

# **Dhanuka** Agritech Limited

***Un-Audited Financial Results for the  
Quarter and half year ended 30<sup>th</sup> September, 2016***

10<sup>TH</sup> November, 2016<sup>®</sup>



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## Dhanuka Agritech: An Overview

Dhanuka is the second largest Indian agrochemicals formulation Company in domestic brand sales.

4 manufacturing facilities located in NCR, J&K, Gujarat and Rajasthan.

Strong product portfolio of over 80 brands with 100% domestic sales.

Second largest rural distribution networks in India with over 8,800 direct dealers, selling to approx. 80,000 retailers.

Products are used by over 10 million farmers across India.

The legend of Indian cinema, Mr.Amitabh Bachchan is Brand Ambassador of Dhanuka.





# Wide Range of Products



*Dhanuka Agritech Limited*

Portfolio of over 80 brands,  
two third sales from  
**'Specialty molecules'**



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## Key Product Portfolio

- Aaatank, Adfyre, Apple, Areva, Bombard, Caldan, Cover, Danfuron, Dhanpreet, Em-1, Fax, Markar, Media, Mortar, Omite, Pager, Super-D, Superkiller

**Insecticides**

- Barrier Craze, D-Era, Dhanutop, Fuzi Super, Maxx-soy, Nabood, Noweed, Oxykill, Ozone, Quirin, Sakura, Sempra, Targa Super, Weedmar

**Herbicides**



**Fungicides**

**Plant Regulator Nutrients**

- Cursor, Dhanteam, Dhanuka M-45, Dhanustin, Hexadhan, Kasu-B, Vitavax Power, Lustre, Protocol, Sheathmar, Sixer, Zerox

- Dhanvarsha, Dhanuvit, Dhanzyme Gold, Maxyld, Wetcit





## Strategic Partnerships



**Nissan Chemical  
Japan**



**Mitsui Chemicals**

**Mitsui Chemicals  
Inc.  
Japan**



**SUMITOMO CHEMICAL**

**Sumitomo  
Chemical  
Japan**



**Hokko Chemical  
Japan**



**Oat Agri Japan**



**Arysta Life Science**



**FMC Corporation  
USA**



**DUPONT  
USA**



**ORO AGRI  
USA**

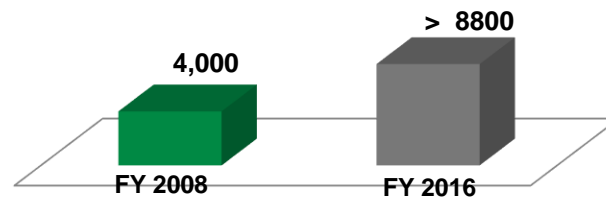
The Company enjoys long lasting relationships with its global partners.  
Most of the relationships have been active for more than a decade.



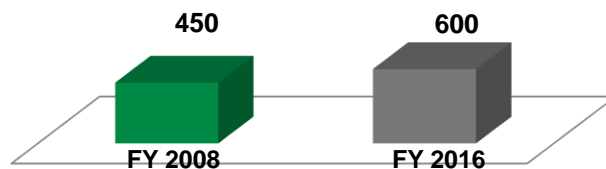
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# Marketing Network

