



**Green Synergies...Greener Horizons**

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

## **Investor Presentation**

**November 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
  - ▶ EID – Sugar Business
- Bio Products Business
  - ▶ Nutraceuticals
  - ▶ Bio Pesticides
- Consolidated Financials

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No.1 Sugar Producer in South India

Second Largest Phosphatic Fertiliser producer in India

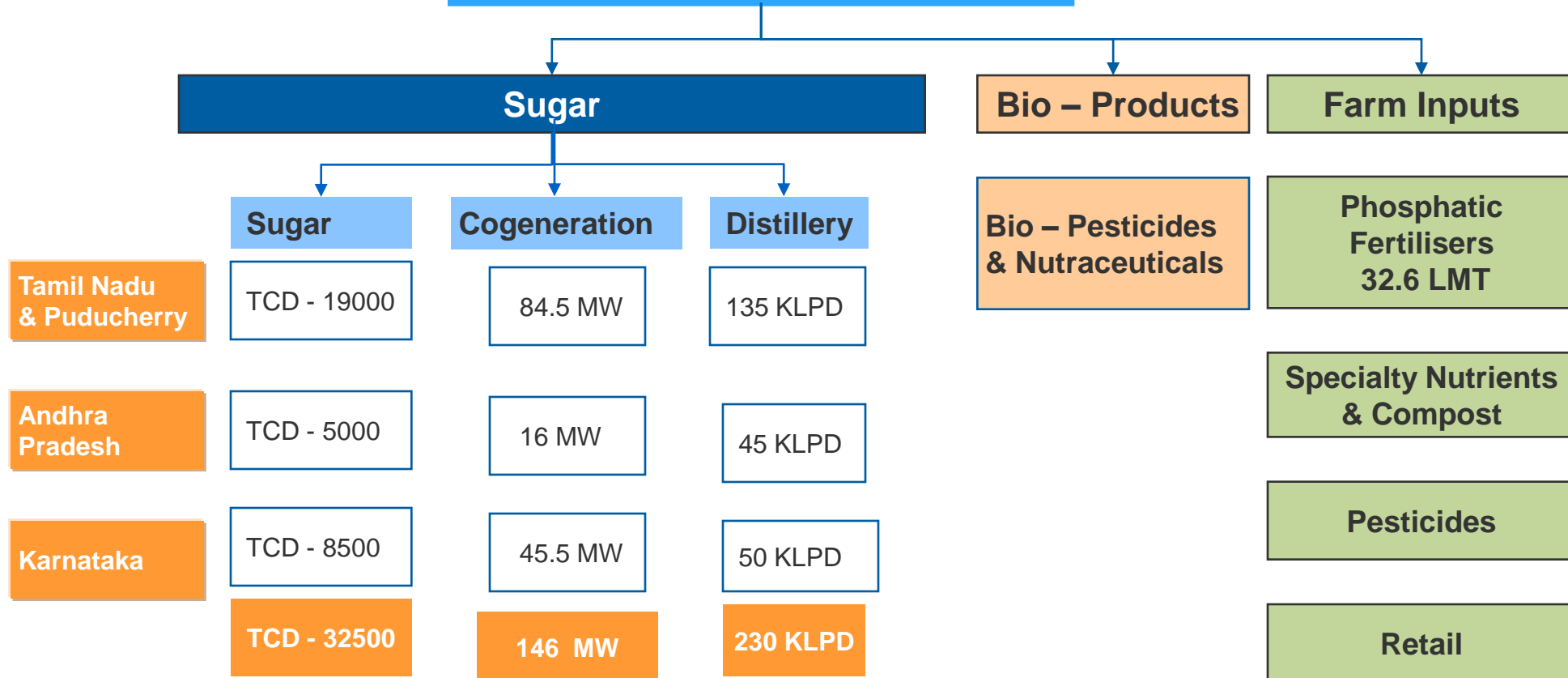
## **Serving for more than 200 years....**

- ➔ 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

**“ Amongst the Top 500 India’s most valuable Companies”  
- Business Today 2011 survey**

**Enrich life by creating value from agriculture**

## BUSINESS UNDER EID's FOLD

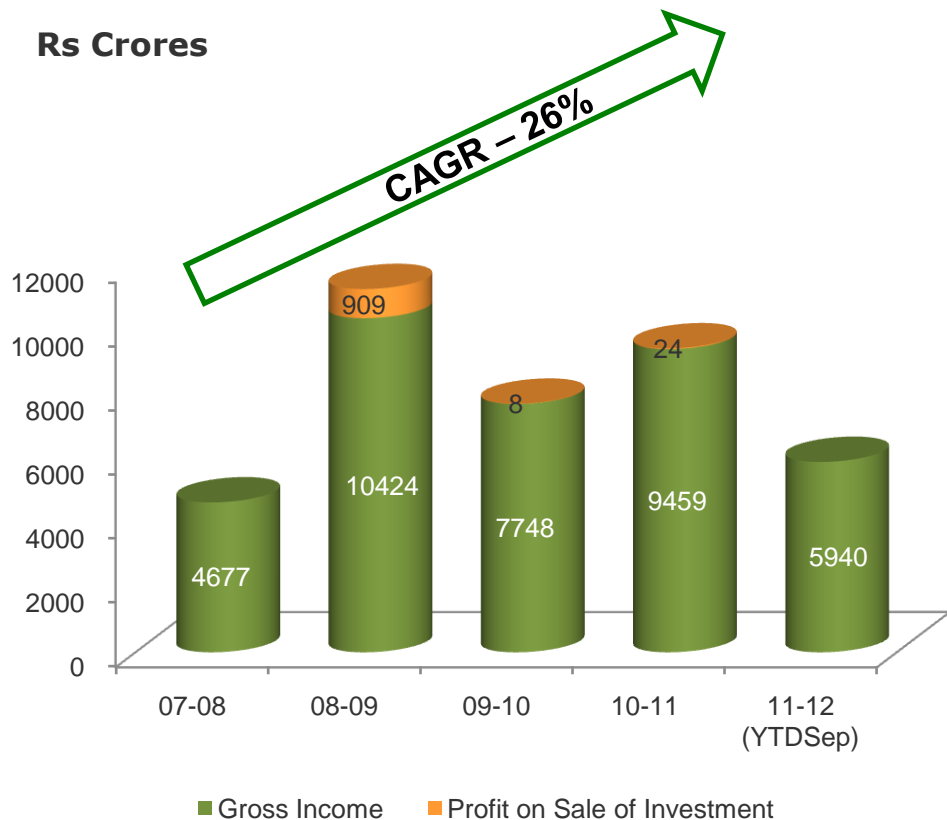


- TCD – Tons crushed per day
- MW – Mega Watt
- KLPD – Kilo Litres per day
- LMT – Lac Metric Ton



