Modi Naturals Ltd.

Earnings Presentation
Q1-FY17

India's Finest Range of Branded Edible Oils Company

Executive Summary

Company

- Modi Naturals Limited (MNL) was incorporated in 1974 by Mr. D.D Modi. The company is in the business of manufacturing & marketing of edible oils and de-oiled cakes.
- In 2010, MNL launched its first branded edible oil and has since then increased its focus from non-branded edible oils to the branded segment and has increased its presence across India in branded products.
- MNL is listed on the BSE with a current market capitalisation of INR 1,319 Mn (As on 30th June 2016) .

Products

Existing Brands:

- Oleev Olive Oils:
  - Oleev Active Oil
  - Oleev Extra Virgin Olive Oil
  - Oleev Extra Light Olive Oil
  - Oleev Pomace Olive Oil
- Mustard Oil: Tarai Shudh, Tarai Tasty+

New Brands:

- Rizolo - Rice Bran Oil
- Olivana Wellness - Massage oil
- Miller - Canola oil

Other non-branded products:

- Sunflower Oil
- Rice Bran Oil
- Mustard Oil
- Rice Bran Wax and Deoiled Cakes

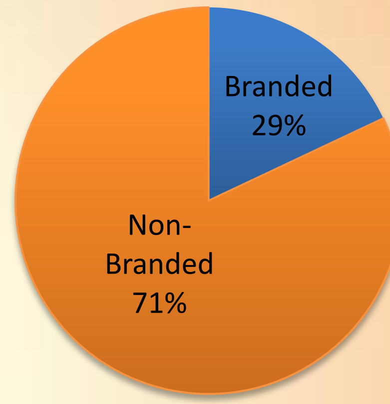
FY16 Financials:

- **Total Income** -INR 2,717 Mn
- **EBITDA** - INR 85 Mn
- **PAT-** INR 20 Mn

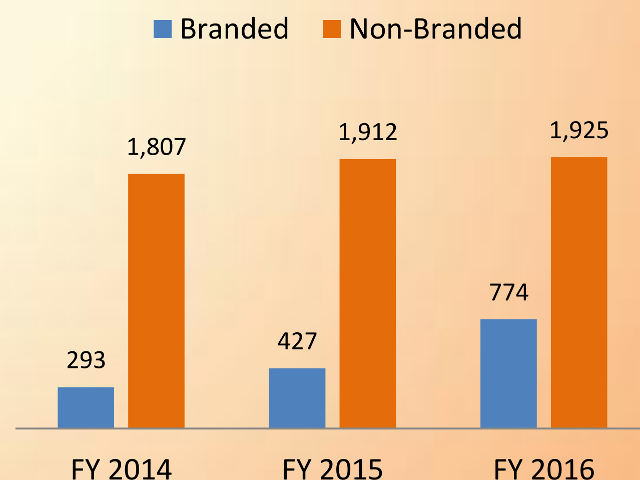
Company Snapshot

- Modi Naturals Limited (MNL) was Incorporated in 1974 by Mr. D.D Modi, the visionary entrepreneur of the Modi Group, and is headquartered out of New Delhi, India.
- The company began its operations in 1974 with an oil mill and a solvent plant to manufacture Rice Bran Oil in 1979 in Punjab.
- MNL got listed on the BSE in 1985, and started its manufacturing operation in Pilibhit, U.P. The plant has evolved today into a fully integrated 100 Tons per day refining capacity, a 300 Tons per day crushing capacity and a 400 Tons per day solvent extraction capacity.
- Since 2010, the company has slowly transitioned its business from the commoditized non-branded manufacturing and marketing of edible oils to making unique branded edible oils and also becoming India's third largest Blended Oil Brand.
- The company's branded product portfolio includes Oleev Olive oil, Oleev Active oil (Blend of Olive oil and Rice Bran Oil), Rizolo Rice bran oil, Tarai shudh Mustard oil, Tarai Tasty+ (Blend of mustard and rice bran oil), Miller Canola Oil and Olivana Wellness Oil.
- In the non-branded segment, the company manufactures and markets Sunflower oil, Rice Bran oil, Mustard oil, Rice Bran wax and De-oiled cakes.

Segmental Sales Break Up – FY16

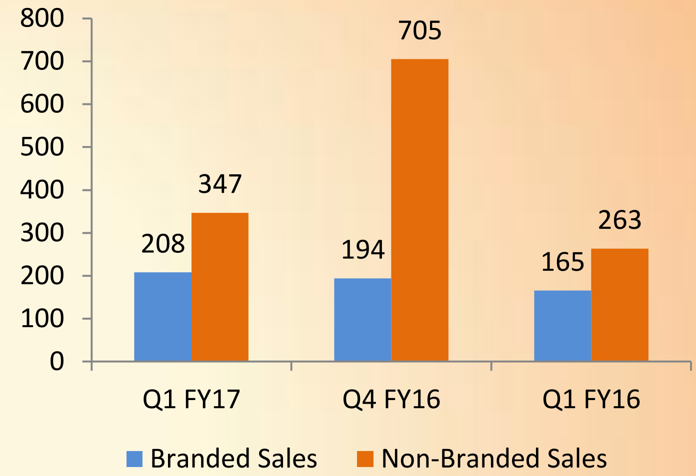


Segmental Sales Growth (INR Mn)



Q1-FY17 Financial & Operational Highlights

- **Q1-FY17 Financial Highlights:**
  - **Total Income** : INR 555 Mn; Growth of 29.4% YoY
  - **EBITDA** : INR 13 Mn; Growth of 21.5% YoY
  - **EBITDA Margin** : 2.34%.
  - **Net Profit** : INR 2 Mn; Growth of 900.0% YoY
  - **PAT Margin** : 0.36%.
  - **Diluted EPS** : 0.18 INR



- **Q1-FY17 Operational Highlights:**

  - **Branded Business:**

    - Modi Naturals has increased its advertising presence across all leading TV channels and has launched its largest advertisement campaign yet.

