



# **SUSTAINABILITY**

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## **JOURNEY AND MISSION**



**E.I.D.-PARRY (INDIA) LIMITED**  
**ANNUAL REPORT 2014 - 2015**



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### Forward Looking Statements

Certain statements in this annual report concerning our future growth prospects are forward-looking statements, which involve a number of the risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. We have tried wherever possible to identify such statements by using words such as anticipate, estimate, expect, project, intend, plan, believe and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, our actual result could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.



# **SUSTAINABILITY**

## **JOURNEY AND MISSION**

E.I.D. Parry - the first Company in India and the earliest in the world to manufacture sugar in 1842. A Company, with the rare distinction of 227 years in business.

Sustainability is part of the Parry DNA.

Sugar, Bio-pesticides and Nutraceuticals - 3 different business lines, yet governed by the same principle of sustainability. Enshrined in the tenets of conserving, preserving, enhancing and creating, each business in sync with Nature.

At Parry, 2014-15 marked a milestone year. A year, when the Company demonstrated its pioneering zeal, creating history in the sugar industry. A year, of business sustainability amidst a challenging environment.

At each of the businesses, central to policies, processes, products and people strategies, was an abiding commitment towards caring for the earth as much as caring for the stakeholder and society. A commitment, towards value creation and welfare.

Going forward with a roadmap that is visionary, inclusive and future driven, at Parry, sustainability is both a journey and a mission.

**PIONEER**  
IN PROMOTING  
**SUSTAINABLE**  
FARMING PRACTICES

**SIGNIFICANT**  
**WATER SAVING**  
ACROSS FARMS  
UNDER COMMAND AREA



**R&D**  
AND  
**CANE BREEDING**  
CENTRE  
DEVELOPING INNOVATIVE  
TECHNOLOGIES



**A MISSION OF CARING FOR THE STAKEHOLDER,  
A MANDATE OF VALUE CREATION AND WELFARE  
IS SUSTAINABILITY.**

**THAT IS WHAT DEFINES US...**

The farmer is the key stakeholder in E.I.D Parry's sugar business. With more than 2 lakh farmers under its command area and a contract pool of more than 70,000 harvest and cane workers, Parry plays an important role in the agro economy of the country.

Partnering with the farmer to increase yield and productivity, using environment friendly practices is an important part of Parry's model of business sustainability. The Company has earned the distinction of being a pioneer, setting a benchmark in promoting scientific and sustainable farming practices in the sugar industry such as bio-control agents, soil management, fertigation, pro-tray seedling methods, clean seed cane nurseries, wider row spacing, ratoon management, bio-manuring and mechanisation. The Company has contributed to a significant water saving in the command area under each of its mills, by promoting sustainable sugarcane production practices like drip-irrigation, trash shredding, trash mulching and inter-cropping.

Parry is the only sugar manufacturer in India and among the few in the world with a dedicated Cane Breeding and Research Centre, with advanced tissue culture developing facilities, recognised by the Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology. The Company's R&D 'lab-to-land' programmes focuses on empowering farmers with innovative crop management technologies and new proprietary varieties of cane that are drought resistant, adapt to problem soils and enhance yield and profitability for the farmer.



Parry pioneered the programme of introducing trichogramma, a bio-control agent, for eliminating the use of chemical pesticides in the sugar industry. Started nearly two decades ago, this innovative and research driven initiative plays a vital role in monitoring and controlling pest infestations in sugarcane and a wide spectrum of other crops. Based on the farmer-entrepreneur model, the trichogramma breeding centres have been successfully scaled across regions and sugarcane farms, providing prosperity to the farmers while conserving the environment. 'Tetrastichus' is another new and effective bio-control agent developed by the Company's R&D awaiting a patent registration.

The Company's R&D and Cane Extension teams work in collaboration with International Agencies on Farmer Support Programmes for capacity building of the farmers in sustainable sugarcane production. This three year programme, with specific targets and milestone audits, focuses on the empowerment of women in farming, financial literacy, drip irrigation and also measures the carbon and water footprints. Intensive training programmes are also conducted for farmers in line with the 'Bonsucro' international certification standards for sustainable sugarcane practices. Taking training to the farmers' doorstep, the Company has introduced a mobile theatre van for knowledge dissemination and sharing information on innovative agronomic practices.

A sustainable business model is process dependant and system driven. In line with this, Parry has an integrated data base of its 200,000 farmers with details on acreage of fields, planting and harvesting cycles, crop status, soil condition, cane output, date of payment, etc., with iCane, an on-line data capture system. This ensures a robust farmer support mechanism while enabling data validated business decisions.

The Company's many socio-welfare and community initiatives such as health care, education, building school infrastructure, providing solar lighting, planting trees and water conservation, etc, contribute in a large way to the upliftment of the rural society. Parry has earned the trust and support of its large farmer base, with fair and equitable transactions and prompt payments within 14 days of cane supply. A benchmark in the sugar industry.

Transparency and ethical business practices. A philosophy centred on value creation and welfare. At Parry, sustainability is a commitment to both stakeholder and society.







**15%**

LOWER

**FUEL**  
CONSUMPTION



**>10%**

**REDUCTION**  
IN  
**PROCESS LOSS**

**30%**

**REDUCTION IN FRESH**  
**WATER**  
CONSUMPTION  
ACROSS MILLS

## CONSERVING, PRESERVING, ENHANCING AND CREATING AN ENVIRONMENT AND BUSINESS ECO SYSTEM IS SUSTAINABILITY.

### THAT IS WHAT DRIVES US....

In line with its long term vision of sustainability, Parry has adopted the 'reduce, re-cycle and reuse' principle across all Plants, to optimize operational efficiencies, eliminate process losses and to work towards a consistent reduction in water, power and fuel consumption.

