



TRANSPARENT CAPITAL

Parry Agro Industries Ltd



Business Overview:

Parry Agro, one of the leading producers of CTC, Orthodox, Organic and Green teas, in India, is a part of the Murugappa Group, which is among the most respected business conglomerates in India. The Group has 28 businesses including nine listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., Cholamandalam Investment and Finance Company Ltd., Cholamandalam MS General Insurance Company Ltd., Coromandel International Ltd., Coromandel Engineering Company Ltd., E.I.D. Parry (India) Ltd., Parry Agro Industries Ltd., Shanthi Gears Ltd., Tube Investments of India Ltd., TI Financial Holdings Ltd and Wendt (India) Ltd. Market leaders in served segments including Abrasives, Auto Components, Transmission systems, Cycles, Sugar, Farm Inputs, Fertilisers, Plantations, Bio-products and Nutraceuticals, the Group has forged strong alliances with leading international companies such as Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Advanced Materials, Sociedad Química y Minera de Chile (SQM), Yanmar & Co. and Compagnie Des Phosphat De Gafsa (CPG). The Group has a wide geographical presence all over India and spanning 6 continents.

In a country that is the second-largest tea-growing region in the world, Parry Agro has estates across the best tea regions in India. In South India, the estates are spread across Sheikalmudi, Murugalli, Paralai, and Iyerpadi, in the Annamalai Hills; Attikunna and Carolyn, in the Nilgiris–Wayanad region; and in Assam, at Deckiajuli and Sirajuli, along with the banks of the river Brahmaputra. These estates produce some of the finest Indian teas.

Spread over 3,210 hectares, the tea estates and factories at Parry Agro produce around 14 million kilograms annually. Over the last five decades, the brand's reputation and respectability, as one of the premier tea growers have been well established across the globe.

Products of the Company:

A. Organic Tea

They are one of the pioneers in **Organic tea cultivation** and are known for sustainable cultivation techniques. With clearly segregated buffer zones and zero-tolerance for anything inorganic, they use bio-nutrients and repellents and practice natural pest-control methods.

Paralai Estate and Iyerpadi Factory have been certified organic by IMO, NOP (Organic Standards of USA), and NPOP (Organic Standards of India).

B. Conventional Tea

Conventional Tea Cultivation in the estates adheres to the Plant Protection Code (PPC) laid down by the Tea Board of India, which focuses on developing a sustainable tea code that is based on Indian realities and globally accepted sustainability principles. On the basis of our social, economic, agronomic, and environmental performance our tea plantations in South India are Trustea-certified. The Trustea code covers all aspects of tea production and manufacturing.

Promoters And Management::

1. Mr. M.M. Venkatachalam (Non - Executive Chairman)
2. .Mr. Ravi Sam, Independent Director
3. Mr. Ramesh Rajah, Independent Director
4. Mr. Nandlal Ganguli, Independent Director
5. Mr. Ramesh K B Menon, Non - Executive Director
6. Mr. T. Jayaraman, Independent Director
7. Mr. A. Sridhar (CEO & Whole-Time Director)

