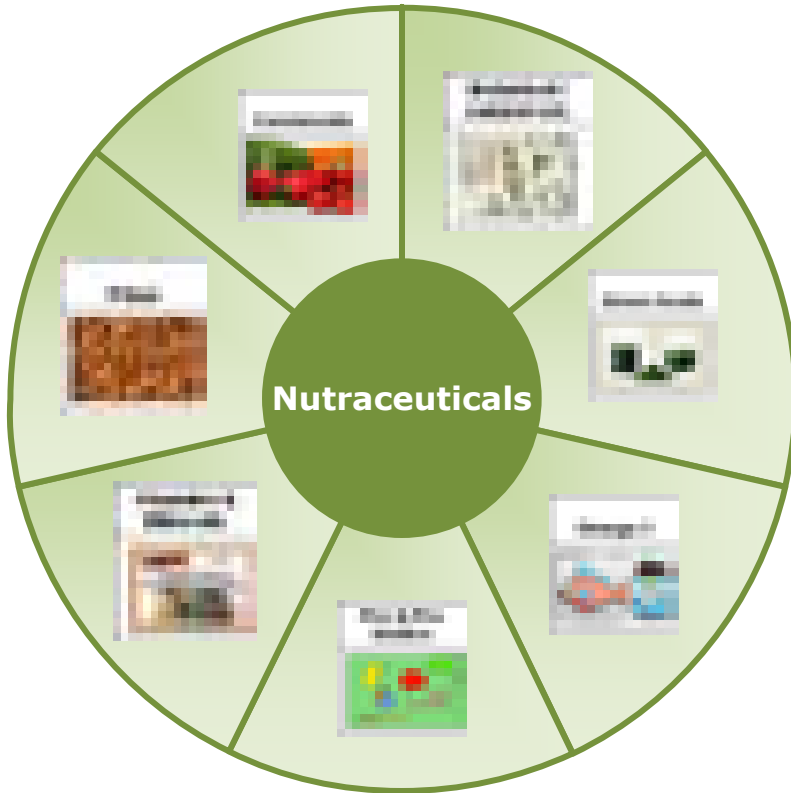
➔ Benefits to accrue from following investment from 2010-11:

- ▶ Inv (Silkroad, Sadashiva & Parrys Sugar) - Rs. 2477 Mn
- ▶ Cogen CAPEX - Rs. 1050 Mn
- ▶ Distillery CAPEX - Rs. 1340 Mn



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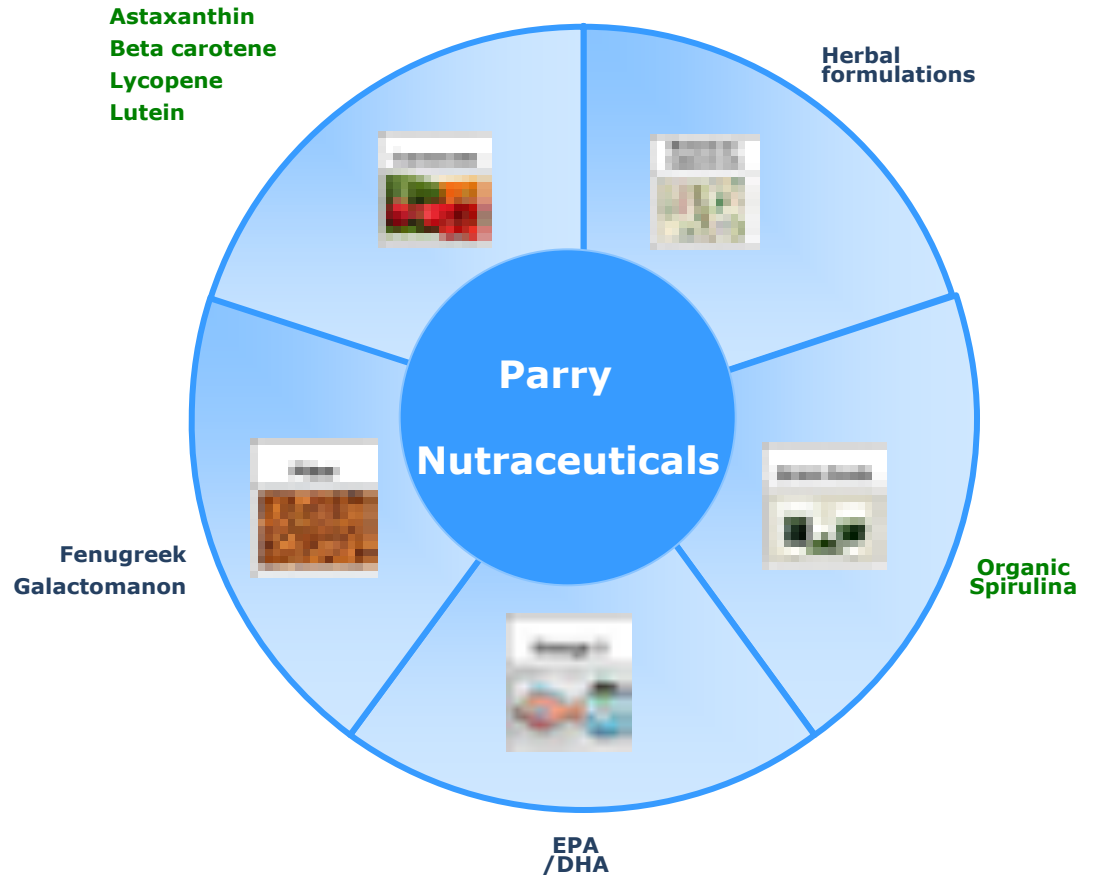
Global Nutraceutical Segments