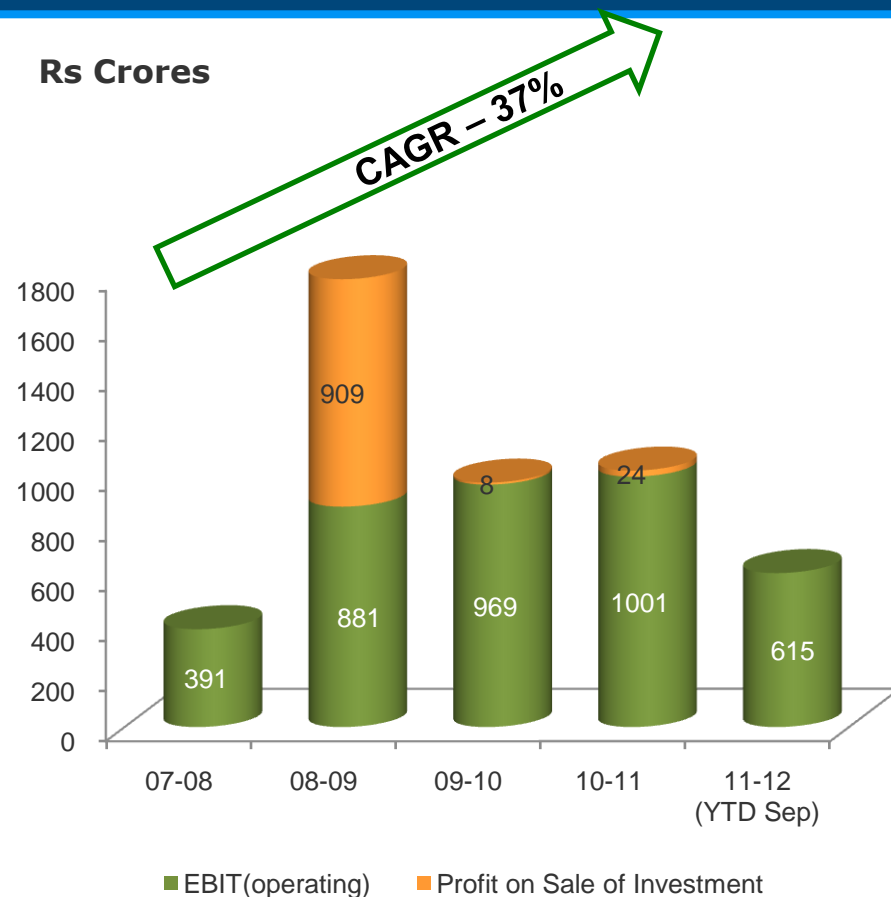
## Consolidated Gross Income

Rs Crores



## Consolidated EBIT

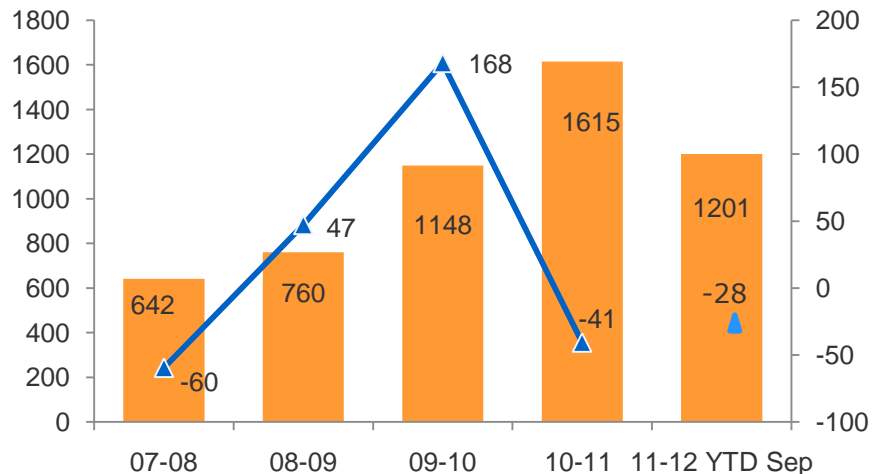
Rs Crores



EBIT includes Minority Interest

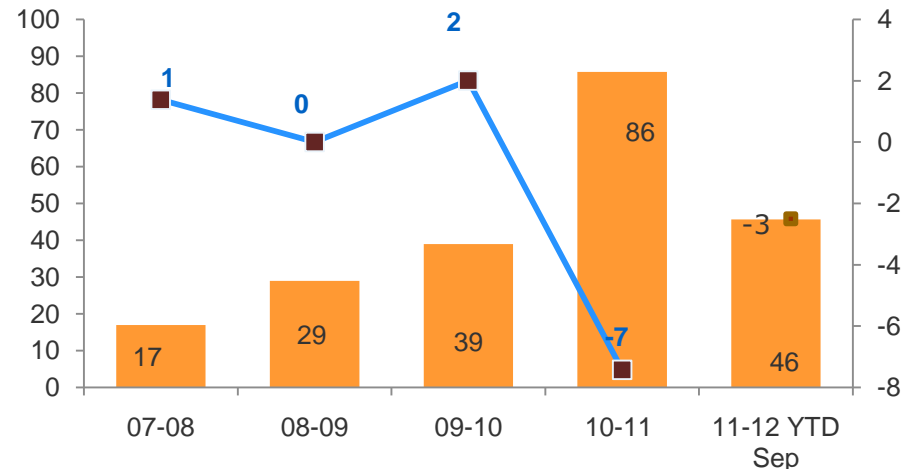
CAGR – Operating CAGR

## SUGAR

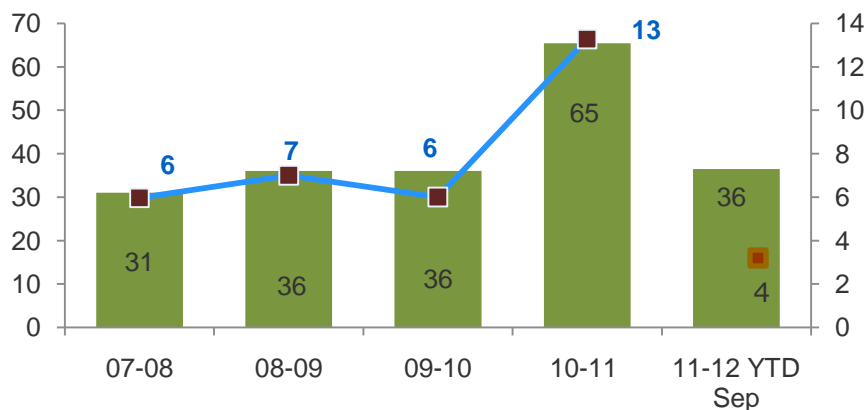


Orange bar = Gross Revenue Blue line = EBIT

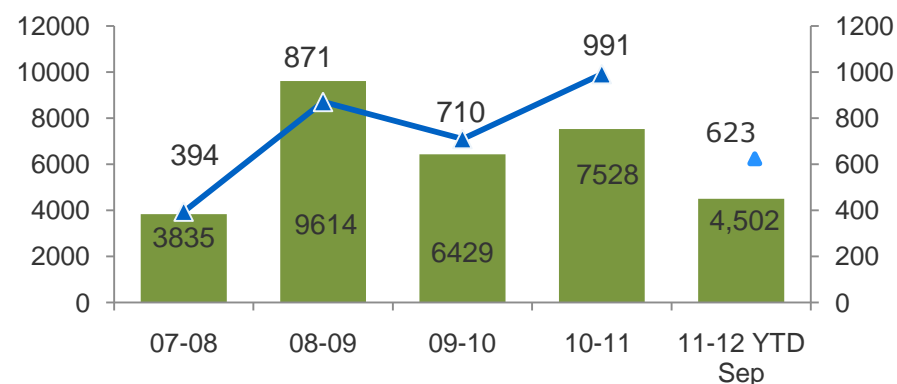
## Nutraceuticals



## Bio- Pesticides



## Farm Inputs



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



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## World Sugar (million MT)

Particulars	2010-11	2011-12	Changes in mln t	Change s in %
Production	165.7	172.4	6.7	4.0
Consumption	164.8	168.2	3.3	2.0
Surplus / Deficit	0.8	4.2		
Import demand	51.6	48.4	-3.2	-6.1
Export Availability	51.8	52.2	0.3	0.7
End Stocks	57.0	57.5	0.5	0.9
Stock to Consumption Ratio %	34.6	34.2		

