



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



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

Investor Presentation

June 2011

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

Sugar

Sugar Cogeneration Distillery Refinery

Tamil Nadu
& Puducherry

TCD - 19000

84.5 MW

135 KLPD

Andhra
Pradesh

TCD - 5000

16 MW

45 KLPD

2000 TPD
35 MW

Karnataka

TCD - 8500

45.5 MW

50 KLPD

TCD - 32500

146 MW

230 KLPD

2000 TPD
35 MW

Bio – Products

Bio – Pesticides
& Nutraceuticals

Farm Inputs

Phosphatic
Fertilisers
32.6 LMT

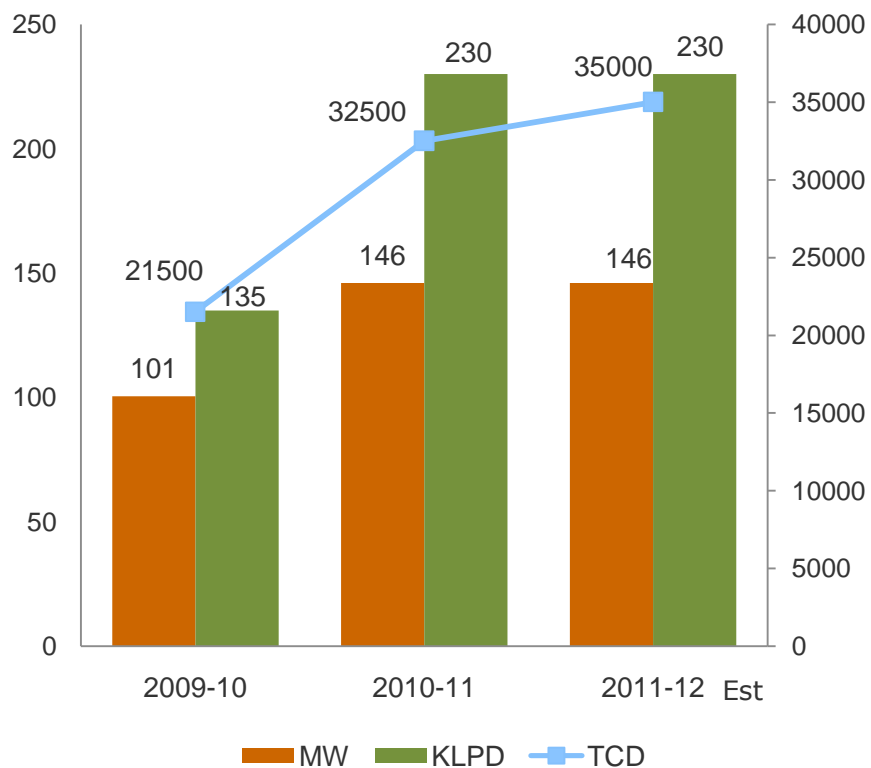
Specialty Nutrients
& Compost

Pesticides

Retail

- TCD – Tons crushed per day
- MW – Mega Watt
- KLPD – Kilo Litres per day
- TPD – Tons per day
- LMT – Lac Metric Ton

Capacity - Sugar Power Distillery



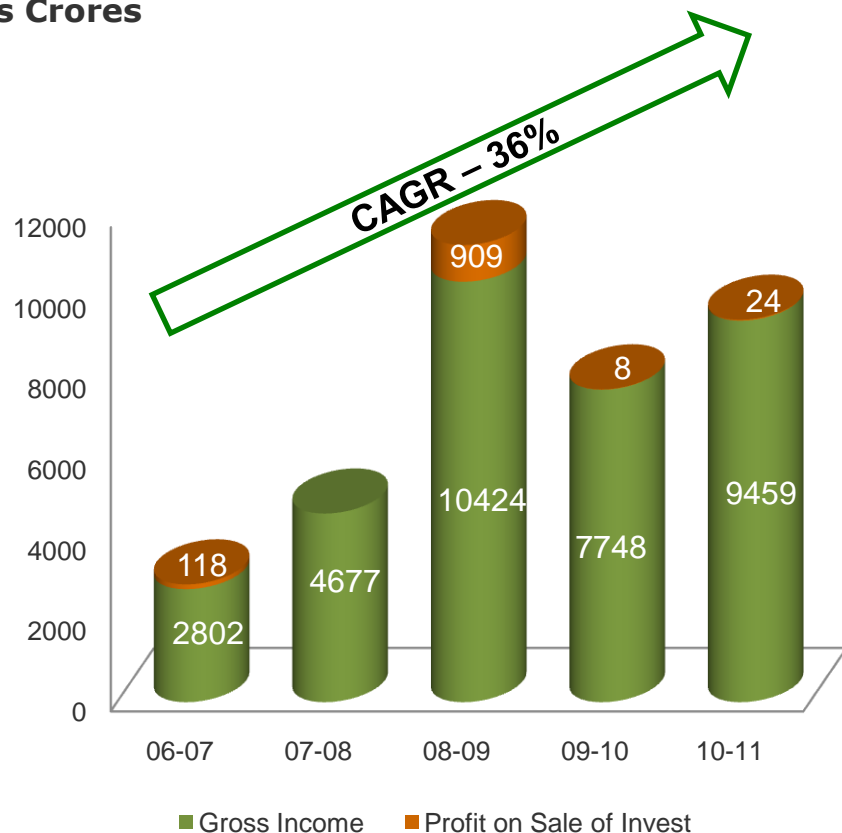
Production (in LMT) -Phosphatic Fertilisers