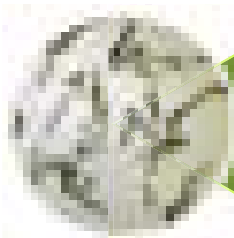
Global Ingredient market size - \$ 27 Billions

Global Nutritional products (formulated)
Industry size - \$ 236 Billions

Parry Nutraceuticals "Product portfolio"



Products and Opportunities.....



Organic Spirulina

Current market	-	\$ 7.5 Mi.
Parry share	-	\$ 3.35 Mi.
CAGR	-	2%



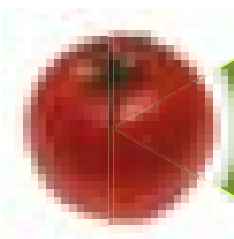
Astaxanthin

Current market	-	\$ 35 Mi.
Parry share	-	\$ 2.46 Mi.
CAGR	-	7%



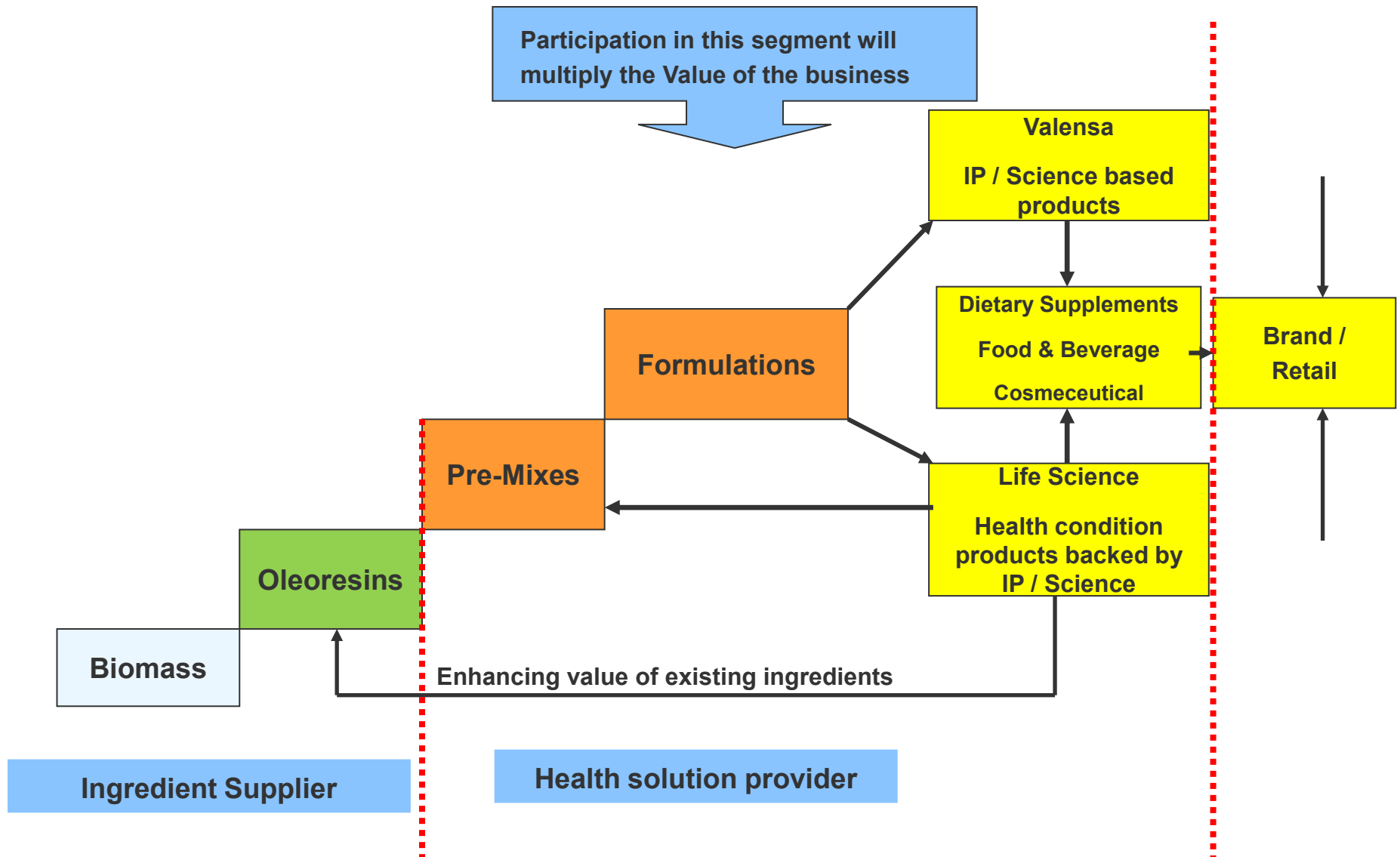
Lutein

Current market	-	\$ 150 Mi.
Parry share	-	\$ 1.47 Mi.
CAGR	-	9%



Lycopene

Current market	-	\$ 55 Mi.
Parry share	-	\$ 1.25 Mi.
CAGR	-	6%



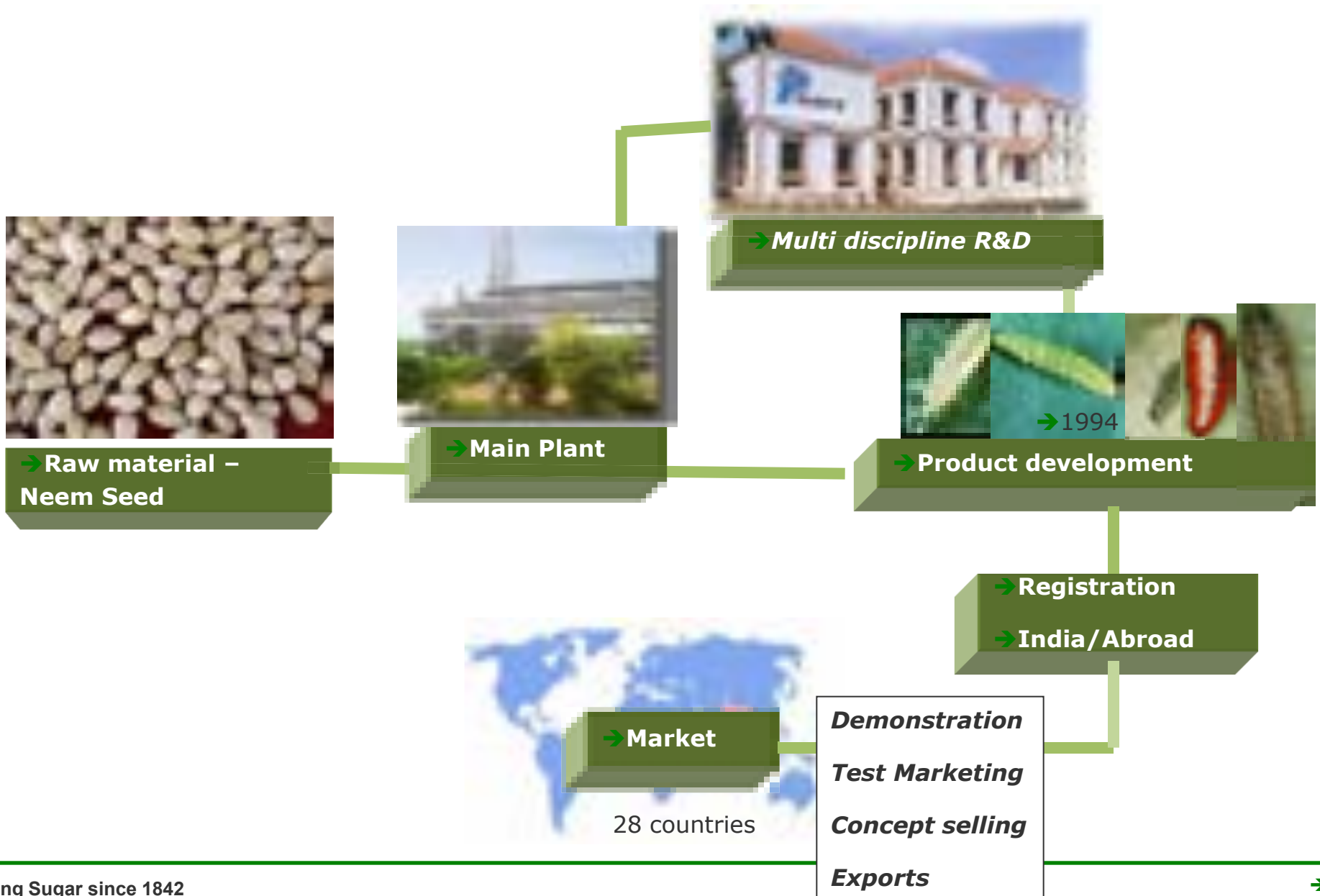
Rs. Mn

Description	06-07	07-08	08-09	09-10
SALES	112.0	171.9	291.4	374.7
PBIT	13.0	13.7	1.3	20.5
CAPITAL EMPLOYED	243.4	327.6	490.9	474.6