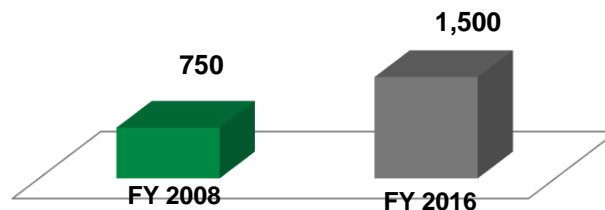
**Total Distributors**



**Reach – Districts covered through distributors**



**Dhanuka Doctors –  
 Dissemination of information to farmers on “Dhanuka Kheti ki Nayee takneek”**



**Products are used by over 10 million farmers across India**



## Key Growth Drivers (1/2)

**Manifold increase in rural income**

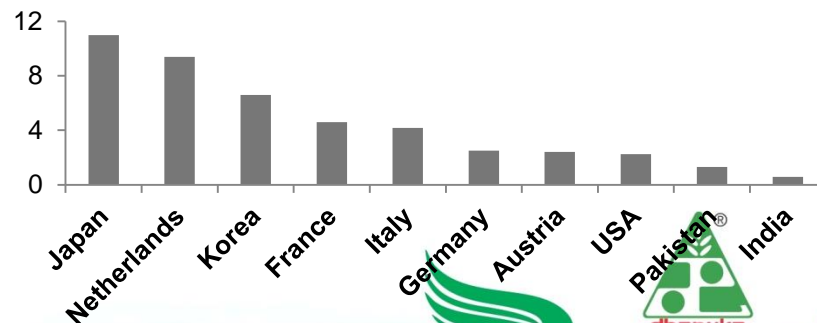
- Government guaranteed minimum prices for the majority of crops have increased by 30-110% in the past seven years giving thrust to rural incomes

**Low level consumption of plant-protection chemicals in India**

- One of the lowest consumption levels in the world, at ~0.5 kg per hectare

Minimum Support Prices India								
Crop Marketing Season (Price in INR/quintal)								
Commodity	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	% increase from FY10 to FY16
Paddy	950	1,000	1,080	1,250	1,310	1,360	1,410	48.42%
Red Gram (Arhar/Tur)	2,300	3,000	3,200	3,850	4,300	4,350	4,625	101.09%
Green Gram (Moong)	2,760	3,170	3,500	4,400	4,500	4,600	4,850	75.72%
Black Gram (Urad)	2,520	2,900	3,300	4,300	4,300	4,350	4,625	83.53%
Groundnut	2,100	2,300	2,700	3,700	4,000	4,000	4,030	91.90%
Soyabean	1,390	1,440	1,690	1,690	2,560	2,560	2,600	87.05%
Cotton	2,500	2,500	2,800	3,600	3,700	3,750	3,800	52.00%
Wheat	1,080	1,120	1,285	1,350	1,400	1,450	1,450	34.26%

**Consumption of Agrochemicals (Kg / Hectare)**



## Key Growth Drivers (2/2)

### Prevention of large crop wastages

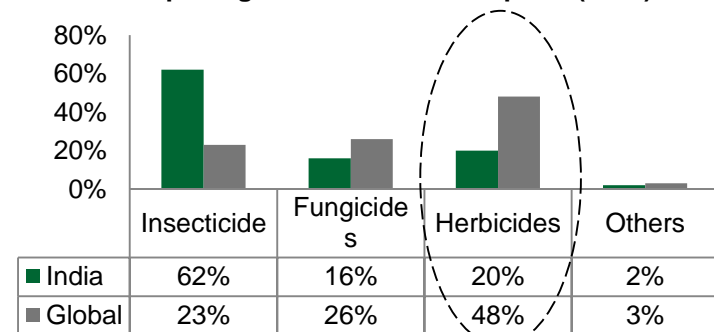
- Insects, fungus and weeds destroy crops worth billions of dollars annually
- Despite large area under cultivation of paddy and wheat, we lag behind in total production

### Disruptive growth in herbicides

- Herbicides share in India quite low at 20%, versus ~ 48% globally
- Rising farm labour prices are lifting herbicide demand; replacing manual weeding
- Dhanuka is a beneficiary with strong herbicides portfolio

Category	Area (Mn Ha)	World Ranking In Area	Production (Mn tons)	World Ranking In Production
Paddy	44	#1	91	#2
Wheat	28	#1	74	#2
Maize	8	#4	14	#6
Gram	8	#1	6	#1
Red Gram	4	#1	3	#1
Soybean	8	#5	9.0	#5
Cotton	9	#1	21	#2
Sugarcane	5	#2	323	#2

Break-up of agrochemical consumption (2009)



Source: Varshney, 2009



# Management Team



Mr. Ram Gopal Agarwal; Chairman, started pesticides business more than 40 years ago; a philanthropist; a man of vision with utmost sincerity and devotion; mentors and provides strategic leadership; also served for two terms as Chairman of "Crop Care Federation of India".