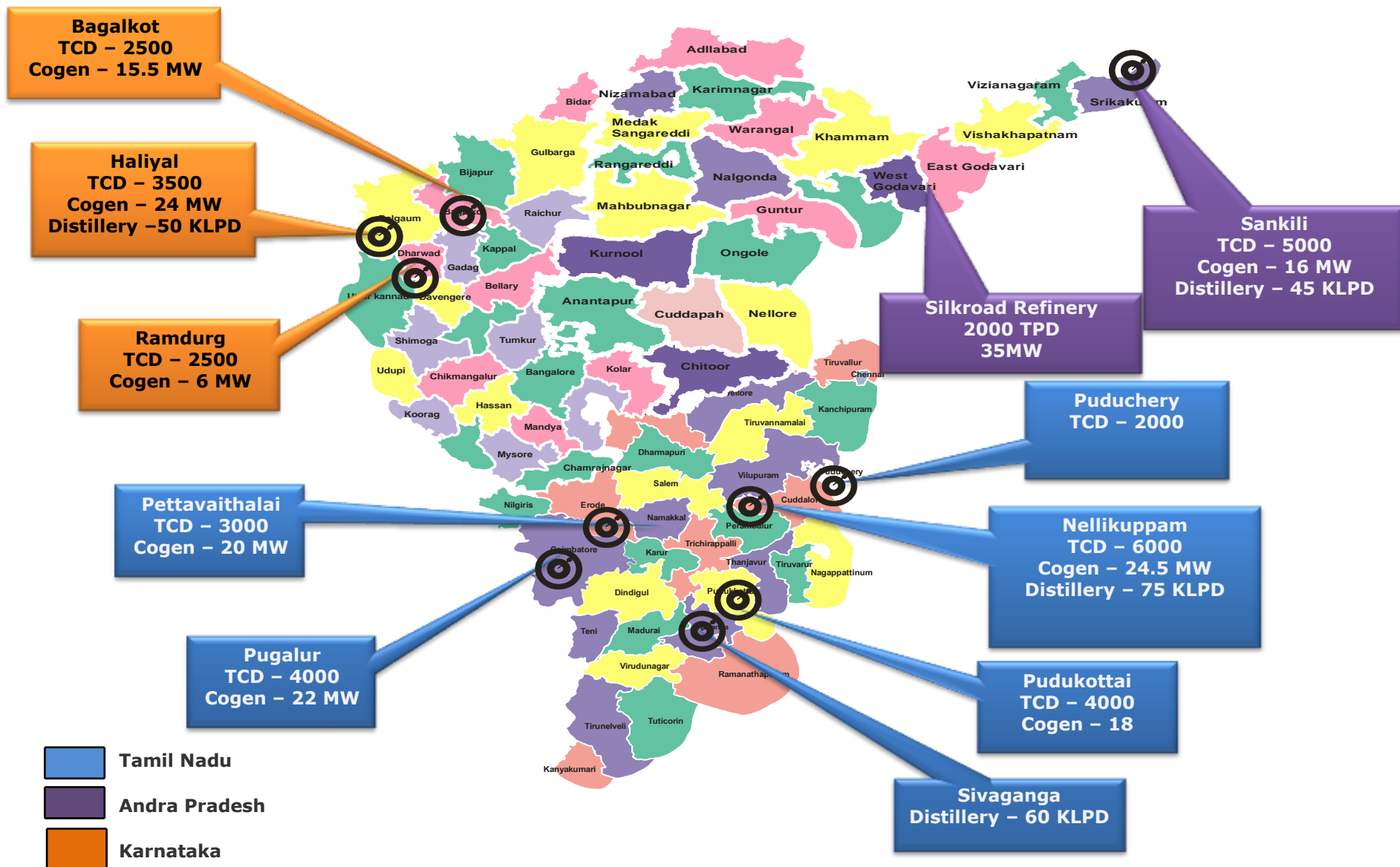
Source: ISO Quarterly Market Outlook, Aug 2011

## India's Sugar Balance (million MT)

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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## Sugar Capacity – 36500 TCD

	2007-08	2008-09	2009-10	2010-11	2011-12 Est.
Nellikuppam	5000	6000	6000	6000	6000
Pugalur	4000	4000	4000	4000	5000
Pettavaithalai	2500	3000	3000	3000	3500
Pudukottai	4000	4000	4000	4000	4000
Puducherry	2000	2000	2000	2000	2000
<b>Tamil Nadu &amp; Puducherry</b>	<b>17500</b>	<b>19000</b>	<b>19000</b>	<b>19000</b>	<b>20500</b>
Sankili				5000	5000
<b>Andhra Pradesh</b>				<b>5000</b>	<b>5000</b>
Bagalkot			2500	2500	3500
Haliyal				3500	4000
Ramdurg				2500	3500
<b>Karnataka</b>			<b>2500</b>	<b>8500</b>	<b>11000</b>
<b>TOTAL</b>	<b>17500</b>	<b>19000</b>	<b>19000</b>	<b>32500</b>	<b>36500</b>

	EID Parry (H1)			PSIL (H1)			SSL (H1)		
	2010-11	2011-12	Growth	2010-11	2011-12	Growth	2010-11	2011-12	Growth
<b>Sugar</b>									
Cane Crushed LMT	14.00	25.72	84%	-	1.85		0.13	0.40	199%
Recovery %	8.35%	8.52%			10.85%		7.23%	11.63%	
Production Qty LMT	1.54	2.22	44%	-	0.20		0.01	0.05	380%
Sales Qty LMT	1.52	2.20	45%	0.24	0.69	190%	0.04	0.20	360%
Avg Selling Price per MT	26207	27122	3%	23493	25084	7%	25703	24771	-4%
<b>Cogeneration</b>									
Power Export (Lakh units)	1850	1896	2%	173	141	-18%	146	53	-64%
<b>Distillery</b>									
Production(LL)	137	224	63%	39	60	54%			
Sales (LL)	125	199	59%	46	72	56%			

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
<b>No. of. Operating days</b>					
in Season	278	204	158	150-230	180-250
off Season(Power, Raw Sugar)			40	40-50	40-50

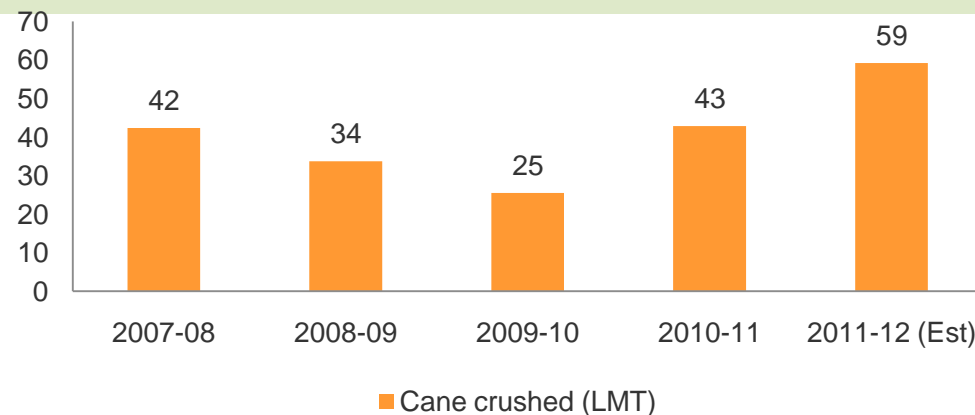
Estimate for 2011-12

\* Cane Registration (in acres)

EID – 130000, Sadashiva – 30000, PSIL – 79000

Cane Crushing (LMT)

EID – 36, Sadashiva – 5.4, PSIL – 17.8

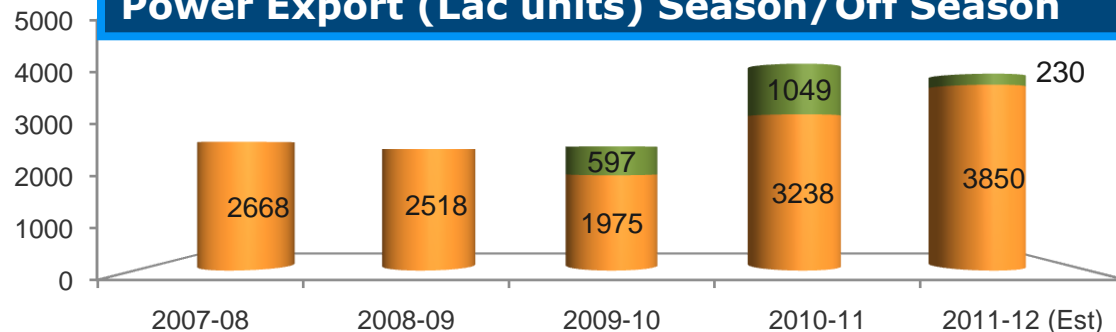




## Cogeneration Capacity - 146MW

	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
<b>Tamil Nadu</b>	<b>64.5</b>	<b>84.5</b>	<b>84.5</b>	<b>84.5</b>	<b>84.5</b>
Sankili				16.0	16.0
<b>Andhra Pradesh</b>				<b>16.0</b>	<b>16.0</b>
Bagalkot			15.5	15.5	15.5
Haliyal				24.0	24.0
Ramdurg				6.0	6.0
<b>Karnataka</b>			<b>15.5</b>	<b>45.5</b>	<b>45.5</b>
<b>Total</b>	<b>64.5</b>	<b>84.5</b>	<b>100.0</b>	<b>146.0</b>	<b>146.0</b>

