

# **Dhanuka** Agritech Limited

***Un-audited Financial Results for the  
Quarter and Half Year ended 30<sup>th</sup> September, 2017***

13<sup>th</sup> November, 2017<sup>®</sup>



आसमान छिगुने की



## 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 7,500 direct dealers, selling to approx. 80,000 retailers.

Products are used by over 10 million farmers across India.





# Wide Range of Products



*Dhanuka Agritech Limited*

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



WASMAN CHHUNE KI



# Key Product Portfolio

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

## Insecticides

## Herbicides

- Barrier Craze, D-Era, Dhanutop, Fuzi Super, Maxx-soy, Nabood, Noweed, Oxykill, Ozone, Qurin, Sakura, Semptra, Targa Super, Weedmar, Dumil 10% SL



## Fungicides

## Plant Regulator Nutrients

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

- 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 Agrio Co., Ltd.**

**Oat Agri Japan**



**Arysta Life Science**



**FMC Corporation  
USA**



**DUPONT  
USA**



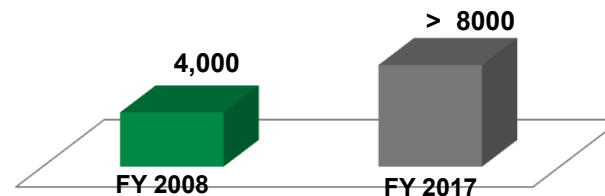
**ORO AGRI  
USA**

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

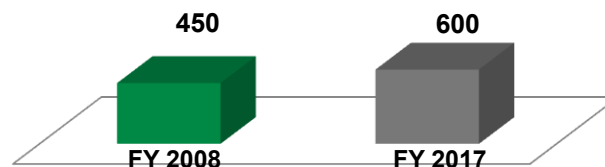


# Marketing Network

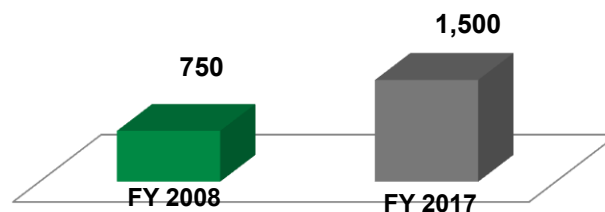
**Total Distributors**



**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

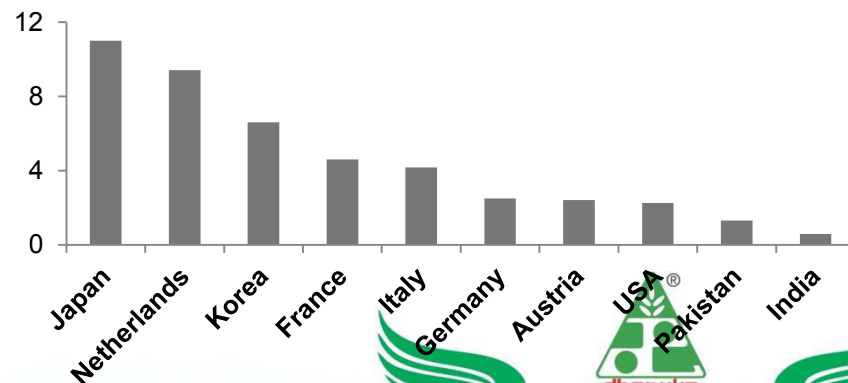
- Government guaranteed minimum prices for the majority of crops have increased by 30-110% in the past seven years giving thrust to rural incomes

### 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	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	% increase from FY12 to FY18
Paddy	1,080	1,250	1,310	1,360	1,410	1,460	1,550	43.52%
Red Gram (Arhar/Tur)	3,200	3,850	4,300	4,350	4,625	4,800	5,450	70.31%
Green Gram (Moong)	3,500	4,400	4,500	4,600	4,850	4,900	5,575	59.29%
Black Gram (Urad)	3,300	4,300	4,300	4,350	4,625	4,800	5,400	63.64%
Groundnut	2,700	3,700	4,000	4,000	4,030	4,100	4,450	64.81%
Soyabean	1,690	1,690	2,560	2,560	2,600	2,650	3,050	80.47%
Cotton	2,800	3,600	3,700	3,750	3,800	3,850	4,020	43.57%
Wheat	1,285	1,350	1,400	1,450	1,450	1,500	1,625	26.46%

Consumption of Agrochemicals (Kg / Hectare)





