



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

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August 26, 2011

The Secretary
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No.C/1, G. Block
Bandra Kurla Complex
Bandra (E)
Mumbai – 400 051

Dear Sirs,

Listing Agreement Compliance – Clause 31 (d)

Enclosed please find a copy of the Minutes of the 36th Annual General Meeting of the Company held on 27th July 2011 for your records.

Yours faithfully
For E.I.D.- PARRY (INDIA) LIMITED


(SURESH KRISHNAN)
COMPANY SECRETARY

Encl. : a/a



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

MINUTES OF THE THIRTY SIXTH ANNUAL GENERAL MEETING OF THE MEMBERS OF E.I.D.- PARRY (INDIA) LIMITED HELD ON WEDNESDAY, THE 27TH JULY 2011 AT 4 P.M. AT TAMIL ISAI SANGAM, RAJAH ANNAMALAI MANDRAM, 5 ESPLANADE ROAD, CHENNAI – 600 108.

PRESENT:

Mr. A. VELLAYAN	CHAIRMAN
Mr. V. RAVICHANDRAN	VICE CHAIRMAN
Mr. RAVINDRA S. SINGHVI	MANAGING DIRECTOR
Mr. V. MANICKAM	DIRECTOR
Mr. R.A. SAVOOR	DIRECTOR & CHAIRMAN OF
	AUDIT COMMITTEE
Mr. ANAND NARAIN BHATIA	DIRECTOR & CHAIRMAN OF
	SHARES & SHAREHOLDERS/
	INVESTORS GRIEVANCE
	COMMITTEE
Mr. M.B.N. RAO	DIRECTOR

IN ATTENDANCE

Mr. SURESH KRISHNAN	COMPANY SECRETARY
Mr. P. GOPALAKRISHNAN	VICE PRESIDENT –FINANCE
Mr. RAMESH PONNUSWAMI	VICE PRESIDENT -
	OPERATIONS
Mr. L. K. BABURAJ	GENERAL
	MANAGER(MARKETING) –
	BIO PRODUCTS
Mr. V. BRAGADEESH	VICE PRESIDENT – MARKETING
	& SALES - NUTRACEUTICALS

1595 Shareholders present in person

126 Shareholders represented by proxy

Since the requisite quorum was present, the Chairman called the meeting to order.

1. Mr. A. Vellayan, Chairman, took the Chair in accordance with Article 72 of the Articles of Association of the Company.

2. Mr. A. Vellayan, Chairman, extended a warm welcome to the members to the 36th Annual General Meeting of the Company.

The Chairman then briefly introduced the Directors and the senior executives of the Company present on the dais.

3. The Chairman announced that the Register of Directors' shareholdings maintained under Section 307 of the Companies Act 1956, was available for inspection by the members at any time during the meeting.
4. The Chairman also announced that the Certificate dated 29th April, 2011 received from the Company's Auditors, Messrs. Deloitte, Haskins & Sells certifying that the Employee Stock Option Scheme had been implemented in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Special Resolution passed by the members in this regard at the General Meeting held on 26.07.2007 was on the table and was available for inspection by the members at any time during the meeting.
5. The Chairman informed the members that 126 proxies for 9,09,12,025 Equity Shares were received and duly recorded.
6. With the unanimous consent of the members present, the Notice dated 29th April, 2011, convening the Thirty Sixth Annual General Meeting was taken as read.
7. Mr. Suresh Krishnan, Company Secretary, then read the Report of the Auditors to the Members.
8. The Chairman in his speech dealt with the economic scenario, the performance of the Agriculture and Allied activities in the 4th quarter, key risks to growth in India in the current year, key issues the Company needs to address with respect to Agriculture and the major risks faced by sugar business.

The Chairman informed that the Company always considered the soil health, mechanization, focused R&D and crop protection as the Company's responsibilities in partnering the farmer through the harvest cycle. He also informed that the company provides agronomic support through its cane extension teams with a focus on training farmers on scientific applications and farming methodologies. The Chairman informed that the company has been working continuously to increase the effectiveness of its unique concept of Namadhu Parry Mayyam (NPM), a service hub for farmers and provides agri inputs as well as extends interest free loans to these operators for buying high end farm

equipment. These NPM's in turn hire out such sophisticated equipment to small farmers who are unable to afford it. The Chairman further informed that for enhancing the productivity of the farming community, EID Parry's largest subsidiary, Coromandel International has also been playing a significant role. Besides improving overall productivity by supplying the fertiliser and pesticides requirements of the farming community, they also offer agri support services. Coromandel International, through their retail Mana Gromor centres have been providing extensive products and services to the farming community.