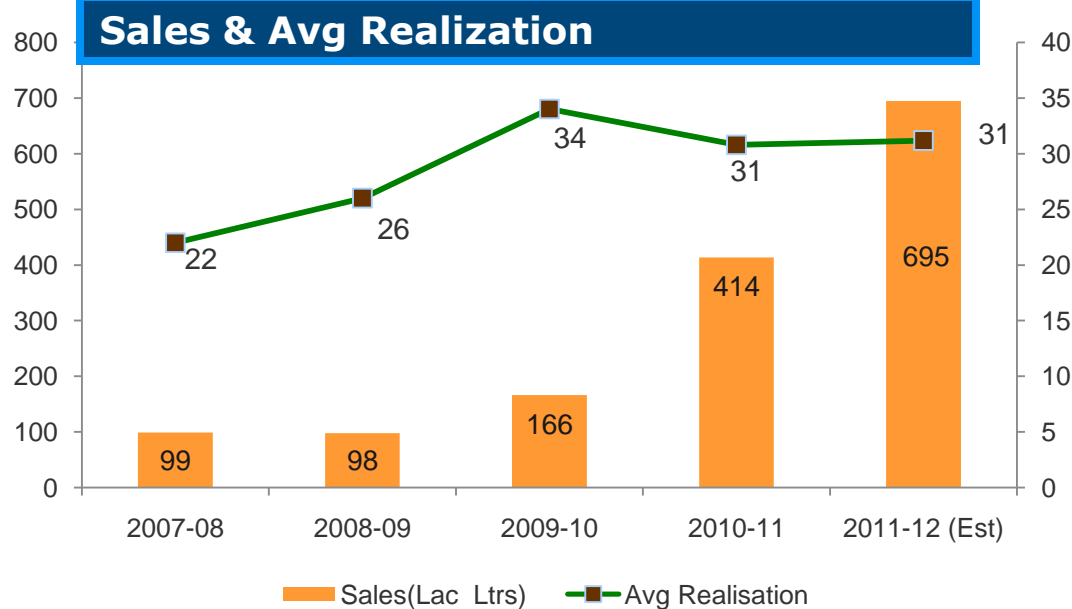
## Power Export (Lac units) Season/Off Season

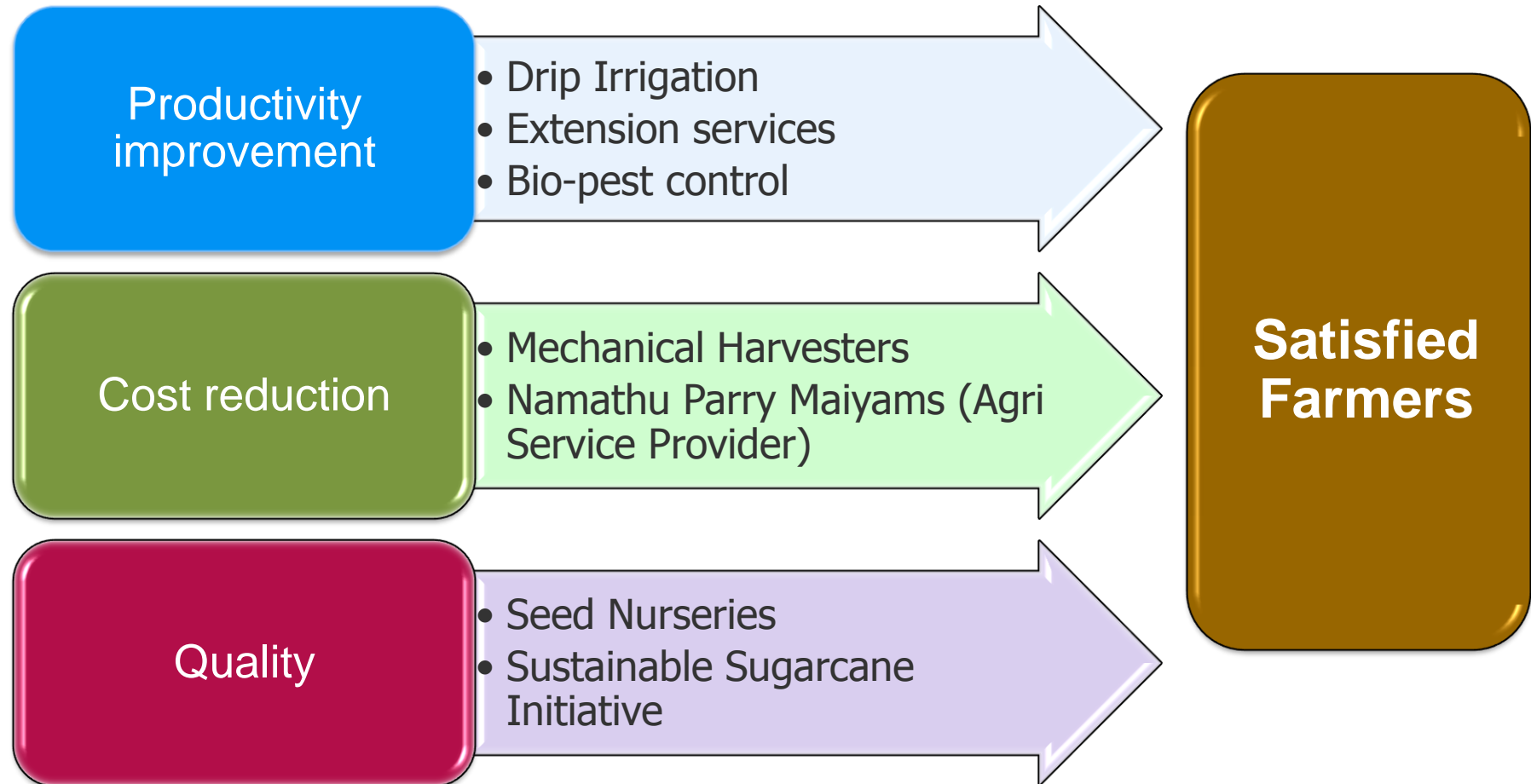


■ Season Power Export to Grid(in Lac units)  
■ off Season Power Export to Grid(in Lac units)

## Distillery Capacity– 230 KLPD

	2007-08	2008-09	2009-10	2010-11	2011-12 Est
Nellikuppam	40	40	75	75	75
Sivaganga		60	60	60	60
<b>Tamil Nadu</b>	<b>40</b>	<b>100</b>	<b>135</b>	<b>135</b>	<b>135</b>
Sankili				45	45
<b>Andhra Pradesh</b>				<b>45</b>	<b>45</b>
Haliyal				50	50
<b>Karnataka</b>				<b>50</b>	<b>50</b>
<b>Total</b>	<b>40</b>	<b>100</b>	<b>135</b>	<b>230</b>	<b>230</b>





## Agri Machinery Services

- Offer convenience of 'machinery services on call', assure standard service quality at affordable rates to farmers.
- Centralized custom hire service to channelize work for implement owners, ensuring optimum machine usage.
- Service reminders for farmers to promote mechanised operation at critical stages of crop.

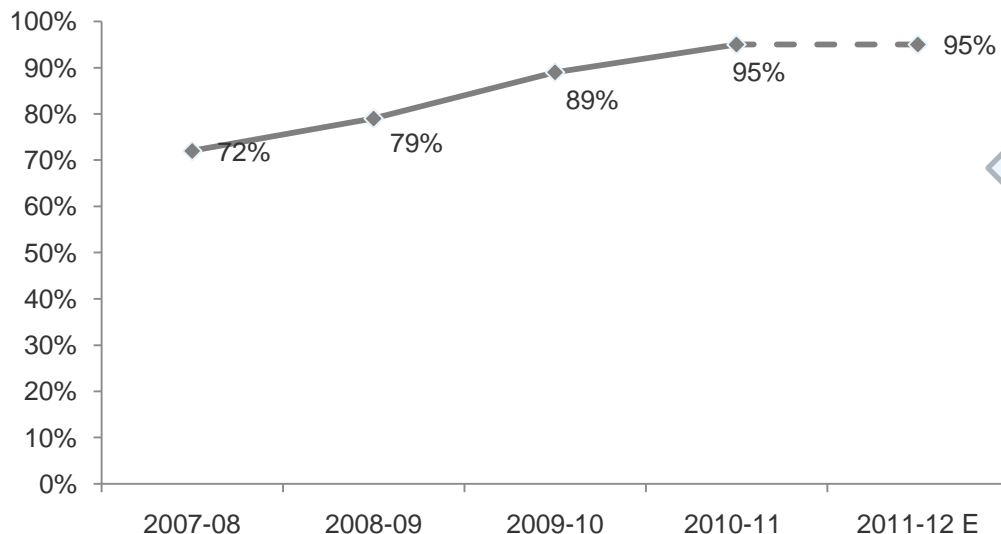
## Agri Input Centres

- To make available high quality fertilizers, plant protection inputs , bio-control agents, planting materials etc at affordable rates.



