

"E.I.D.-Parry (India) Limited Q3 FY2023 Earnings Conference Call"

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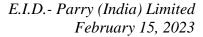
PARRY SUGAR REFINERY PRIVATE LIMITED

MR. A. SRIDHAR - CHIEF FINANCIAL OFFICER - E.I.D.-

PARRY (INDIA) LIMITED

Mr. BISWA MOHAN RATH - COMPANY SECRETARY -

E.I.D.-PARRY (INDIA) LIMITED





Moderator:

Ladies and gentlemen, good day and a welcome to the Q3 FY2023 Earnings Conference Call of EID Parry hosted by DAM Capital Advisors Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Nitin Agarwal from DAM Capital Advisors. Thank you and over to you Sir!

Nitin Agarwal:

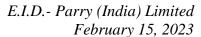
Hi very good afternoon to all of you. We have with us today the entire management team of EID Parry to discuss Q3 results. We have with us Mr. Suresh – who is the MD, Mr. Muthiah Murugappan – who is the Whole Time Director & CEO; Mr. Suresh Kannan – Whole Time Director – Parry Sugars Refinery India Private Limited; Mr. A. Sridhar – Chief Financial Officer; Mr. Biswan Mohan Rath - Company Secretary. I would like to hand over the call to EID Parry management for the opening comments and followed by which we can continue with Q&A. Over to you Sir.

S. Suresh:

Thank you Mr. Nitin. Good afternoon, everyone. It gives me a great pleasure to be part of this analyst call to share and update on the global and Indian scenario and explain the Q3 performance of the company.

On the global scenario after having touched the sentimental 20 cents per pound in December, raw sugars futures reached 21 cents per pound in February inching closer towards the six year peak of 21.86 cents per pound. Pent up demand from China due to ease of COVID restrictions, expected drop in production from India (almost 7% lesser than the earlier estimates) and in Europe (due to the pesticide ban) and stronger Brazilian currency discouraging exports are auguring well for the prices in the short term. Brazil is slated to export 28.2 million metric tonnes for the season 2022-2023, which is almost an 8% increase year on year because of the increase in cane volume. The Brazilian sugar however would touch the international market by April, May of this year post which the international prices are expected to be range bound.

On the Indian scenario, after having reached a record production of 357 lakh metric tonnes after considering the diversion to ethanol during the last sugar year, latest estimates by ISMA show a drop in volume to 340 lakh metric tonnes once again after a diversion to the ethanol base on the crop condition. Despite the drop in sugar volumes, the diversion to ethanol is pegged at 45 lakh metric tonnes as against 35 lakh metric tonnes of the last year. While millers have already contracted their exported quantity allotted for the season which





is to the tune of almost 60 lakh metric tonnes, because of the estimated drop in overall volume, it is unlikely that the additional export quantity shall be allotted by the government.

Coming to the Q3 performance, the company's profitability in sugar segment has been slightly reduced in Q3 of the current year as compared to the Q3 of the previous year mainly on account of increase in coal prices and reduction in distillery production partially offset by the improved export sugar volumes and the realization. The company crushed around 17.78 lakh metric tonnes in the current quarter as against 16.17 lakh metric tonnes in the corresponding quarter of the previous year.

The standalone revenue from operations for the quarter ended December 31, 2022 was Rs.727 Crores registering a growth of 6% as against Rs.686 Crores in the corresponding quarter of the previous year. The earnings before depreciation interest and taxes, EBITDA for the quarter were Rs.63 Crores as against 72 Crores in the corresponding quarter of the previous year. Standalone profit after tax for the quarter was Rs.16 Crores as against 18 Crores in the corresponding quarter of the previous year.

The standalone revenue from operations for the nine months ended December 31, 2022, was Rs.2095 Crores registering a growth of 33% as against 1574 Crores in the corresponding period of the previous year. Earnings before depreciation interest and taxes, (EBITDA) before exceptional items for the nine month ended were Rs.199 Crores against Rs.183 Crores in the corresponding period of the previous year. Standalone profit after tax for the nine month ended were Rs.114 Crores as against Rs.58 Crores in the corresponding period of the previous year.

During yesterday's board meeting, our board has approved further augmentation of ethanol capacity by expanding the existing 75 KLPD distillery unit to 120 KLPD distillery unit with an incineration boiler at our Nellikuppam facility with an outlay of Rs. 87 Crores for production of ethanol from syrup and B heavy molasses. The commercial production from the expanded capacity is expected to commence from April 2024.