Dealing with the Industry Outlook and the Developments in the sugar industry in the year 2010-11, the Chairman informed the Members that:

- Indian sugar industry is one of the main drivers of the country's rural economy supporting its agricultural growth.
- The industry worth around Rs 75,000/- crores is the largest agro based industry in the country.
- Supports 50 million farmers and their families directly or indirectly and generates employment for around 12% of the entire rural population (in major 9 sugar producing States).
- It is also one of the most environmentally friendly and green industry.
- In the last sugar season 2009-10, approximately Rs. 45,000 crores was paid to farmers as cane price. This year, it is expected to rise to about Rs 51,000 crores.
- The sector continues to suffer the burden of excessive controls and regulations far in excess of those imposed on any other sector in agriculture or industry.
- In 2009/10, Indian sugar production started recovering from an unprecedented fall of 11.7 Million MT or 45% in 2008/09.
- As per ICRA report India's Sugar output is likely to reach 24.50 Million MT as against 18.92 Million MT in previous sugar year.
- There is a persistent downward trend in domestic sugar price for most part of the year 2010-11 despite high international prices.
- In the last 2 months, the Government has come out releasing 1 Million MT of sugar for export in tranches under OGL and thereby the sentiments on sugar prices have slightly improved.

He then briefly summarised the highlights of the performance of the Company during the year 2010 – 2011 and other major happenings as given below:

- **Sugar**

During the year, the Company crushed 28.36 LMT of cane (previous year 25.46 LMT), exported 3147 lakh units (2572 lakh units) of power to the Grid and sold 275.05 lakh litres (162.81 lakh litres) of alcohol {(including the ENA sales of 162 lakh liters) (117.44 lakh litres)}.

Sugar division registered a revenue of Rs. 1197 crore (Rs.1134 crore) for the year 2010/11 with a net loss before interest of Rs. 51 crore (profit of Rs.176 crore). This was due to steep fall in sugar realisation in 2010-11 coupled with one time loss incurred on imported sugar which was contracted at a higher cost.

- **Bio products**

1. Bio Pesticides

The Bio Pesticides division registered revenue of Rs.58.39 crores (Rs. 36.26 crores) showing a growth of 61% and a PBIT of Rs. 11.49 crores (Rs. 5.61 crores). The sales increased due to higher demand for formulation, Home and Garden segments in US and Europe. Expansion to new crop and markets with new products and increased manpower had contributed to increased sale in domestic market.

2. Nutraceuticals

The Nutraceuticals division clocked revenue of Rs. 43.93 crores (Rs. 37.47 crores) growth of 17% and a PBIT of Rs.1.18 crores. The Nutraceuticals products continued to grow in all the markets and are currently exported to over 38 countries with Certified Organic Spirulina continuing to outperform competition in its segment. This division is gearing to exploit the opportunities available for positioning itself as a key player in the segment.

Turning his attention to major listed Subsidiaries/Joint Venture, the Chairman further informed the Members that the Company's major listed subsidiary – Coromandel International Limited, had a record year of performance and contributed substantially by way of dividend income to the Company.

During the financial year ended 31st March 2011, the Joint Venture entity viz. Silkroad Sugar Private Ltd., commenced commercial production. The supply of gas was an area of concern and maximum efforts are put in for ensuring continuous supply of gas. With a capacity of 2000 tons of refined sugar production per day and with a 35 MW Co-Generation Plant, this refinery will be among the largest in the South Asian region. Due to inadequate gas supply, the refinery is operating at a low level of capacity utilization and the Company faces a challenging situation.

As part of the growth strategy for the Sugar business, the company acquired 65% equity stake in the equity capital of M/s.Parrys Sugar Industries Ltd. (PSIL) (previously known as M/s. GMR Industries Ltd.) after complying with all formalities relating to open offer under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 to the shareholders of PSIL.

The Chairman also briefed on the following:

- EID Parry registered a total income of Rs.1435.50 crores with a Profit Before Tax (PBT) of Rs. 67.40 crores.
- For the year, an interim dividend of Rs. 2/- (200%) per equity share of Re.1 each was paid in March, 2011.The Board has not recommended final dividend for the year ended 31st March, 2011.
- Mr. Ravindra S.Singhvi, who joined the company as Chief Executive Officer in December, 2010 took over as Managing Director effective from 29th January, 2011, consequent to Mr.K.Raghunandan stepping down as Managing Director and from the Board with effect from 28th January, 2011.
- In order to further improve liquidity of shares, widen the shareholder base and to make the shares affordable for smaller investors, the nominal value of equity shares were sub divided from Rs. 2 per share to Re.1 per share with effect from 24th December, 2010 after obtaining the approval of shareholders through postal ballot.
- During the earlier part of the year, rating agency CRISIL had reaffirmed Long term Debt rating to AA/Stable outlook post acquisition of Parrys Sugar Industries Ltd. It had reaffirmed P1+ rating for short term borrowings. CRISIL has now retained the same rating for the proposed bank facilities as per BASEL II requirements.