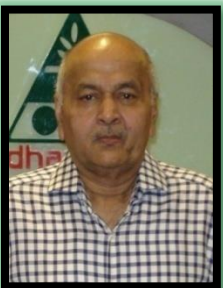
Mr. Rahul Dhanuka; Director (Marketing), Masters in Business Administration from S.P. Jain, Mumbai; oversees the entire marketing function of the Company; leads the large marketing team from the fore-front & maintains cordial relations with International collaborators.



Mr. Mahendra Kumar Dhanuka; Managing Director, co-founded the Company; has 40 years of experience; He is a President of HPMA (Haryana Pesticide Manufacturers Association) for over a decade. He oversees the overall operations of the Company.



Mr. Mridul Dhanuka; Director (Operations), Masters in Business Administration from NITIE, Mumbai; oversees the manufacturing and supply chain functions across the Company's four production facilities; spear-heads expansion projects; brought technological and managerial excellence in the company's operations.



Mr. A. K. Dhanuka; Director (Works), looks after manufacturing operations at Gurgaon factory. He joined the Company after completing his graduation and has been looking after production since then.



## Historical Financial Performance

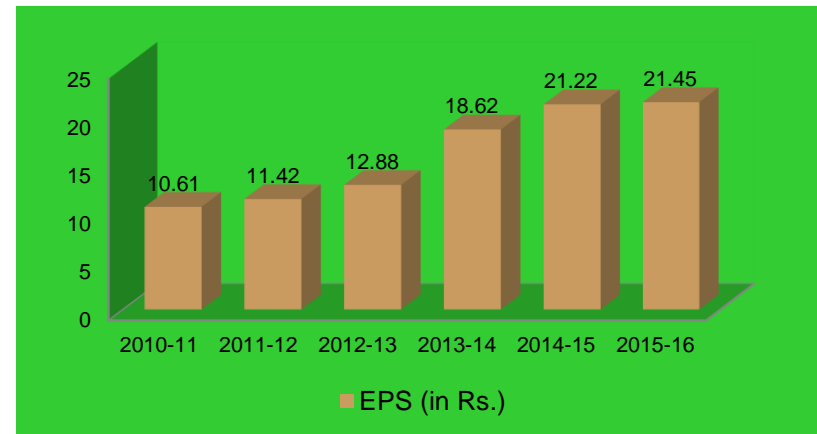
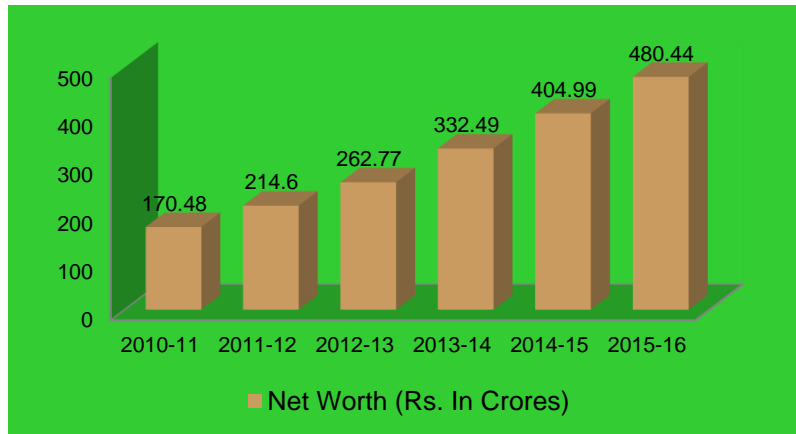
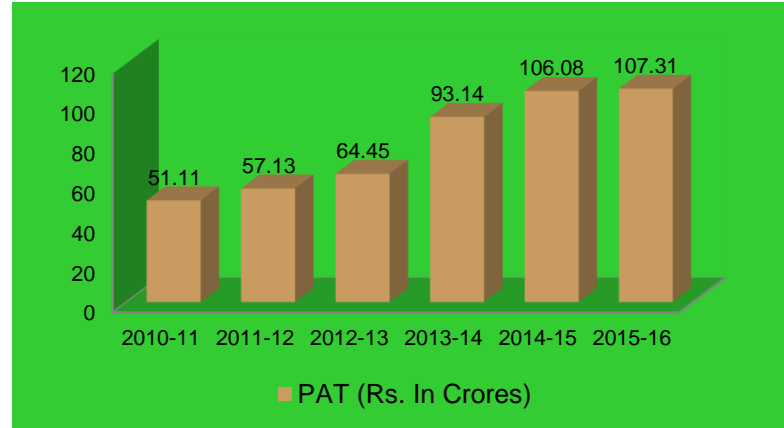
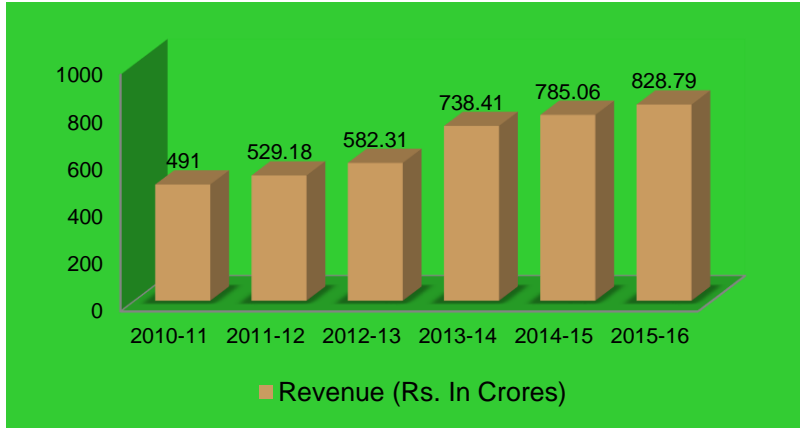
(Rs. in Crores)