Parry is the first sugar manufacturer in India to have an online effluent and emission monitoring system to ensure emissions are at near zero levels. Advanced boiler and steam recovery systems are installed at the Plants to maximise energy efficiencies and reduce fuel consumption, with periodic Energy Audits to track consumption patterns.

Water is an important resource which needs to be conserved. At Parry, water conservation is given prime importance. The water used at the Plants is recycled through a reverse osmosis process while the liquid effluents are treated and converted into plant nutrients and sent through pipelines to sugarcane fields.

Turning waste to wealth, the company has developed a range of organic bio fertilisers from the distillery waste. Rich in potash, the waste is converted into an organic fertiliser, Kash, replacing MOP, a chemical based fertiliser for farming. Water precipitate from cane juice in the form of press mud is also used as an organic manure with high nutritive value. Farm Boon, is another innovative organic product developed using treated press mud.

Cogeneration of power from bagasse, a by-product of sugar, is an important revenue stream of the business. The 'green power' produced is used to meet the captive requirements of the Plants, while the excess power is sold to the State Grid. The Company also supplies its bagasse to large paper mills, thereby helping to prevent the cutting of trees for wood pulp in the manufacture of paper. Another sustainable practice supported by Parry.

Ethanol, another by-product of sugar, is forecast to emerge as a vital blend for petrol. With fully integrated sugar plants and a dedicated distillery, EID Parry is future ready to participate in this potential green fuel space.



To increase people and process efficiencies the Company has adopted the Total Productive Maintenance (TPM) model of employee empowerment and ownership, centred on work practices with zero accidents, zero machine breakdowns and zero losses.

Integral to the sustainable work practices, are the Company's accreditations for the highest standards in Health, Safety, Security and Environment for employees, contract workers and farmers. The Company has been awarded with the 'Energy Efficient Unit' National Award for Excellence in Energy Management by Confederation of Indian Industry and the 2nd Prize in the National Energy Conservation Award in the Sugar Sector conducted by the Ministry of Power and Bureau of Energy Efficiency Nodal Body, Government of India.

Carrying forward the legacy of a pioneer in sugar manufacturing, at EID Parry, preserving and optimising resources in nature and business is what drives sustainability.



**A CHARTER OF GROWTH THAT IS VISION DRIVEN,  
INCLUSIVE AND FUTURE EMBEDDED  
IS SUSTAINABILITY.**

**THAT IS WHAT LEADS US...**

**1<sup>ST</sup>**  
IN  
**ASIA**  
TO GET  
**BONSUCRO™**  
CERTIFICATION

The year 2015 is a milestone year for EID Parry and for the Indian sugar industry. It is also a milestone year with the world set to commit to new agreements on climate change and sustainable development under the UN Framework Convention on Climate Change (UNFCCC). Applicable to all countries, the negotiations are expected to result in a roadmap for international development and international policy, including a set of Sustainable Development Goals (SDGs), for the next fifteen years and to take action on Climate Change from 2020.

Climate imbalance is especially disastrous for agro economies. As always EID Parry has taken the lead and become the first sugar company in Asia and among the select few across the globe to be awarded the 'Bonsucro' international certification for sustainable sugarcane production. It is the first time in the world that the certification has been awarded to an organisation working with a large base of small-holding sugarcane farmers.

The 'Bonsucro' certification with global benchmark standards, tracks the sugar manufactured from its source in the cane fields, including crop production practices, milling, processing, production and transport, to the point of sale, on stringent measurable metrics covering the entire value chain on social, economic and environmental aspects of sustainability. Launched at the Pugalur plant, Parry has chalked out plans to establish the 'Bonsucro' standards to its other plants and farming communities, embedding a charter of growth that is inclusive, future driven and sustainable.



*The Parry team receiving  
the Bonsucro Certificate.*



## CERTIFICATIONS UNIQUE IN SUGAR INDUSTRY

At Parry, business sustainability is driven by building sustainable customer relationships. In addition to large trade volumes, the institutional segment accounts for a significant part of Parry's total annual sales.

Parry was the first sugar manufacturer in India to receive the FSSC 22000 certification, a global standard for food safety. With state-of-the-art manufacturing facilities, stringent quality systems, global certification standards and customized product offerings, Parry has positioned itself as a preferred sugar supplier to a wide spectrum of institutional customers including world class pharma manufacturers with critical product specifications.

Major beverage and food manufacturers have made it mandatory from 2020 to source their sugar supplies only from producers certified for sustainable practices. The 'Bonsucro' certification will enable Parry a greater access to global manufacturers and further enlarge its institutional customer base.

Leveraging on its strong brand image for superior product quality, the Company has expanded its portfolio in the speciality sugar space with differentiated sugar variants using flavours and fortifications focusing on consumer taste and health. Taking this forward, the 'Vita' brand of vitamin enriched sugar was test launched during the year while new product variants are in the pipeline for trial and commercialisation.

Strong customer partnerships, innovation and a business direction focused on value creation leads Parry's core mission of sustainability and growth.

## PREFERRED VENDOR RANKING BY INSTITUTIONS

## BEST BRAND RANKING BY CONSUMERS