INVESTMENTS

PHTYO REMEDIES (2007-2010)	21.3
VALENSA (2008-2011)	481.0
TOTAL	502.3

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- The global pesticide market was valued at approximately \$40 billion in 2008. This figure increased to nearly \$43 billion in 2009 and is expected to grow at a compound annual growth rate (CAGR) of 3.6% to reach \$51 billion in 2014.
- Biopesticides represent a strong growth area in the global pesticide market. This segment is expected to grow at a 15.6% compound annual growth rate (CAGR) from \$1.6 billion in 2009 to \$3.3 billion in 2014.
- Synthetic pesticides represent the greatest market share, valued at \$41 billion in 2009. This market will be worth an estimated \$48 billion in 2014, a compound annual growth rate (CAGR) of 3%

- Achieved maximum production of 7450 Kg and sale of 5300 kg so far in a year.
- Obtained product registration in over 32 countries with Brazil, S Korea, Australia and Japan developing into new high volume potential markets.
- Received 3 different patents for product and process across 10 countries.
- Year 09-10 was an aberation(due to recession)
- Launched a plant extract based Plant Growth Regulator granule, achieved a sale of about 500 MT in 2009-10. plan in place to double the volume in 10-11
- Plan to increase sale by 60% during 2010-11

Description	06-07	07-08	08-09	09-10
<u>Sales Quantities</u>				
Total Technical(in Kgs)	3928	5129	4900	4319
Abda MT		30	147	509
Sales Value (Rs. Mn)	262.7	306.0	363.6	362.6
PBIT(Rs. Mn)	29.3	59.2	71.7	56.1
Capital Employed(Rs. Mn)	368.9	363.7	463.9	505.6