Production Capacity – 32.6 LMT

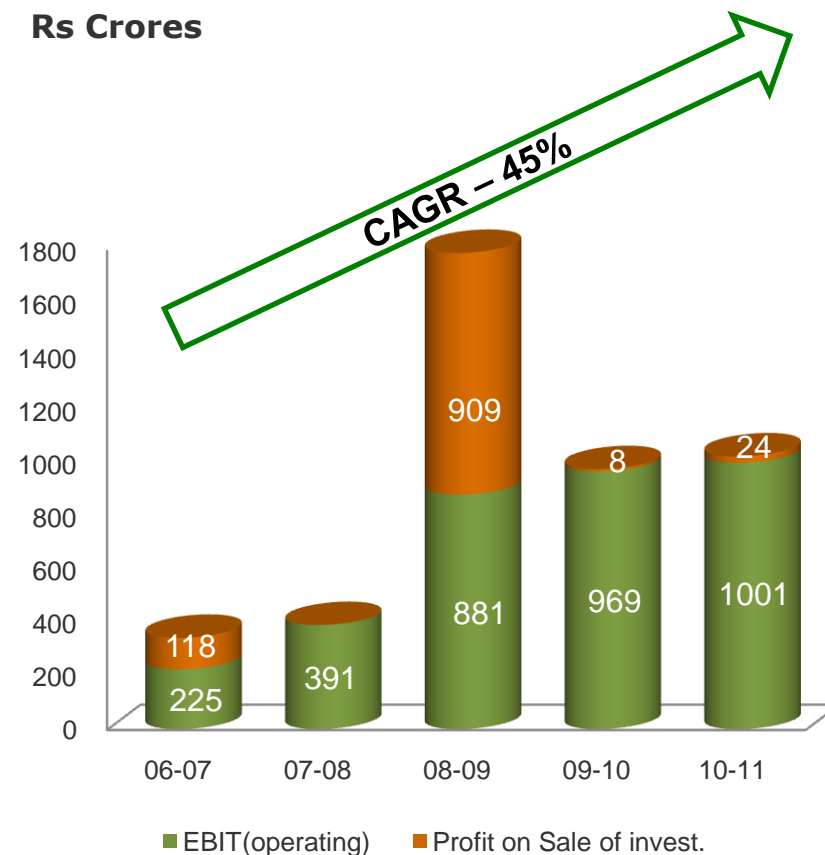
Consolidated Gross Income

Rs Crores



Consolidated EBIT

Rs Crores

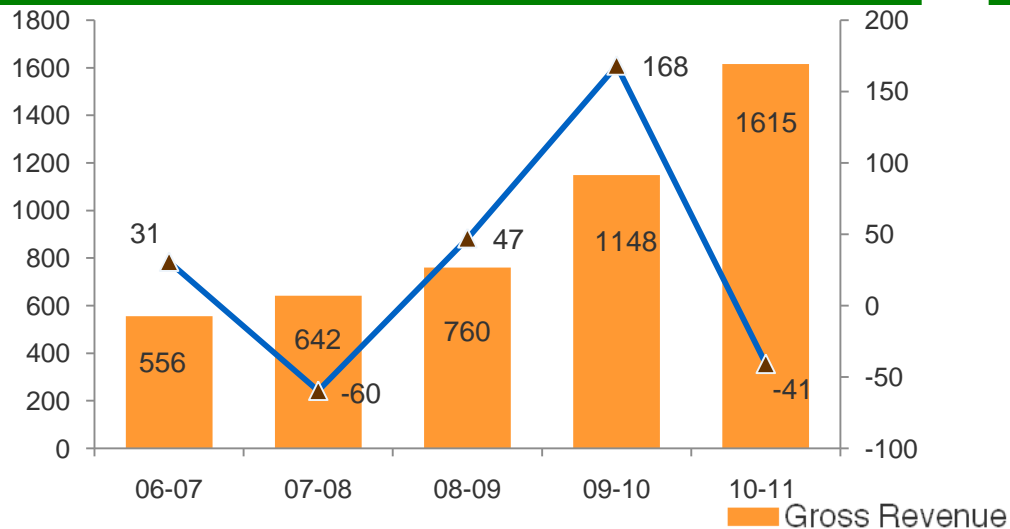


EBIT includes Minority Interest

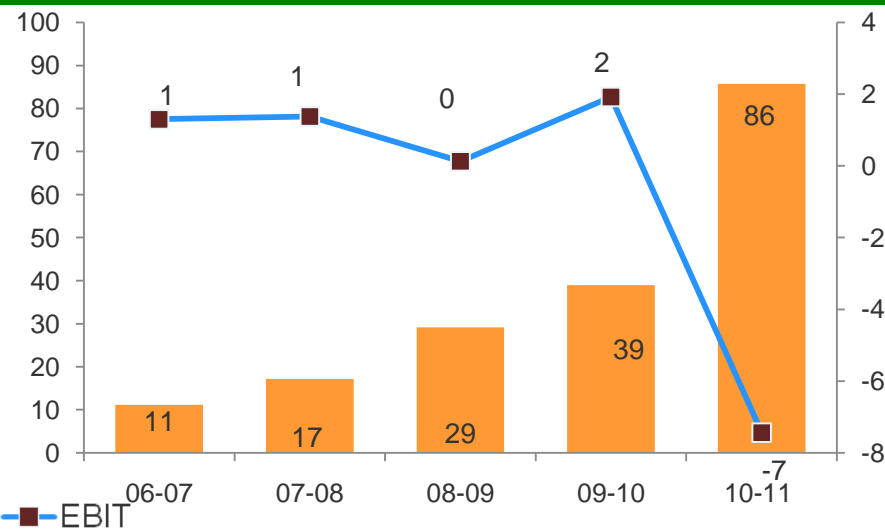
CAGR – Operating CAGR

Segmental Revenue and EBIT

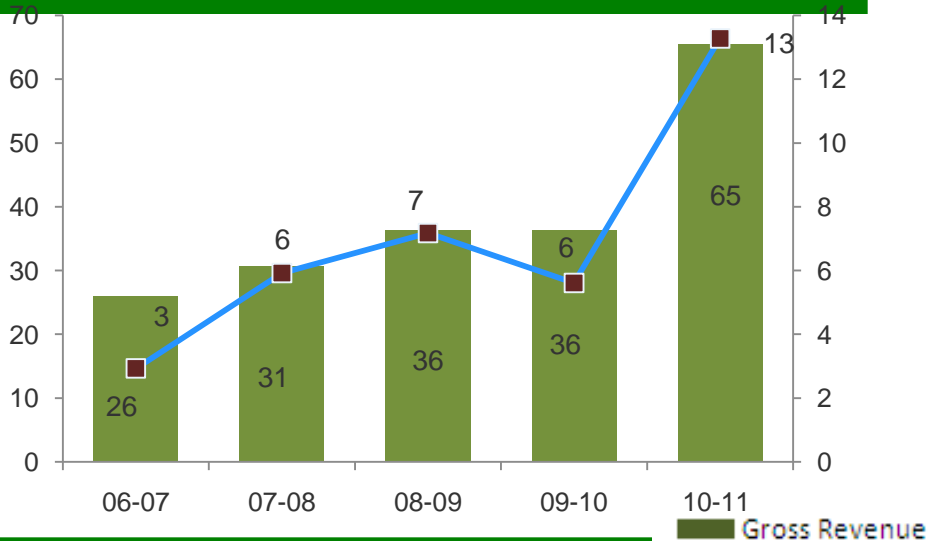
SUGAR



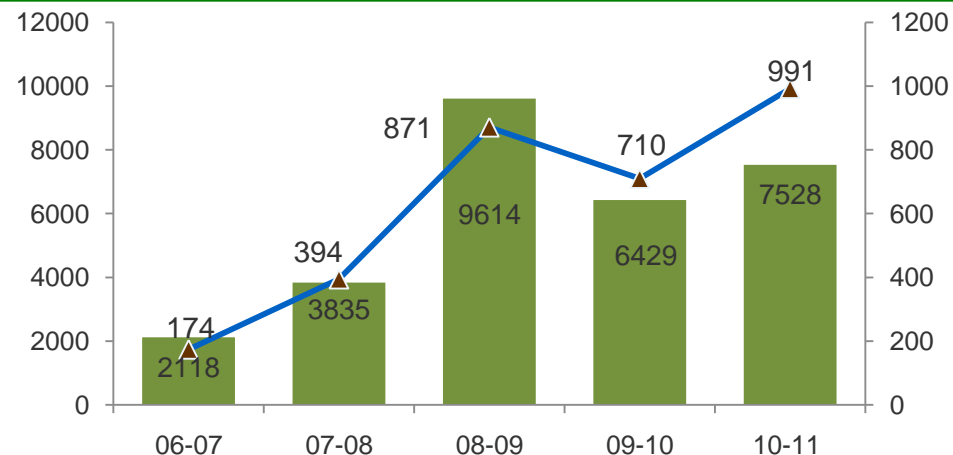
Nutraceuticals



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	2010/ 11	Changes	
			in mln t	in %
Production	158.0	167.0	9.0	5.7
Consumption	162.6	166.2	3.6	2.2
Surplus / Deficit	-4.6	0.8		
Import demand	53.8	50.4	-3.4	-6.2
Export Availability	54.2	51.3	-2.9	-5.4
End Stocks	56.2	56.2	0.0	-0.1
Stocks/ Consumption ratio in %	34.6	33.8		

Source: ISO Quarterly Market Outlook, May 2011

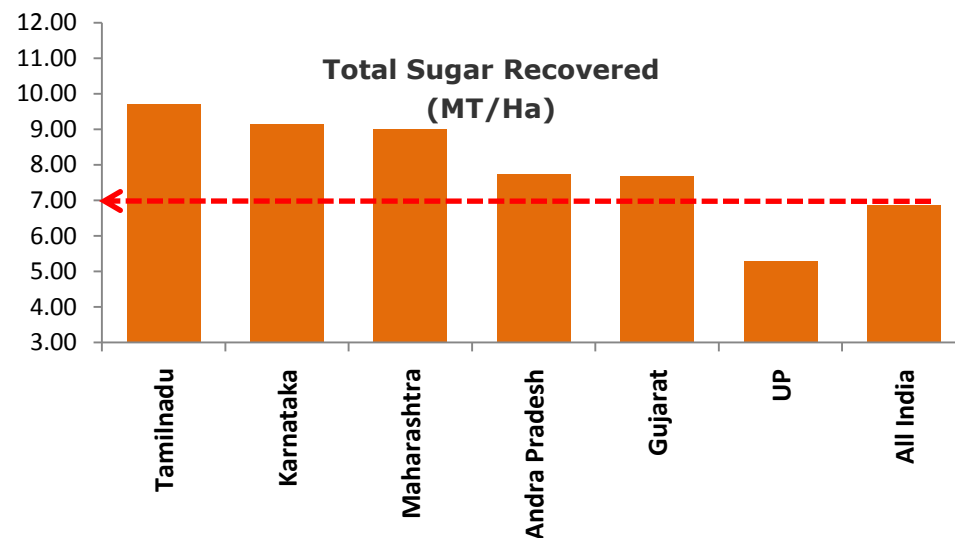
India's Sugar Balance (mln t)

Particulars	SS 2008-09	SS 2009-10	SS 2010-11
Opening stock	8.6	2.5	3.5
Production	14.5	18.9	24.2
Imports	2.5	4.2	0.0
Consumption	23.0	22.0	22.8
Exports	0.2	0.2	2.0
Closing stock	2.5	3.5	2.9
Stock to Consumption Ratio %	10.9	15.9	12.7

Source: Crisil , May 2011

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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)

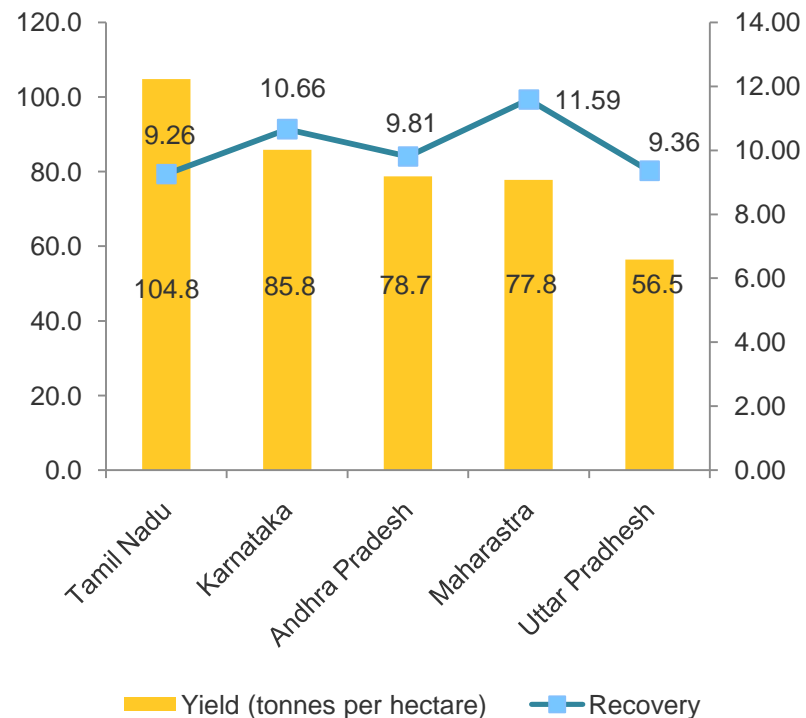
Operating days & Off Season

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

★ 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	TCD - 3500 No. of working days - 210 Recovery - 9.5% Investments - Rs.210 Crs. Return on Investment - 17%	Only Colombia
Short Duration	No Interest	TCD - 4500 No. of working days - 163 Recovery - 10.5% Investments - Rs.309 Crs. Return on Investment - 15%
	Low Recovery	High Recovery