At Sankili our unit in Andhra Pradesh the 120 KLPD multi-feed distillery unit project has been completed and production commenced in January 2023 for the syrup-based distillery. The grain-based distillery project is under progress and is expected to be completed by April 2023. Once the Haliyal distillery expansion of 120 KLPD and the Nellikuppam expansion from 75 KLPD to 120 KLPD are in place, our overall distillery capacity will be at 582 KLPD per annum. Both these expansions will involve a capital outlay of Rs.268 Crores, which will be spent in the financial year 2024.



Now I request our CFO, Mr. Sridhar to explain you on the segment wise financial performance. Thank you.

A. Sridhar:

This is Sridhar here. Thank you, Suresh and good afternoon, to all. It is a great pleasure to be a part of the analyst call and to share key information on the operational and financial performance of the company. I would like to share with you the key operating parameters segment wise.

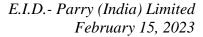
Sugar crushing operations were carried out in all our sugar mills during this quarter. I would like to share the quantitative details as below. In Q3 we crushed around 17.78 lakh metric tonnes when compared to the corresponding quarter of previous year which was at 16.17 lakh metric tonnes. This is an increase of 10% over the previous year. On a year-to-date basis we crushed around 28.85 lakh metric tonnes when compared to corresponding period of previous year which was at 24.23 lakh metric tonnes.

In Q3, the recovery from all our plants were at 10.49% compared to previous year which was at 10.39%. That is an improvement of 0.10% over the previous year. On a year-to-date basis the recovery from all our plants were at 9.91% when compared to corresponding period of previous year which was at 9.89%.

In Q3 we produced around 1.70 lakh metric tonnes against corresponding quarter of previous year, which was at 1.50 lakh metric tonnes that is an increase of 0.2 lakh metric tonnes over previous year. On a year to date basis, we produced around 2.59 lakh metric tonnes when compared to corresponding period of previous year which was at 2.21 lakh metric tonnes that is an increase of 0.38 lakh metric tonnes.

Cane landed cost was at Rs.3360 per metric tonne against corresponding quarter of previous year which was at Rs.3350 per metric tonne. On a year-to-date basis, our cane landed cost was Rs.3260 per metric tonne when compared to corresponding period of previous year which was at Rs.3231 per metric tonne.

For the Q3, we achieved a sales volume of around 1.38 lakh metric tonnes of which domestic was 89000 metric tonnes and exports were 49000 metric tonnes. The previous year sales volumes were at 1.31 lakh metric tonnes of which domestic was 92000 metric tonnes and exports were at 39000 metric tonnes. On a year-to-date basis, we achieved a sales volume of around 3.99 lakh metric tonnes of which domestic was 2.79 lakh metric tonnes and exports were at 1.20 lakh metric tonnes and the previous year sales volumes were at 3.11 lakh metric tonnes of which domestic was 2.29 lakh metric tonnes and exports were at 82000 metric tonnes.





The average selling price of sugar for the quarter was around Rs.36.24 per kilogram compared to the previous year's selling price of Rs.35.25 per kilogram. On a year-to-date basis, our sugar selling price was at Rs.35.79 compared to the previous year price of Rs.34.67 per kilogram.

The closing stock as of December 31st was at 1.25 lakh metric tonnes.

The revenue from sugar operations in Q3 was at Rs.539 Crores against corresponding period of previous year which was at Rs.490 Crores ie., an increase of 10% over previous year. On a year-to-date basis the revenue from sugar segment was Rs.1534 Crores against corresponding period of previous year which was at Rs.1145 Crores an increase of 34% over previous year. I would like to state here that there are no cane overdue as of today and all payments have been made at the FRP rates.

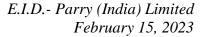
On the cogen operations, in Q3 we generated a power of around 1341 lakh units against previous year which was at 1244 lakh units. On a year-to-date basis, we generated a power of around 2926 lakh units as against corresponding period of previous year which was at 2088 lakh units.

In Q3 we exported power around 675 lakh units as against previous year which was 669 lakh units. On a year-to-date basis the power exports were at 1638 lakh units as against corresponding period of previous year which was at 1106 lakh units.