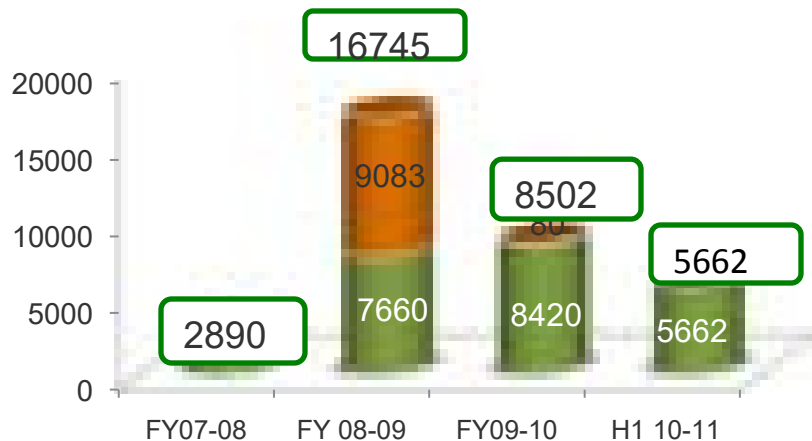
- Company Overview
- Sugar Business
 - ▶ World and Indian Sugar Balance
 - ▶ Closer look @ Sugar in South India
 - ▶ EID – Sugar Business
- Bio Products Business
 - ▶ Nutraceuticals
 - ▶ Bio Pesticides
- Consolidated Financials

Revenue

Rs. Million

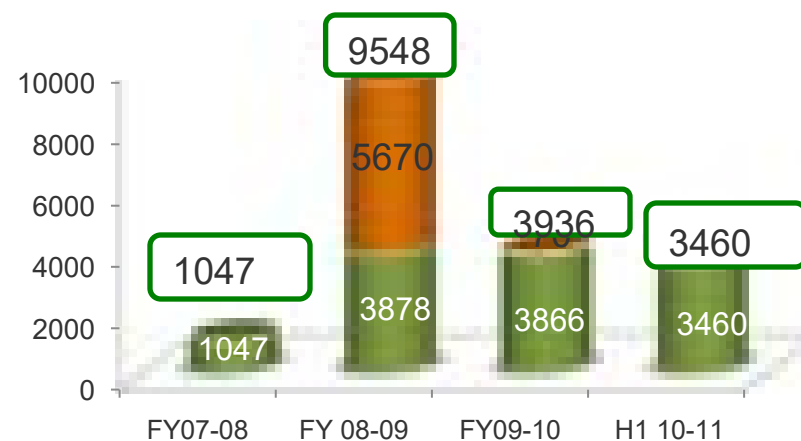


EBT



■ EBT(excl. Profit on Sale of Invest) ■ Profit on Sale of Investments

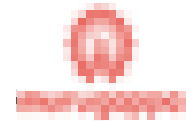
PAT



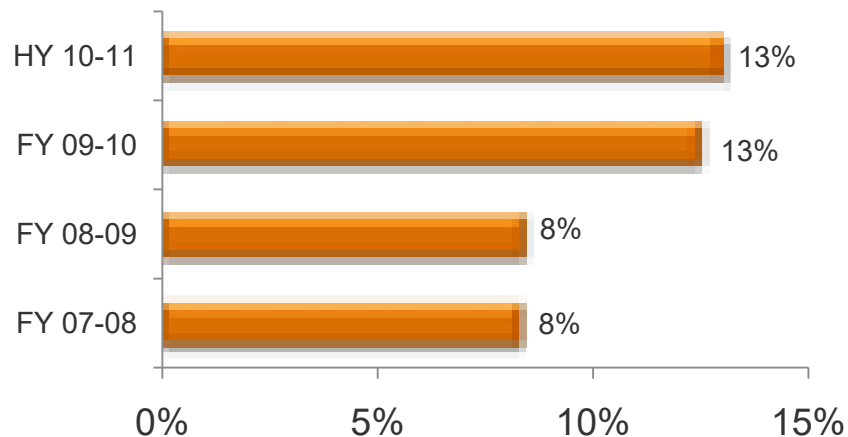
■ Net Profit excl Sale of Invest. ■ Profit on Sale of Invest. after Tax