Key Assumptions

Cane Crushing = 7.35 Lakh MTs
Sugar Price = Rs.26000
Cane Price = Rs.2000/MT

Cane Crushing = 7.35 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. 49.6 Crs
- Debt - Rs. 127 Crs

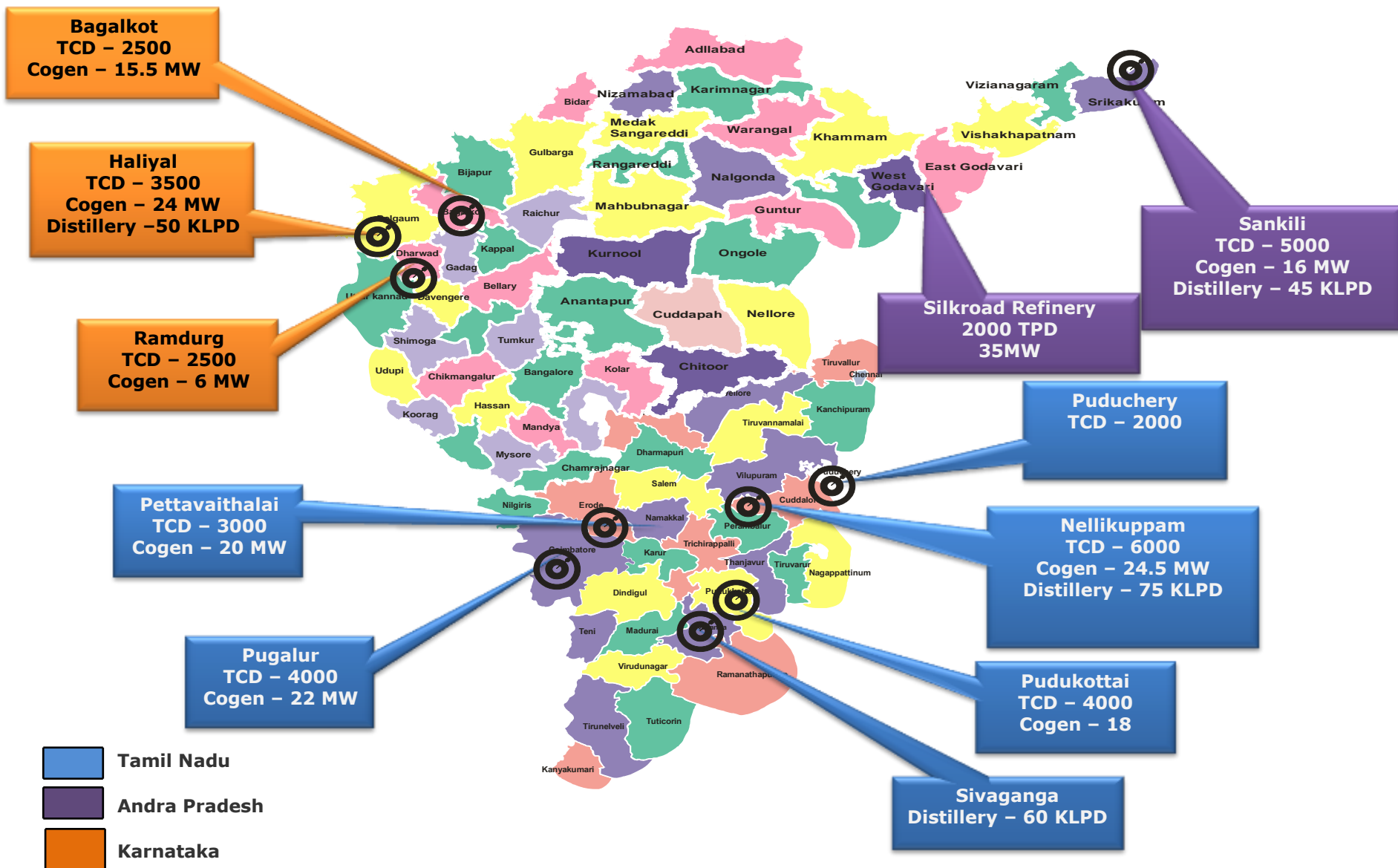
II) **Parrys Sugar Industries Ltd (PSIL*) – (Haliyal, Ramdurg, Sankili) (Karnataka & Andhra)**

- Date of Acquisition : 27-08-2010
- Capacity - 11000 TCD , 46 MW , 95 KLPD
- 65% Shareholding, Investment Rs. 98.8 Crs
- Debt – Rs. 350 Crs

* Previously known as GMR 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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Sugar – 35000 TCD

	2007-08	2008-09	2009-10	2010-11	2011-12 Est
Nellikuppam	5000	6000	6000	6000	6000
Pugalur	4000	4000	4000	4000	4000
Pettavaithalai	2500	3000	3000	3000	3000
Pudukottai	4000	4000	4000	4000	4000
Puducherry	2000	2000	2000	2000	2000
Tamil Nadu & Puducherry	17500	19000	19000	19000	19000
Sankili				5000	5000
Andhra Pradesh				5000	5000
Bagalkot			2500	2500	3500
Haliyal				3500	4000
Ramdurg				2500	3500
Karnataka			2500	8500	11000

Particulars	2007-08	2008-09	2009-10	2010-11	2011-12 Est
Cane Registration(in acres) *	92261	97147	94553	192344	239000
Cane Crushed(LMT) *	42.34	33.73	25.46	42.83	59.20
Recovery %	9.06	9.52	8.89	10.30	10.30
Process Loss	1.91	1.89	1.89	1.85	1.85
No. of. Operating days					
in Season	278	204	158	150-230	180-230
off Season(Power, Raw Sugar)			40	40-50	40-50

Estimate for 2011-12

* Cane Registration (in acres)

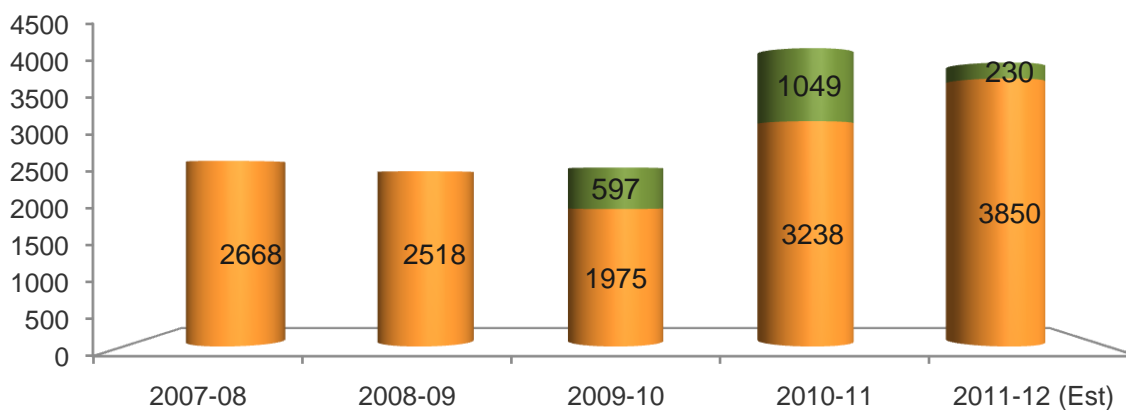
EID – 130000, Sadashiva – 30000, PSIL – 79000

Cane Crushing (LMT)

