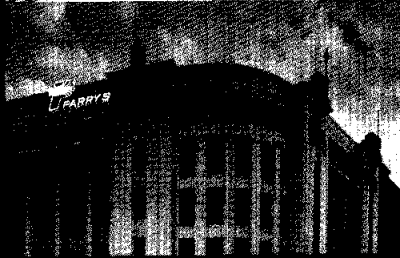




E.I.D. - Parry (India) Limited



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While many saw change as a threat,

we saw it as an opportunity.



*Everything depends on
how we look at it.
Including change.
And the moment we welcome change
as a natural phenomenon,
hindrances disappear naturally.*

*Precisely the thinking
that has made EID Parry,
adapt quicker to changes
and grow as a giant.*

Report

*Our values and beliefs have never
deterred our accelerated growth.*

*And our process of
continuous organisation renewal
has kept us abreast
of the changing world.*

*Probably the secret behind
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Values and Beliefs


- Adhere to ethical norms in all dealings with shareholders, employees, customers, suppliers, financial institutions and government.
- Provide value for money to customers through quality products and services.
- Treat our people with respect and concern; provide opportunities to learn, contribute and advance; recognise and reward initiatives, innovativeness and creativity.

MAINTAIN

- An organisational climate conducive to trust, open communication and team spirit.
- A style of operations befitting our size, but reflecting moderation and humility.
- Manage environment effectively for harnessing opportunities.
- Discharge responsibilities to various sections of society and preserve environment.
- Grow in an accelerated manner, consistent with values and beliefs, by continuous organisation renewal.

Built in 1939, Dare House is the headquarters of EID Parry. Today, it's called Parry's Corner, a landmark in the city.





A vision creates possibilities but focus inspires growth. In the business world; market trends, technologies and standards are constantly changing. Businesses have to constantly redefine goals and evolve products that respond to current needs. At EID Parry, we believe in the compass of consumer needs, and that is where our focus lies. For when we can innovate and respond, we are challenged to explore ideas, create solutions and excel.

HISTORY

THE LIVING LEGEND

Over two hundred years have gone by since a Welshman named Thomas Parry came to Madras to seek his fortune. The company he started still bears his name and is the second oldest commercial house in India and one of the oldest in the world.

Thomas Parry would marvel at the changes the company has undergone. Its very nature of business has changed as has its style of management. He would recognise, however, the spirit of resilience that drives the company's success.

When nineteen-year-old Thomas Parry arrived in Madras in 1788, banking was his principal business. But he also bought and sold commodities such as Madeira wine, books, real estate and Bengal lottery tickets. The ledger of his first partnership, Parry & Chase, is on display at the Parrys boardroom.

Thomas Parry changed partners as many as nine times. His final partner, John Dare, after whom the company's headquarters are named, matched him in enterprise and

enthusiasm. When Thomas Parry died in 1824, Dare carried on and left the company a legacy of thrust and drive.

Parrys pioneered sugar production in the South Arcot region in 1845.

Parrys encouraged farmers to use fertilisers as early as 1906, long before the concept was popularised in the 1960s.

Its Ceramics division of Parryware fame grew out of Parrys' Ranipet pottery works, which made jars for sulphuric acid and pickle as early as 1906. Humble beginnings bore fruit under Parrys' diligent nurturing.

By 1956, East India Distilleries and Sugar Factories Ltd. bought the whole equity capital of Parry & Co. Ltd. In 1975, the company was Indianised and

incorporated as E.I.D. Parry (India) Ltd.

In 1981, Parrys became a part of the Murugappa Group. Parrys now holds its own in competitive markets and goes from strength to strength. The spirit of its founder lives on.

Milestones

- 1788** Thomas Parry arrives in Madras.
- 1789** Chase and Parry begins trading.
- 1795** Thomas Parry & Co. begins trading.
- 1805** Thomas Parry starts a tannery — Madras' first industrial venture.
- 1819** Parry and Dare founded.
- 1845** Nellikuppam sugar factory is opened.
- 1855** Inauguration of the Tiruvonnainallur sugar factory.
- 1871** Banking becomes a mainstay.
- 1882** Exports sugar for the first time.
- 1885** Salt manufacture begins in Cuddalore.
- 1897** East India Distilleries formed in London and Parrys appointed Managing Agents of the new company which takes over Parrys industrial assets
- 1904** Presidency Manure Works is established.
- 1906** Manufacture of fertilisers and chemicals begins.
- 1908** Ceramics division set up in Ranipet.
- 1914** Confectionary factory opened in Nellikuppam.
- 1936** Import-export business touches Rs.19.7 million.
- 1962** The name 'E.I.D.-Parry Ltd.' is formalised.
- 1975** E.I.D.-Parry (India) Limited — Parrys becomes completely Indianised.
- 1981** The Murugappa Group acquires Parrys.