## Key Growth Drivers (2/2)

### Prevention of large crop wastages

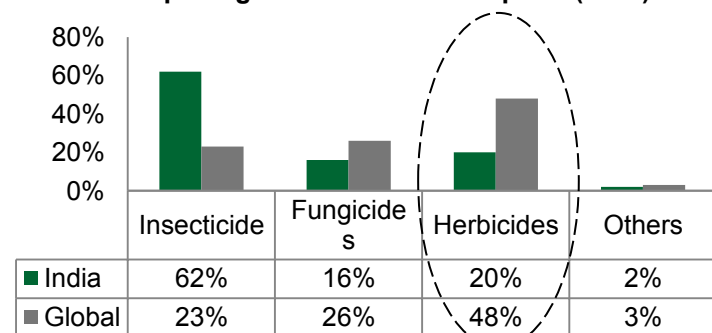
- Insects, fungus and weeds destroy crops worth billions of dollars annually
- Despite large area under cultivation of paddy and wheat, we lag behind in total production

### 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 forefront & 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.





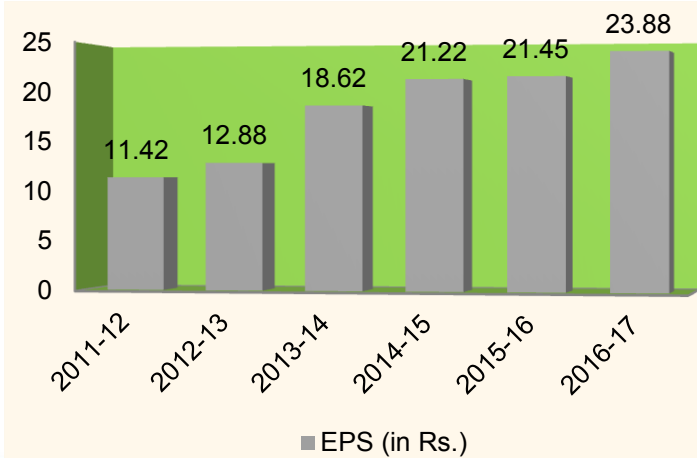
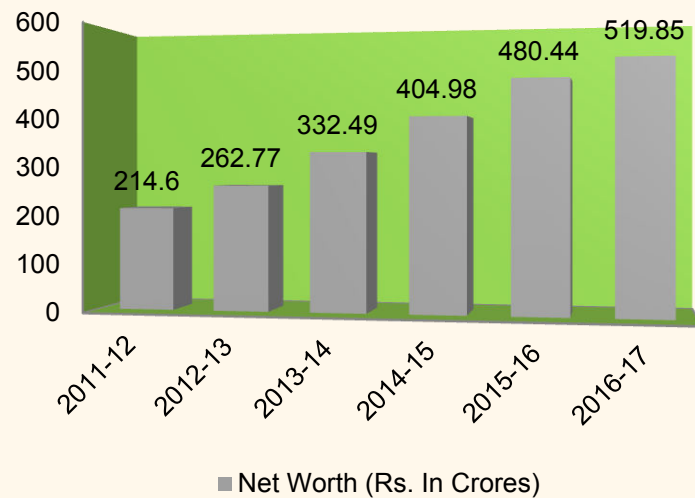
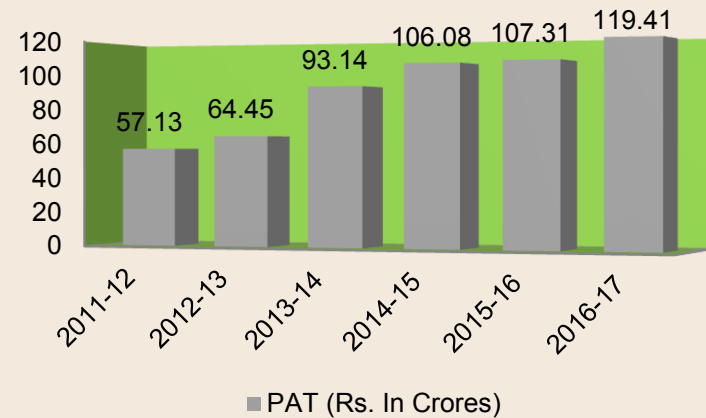
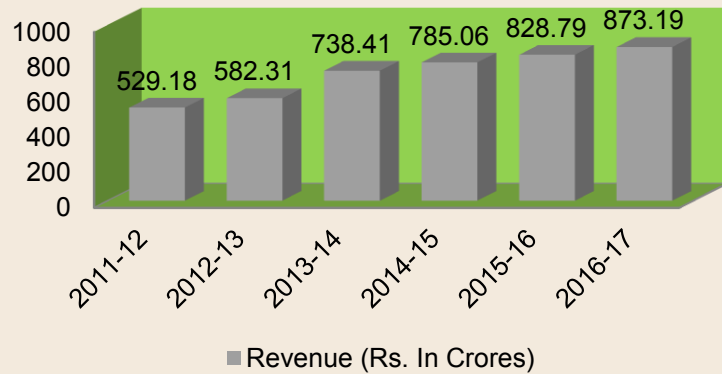
## Historical Financial Performance