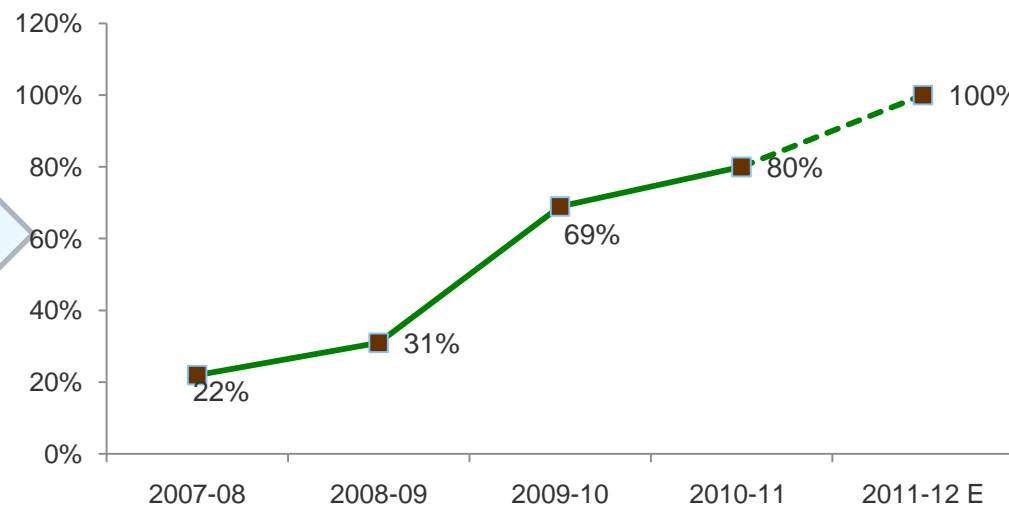
- EID is spearheading the introduction of latest agricultural mechanisation technologies in sugarcane.
- Extend scope of mechanization scope into all areas of sugar cane planting, growth and harvesting.
- Farm Mechanization being implemented on a large scale to mitigate
  - cane harvesting labour shortage
  - higher farm labour cost
- A MOU signed with New Holland recently to procure implement farm mechanization solutions
- Plan to bring 40 % of area under mechanized harvesting by 2014.

## Bagasse utilization (%) for Value Addition



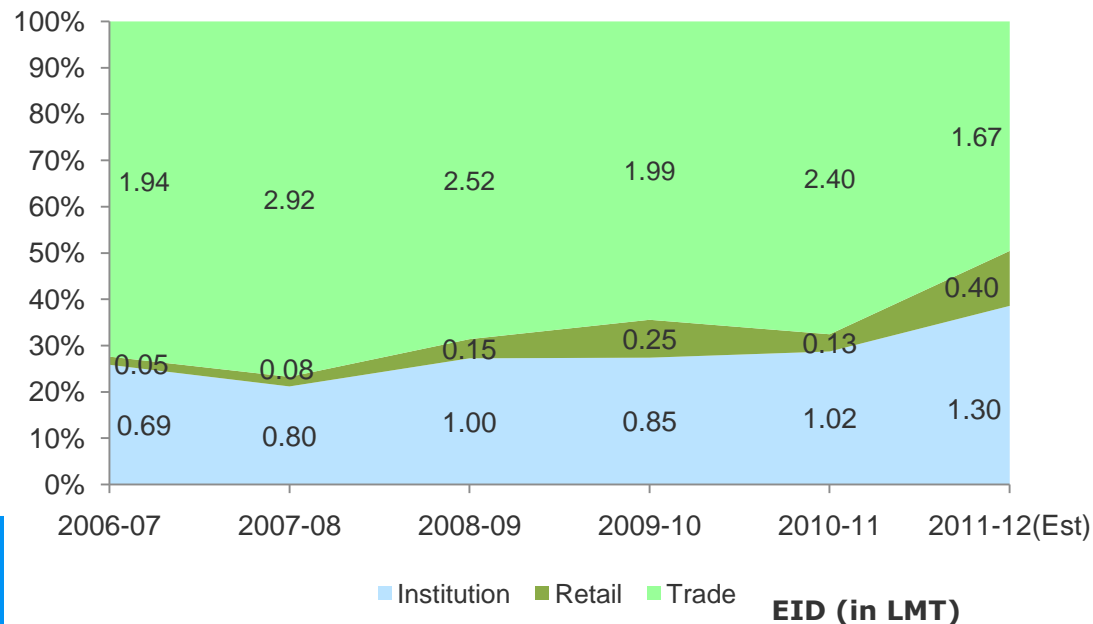
Bagasse to Power

## Molasses utilisation (%) for Value Addition



Molasses to Alcohol

## Sugar Sales Segment wise – Last 6 Years

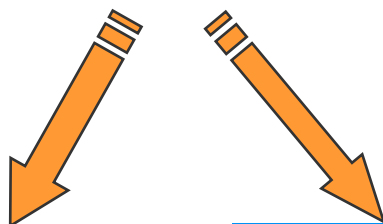


EID (in LMT)