GROUP PROFILE

C O M M I T T E D T O B E T T E R I N G L I V E S

The Murugappa Group has an astounding range of operations. For over 65 years, the Group's sound business decisions and ethical practices have ensured its steady growth.

The early ventures were companies started and nurtured by the Group. Companies such as Tube Investments of India Ltd., and Carborundum Universal Limited were pioneers in Indian industry and continue to flourish.

In 1980s, the Group moved into acquisitions. EID Parry (India), Parrys Confectionery Ltd., Coromandel Fertilisers Limited and Parry Agro Industries Limited, have only added lustre to the Group's portfolio. The Group also started Chola mandalam Finance and Investments Limited.

The Murugappa Corporate Board (MCB) was formed to define and manage the business strategy of the Group.

The Murugappa Group has always fulfilled the needs of the present by anticipating the needs of the future. In the last 5 years, its turnover and assets have more than doubled. And the Group channelises a part of its

revenue to social welfare projects in the fields of education, medicine and rural development.

For the Murugappa Group, success is not a function of the bottomline on a balance sheet. It's a holistic approach to bettering lives and fostering progress.



A M M Arunachalam

(1918 - 1999) was one of the visionaries of Indian industry. He was quick to grasp the host of industrial opportunities offered by Independent India and built a strong industrial empire. He founded the T.I. Group and explored new vistas like the manufacturing of cycles, steel tubes and industrial chains, abrasives, refractories and corrosion-resistant materials. He was Chairman of the Murugappa Group. Under his guidance, the Group consolidated its position and expanded through acquisitions.



M V Arunachalam

(1929 - 1996) was Vice Chairman of the Murugappa Group when the company acquired EID Parry (India) Ltd., in 1981. M V Arunachalam took over as Chairman of Parrys at a time when the company was going through a troubled phase. His decisive and disciplined approach brought the lustre back to Parrys.



M V Subbiah

Director - External Relations and Innovations of MCB, turned Parrys around. Till recently he was the Chairman of the MCB. He skillfully drives the business with progressive dynamism.

N S Raghavan

An independent Director of the MCB is its present Chairman. Under his leadership the Group's Vision will be actualised and Corporate Governance initiatives strengthened. He was formerly the Joint Managing Director of Infosys Technologies Ltd.



M A Alagappan

Vice Chairman and Director - Strategy of the MCB, displays keen financial acumen and business strategy.



The EID Parry Board Members



M.V. Subbiah
Executive Chairman



A. Vellayan
Chairman



Dr. S.S. Bajjal



S.M. Datta



L.N. Jayaraman



R.S. Nanda



P. Rama Babu
Whole-time
Director



R. Seshasayee



T.B. Subramanian



S. Viswanathan

Board's Sub-Committees

Audit Sub-Committee

S.M. DATTA

(Chairman)

Dr. S.S. BAIJAL

T.B. SUBRAMANIAN

S. VISWANATHAN

R. SESHASAYEE

Shareholders/Investors

Grievance Committee

S. VISWANATHAN

(Chairman)

L.N. JAYARAMAN

PRAMA BABU

Remuneration and

Nomination Committee

S.M. DATTA

R. SESHASAYEE

S. VISWANATHAN

Corporate Management Team

V. RAVICHANDRAN

Vice President (Fertilisers (Marketing) & Pesticides)

M.S. SRINIVASAN

Vice President (Fertilisers (Manufacturing))

K. RAVINDRAN

General Manager (Sugar Operations)

Dr. S.S. PILLAI

Vice President (Bio-products)

KAILASH AGNANI

Vice President (Parryware)

D. KUMARASWAMY

Vice President (Finance)

K. RAGHUNANDAN

General Manager (Information Services)

Company Secretary

G. JALAJA

Auditors

LOVELOCK & LEWES

Chartered Accountants

Chennai

Bankers

STATE BANK OF INDIA

FARM INPUTS

B R I N G I N G L A N D T O L I F E

Since 1906, Parrys has helped farmers achieve higher yields per hectare. We have a number of firsts to our credit in this field. The factory at Ranipet set up in 1906 was the first to produce bone phosphate. The Ennore factory, established in 1963, was the first private sector unit to manufacture phosphatic fertilisers. We also pioneered the use of complex fertilisers in the 1960s.



Milestones

1906

Parrys opens India's first bone phosphate fertiliser manufacturing plant in Ranipet.

1961

Parrys promotes Coromandel Fertilisers Ltd.

1963

Ennore fertiliser factory opened — the first private sector unit to manufacture phosphatic fertilisers.

1995

Coromandel Fertilisers Limited is acquired by the Murugappa Group.

1995

A 70 lakh litres formulation plant is added to the Ranipet factory.

1996

Technical grade pesticide plant acquired at Thane .

1997

Expanded capacity and set up ammonia terminal with submarine pipeline system at Ennore — first of it's kind in Asia.

*Filling line at Ranipet
Pesticide Plant*