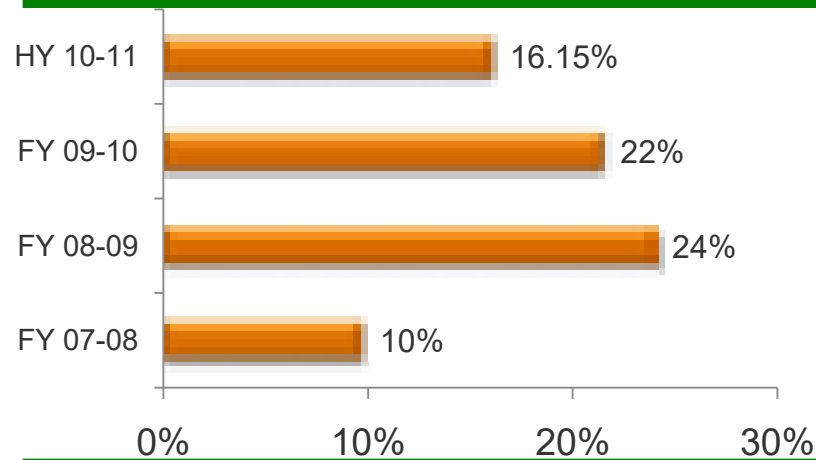
FINANCIALS SNAP SHOT: CONSOLIDATED



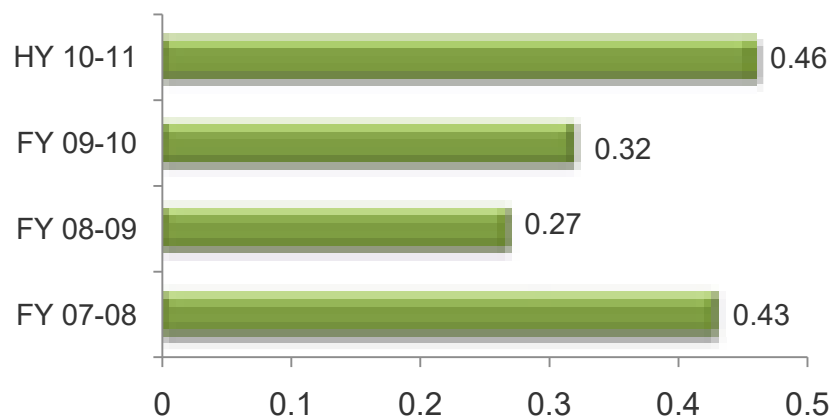
Operating Margin %



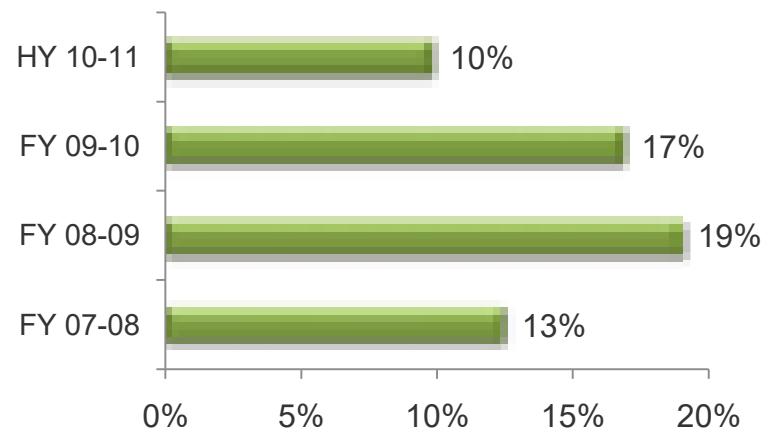
Return on Equity



Long Term Debt : Equity

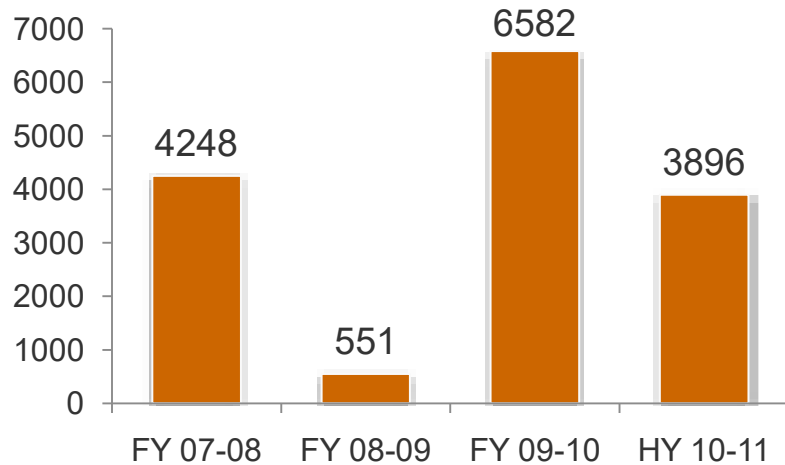


Return on Capital Employed



Average Payout over last 5 Years – 32%, Rs. 3571 Million
(Group Dividend Policy – 30% of PAT)

