



KARUTURI

GLOBAL PRESENCE. GLOBAL SUCCESS

Dt : 03.10.2011

To,

The Manager

Corporate Relations

National Stock Exchange of India Ltd

Mumbai.

Dear Sir,

Sub: Press Release.

With reference to the above, we are releasing the attached press release to the print and visual media.

We request you to kindly upload the same on your website for the benefit of all our share holders.

Thanking You.

For Karuturi Global Ltd

Authorised Signatory.

Karuturi Global Limited

Reg. Office : # 204, Embassy Center, 11, Crescent Road, Bangalore - 560 001 INDIA



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Karuturi 1ST Maize Crop effected by Flash Floods

2011 has been a year of drought in the Eastern provinces of Ethiopia leading to a massive food shortage. World Food Agencies are looking at estimated imports of about ½ a million tonnes of food grain. Hoping to contribute its bit for the noble initiative, Karuturi has planted about 12000 Ha of Maize producing an estimated 60,000 Mt of Maize to ease the food shortage situation to a modest 10% of Ethiopian requirement.

Fresh Floods, bursting of river banks of Baro and Alwero has resulted in submergence of crop adding to the woes of the country at large and a loss of hope for producing sizeable maize crop by Karuturi. The estimated loss is pegged at \$ 15 mil.

Agriculture is an area full of challenges and Company is now fully engaged in mapping the water coursers and to avoid its recurrence.

Karuturi engages WAPCOS & WATER WATCH:

WAPCOS Limited a "MINI RATNA" Public Sector Enterprise has been retained by Karuturi to provide consultancy services for undertaking flood control measures besides designing an irrigation & drainage system.

WAPCOS is already providing **Concept to Commissioning** services for developmental agricultural projects across the globe. Apart from India, WAPCOS has successfully completed/on-going consultancy assignments abroad in 50 countries and is currently engaged in providing consultancy services in Afghanistan, Bangladesh, Bhutan, Burundi, Cambodia, Central African Republic, DR Congo, Ethiopia, Kenya, Laos, Mozambique, Myanmar, Nepal, Nigeria, Rwanda, Senegal, Sierra Leone, Taiwan, Tanzania, Yemen and Zimbabwe.

WaterWatch is another Dutch advisory firm that is engaged in authenticating the irrigation, drainage and flood control work of Karuturi. Waterwatch produce spatially discrete information on hydrological processes and water management issues at scales ranging from single fields up to river basins. WaterWatch also maps crop production and related agricultural information. Remote sensing algorithms are continuously updated while new ones are being developed. Waterwatch is active worldwide, and have completed projects in over 30 countries.

With the recent developments Karuturi is now completely focused upon water consumption, water availability, crop yield, water productivity, water accounting, water management strategies, water stress, water use verification and flood control.

Recent floods have brought their own challenges and may necessitate building of polders on the pattern as prevalent in Holland to serve the African market for food with the current import bill of 19 billion USD annually. Indian investments in Ethiopia has crossed 5 billion USD 2nd only to that of Saudi Arabia, helping a real GDP growth of over 10% in the recent past.

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Second Crop:

The farm is committed to developing a second crop for this year and will prevail to succeed in its ambitious agriventure. Karuturi is rolling out plans to harvest a large second crop and not allow this set back to effect its plans.

Karuturi has exhibited tremendous resilience to crisis situations in the past and their Flood control and Water Management initiatives must ward off the recent choppy tides and keep their ambitious food production project on course.

Global Food Situation:

World population is expected to grow by over a third, or 2.3 billion people, between 2009 and 2050. Nearly all of this growth is forecast to take place in the developing countries. Among the latter group, sub-Saharan Africa's population would grow the fastest. More than 12 million people are in urgent need of humanitarian assistance in the Horn of Africa as a result of a devastating drought, and conflict, civil unrest, and displacement in the neighboring country, Somalia.

The rising food prices have added more cause for concern. On an average, the World Bank Food Price Index has risen 33 percent above its level a year ago. Similarly, price levels of a number of major commodities are higher than their levels in July last year, for example, maize (84 percent), sugar (62 percent), wheat (55 percent). This rising food inflation has severely hit the bottom of the pyramid who are mainly in the developing countries earning just a dollar or two per day. The commercial prices of Rice and maize have shot up from \$350/ton to \$750/ton. Sugar has gone up from \$700 to over \$1000 in the recent past.

Companies like Karuturi have been working relentlessly to ameliorate the impending grave food crisis that this part of the world shall witness in the coming years. There are currently several Indian investment projects in Ethiopia following the footsteps of Karuturi which shall undoubtedly have a beneficial impact on the lowest common denominator and ensure the fulfillment of basic needs of the local population.

CSR:

At no stage however Karuturi has lost focus of its social responsibilities towards its stake holders including employees and inhabitants at the farm area. An Environment Impact Assessment and Social impact assessment (EIA & SIA) study has been conducted on Karuturi project at Gambela, Ethiopia by a reputed Institution recognized by the World Bank and necessary steps have been initiated to mitigate the risks for a healthy integrated growth environment. No human habitation has been displaced in order to make way for our project at Gambela. As a matter of fact Karuturi first camp site has been built at Village Ilea adjoining the existing human habitation after due permission by the village chief. Karuturi respects the local people, their customs and traditions and will continue to do so with a view to exist in peaceful harmony.

At Gambela, Karuturi has already provisioned 25 bore holes as part of its mission "Ban the can". This is personal initiative of Sai Rama Krishna Karuturi, Founder and Managing Director to do away with people having to walk long distance for drinking water as a belief that access to clean water leads to better sanitation and better health. Also often times it is the girl child who is made to skip school to carry water home. The large distances also mean that people make do with smaller quantities of water compromising on health and sanitation.

Karuturi is attempting to provide electricity for lighting, piped drinking water, permanent housing, appropriate schools and hospitals apart from entertainment facilities including cinemas and sporting clubs for people in the ecosystem to live a balanced life. Running a premier league football team and having recently sponsored national cricket team of Kenya for the cricket world cup are some of the examples in the same context.

For More details/information

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