(Rs. in Crores)

Particulars	FY 13	FY 14	FY 15	FY16	FY17
Revenue	582.31	738.41	785.08	828.79	873.19
EBIDTA	88.84	125.34	137.84	152.35	184.16
PAT	64.45	93.14	106.08	107.31	119.41
Revenue Growth (%)	11.2%	26.1%	6.32%	5.57%	5.36%
<b>As % to Sales</b>					
EBIDTA	15.26%	16.97%	17.56%	18.38%	21.09%
PAT	11.07%	12.61%	13.51%	12.95%	13.68%
Net Worth	262.77	332.49	404.99	480.44	519.85
Debt	33.01	39.41	15.80	7.69	7.89
<b>Financial Ratios</b>					
Long term Debt- Equity Ratio	0	0	0	0	0
RoNW	24.5%	28.01%	25.8%	22.34%	22.97%



## Historical Financial Performance



## Operational Highlights – Financial Results Q2 and HY 2017-18

### Un-audited Financial Results (In Rs. Crore)

Particulars	Q2-18	Q2-17	Rise / (fall) %	HY 18	HY 17	Rise /Fall %
<b>Turnover</b>	<b>347.26</b>	<b>353.22</b>	<b>(1.69)</b>	<b>569.64</b>	<b>578.65</b>	<b>(1.56)</b>
<b>Net Turnover (After Excise)</b>	<b>348.02</b>	<b>312.41</b>	<b>11.40</b>	<b>556.03</b>	<b>512.69</b>	<b>8.45</b>
<b>EBIDTA</b>	<b>77.43</b>	<b>75.04</b>	<b>3.18</b>	<b>104.01</b>	<b>107.06</b>	<b>(2.85)</b>
<b>EBIDTA% to Net Sales</b>	<b>22.25%</b>	<b>24.02%</b>	<b>-177bps</b>	<b>18.71%</b>	<b>20.88%</b>	<b>-217bps</b>
<b>PAT</b>	<b>52.81</b>	<b>50.10</b>	<b>5.41</b>	<b>68.95</b>	<b>70.01</b>	<b>(1.51)</b>
<b>PAT% to Net Sales</b>	<b>15.17%</b>	<b>16.04%</b>	<b>-87bps</b>	<b>12.40%</b>	<b>13.66%</b>	<b>-126bps</b>
<b>EPS (Rs.) Diluted</b>	<b>10.76</b>	<b>10.02</b>	<b>7.39</b>	<b>14.05</b>	<b>14</b>	<b>0.36</b>
<b>EPS (Rs.) Basic</b>	<b>10.76</b>	<b>10.02</b>	<b>7.39</b>	<b>14.05</b>	<b>14</b>	<b>0.36</b>



# Products launched

FY 2016-17	FY 2017-18
MAXX-SOY(Herbicides)	Godiwa Super (Fungicide)
CONIKA (Fungicide)	Godiwa (Fungicide)
FUJITA (Fungicide)	D-One (Insecticide)
HI-DICE SUPER (Fungicide)	Markar Super (Insecticide)
BULLON (Insecticides)	Dumil 10% SL (Herbicides)
AASHITO (Insecticides)	
DELIGHT (Fungicide)	





WEEDICIDE • INSECTICIDE • FUNGICIDE • YIELD ENHANCER



# TRANSFORMING INDIA Through Agriculture



Use of fertilizer and green manure according to Soil Test Report



Insured crop under Crop Insurance



Judicious use of Agrochemical



Adopt New technology in farming



Rain Water Harvesting and Drip & Sprinkler Irrigation



Seed Treatment and use of Hybrid Seeds



Safe for Environment to produce more from less to more



Commitment towards doubling the farmer's income



**Dhanuka Agritech Limited**  
AN ISO 9001:2008 COMPANY

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*THANK  
YOU!!*



**JdAAN**



MAASMAN CHHUNE KI