He then thanked the shareholders for their continued and valuable support and also thanked his colleagues on the Board for their valuable counsel and support.

He also placed on record his appreciation for the commitment and excellent team work put in by the employees of the Company at all levels.

He also thanked all the other stakeholders comprising of the cane growers, suppliers, banks, depositors, financial institutions, and the customers who have contributed to the Company's successful operations during the year.

9. Taking up the agenda, the Chairman stated that the first item of business was to receive, consider and adopt the audited accounts together with the Directors' Report and the Auditor's Report for the year ended 31st March, 2011. Since the reports were available with the members for quiet sometime, it was taken as read, with the unanimous consent of the members.

Mr. Joseph Nathan proposed the following Resolution as an Ordinary Resolution:

RESOLVED that the Report of the Directors, the Report of the Auditors and the Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended 31st March, 2011 be and they are hereby adopted.

Mr. S. Rajath seconded the Resolution.

The queries raised by the members on the Company's operations for the year ended 31st March, 2011 and the annual accounts relating to the said year were collated and answered by the Chairman and the Managing Director, to the satisfaction of the members.

Thereafter, the resolution for adoption of Accounts was put to vote and was carried unanimously.

10. On being proposed by Mr. R.S. Basker and seconded by Mr. V. Ramachandran, the following Resolution proposed as an Ordinary Resolution was put to vote and was carried with requisite majority.

RESOLVED that the Interim dividend of Rs.2/- per equity share of Re.1/- each (200%) already paid on the equity share capital of the company for the year ended 31st March, 2011 be and the same is hereby approved.

11. On being proposed by Mr. K. N. Radhakrishnan and seconded by Mr. V. Thangaraju, the following Resolution proposed as an Ordinary Resolution was put to vote and was carried unanimously.

RESOLVED that Mr. R.A.Savoor who retires in terms of Articles 102 and 103 of the company's Articles of Association and being eligible offers himself for reappointment, be and he is hereby reappointed a Director of the company.

12. On being proposed by Mr. S. Rajath and seconded by Mrs. A. Meena, the following Resolution proposed as an Ordinary Resolution was put to vote and was carried unanimously.

RESOLVED that Mr. Anand Narain Bhatia who retires in terms of Articles 102 and 103 of the company's Articles of Association and being eligible offers himself for reappointment, be and he is hereby reappointed a Director of the company.

13. On being proposed by Mr. V. Ramachandran and seconded by Mr. R S Basker, the following Resolution proposed as an Ordinary Resolution was put to vote and was carried with requisite majority.

RESOLVED that Messrs. Deloitte Haskins & Sells, Chartered Accountants, Chennai, bearing registration number 008072S with the Institute of Chartered Accountants of India, be and they are hereby reappointed Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration of Rs.17,00,000/- (Rupees Seventeen Lakhs only) in addition to reimbursement of actual travelling and out-of-pocket expenses incurred by them.

14. On being proposed by Mr. R.Srinivasan and seconded by Mr. V. Thangaraju, the following Resolution proposed as an Ordinary Resolution was put to vote and was carried unanimously.

RESOLVED that in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, Mr. Ravindra S.Singhvi, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 105 of the Articles of Association of the Company, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER that subject to necessary approvals and in accordance with the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof, approval of the Company be and is hereby accorded to the appointment of Mr. Ravindra S.Singhvi as the Managing Director of the Company, for a period of 5 (five) years with effect from 29th January, 2011 on the terms and conditions including remuneration as set out below with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER that subject to necessary approvals and in accordance with the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof and subject to an overall limit of 5% of the net profits of the Company for each financial year computed in the manner prescribed in Sections 349 and 350 of the Companies Act, 1956, approval of the Company be and is hereby accorded for payment of remuneration and perquisites to Mr. Ravindra S. Singhvi, Managing Director with effect from 29th January, 2011 as follows:

a. Salary:

Rs. 3,00,000 /- per month in the range of Rs. 3,00,000/- to Rs.9,00,000/-.