Reduced dependency on Traditional Channels

### 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**





Confectioner's sugar



Baker's sugar



Beverage sugar



Biscuits



Sugar for Indian Sweets



Pharma sugar





**Halal**



**ISO 9001-2008**



**Kosher**



**Indian Pharmacopoeia**



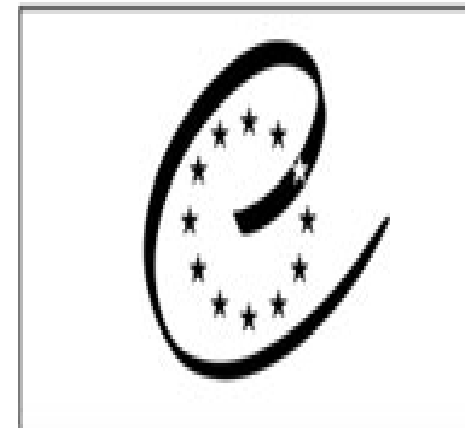
**Japanese Pharmacopoeia**



**US Pharmacopoeia**



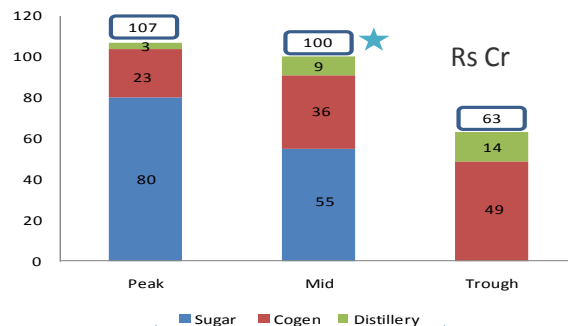
**British Pharmacopoeia**



**European Pharmacopoeia**

- Bio Pesticides
- Nutraceuticals
- Dividend Income
- Property Income

in Terms of PBIT



- Low Cane
- High sugar price

- High Cane
- Low sugar price

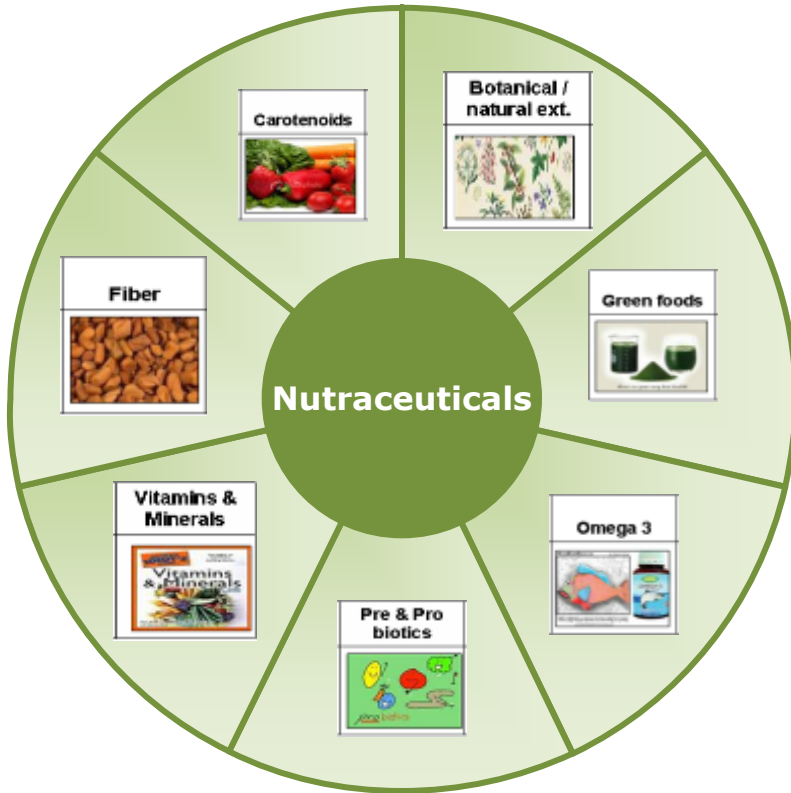
- ★ Mid - Base 100
- ★ Peak/Trough - Represented in %age terms of Mid

→ Offseason Power

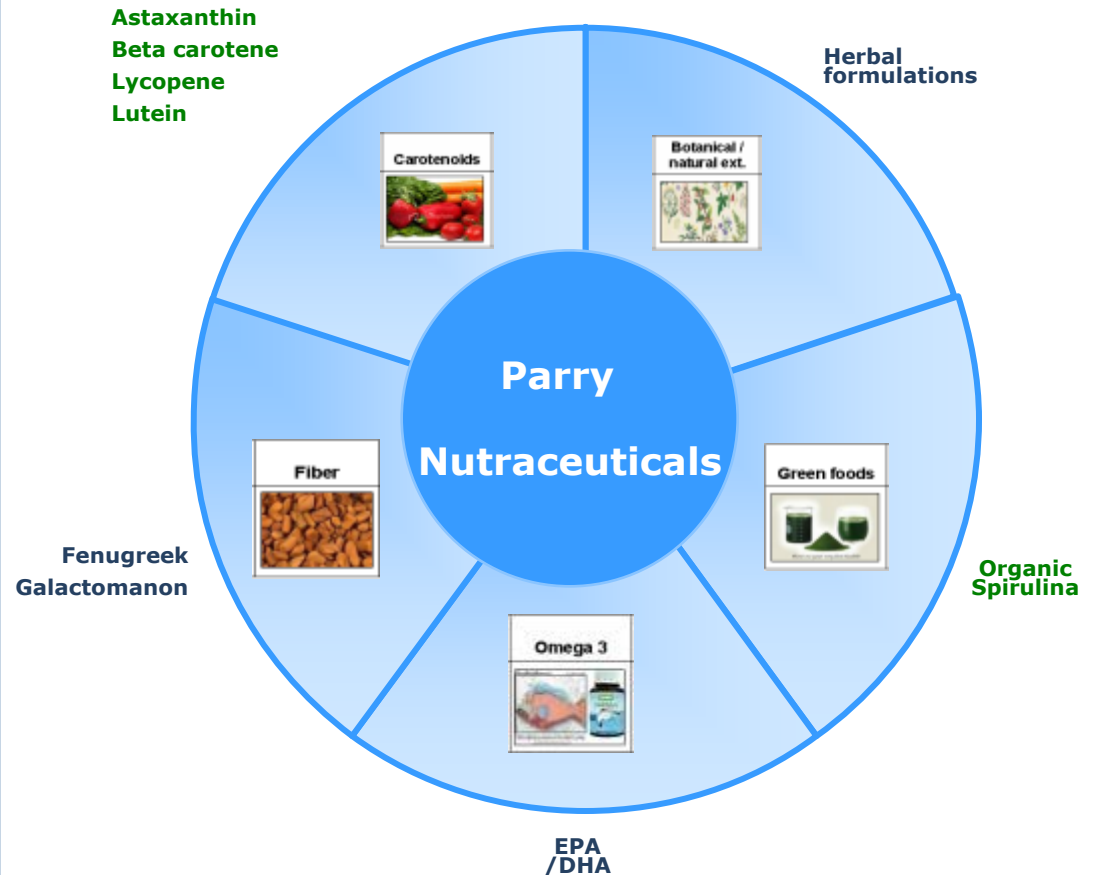
- Power
- Distillery

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## Global Nutraceutical Segments



## Parry Nutraceuticals "Product portfolio"



Global Ingredient market size - \$ 27 Billions

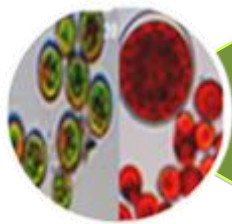
Global Nutritional products (formulated)  
Industry size - \$ 236 Billions

**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%



- ▶ Two new products Protein supplements – Pro 9 and Pro 9 D launched during the year.
- ▶ Three more products planned to be launched shortly.
- ▶ Focus on market expansion in phases.
- ▶ Integrate product opportunities with Valensa.



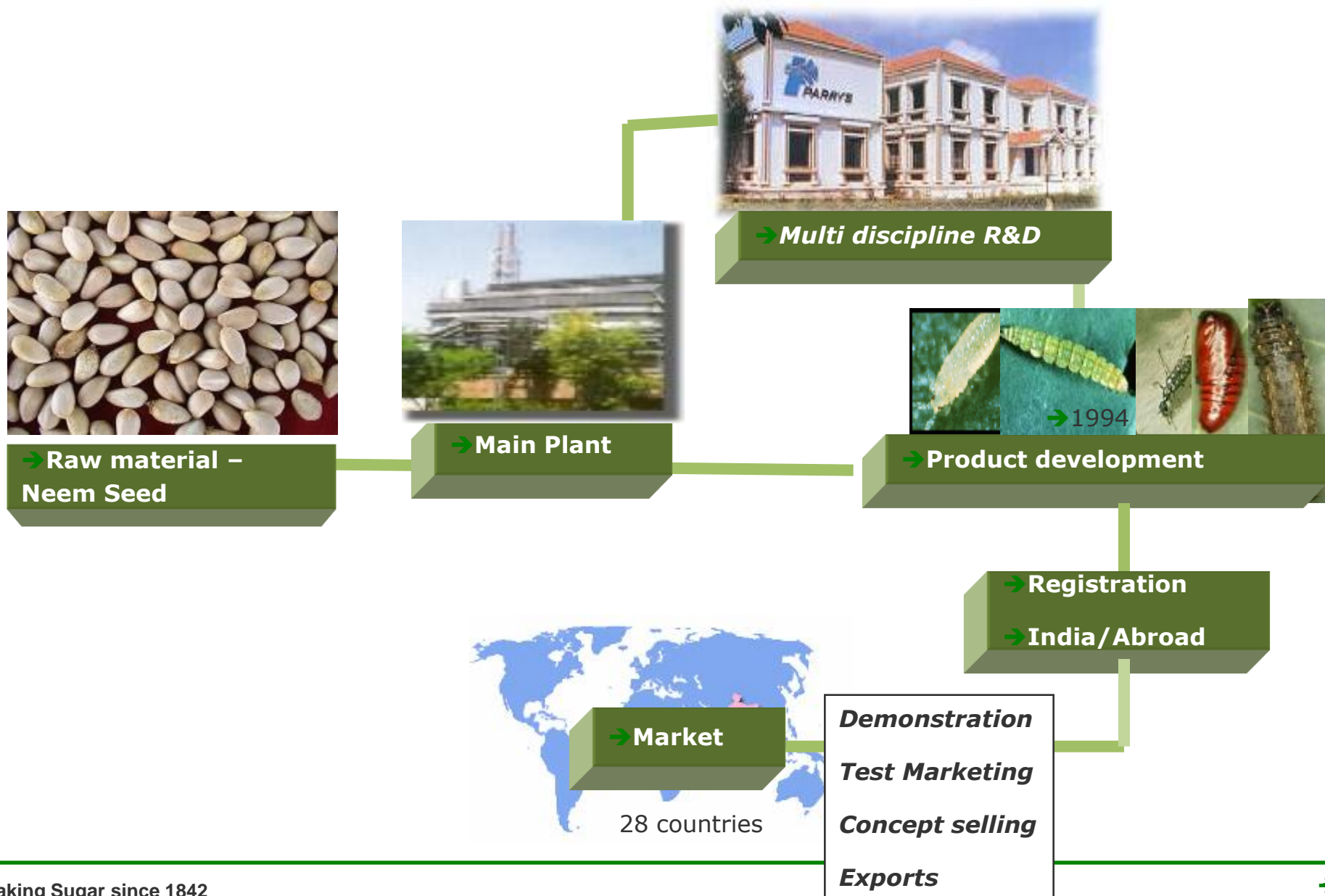


Rs. Crores

Description	08-09	09-10	10-11	H1 10-11	H1 11-12
Sales	29	37.3	43.9	22.8	19.7
PBIT	-	2.0	1.2	0.8	1.2
Capital Employed	49.3	47.4	51	56.6	53.2