The average power tariff during the quarter was Rs.4.42 per unit as against the previous year which was at Rs.4.72 per unit. On a year-to-date basis the average power tariff was Rs.5.40 per unit as against the previous year which was at Rs.4.17 per unit.

In Q3 the revenue from cogen operations was Rs.56 Crores against previous year which was at Rs.49 Crores. On a year-to-date basis the revenue from cogen operations were Rs.149 Crores against previous year which was at Rs.77 Crores.

On the distillery front we sold around 225 lakh liters during Q3 compared to the previous year sales volume of 264 lakh liters of which ENA was 79 lakh liters and in the previous year the ENA sales were at 139 lakh liters and ethanol was 145 lakh liters during the year compared to the previous year which was at 121 lakh liters. On a year-to-date basis we sold around 669 lakh liters compared to the previous year sales volume of 568 lakh liters of which ENA was 239 lakh liters. The previous year numbers were 280 lakh liters and ethanol was at 430 lakh liters and the previous year numbers were at 288 lakh liters.





On the price realization, in Q3, the distillery operation we realized a price of Rs.61.11 per liter as against the previous year realization of Rs.56.35 per liter. This was due to product mix and increase in ethanol prices announced by the government. On a year-to-date basis our price realization from distillery operations was at Rs.59.12 per liter against previous year realization of Rs.56.16 per liter.

The revenue from distillery operations in Q3 was Rs.141 Crores compared to Rs.151 Crores during the previous period. On a year-to-date basis our revenue from distillery operations were Rs.407 Crores against the previous year which was at Rs. 325 Crores.

In the Nutra segment, as far as the Indian operations are concerned in Q3, our turnover were around Rs.14 Crores as against Rs.13 Crores in the previous year. On a year-to-date basis the turnover was Rs.50 Crores against the previous year turnover of Rs. 55 Crores.

At the consolidated level, the Nutra business turnover was Rs.62 Crores against corresponding previous year, which was at Rs.68 Crores. On a year-to-date basis, the turnover was Rs.199 Crores against the previous turnover of Rs.204 Crores.

On the employee benefit expenses for Q3, we were at Rs.41.75 Crores as against Rs. 36.24 Crores and on a year to date basis the expenses were at Rs.122.37 Crores as against Rs.101.65 Crores. The increase in costs were on account of annual salary increase, head count increase due to expansion in distillery operations and strengthening of the team for better management of the safety related areas.

On the other expenses for Q3, it increased by about Rs.31 Crores. We were at Rs. 138 Crores in the current year against previous year number of Rs.107 Crores due to increase in production of sugar, consumption of power and fuel, repairs and maintenance mostly to do with safety related expenses, increase in advertisement expenditure on higher retail sales and corresponding increase in packaging, dispatch, and freight cost due to higher exports and retail sales and also due to increase in selling and administration expenses.

On the finance cost, we were at Rs.8.49 Crores compared to previous year which was at Rs.11.48 Crores. The finance cost has decreased by about Rs.3 Crores due to better cash inflows. On a year-to-date basis our finance cost has been at Rs.25.66 Crores as against the previous year cost of Rs.35.94 Crores.

The capex program continues to be kept very tight and we have spent around Rs.148 Crores. This will include the amount incurred on Sankili 120 KLPD project, with around Rs.93 Crores incurred till date. All the capex we are currently investing are towards value addition, safety, environment and productivity improvements.



The standalone business long term loans were at Rs.169 Crores. ie., an increase of Rs.25 Crores over the previous quarter mainly on account of Sankili unit distillery expansion. The short term borrowing was at Rs. 53.50 Crore and this is towards working capital requirements.

With reference to our refinery business, the production volume for Q3 was 2.27 lakh metric tonnes as against the previous year production of 1.59 lakh metric tonnes. The year-to-date sugar production volumes was at 5.49 lakh metric tonnes as against previous year production of 3.89 lakh metric tonnes. Refined sugar sales volume for Q3 was 2.37 lakh metric tonnes as against the previous year sales volume of 2.29 lakh metric tonnes. The year-to-date sugar sales volume was 5.86 lakh metric tonnes as against previous year sales of 4.26 lakh metric tonnes. The profit before tax for Q3 was a loss of Rs.53.79 Crores as against the previous year's loss of Rs.3.67 Crores. The year-to-date PBT was a loss of Rs.208.25 Crores as against the previous year loss of Rs.40.52 Crores. The business had to incur an expense of Rs.105.62 Crores as of December 31st 2022 on account of clearance of shipment consequent to accidents at PSRIPL factory. This Rs.105.62 Crores includes Rs.60.14 Crores which was incurred as of September 2022. The long term borrowings as of December 31st 2022 was Rs. 200 Crores. which was similar to the borrowings as of March 31st 2022. The short term borrowings as of December 31st 2022 was Rs.760.65 Crores. The short term borrowings as of December 31st 2022 was Rs.760.65 Crores.