The increments will be decided by the Compensation and Nomination Committee.

b. Allowances/Perquisites:

In addition to the salary, Mr. Ravindra S. Singhvi, Managing Director will be paid allowances like House Rent Allowance, Leave Travel Allowance, Special Allowance, Additional Special Allowance and/or any other allowance as determined by the Compensation and Nomination Committee.

Perquisites shall include provision of furnished / unfurnished accommodation, personal accident insurance, reimbursement of medical expenses incurred for self and family, club subscription, provision of cars as per the rules of the company in force from time to time and any other perquisites, benefits, amenities as may be decided from time to time and approved by the Compensation and Nomination Committee.

Perquisites shall be valued in terms of actual expenditure incurred by the Company in providing benefit to the employees. However, in cases where the actual amount of expenditure cannot be ascertained with reasonable accuracy (including car provided for official and personal purposes and loans) the perquisites shall be valued as per income tax rules.

c. Incentive:

Based on the achievement of the performance parameters laid down, an amount not exceeding the annual basic salary as may be determined by the Compensation and Nomination Committee.

d. Retirement Benefits:

- i. Contribution to Provident Fund, Superannuation Fund and Gratuity as per the approved scheme of the Company in force from time to time.
- ii. Encashment of leave as per rules of the Company in force from time to time.

e. ESOP:

Grant of stock options under the Company's ESOP Scheme as may be determined by the Compensation and Nomination Committee from time to time.

f. Overall Ceiling:

Salary, allowances, perquisites and incentive shall be subject to an overall limit of 5% of the net profits of the Company calculated as per the provisions of the Companies Act, 1956.

g. General:

- i. In the event of absence or inadequacy of profits in any financial year, the remuneration by way of salary, allowances, perquisites, amenities, facilities, incentive and retirement benefits to Mr. Ravindra S. Singhvi, Managing Director as may be determined by the Board or Compensation and Nomination Committee, shall not, except with the approval of the Central Government, exceed the limits prescribed under the Companies Act, 1956 and rules made there under or any statutory modification or re-enactment thereof.
- ii. Provision of telephone at residence and expenses on account of car for official use shall not be reckoned as perquisites.
- iii. Mr. Ravindra S. Singhvi, Managing Director will not be entitled to any sitting fees for attending meetings of the Board or of any Committee thereof.

- iv. Mr. Ravindra S. Singhvi, Managing Director will be subject to all other service conditions as applicable to any other employee of the Company.

RESOLVED FURTHER that in the event of absence or inadequacy of profits in any financial year, the remuneration by way of salary, allowances, perquisites, amenities, facilities, incentive and retirement benefits to Mr. Ravindra S. Singhvi, Managing Director, as may be determined by the Board or Compensation and Nomination Committee, shall not, except with the approval of the Central Government, exceed the limits prescribed under the Companies Act, 1956 and rules made there under or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.

15. On being proposed by the Chairman and seconded by Mr. V. Narasimhan, the following Resolution proposed as an Ordinary Resolution was put to vote and was carried unanimously.

RESOLVED that the consent of the Company be and the same is hereby accorded in terms of Section 293 (1) (a) and other applicable provisions, if any, of the Companies Act, 1956 to mortgaging and/or charging by the Board of Directors of the Company of all or any of the specific immovable and movable properties of the Company wheresoever situate, present and future, and/or conferring power to enter upon and to take possession of the assets of the Company in certain events, to or in favour of Indusind Bank Limited, Chennai, IDBI Trusteeship Services Ltd. Mumbai and State Bank of India, CAG Branch, Chennai to secure:

- i) Term Loan of Rs.50 Crore (Rupees Fifty Crore only) granted by Indusind Bank Limited;
- ii) IDBI Trusteeship Services Limited, Mumbai in its capacity as Debenture Trustees relating to 400 – 9.40% Secured Redeemable Non-Convertible Debentures of Rs.10,00,000/- each aggregating to Rs.40 Crore (Rupees Forty Crore only) issued on private placement basis;
- iii) Additional Deferred Payment Guarantee facility of Rs. 100 Crore (Rupees One Hundred Crore only) sanctioned by State Bank of India;
- iv) Additional Working Capital limits of Rs.240.41 Crore (Rupees Two Hundred Forty Crore and Forty One Lakhs only) sanctioned by State Bank of India, together with interest thereon at the agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses and all other monies payable by the Company under the Loan Agreements, Letters of

Sanction, Memorandum of Terms and Conditions, Trustee Agreement, Indenture of Mortgage, entered into /to be entered into by the Company in respect of the said Rupee Term Loan / Debentures/Deferred Payment Guarantee facility/Working Capital limits.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to finalise with Indusind Bank Limited, Chennai, IDBI Trusteeship Services Ltd. Mumbai and State Bank of India, Chennai, the documents for creating aforesaid mortgage and/or charge and to do all such acts and things as may be necessary for giving effect to the above resolution.