EID – 36, Sadashiva – 5.4, PSIL – 17.8

Cogeneration - 146MW

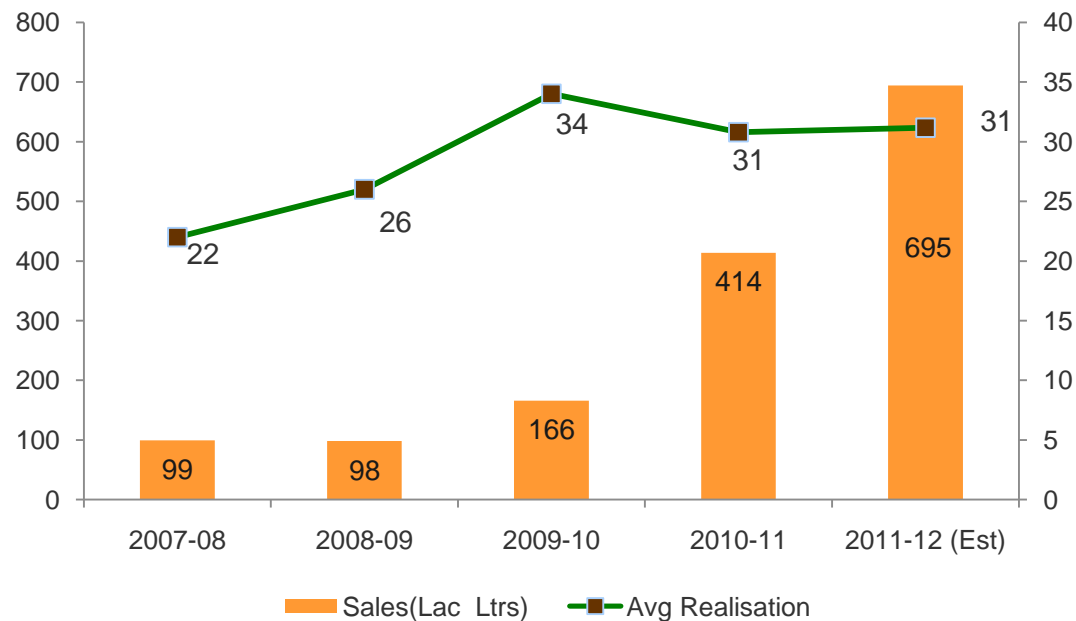
	2007-08	2008-09	2009-10	2010-11	2011-12 Est
Nellikuppam	24.5	24.5	24.5	24.5	24.5
Pugalur	22.0	22.0	22.0	22.0	22.0
Pettavaithalai		20.0	20.0	20.0	20.0
Pudukottai	18.0	18.0	18.0	18.0	18.0
Tamil Nadu	64.5	84.5	84.5	84.5	84.5
Sankili				16.0	16.0
Andra Pradesh				16.0	16.0
Bagalkot			15.5	15.5	15.5
Haliyal				24.0	24.0
Ramdurg				6.0	6.0
Karnataka			15.5	45.5	45.5



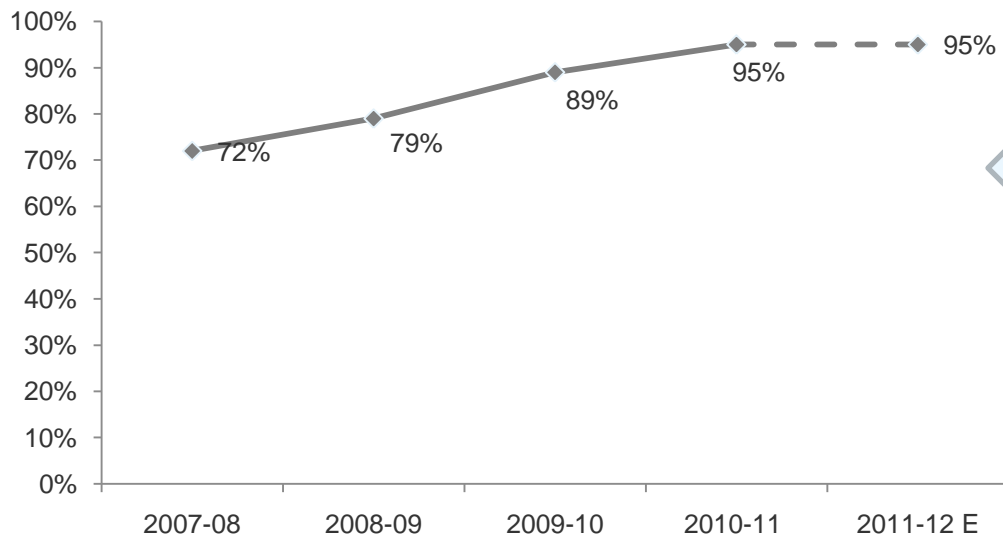
■ Season Power Export to Grid(in Lac units) ■ off Season Power Export to Grid(in Lac units)

Distillery – 230 KLPD

	2007-08	2008-09	2009-10	2010-11	2011-12 Est
Nellikuppam	40	40	75	75	75
Sivaganga		60	60	60	60
Tamil Nadu	40	100	135	135	135
Sankili				45	45
Andra Pradesh				45	45
Haliyal				50	50
Karnataka				50	50