Free Cash Flow (in MN)



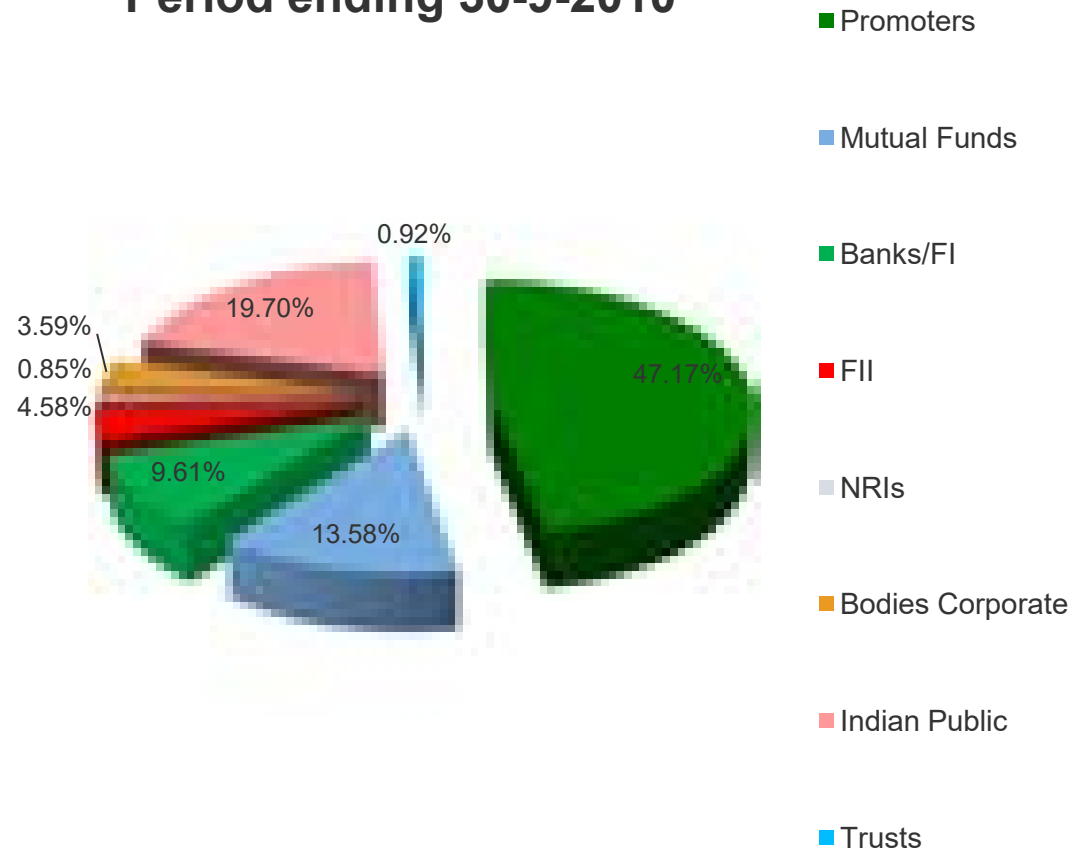
Rating

→ CRISIL upgraded

- Long Term Debt rating to AA/Stable outlook from AA-/Stable outlook.
- Short Term Debt rating to P1+
- same ratings also been assigned by CRISIL as Bank Loan rating as per BASEL II requirement for the existing and proposed Bank Facilities.

Share Holding Pattern as on 30th Sep, 2010

Period ending 30-9-2010



Investor Co-ordinator

For further information, please contact:

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Quartely Results

Last week of January '2011 and April '2011, July '2011, October '2011



Stronger... Greener... Bigger...

Thank You