Description	H1 10-11	H1 11-12
Sales - Valensa	15.2	26.6
Sales - Phyto	7.5	1.2

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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.
- ➔ Bio pesticides 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%

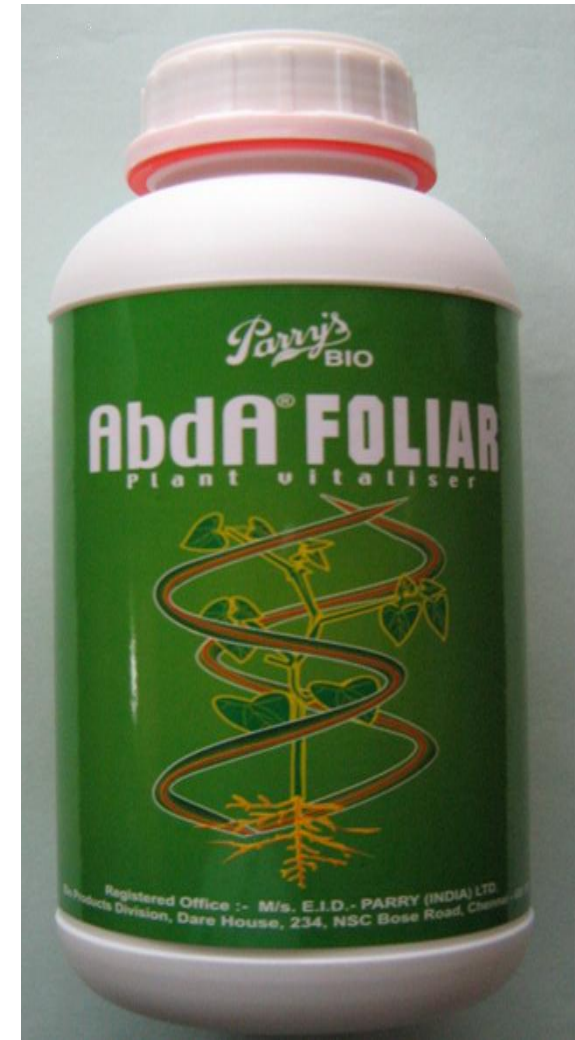
- Achieved maximum production of 7450 Kg (09-10) and sale of 6800 kg (10-11) so far in a year.
- Have registrations in over 41 countries and 5 different patents for product and process across 15 countries.
- Launched a plant extract based Plant Growth Regulator Granule in Domestic market, sales of which 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.40 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.

Continuing with the success of **ABDA** – a granulated plant vitaliser for rice,

**ABDA GOLD** in improvised form for commercial crops was launched last year.



This year **ABDA FOLIAR** – a liquid plant vitalizer for Fruits & Vegetables was launched in Sep 2011.



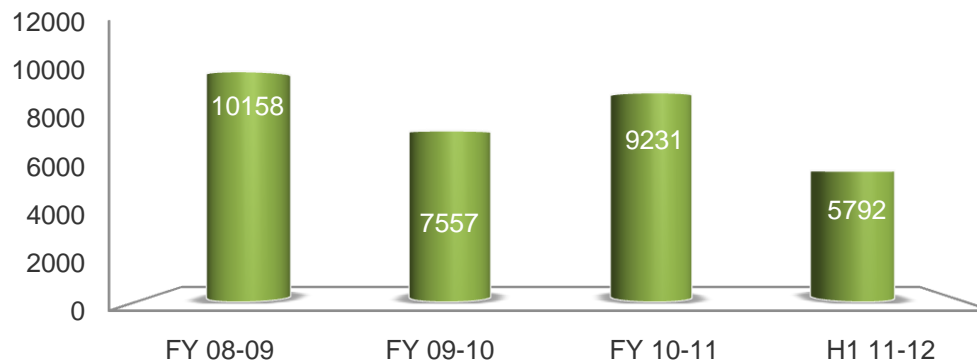
Description	08-09	09-10	10-11	H1 10-11	H1 11-12
<b><u>Sales Quantities</u></b>					
Total Technical(in Kgs)	4900	4319	6777	2088	2266
Abda MT	147	509	1136	366	1130
Sales Value (Rs. Cr.)	35.5	35.0	55.3	17.8	27.8
PBIT(Rs. Cr.)	7.2	5.6	11.3	1.1	2.2
Capital Employed(Rs. Cr)	45.8	50.0	55.3	51.8	69.9
ParryAmerica Sales(Rs.Cr)	13.8	14	24.9	10.2	15.5



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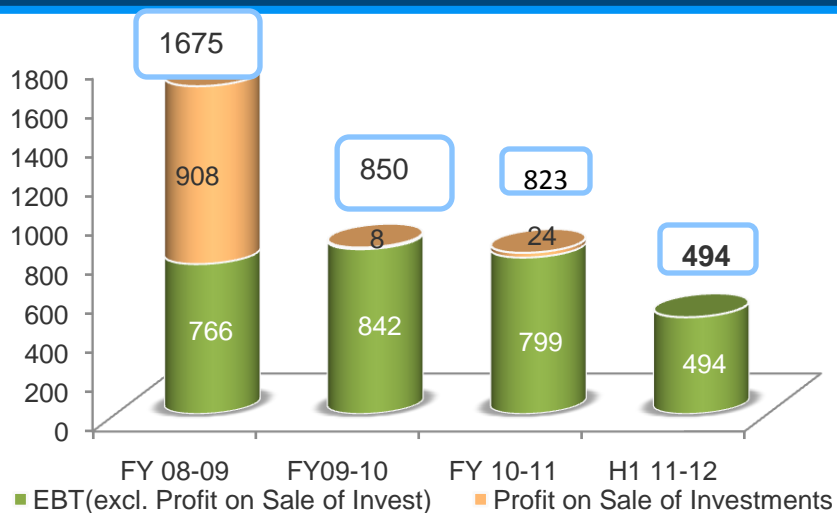
## Revenue

Rs. Crores



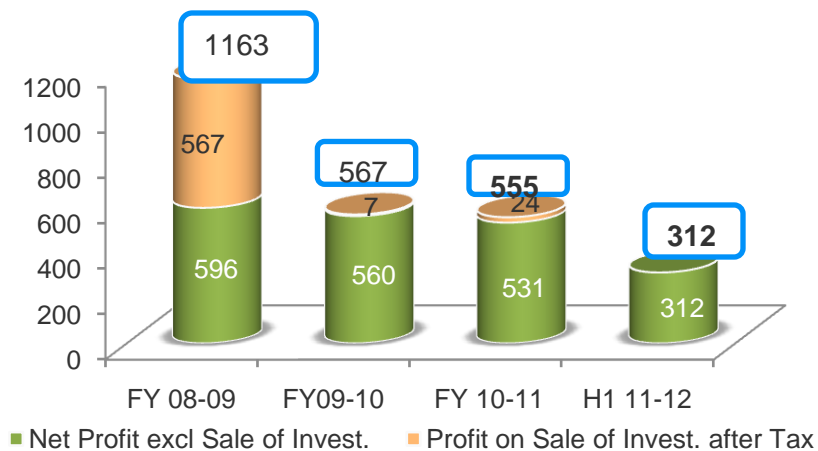
■ Sales incl Govt. Subsidies

## EBT



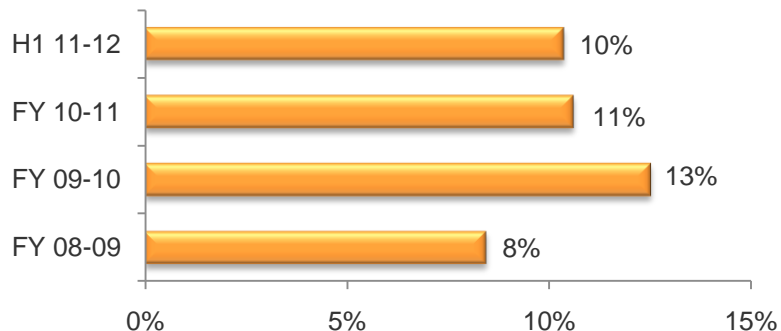
■ EBT(excl. Profit on Sale of Invest) ■ Profit on Sale of Investments