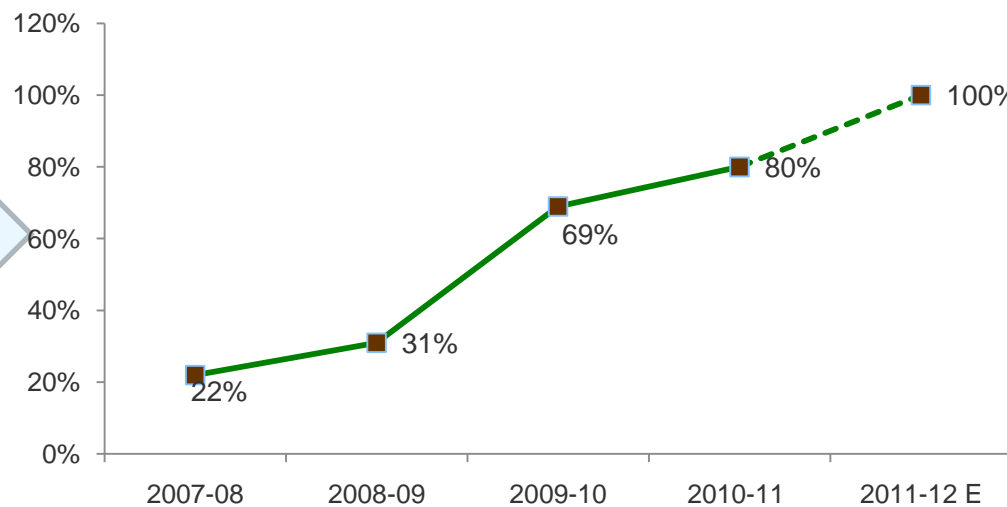


Bagasse utilisation (%) for Value Addition



Bagasse to Power

Molasses utilisation (%) for Value Addition



Molasses to Alcohol



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

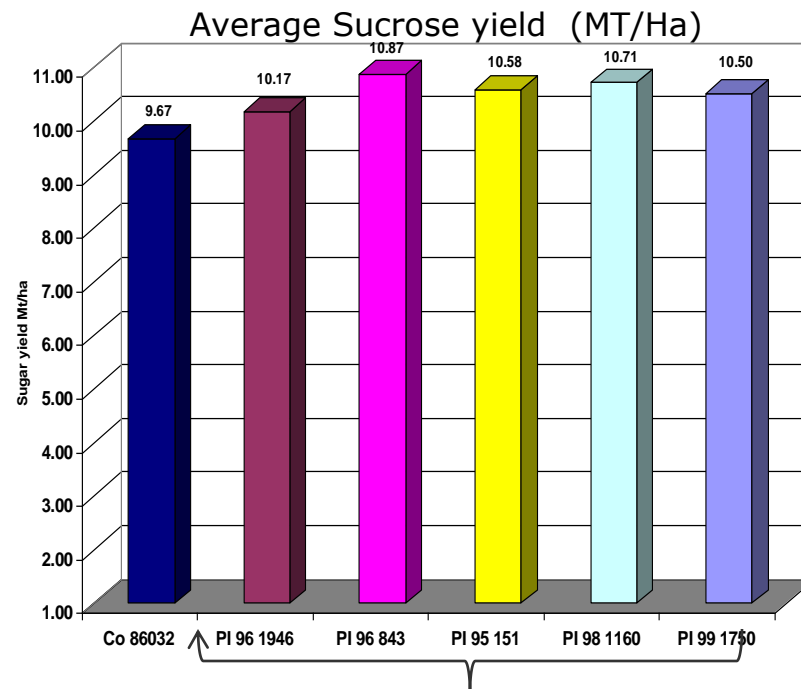
Infrastructure
& Crop loans

Soil analysis
Nutrient schedule
Remote sensing

Agri -inputs

Machinery
Implements

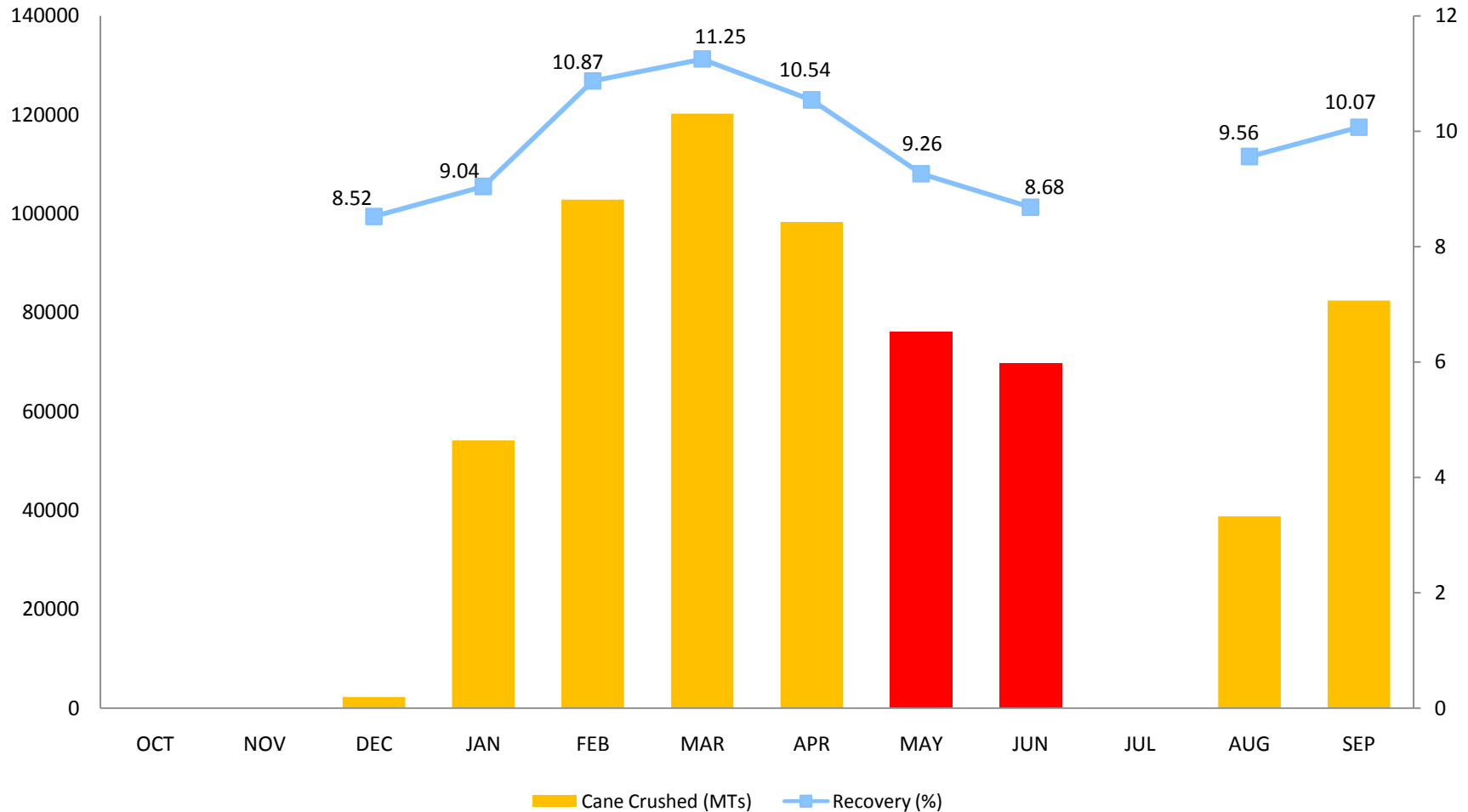
Tissue culture
Plants
Nursery setts



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



**Command Area
100% Drawal**

**On time Payment –
All the Time**

**No prior period
Liabilities for EID**

**Farmer
Loyalty**

- ➔ 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

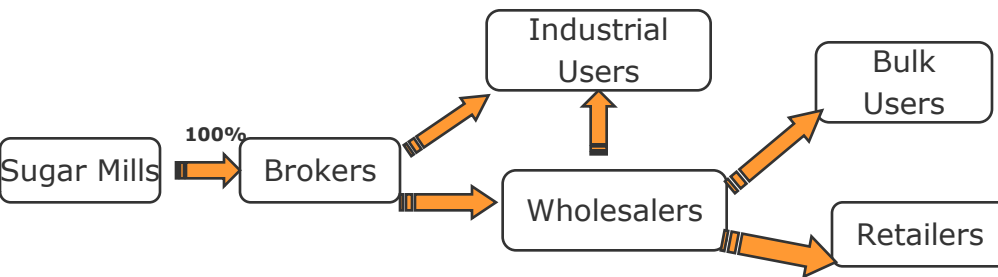


**Timely Supply
of Cane**

Higher Yield



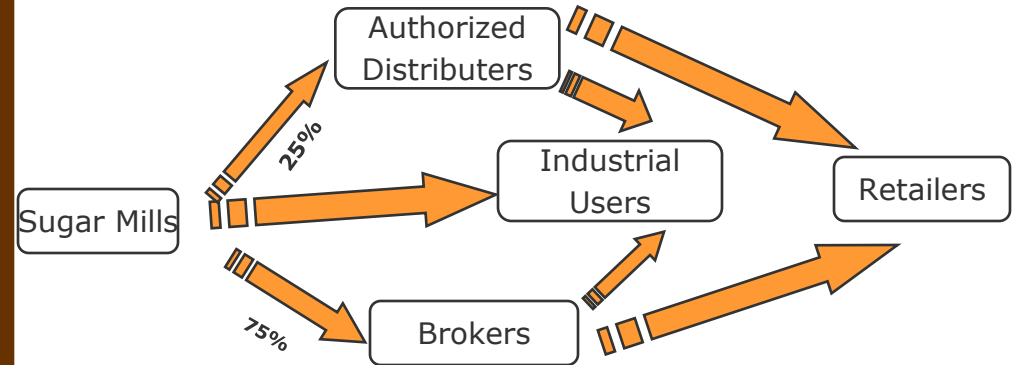
Traditional



Disadvantages

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

EID

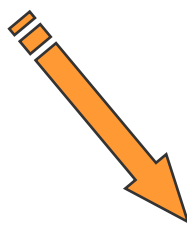


Advantages

- 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

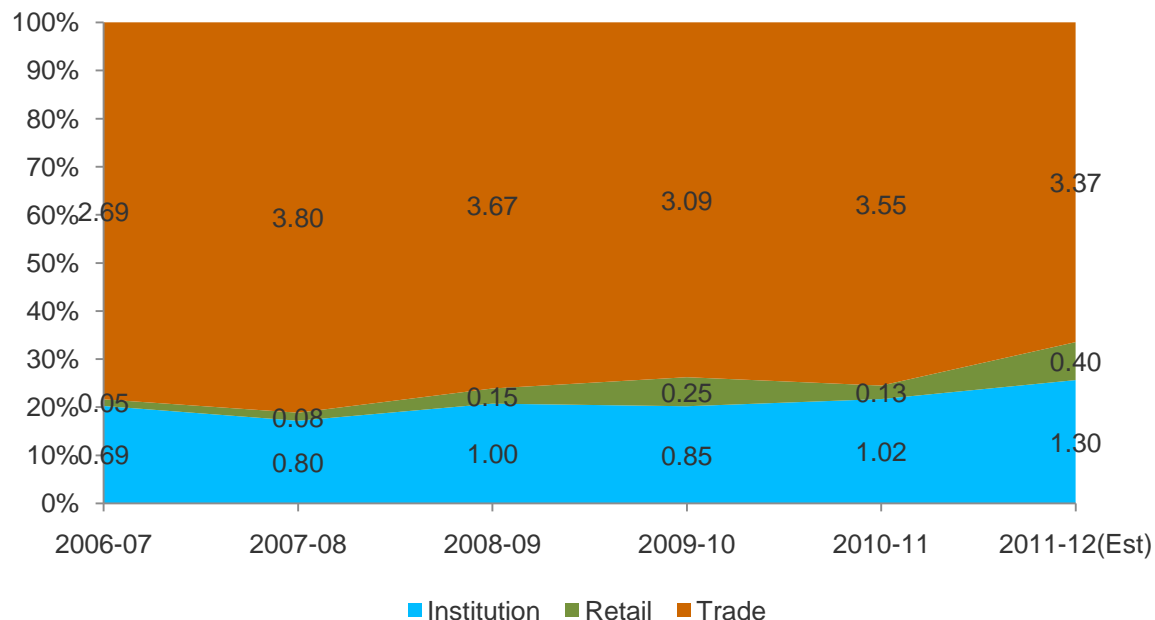


