

Press Release – E.I.D.-Parry (India) Ltd.

Financial Results

Chennai, November 06, 2019: EID Parry (India) Limited, one of the largest manufacturers of Sugar in India, has reported financial results for the quarter and half year ended 30th September 2019

Standalone performance for the quarter and half year ended 30th September 2019:

The Standalone revenue from continuing operations for the quarter ended 30th September 2019 was Rs. 442 Crore registering a growth of 26% in comparison to the corresponding quarter of previous year of Rs. 351 Crore. Profit before depreciation, interest and taxes (EBITDA) and before exceptional items from continuing operations for the quarter ended was Rs. 51 Crore in comparison to the corresponding quarter of previous year of Rs. 39 Crore. During the quarter, the Company received a final dividend of Rs.62 Crore for the financial year 2018-19 in line with the corresponding quarter of the previous year from its subsidiary, Coromandel International Limited. Standalone profit after tax from continuing operations for the quarter was Rs. 6 Crore as against Rs.11 Crore in the corresponding quarter of previous year.

The Standalone revenue from continuing operations for the half year ended 30th September 2019 was Rs. 830 Crore registering a growth of 3% in comparison to the corresponding half of previous year of Rs. 807 Crore. Profit before depreciation, interest and taxes (EBITDA) and before exceptional items for the half year ended was Rs.21 Crore in comparison to Loss of Rs. 64 Crore in the corresponding half of previous year. Standalone Loss after tax from continuing operations for the half year ended was Rs. 47 Crore in comparison to corresponding half year ended of previous year of Rs. 70 crores. While the profit after tax from the discontinued operations was Nil for the half year ended as compared to Rs. 136 Crore in the corresponding half year of the previous year.

Consolidated performance for the quarter and half year ended 30th September 2019:

The consolidated revenue from operations for the quarter ended 30th September 2019 was Rs. 5,677 Crore registering a decline of 3% in comparison to the corresponding quarter of previous year of Rs.

5,838 Crore. Profit before depreciation, interest and taxes (EBITDA) and before exceptional item for the quarter ended 30th September 2019 was Rs. 681 Crore registering an increase of 11% in comparison to the corresponding quarter of previous year of Rs. 612 Crore. Consolidated profit after tax and minority interest was Rs. 182 Crore compared to Rs. 106 Crore in corresponding quarter of previous year.

The consolidated revenue from operations for the half year ended 30th September 2019 was Rs. 8803 Crores registering a decline of 4% against corresponding half of the previous year of Rs. 9,201 Crores. Profit before depreciation, interest and taxes (EBITDA) and before exceptional item for the half year ended 30th September 2019 was Rs. 868 Crores against corresponding half of the previous year of Rs. 695 Crores. Consolidated profit after tax and minority interest was Rs. 154 Crores as against loss of Rs.89 Crores in corresponding half of the previous year.

Sugar Division

The Consolidated Sugar operations reported a Loss before Interest and Tax of Rs. 82 Crore (corresponding quarter of previous year: Rs.110 Crore) for the quarter.

Farm Inputs Division

The Consolidated Farm Input operations reported a Profit before Interest and Tax of Rs. 712 Crore (corresponding quarter of previous year: Rs. 672 Crore) for the quarter.

Nutraceuticals Division

For the quarter, Nutraceuticals division registered a Profit before Interest and Tax of Rs. 1 Crore on a standalone basis which represents a 74% growth over the corresponding quarter of the previous year. On a consolidated basis, the division registered a Loss before interest and tax of Rs. 6 Crore, largely on account of expenses connected with new product launches at US Nutraceuticals Inc, a wholly owned subsidiary based at USA.

Mr. S Suresh, Managing Director commenting on the results mentioned that

“The performance of the Company got affected in Q2 2019-20 due to muted sugar prices on account of higher sugar inventory and release order mechanism. The sugar prices improved compared to the previous quarter due to floods in Karnataka & Maharashtra which affected the movement of sugar stocks from these states to other states, thereby benefitting the company.

During the quarter, sugarcane crushing volumes in Tamilnadu units were better compared to previous year numbers. Also, the Company has taken approval of the Board of Directors to establish a 60 KLPD Greenfield Distillery plant at Bagalkot unit in Karnataka.

The Government of India has been taking various supportive measures in order to provide stability to the sugar prices, in the form of Buffer Stock mechanism, Minimum Support price for Sugar, Export quota and related subsidy and upward revision of Ethanol price including ethanol supply from B Heavy molasses and cane juice. Further, Tamilnadu Government has taken positive steps to increase the domestic sales of alcohol within the state by regulating import from other States. These would augur well for the Company in the coming quarters.”

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

E.I.D. Parry is a significant player in Sugar with interests in promising areas of Nutraceuticals business. E.I.D. Parry was incorporated in 1975. The company also has a significant presence in Farm Inputs business through its subsidiary, Coromandel International Limited. EID Parry has a 100% stake in Parry Sugars Refinery India Private Limited and US Nutraceuticals Inc, USA.

E.I.D. Parry has eight sugar factories having a capacity to crush 43800 Tonnes of Cane per day, generate 160 MW of power and four distilleries having a capacity of 234 KLPD. In the Nutraceuticals business, it holds a strong position in the growing wellness segment mainly catering to the world markets with its organic products.

About the Murugappa Group

Founded in 1900, the INR 369 Billion (36,893 Crores) Murugappa Group is one of India's leading business conglomerates. The Group has 28 businesses including nine listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., Cholamandalam Financial Holdings Ltd., Cholamandalam Investment and Finance Company Ltd., Cholamandalam MS General Insurance Company Ltd., Coromandel International Ltd., Coromandel Engineering Company Ltd., E.I.D. Parry (India) Ltd., Parry Agro Industries Ltd., Shanthi Gears Ltd., Tube Investments of India Ltd., and Wendt (India) Ltd.

Market leaders in served segments including Abrasives, Auto Components, Transmission systems, Cycles, Sugar, Farm Inputs, Fertilisers, Plantations, Bio-products and Nutraceuticals, the Group has forged strong alliances with leading international companies such as Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Advanced Materials, Sociedad Química y Minera de Chile (SQM), Yanmar & Co. and Compagnie Des Phosphat De Gafsa (CPG). The Group has a wide geographical presence all over India and spanning 6 continents.

Renowned brands like BSA, Hercules, Montra, Mach City, Ballmaster, Ajax, Parry's, Chola, Gromor, Shanthi Gears, Amrit and Paramfos are from the Murugappa stable. The Group fosters an environment of professionalism and has a workforce of over 50,000 employees.

For more details, visit www.murugappa.com

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