Particulars	FY 12	FY 13	FY 14	FY15	FY16
Revenue	529.18	582.31	738.41	785.08	828.79
EBIDTA	80.04	88.84	125.34	137.84	152.35
PAT	57.13	64.45	93.14	106.08	107.31
Revenue Growth (%)	7.3%	11.2%	26.1%	6.32%	5.57%
<b>As % to Sales</b>					
EBIDTA	15.13%	15.26%	16.97%	17.56%	18.38%
PAT	10.80%	11.07%	12.61%	13.51%	12.95%
Net Worth	214.60	262.77	332.49	404.99	480.44
Debt	39.41	33.01	39.41	15.80	7.69
<b>Financial Ratios</b>					
Long term Debt- Equity Ratio	0.03	0	0	0	0
RoCE	32%	30.2%	34.3%	30.6%	30.25%
RoNW	26.6%	24.5%	28.01%	25.8%	22.34%



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# Historical Financial Performance





# Operational Highlights - Results Period 30.09.2016

(Rs.in Crores)

Un Audited financial Results for the quarter and half year ended 30.09.2016

Particulars	Q.E. Sep-16	Q.E. Sep -15	rise / fall%/bps	Half Year Sep-16	Half Year Sep-15	rise / fall%/bps
Net Turnover	308.97	270.17	14.36%	507.37	450.58	12.60%
EBIDTA	73.82	55.08	34.02%	105.12	80.59	30.44%
EBIDTA% to Net Sales	23.89%	20.39%	350 bps	20.72%	17.89%	283 bps
PAT	49.21	37.72	30.46%	68.56	56.28	21.82%
PAT% to Net Sales	15.93%	13.96%	197bps	13.51%	12.49%	102 bps
EPS (Rs.) Diluted	9.84	27.89	-64.72%	13.71	41.60	-67.04%
EPS (Rs.) Basic	9.84	27.89	-64.72%	13.71	41.60	-67.04%

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# Products launched

FY 2015-16	FY 2016-17
COVER	MAXX-SOY(Herbicides)
DHANVARSHA	CONIKA (Fungicide)
DOZO	FUJITA (Fungicide)
THIRAM	HI-DICE SUPER (Fungicide)
GOLDY	BULLON (Insecticides)
	AASHITO (Insecticides)
	DELIGHT (Fungicide)



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**THANK YOU!!**



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