Institutional Customers
500

Retail Outlets
14000



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





Halal



ISO 9001-2008



Kosher



Indian Pharmacopoeia



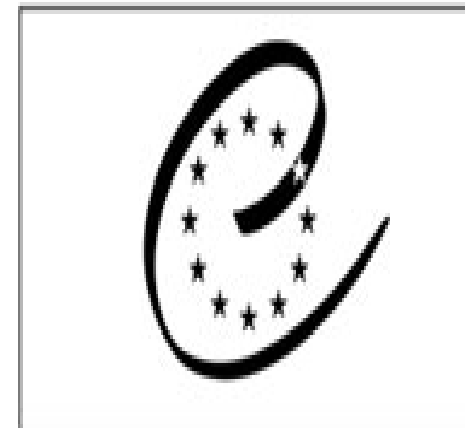
Japanese Pharmacopoeia



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 430 Crores

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**

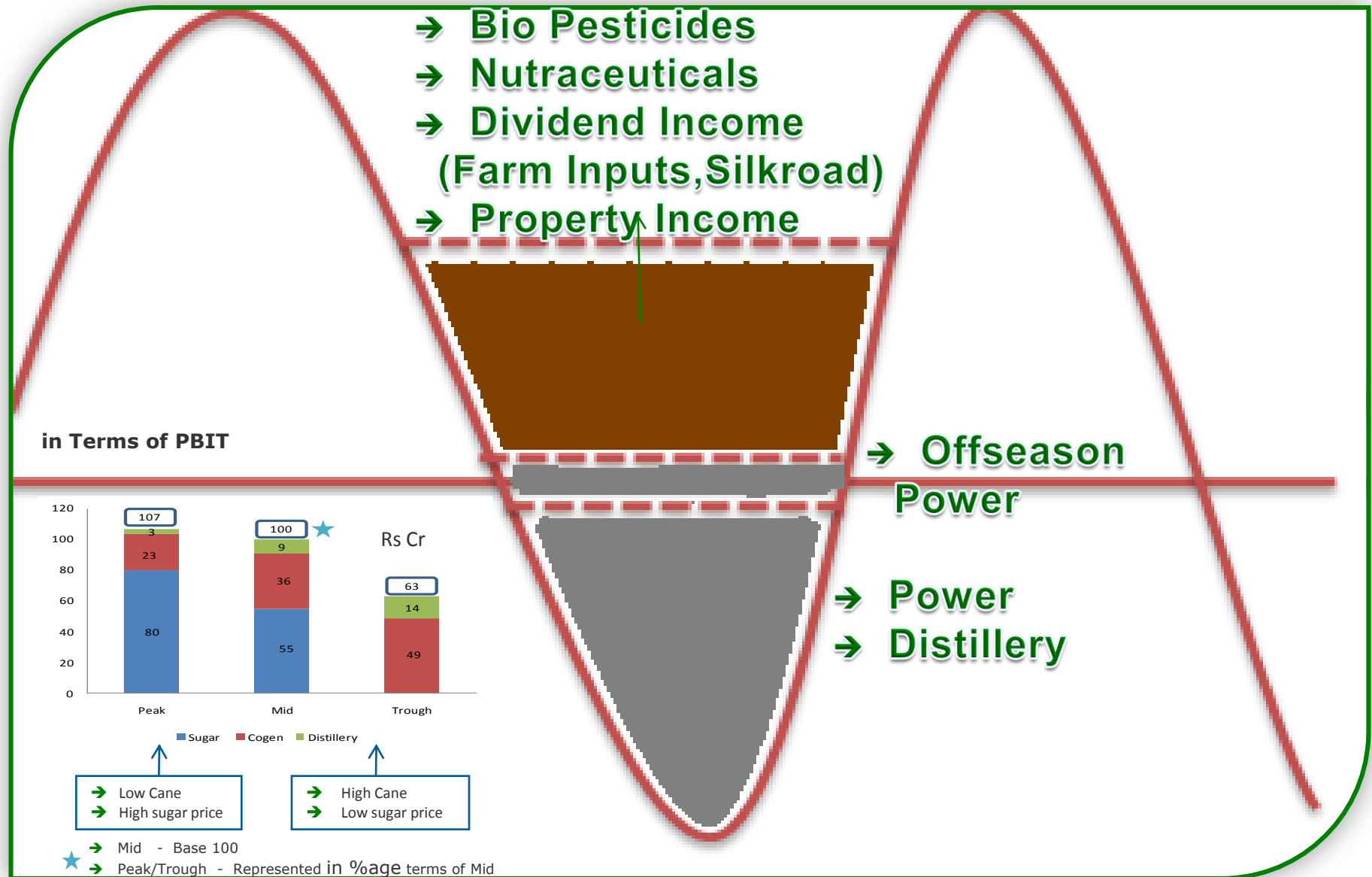
Rs. Crores

Investment	06-07	07-08	08-09	09-10	10-11	Total
Existing Facilities	116	91	298	82	36	622
Puducherry Unit	56					56
Silkroad Sugar	4	46	36	14		99
Sadashiva				50		50
Parrys Sugar					99	99
Total	176	137	333	146	135	926

Note:

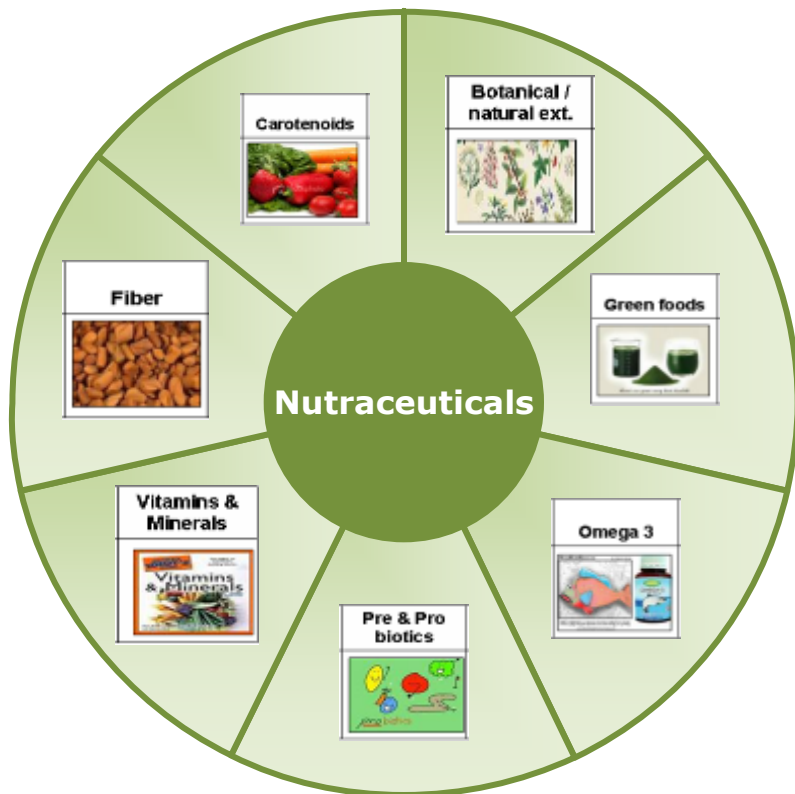
Benefits to accrue from following investment from 2011-12:

- Inv (Silkroad, Sadashiva & Parrys Sugar) - Rs. 248 Crores



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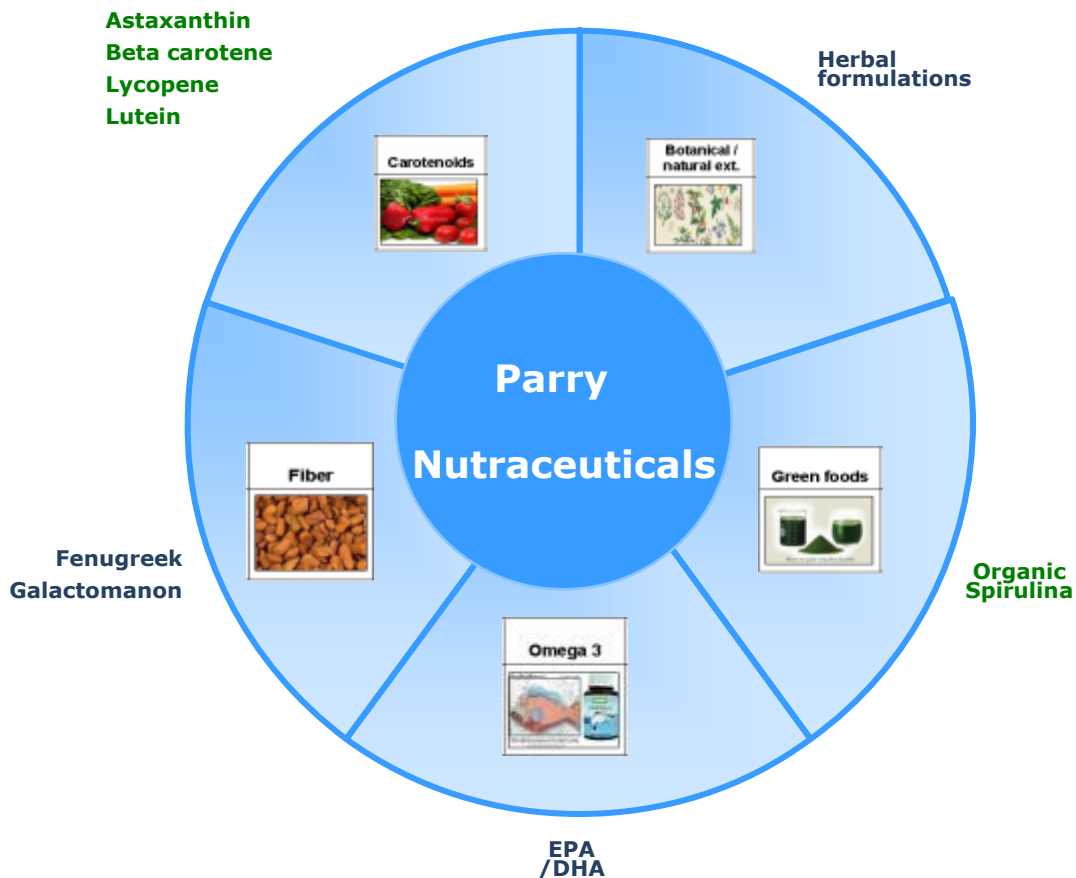
Global Nutraceutical Segments



Global Ingredient market size - \$ 27 Billions

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

Parry Nutraceuticals "Product portfolio"