16. On being proposed by Mr. R. S. Basker and seconded by Mr. S Rajath, the following Resolution proposed as an Ordinary Resolution was put to vote and was carried unanimously.

RESOLVED that in supersession of the Resolution passed at the Extraordinary General Meeting held on 22nd January, 1993 and pursuant to Section 293(1)(d) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the consent of the company be and is hereby accorded to the Board of Directors of the company (hereinafter referred to as 'the Board' which term shall be deemed to include any committee thereof) for borrowing from time to time all such sum(s) of money (including External commercial Borrowings in foreign denominated currencies from any foreign sources /foreign countries as prescribed by statutory guidelines, if any, in this regard) in such manner as may be deemed necessary and prudent for the purpose of the company, notwithstanding that the money(s) to be borrowed together with the money(s) already borrowed by the Company and outstanding (apart from the temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital and free reserves of the Company i.e. reserves not set apart for any specific purposes, provided that the total amount so borrowed/to be borrowed by the Board shall not, at any time, exceed the aggregate of the paid up capital of the Company and its free reserves by more than Rs.500 Crore (Rupees Five Hundred Crore only).

RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board of Directors of the company be and is hereby authorised to take all necessary steps and do all necessary things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things as it may in its absolute discretion deem fit.

17. On being proposed by Mr. K. N. Radhakrishnan and seconded by Mrs. A. Meena, the following Resolution proposed as an Ordinary Resolution was put to vote and was carried unanimously.

RESOLVED that in supersession of the Resolution passed at the Extraordinary General Meeting held on 19th December, 1994 and pursuant to Section 293(1) (a) and other applicable provisions of the Companies Act, 1956 (including any statutory modification (s) or re-enactment thereof for the time being in force) consent of the company be and is hereby accorded to the Board of Directors of the company (hereinafter referred to as 'the Board' which term shall be deemed to include any committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable and or immovable properties/assets of the company, both present and future and /or the whole or any part of the undertaking(s) of the company, together with power to take over the management of the business and concern of the company in certain events of default, in favour of the Banks/ Financial Institutions, Lenders, Agent(s) and Trustee(s)/ Trustee(s) for the holders of debentures/bonds and/or other instruments to secure the borrowings of the Company by way of rupee/foreign currency loans or the issue of debentures whether partly/ fully convertible or non convertible and/or securities linked to rupee/foreign currency convertible bonds and/or bonds/debentures with detachable or non detachable share warrants (hereinafter collectively referred to as "Loans") for securing the borrowings of the company and/or its subsidiaries, availed/to be availed by way of loan (Term Loans/Working Capital facilities /External Commercial Borrowings and Securities/ Debentures) the aggregate value of which shall not exceed the aggregate of the paid up capital of the Company and its free reserves by more than Rs.500 Crore (Rupees Five Hundred Crore only) from Banks/ Financial Institutions, Lenders, Agent(s) and Trustee(s)/ Trustee(s) for the holders of debentures/bonds, issued/to be issued by the company from time to time together with interest, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption, remuneration of the Agent(s)/Trustee(s) and all other costs, charges and expenses including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other moneys payable by the company in terms of the Loan Agreement(s) /Heads of Agreement(s), Debenture Trust Deed(s) or any other document, entered into/to be entered into between the company and the Lender(s) / Agent(s) and Trustee(s)/Trustee(s) in respect of the said loans/borrowing/debentures/ bonds and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the

Board of Directors or Committee thereof and the Lenders/ Agent(s) and Trustee(s)/Trustee(s).

RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board of Directors of the company be and is hereby authorized to finalise, settle and execute such documents/ deeds/ writings/papers and agreements as may be required and to take all necessary steps and do all necessary things in this regard in order to comply with all the legal and procedural formalities and further to authorise any of its Committee(s) / Director(s) or any Officer(s) of the company to do all such acts, deeds or things as it may in its absolute discretion deem necessary proper and fit."

18. There being no further business to be transacted, the meeting was terminated with a vote of thanks to the Chair.

Sd/-
(A. VELLAYAN)
CHAIRMAN