I would now leave the floor open for taking questions and we will answer the same.

Moderator:

Thank you very much Sir. We will now begin the question-and-answer session. First, the question is from the line of Falguni Dutta from Jet Age Securities Private Limited. Please go ahead.

Falguni Dutta:

Good afternoon, Sir. I just wanted to know how the margins are in grain based ethanol and sugar cane juice based ethanol versus the B heavy molasses ethanol.

S. Suresh:

Normally the grain based will be around Rs.2 to 3 relatively lower than the syrup based ethanol. We are yet to commence grain production and the same is expected to happen only in the Q1 of the next financial year.

Falguni Dutta:

And Sir juice based ethanol what is the absolute profits at EBITDA level per liter?

A.Sridhar:

See it varies from factory to factory. It depends on the cane price at which we procure and at EBITDA level it will be anywhere between Rs. 4 to 7.



Falguni Dutta: And this would be how much lower than B heavy or if you can say how much will be B

heavy just to get a sense.

A.Sridhar: We will be just about a rupee difference.

Falguni Dutta: Okay rupee higher.

A.Sridhar: No. It will be lower.

Falguni Dutta: The margins will be lower than the cane directly from Juice.

S. Suresh: Yes

Falguni Dutta: Okay Sir. Thank you. That is all from my side.

Moderator: Thank you. The next question is from the line of Alok Vohra from TRAI. Please go ahead.

Alok Vohra: Good afternoon, Sir. I just wanted to know if there are news that the monsoon this year is

not going to be that good. The rain is not going to be that good. How your company is

expected to perform in the coming monsoon, thank you.

Muthiah Murugappan: Alok thank you for your question. We are hearing news on El Nino so on and so forth. I

think it might be too early to say as there are number of predictions. There are also some predictions where the southern regions will be less impacted than the north so I think we will have to wait perhaps end March, April is somewhat reasonable time. If you look at most of the companies we have conversations with, everyone is kind of waiting till the end March. Around April will be a good time to know more about the same. We will be

planning various scenarios but maybe it is little early to comment on the same.

Moderator: Thank you. The next question is from the line of Kashyap from Broadview Research. Please

go ahead.

Kashyap: I missed the debt numbers. Could you share the debt at standalone levels and at refinery

both across long term and short term.

A. Sridhar: Hi Kashyap. This is Sridhar here. On the standalone basis our long term loans have been at

169 Crores and this is more to do with the interest subvention loans what we have availed for the distillery expansions and on the short term loans it is 53.50 Crores. On the refinery operations the short-term borrowings have been at Rs. 761 Crores and the long-term loans

are at Rs. 200 Crores which is borrowed by refinery from EID Parry.



Kashyap: I think the repayment is supposed to happen starting this FY2024 right.

A. Sridhar: Out of Rs. 400 Crores which was given as loan by EID Parry, refinery business has already

repaid around Rs. 200 Crores, the next Rs.100 Crores each will be repaid in the subsequent

two years that is in FY2024 and FY2025.

Kashyap: Just one suggestion. If you can just share the operational details on a press release then it

would basically save us 15 minutes on the call and maybe we can go through it and be

prepared with better questions.

A. Sridhar: Okay we will come back to you.

Kashyap: Thank you.

Moderator: Thank you. The next question is from the line of Rajesh Majumdar from B&K Securities.

Please go ahead.

Rajesh Majumdar: Hi Sir so I had few questions. One was, we have been hearing rumor on the Maharashtra

crop getting impacted because of the unseasonal rains but we have seen a reasonably good performance in the sugar business in the third quarter from you what is the outlook for the balance of the sugar season, is there going to be an impact in north Karnataka which is

likely from us.