Astaxanthin
Beta carotene
Lycopene
Lutein

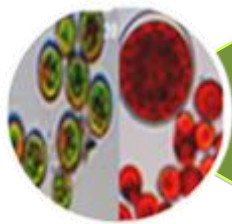
Organic
Spirulina

Existing Products
Pipeline Products



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

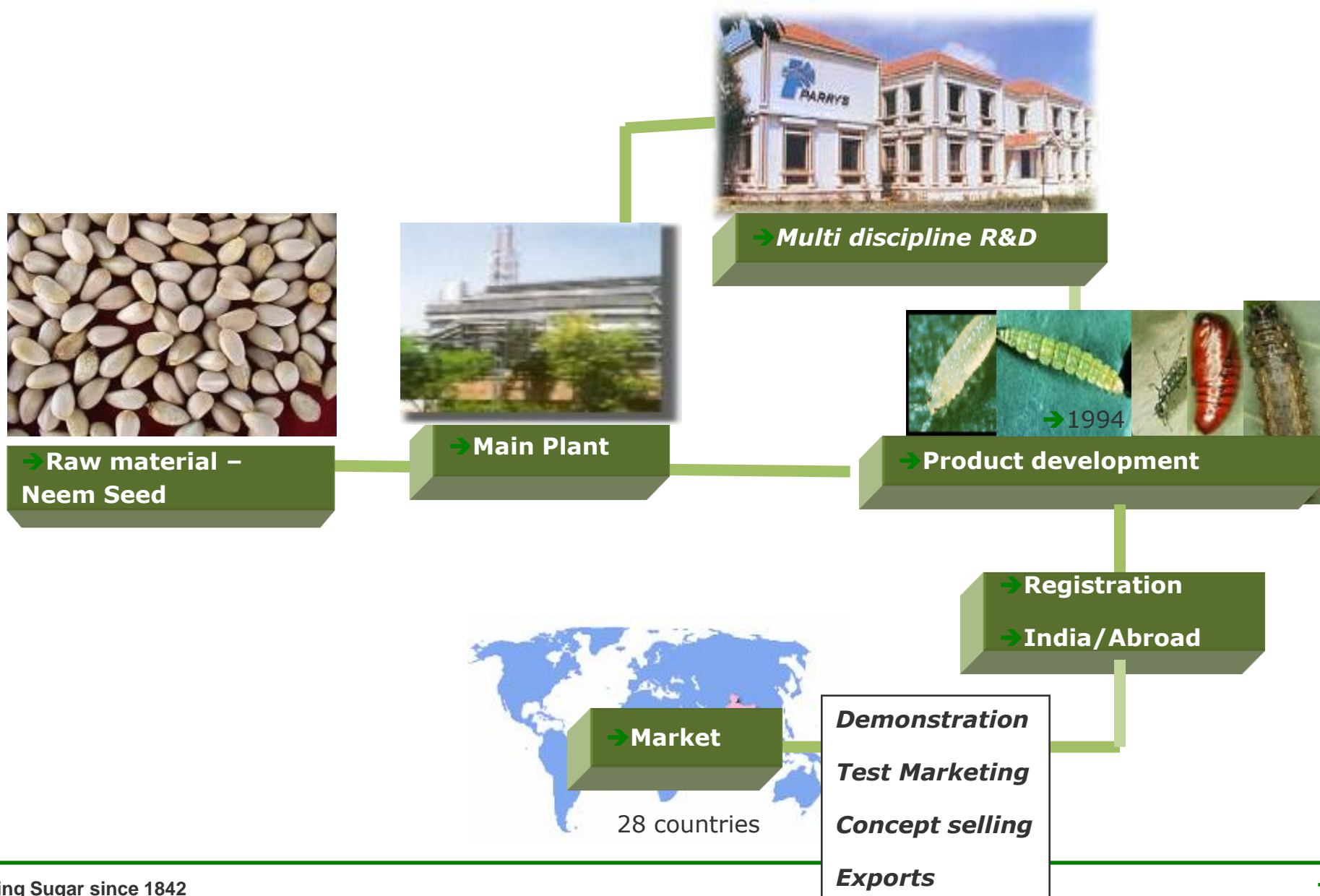
Current market	-	\$ 55 Mi.
Parry share	-	\$ 1.25 Mi.
CAGR	-	6%

Rs. Crores

Description	07-08	08-09	09-10	10-11
Sales	17.2	29.1	38.9	85.8
PBIT	1.4	0.13	1.9	-7.4
Capital Employed	38.5	55.3	53.7	107.1

Investments	
Phyto Remedies (2007-2010)	2.1
Valensa (2008-2011)	48.1
Total	50.2

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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%

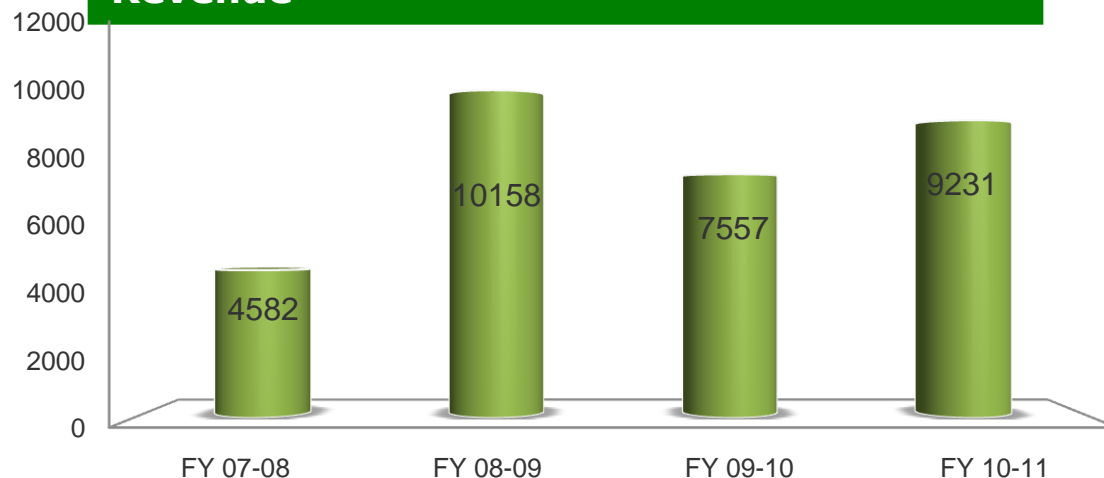
- Achieved maximum production of 7450 Kg (09-10) and sale of 6800 kg (10-11) so far in a year.
- Have registrations in over 41 countries and 5 different patents for product and process across 15 countries.
- Launched a plant extract based Plant Growth Regulator Granulein Domestic market, sales of which was 500 MT in 09-10 and doubled to 1100 MT in 10-11. Plan in place to grow the volumes by 3 times in 11-12.
- Highest ever sale of Rs.65 Crores achieved in 10-11(Against Rs.36 Crores of 09-10). Domestic Sales was 162% over 09-10 export sales was 157% over 09-10.
- Highest ever profitability of Rs.13.3 Crores achieved in 2010-11.

Description	07-08	08-09	09-10	10-11
<u>Sales Quantities</u>				
Total Technical(in Kgs)	5129	4900	4319	6777
Abda MT	30	147	509	1136
Sales Value (Rs. Crores)	30.6	36.4	36.3	65.4
PBIT(Rs. Crores)	5.9	7.2	5.6	13.3
Capital Employed(Rs. Crores)	37.8	47.7	51.6	57.3

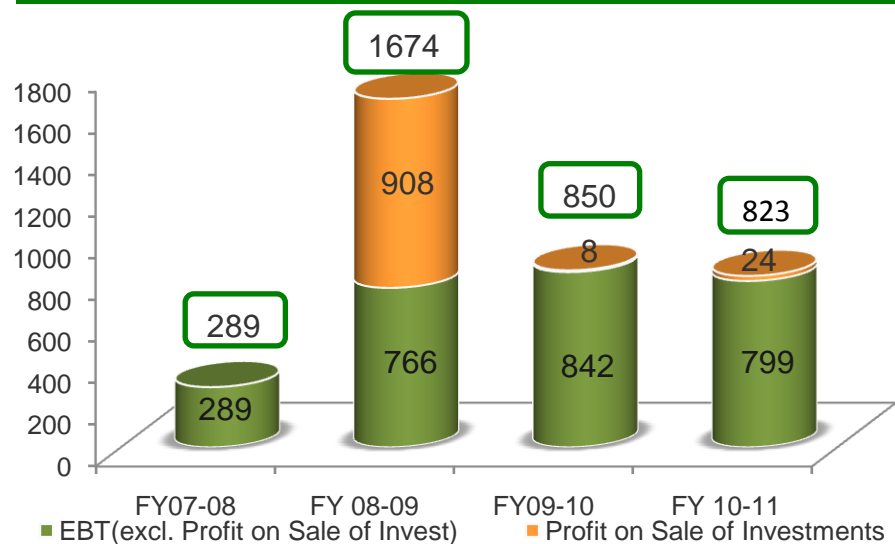
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 - ▶ Nutraceuticals
 - ▶ Bio Pesticides
- Consolidated Financials