## PAT \*

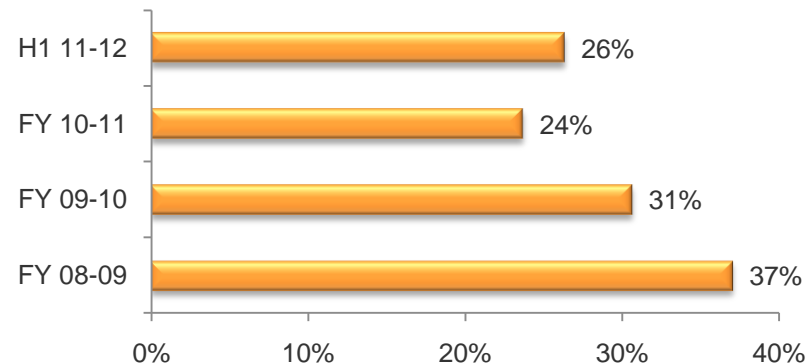


■ Net Profit excl Sale of Invest. ■ Profit on Sale of Invest. after Tax

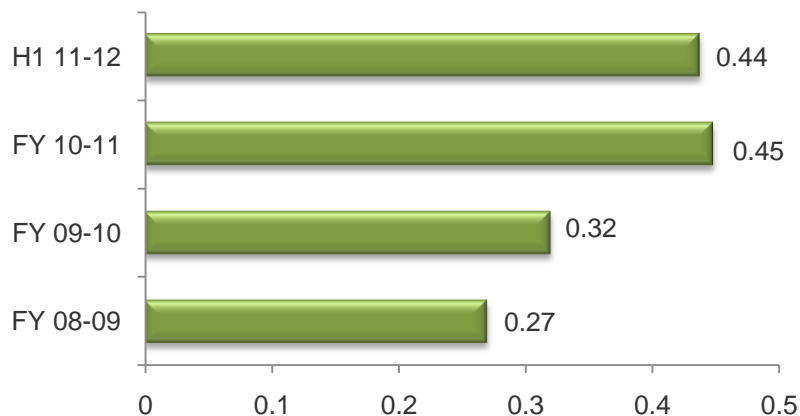
## Operating Margin %



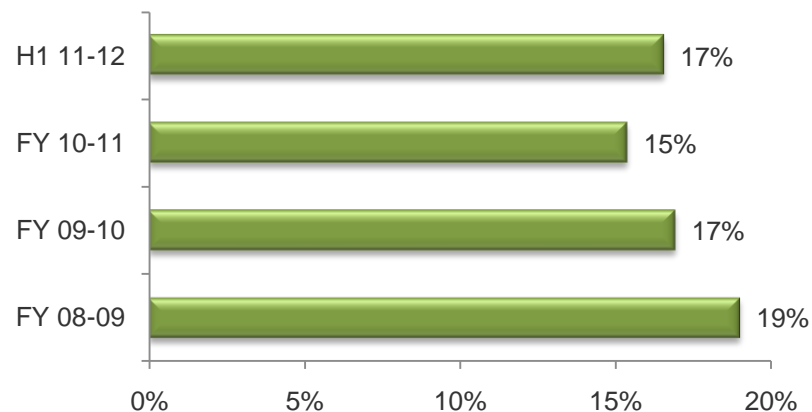
## Return on Equity



## Long Term Debt : Equity

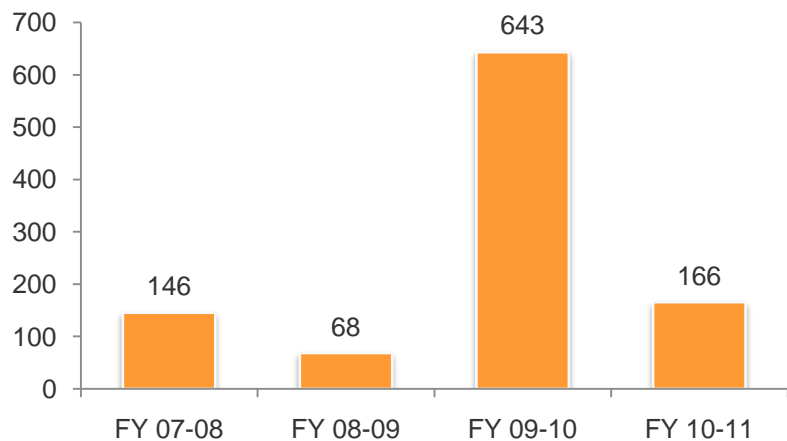


## Return on Capital Employed

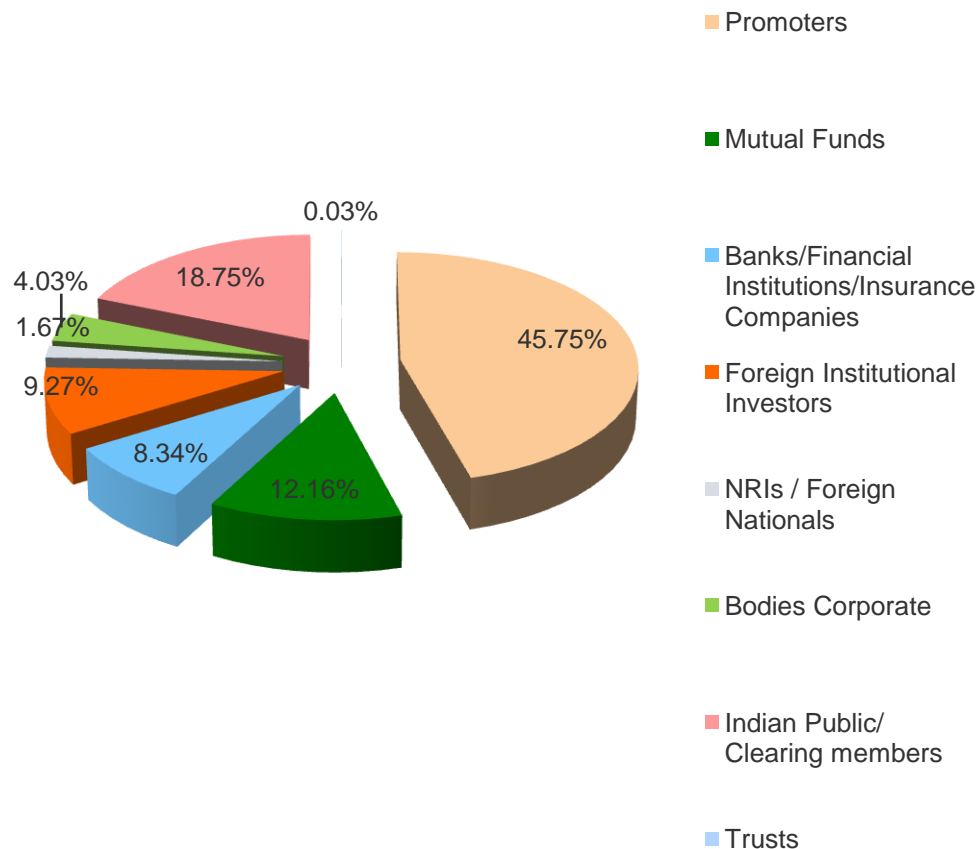


**Average Payout over last 5 Years – 32%, Rs. 351Crores**

## Consolidated Free Cash Flow (in Crs)



## Share Holding Pattern as on 30th Sep, 2011



## 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.

## Investor Co-ordinator

### **For further information, please contact:**

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**Green Synergies... Greener Horizons**

**Thank You**