 $\textbf{Muthiah Murugappan:} \quad So, \, Rajesh \,\, Muthu \,\, here. \,\, Yes, \,\, that \,\, impact \,\, in \,\, Maharashtra \,\, I \,\, think \,\, almost \,\, down \,\, by \,\, close \,\, to \,\, 2$

million. So what eventually happens is lot of those mills come poaching cane and they will come across the border and poach from Karnataka. Karnataka mills located on the border are seeing that happen and to that extent it will impact the cane crush of the existing mills because sugar cane is going away from their catchment area. We do have mills located on

the border and we are working on options to see how best we can mitigate but there will be

an impact in Q4.

Rajesh Majumdar: And Sir the other question was on the Rs.100 increase in the FRP which has been contested

I believe what is the status of that, is there any legal obligation to say that, as I understand

there is none.

Muthiah Murugappan: The matter is still in court and the final verdict in not out. I presume there will not be any

further discussions until there is a final verdict.

Rajesh Majumdar: Okay because UP has kept the SAP intact also like various states are reacting in various

way so I was just wondering where this is leading to.



Muthiah Murugappan: We will have to see how the courts rule and then take things further. As of now there is no

action.

Rajesh Majumdar: And secondly did you mention Rs. 761 Crores short term loan in the refinery business is

that correct. Did I hear that figure correctly?

A.Sridhar: You are right.

Rajesh Majumdar: So what is this on account of and where are we going in terms of this loan. Is it going to get

repaid soon because I will tell you refinery we have seen the best of the refining margins in the last few months and EID Parry still does not seem to be benefiting from it so what are we really doing on this business and I keep on asking this question to you I know but it has been a drag from day one and really there is no strategic strength for us to continue with this business but we simply keep on incurring losses on this so give us some colour as to why

we are taking more loans on account of this business and where do we see it down the line.

Suresh Kannan: Good afternoon! This is Suresh Kannan here. Thanks for your question. As far as the

working capital requirements. Plus the fact that the basic sugar prices have gone up over the last three quarters substantially, that is causing the increase in the short term loan and as you have seen even in the past we have repaid these loans so the debt level came down to

refining business with respect to the short-term debt is concerned it is basically part of the

the level of around 500 to 600 Crores, so the same possibility exists going forward so far as the current financial year is concerned. You are right in the sense that the refining margins

were good as far as the current year is concerned. On an operational basis we are also closer

to that performance but because of the unfortunate event we had to provide for this one-off item with respect to the delay in execution of the order and that is the reason that the margin

improvement is not flowing through. We are continuously working on in terms of

stabilizing the business without any such disruptions and number two with respect to

increasing the value of the sugar that we are selling in terms of going ahead with the increased percentage of value added sugar and value added customers and continuously

working with respect to the cost because there have been substantial fuel cost escalations

that have taken place. I think most of the material cost and fuel cost inflation is already

dealt with and to that extent the world markets have also responded to the cost increase by the refiners so that gives us a positive ray of hope in terms of having a better operational

performance going forward.

Rajesh Majumdar: Sir mentioned in the 2Q call itself also that 3Q will be better but still we are finding that

same problem is persisting in refinery and refining margins can come off again from the



levels that we have seen so in that scenario will continue to see stable margins in business of \$30 to 40 which you had earlier indicated at some point of time or not.

Suresh Kannan: Let me answer this question in two parts, one is with respect to the margins, so if you look

> at the white premiums were depressed for the last two to two and half months basically because of the overhang of the Indian export and structure of Indian exports have also changed over the last couple of years. We are moving from raw sugar exporter to more predominately white sugar and then also into refined sugar but now that wave is off and we have discussed earlier in the call also there is lot of expectation of any major Indian exports going forward so we are already seeing the signs that the white premiums are going up because that is needed for attracting the refined sugar from other sources so we do expect the refining margins to come back to the levels what you have quoted as far as the

discussions are concerned.

Rajesh Majumdar: Okay thank you.

Moderator: Thank you. The next question is from the line of Ritwik Sheth from One Up Financial.

Please go ahead.

Ritwik Sheth: Hi good afternoon Sir and thank you for the opportunity. Sir I have a few questions firstly

on the peak distillery sales, whether it could be close to 19 Crores liters once all the projects

have commissioned and running at full capacity.

Muthiah Murugappan: Yes that is right, you will get to around 18 to 19.

Ritwik Sheth: Okay thank you and you mentioned in the opening remarks that both the existing projects

will be completed by FY2024 end.