Revenue

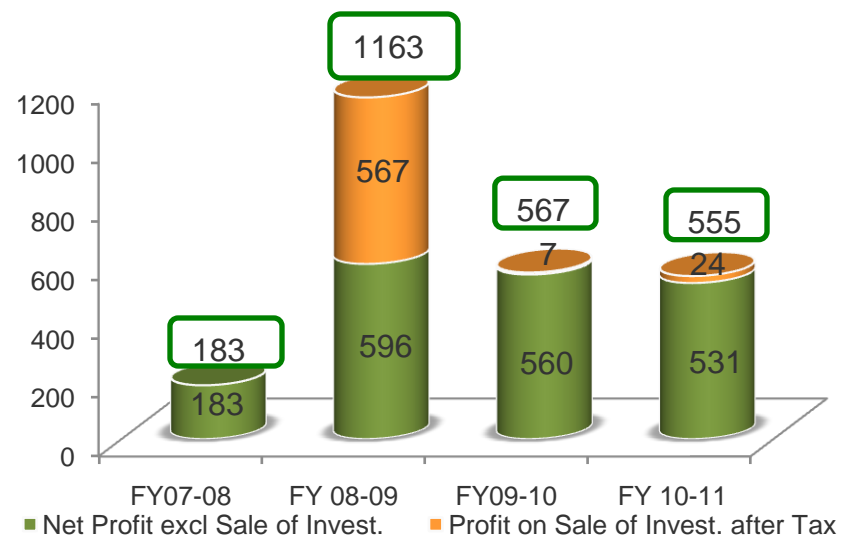
Rs. Crores



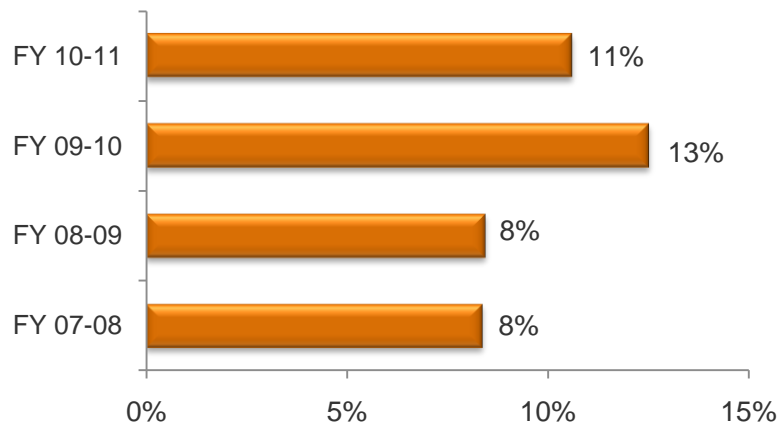
EBT



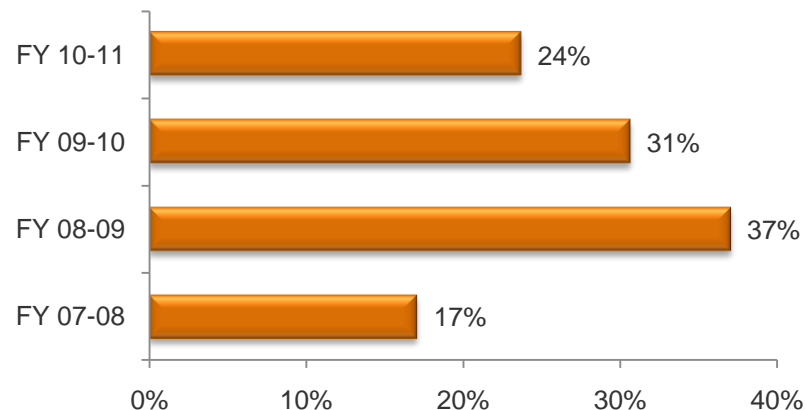
PAT *



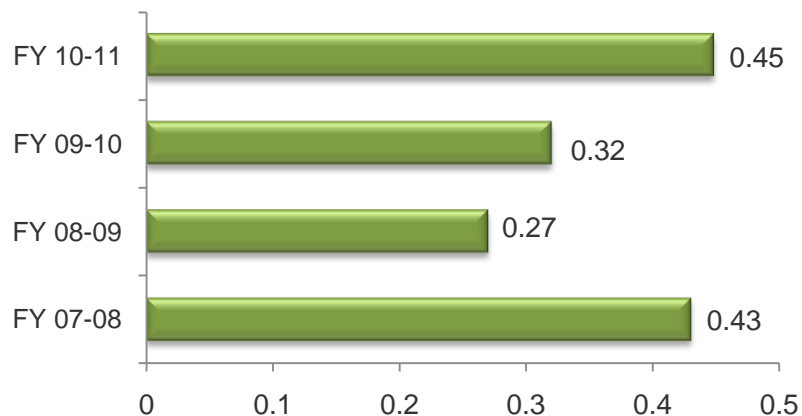
Operating Margin %



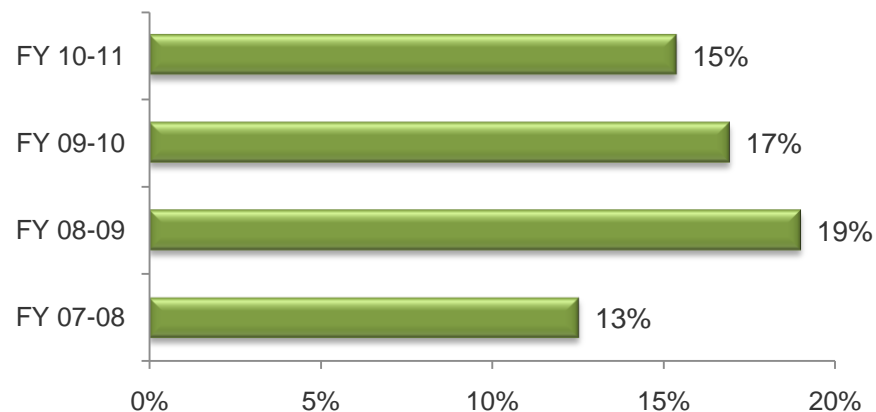
Return on Equity



Long Term Debt : Equity

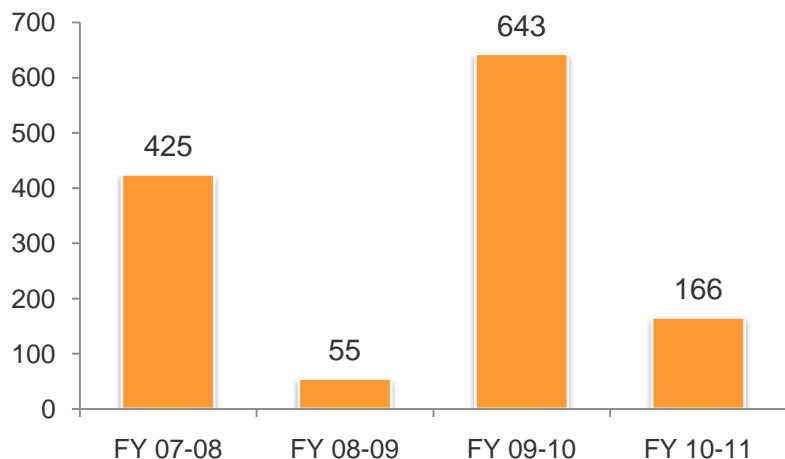


Return on Capital Employed



Average Payout over last 5 Years – 32%, Rs. 351Crores

Free Cash Flow (in Crores)

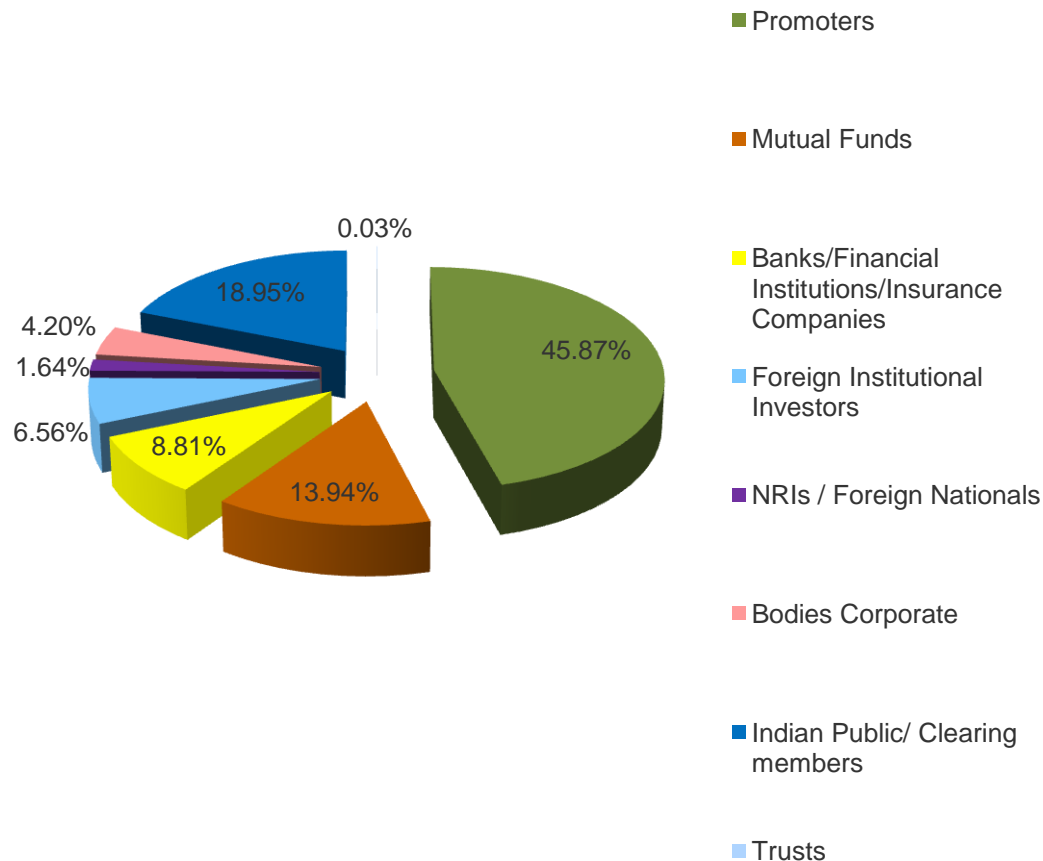


Rating

→ CRISIL

- Long Term Debt rating - 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 31st Mar, 2011



Investor Co-ordinator

For further information, please contact:

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Quarterly Results

Last week of July '2011, October '2011, January '2012, April ` 2012



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

Thank You