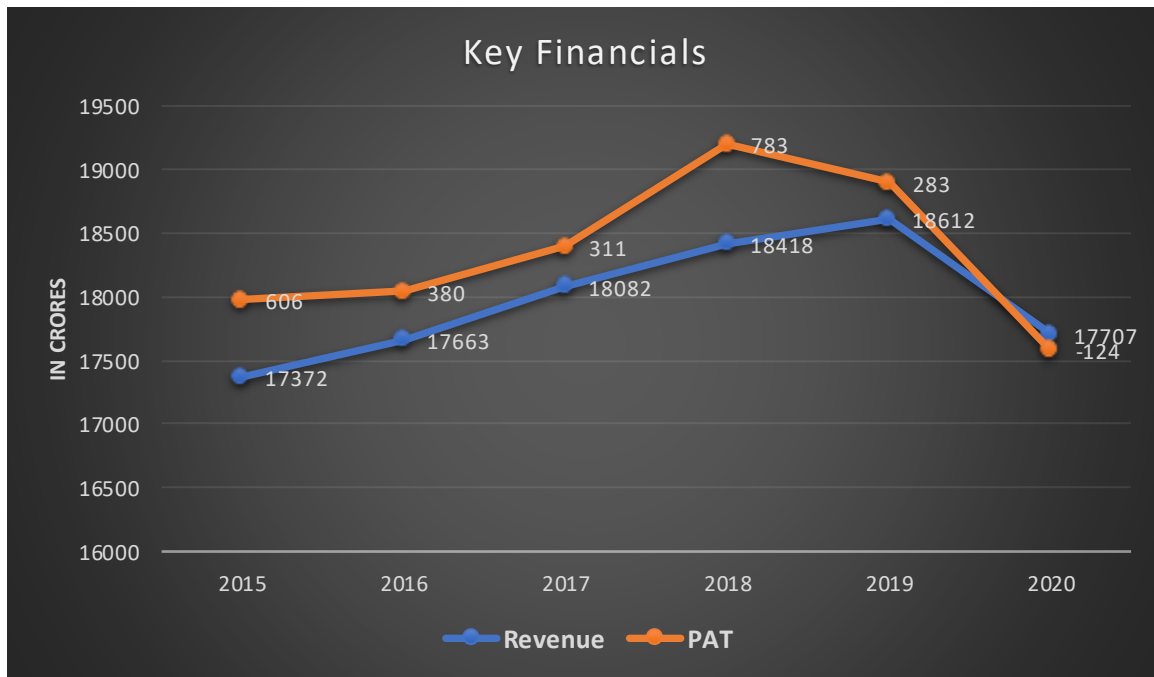
Shareholding Pattern:

Ambadi Investments Limited holds 29,27,414 equity shares which forms 77.92% holdings in company.

Financials:

(Fig. in Lacs)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Gross Income	17,372.14	17,663.83	18,082.18	18,418.00	18612	17707
PBT	817.98	535.61	958.63	469.09	707	-100
PAT	606.7	310.92	782.77	282.92	-124	-708
Net Worth	7,508.74	7,729.23	8,512.00	8,568.84	9,021.00	8207
Dividend		75.14	187.84	75.14	93.92	



Operations and Performance

1. During the year 2019, the National tea production was recorded at 1,389 million kilograms as against 1,338 million kilograms in 2018, an increase of 51 million kgs. (Increase by + 3.80%).
2. The production in North India increased by 56.90 million kgs, (Increase by + 5.1%.) West Bengal production increased by + 30 million kgs and Assam Production increased by + 24 million kgs, which is an increase of +7.6% and +3.45% respectively.
3. The tea production in South India in 2019 stood at 219 million kgs, which is a drop of 5.8 million kilograms (-2.6% decrease) over the year 2018. Tamil Nadu witnessed a drop of 3.50 million kilograms (-2.20 % decrease).
4. The South Indian auction sale averages showed a negative growth by moving downwards from ` 105.27/kg. to 99.74/kg (5.25% decrease).
5. The North Indian auction sale averages also showed a negative growth by moving downwards from ` 154.21/kg to ` 152.65/kg

Financial Statements Summary

FIVE YEARS FINANCIAL HIGHLIGHTS					
(₹ In lacs)					
Summary Information	Year Ended 31st March				
Operating Results	2016	2017	2018	2019	2020
Sales	16,977.99	17,247.88	17,515.96	17,563.32	16,866.46
Other Income *	685.84	834.30	763.77	1,049.13	840.98
Profit before depreciation	900.31	1,528.56	1,269.80	1,214.08	439.07
Profit before Tax	535.61	958.63	801.32	707.23	(100.41)
Profit after Tax	310.92	782.77	568.29	405.88	(203.73)
Dividend - Equity	75.14	187.84	75.14	93.92	-
SOURCES OF FUNDS					
Paid up share capital	375.68	375.68	375.68	375.68	375.68
Reserves	7,353.55	8,629.54	8,860.60	8,645.41	7,832.06
Loan Funds	-	-	-	-	-
Total	7,729.23	9,005.22	9,236.28	9,021.09	8,207.74
APPLICATION OF FUNDS					
Fixed Assets	3,711.82	3,941.79	4,165.32	4,558.06	4,453.86
Investments	5,761.49	6,220.90	5,492.27	4,001.49	3,230.95
Net Current Assets	(1,961.09)	(1,398.62)	(631.29)	324.59	417.30
Deferred Tax Asset (Net)	217.01	241.15	209.98	136.95	105.63
Total	7,729.23	9,005.22	9,236.28	9,021.09	8,207.74
* (Including profit on sale of investments / Assets)					

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