Muthiah Murugappan: So Haliyal will be sort of Q4 FY2024 and Nellikuppam augmentation will be in Q1

FY2025 so you will be on this 18, 19 run rate from Q1, Q2 FY2025.

Ritwik Sheth: Sure thank you. My next question is on the refinery. You mentioned the operating numbers.

Can you please repeat it? I have missed the numbers on revenue, PBT, and PAT please.

A. Sridhar: This is Sridhar here. The refined sugar sales volume was at 2.37 lakh metric tonnes as

against the previous year sales volume of 2.29 lakh metric tonnes. The year-to-date numbers

were at 5.86 lakh metric tonnes as against previous year sales of 4.26 lakh metric tonnes.

Ritwik Sheth: Okay and Sir revenue PBT and PAT for nine months.



A. Sridhar: The PBT for Q3 was a loss of about Rs. 53.79 Crores as against the previous year's loss of

Rs. 3.67 Crores. The year-to-date PBT was a loss of about 208.25 Crores as against the

previous year loss of Rs. 40.52 Crores.

Ritwik Sheth: Okay and is there any exceptional item for this quarter.

A. Sridhar: There is an exceptional item this quarter to the extent of about Rs. 45 Crores.

Ritwik Sheth: Is it possible what is it regarding.

A. Sridhar: The business had to incur an expense of Rs. 105.62 Crores as of 31st December 2022 which

includes Rs. 60.14 Crores as of September 2022 on account of clearance of shipments

consequent to the accidents at PSRIPL factory.

Ritwik Sheth: Okay Sir. So this Rs. 105 Crores is an exceptional item in nine months which you have

reported a 208 Crores loss is an exception. Okay fine and Sir just on the debt figure on the refinery from here on, when we expect the debt to settle at for the short term from 750

Crores.

Suresh Kannan: Suresh Kannan here. We expect the short-term debt to be in the region of Rs. 500 to Rs. 600

Crores.

Ritwik Sheth: Okay Sir that is it from my side. Thank you and all the best.

Moderator: Thank you. The next question is from the line of Rajakumar Vaidyanathan an individual

investor. Please go ahead.

Rajakumar: Good afternoon, Sir. Thanks for the opportunity. Sir I have two questions so the first

question is if I see the operations for sugar, cogen and distillery for the nine months, we have done negative 177 Crores and for the previous FY we have done about 150 Crores positive, so I just wanted to know given the Q4 is going to be good, so maybe we will be able to match the previous number or exceed that or it is going to be lower than what we did

in the previous financial year.

Muthiah Murugappan: I think you are mostly looking at consolidated number right Sridhar.

Rajakumar: Yes I am looking at the consolidate number.

Muthiah Murugappan: So that includes the refinery business as well.



Rajakumar: So that includes 700 Crores exceptional loss in the operating margin or is it sitting in the

exceptional line.

A. Sridhar: As far as the standalone is concerned, we are going to do better than what we have

performed in the previous year and on a consolidated basis there has been exceptional

issues as far as the refinery business is concerned.

Rajakumar: I have just one more question so I think the nutrient segment compared to the last year so

whether Q4 will also see similar performance as what you have done in the first nine

months.

Muthiah Murugappan: Which segment sorry?

Rajakumar: The nutrient segment.

Muthiah Murugappan: So that is obviously I am assuming you are referring to Coromandel International the

subsidiary company so I think they have done an investor call already. I think that call upload should be available online. This is not the management which looks after Coromandel. They have an independent management team so I think you should log into that call or you can check out the transcript of the call or the recording and I think you will get some colour on their business performance and what they are looking at for the coming

quarters.

Rajakumar: Sure I will do that. If I look at a consolidated basis, 95% of your bottom line is coming

Coromandel business. We are not seeing any positive bottom line coming from the EID

business per se.

A. Sridhar: This is Sridhar here. The performance of the sugar operations will have to be looked at on

annualized basis and not for nine months period because the crushing season happens between November to March so it is not the right way to compare the sugar operations

versus the Coromandel operations in between the year.

Rajakumar: Thank you.

Moderator: Ladies and gentleman as that was the last question for today I would now like to hand the

conference over to the management for closing comments. Over to you Sir.

S. Suresh: Thank you everyone for taking your time out and attending this call. I am hoping to see you

on the next call. Thank you.



Moderator:

Thank you Sir. On behalf of DAM Capital Advisors Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.