  - **Non-Branded Business:**

    - Processing at the refining unit has gone up to 3,564 tons from 1,985 tons leading to a increase in turnover, as a result of our upgraded facility.

Q1-FY17 Income Statement

Income Statement (INR Mn)	Q1-FY17	Q1-FY16	Y-o-Y	Q4-FY16	Q-o-Q
Total income*	**555**	**429**	**29.4%**	**898**	**(38.2)%**
Total Expenses	542	418.3	29.6%	881	(38.5)%
EBITDA	**13**	**10.7**	**21.5%**	**17**	**(23.5)%**
EBITDA Margin	***2.34%***	***2.49%***	***(15) BPS***	***1.89%***	***45 BPS***
Depreciation	3	2.9	3.4%	3	NA
Interest	8	7.6	5.3%	9	(11.1)%
Other Income	0	0	NA	0	NA
PBT	**2**	**0.2**	**900.0%**	**5**	**(60.0)%**
Tax	0	0	NA	18	NA
Profit After Tax	**2**	**0.2**	**900.0%**	**(13)**	**NA**
PAT Margin	***0.36%***	***0.05%***	***31 BPS***	***NA***	***NA***
EPS	0.18	0.02	NA	NA	NA

* Includes Other Income

Historical Income Statement

Income Statement (INR Mn)	FY13	FY14	FY15	FY16
Total Income*	1,946	2,098	2,339	2,717
Total Expenses	1,884	2,052	2,299	2,632
EBITDA	**62**	**46**	**40**	**85**
EBITDA Margin	***3.2%***	***2.2%***	***1.8%***	***3.1%***
Depreciation	14	14	12	12
Interest	18	16	26.6	31
PBT	**30**	**16**	**1.4**	**42**
Tax	10	8	(0.1)	22
Profit After Tax	**20**	**8**	**1.5**	**20**
PAT Margin	***1.0%***	***0.4%***	***0.1%***	***0.7%***
EPS	1.83	0.74	0.14	1.77

*Includes other income

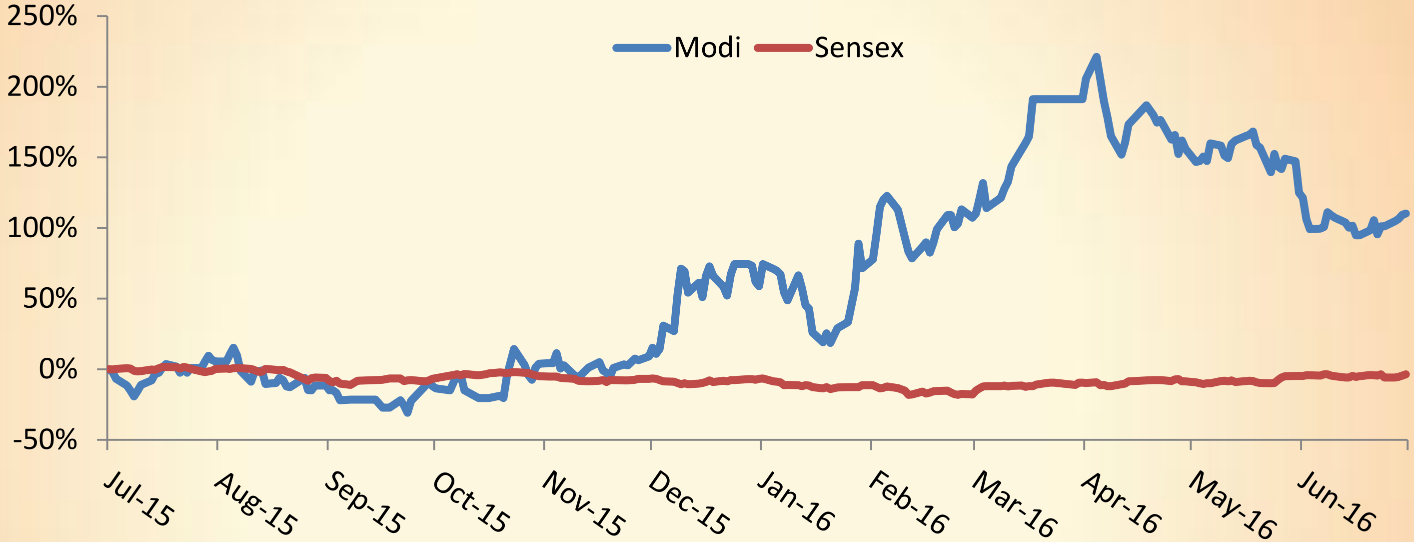
modi naturals

Balance Sheet

PARTICULARS (INR MN)	Mar-15	Mar-16	PARTICULARS (INR MN)	Mar-15	Mar-16
EQUITY AND LIABILITIES			**ASSETS**		
Shareholder's Funds			**Non-Current Assets**		
(a) Share Capital	111	111	(a) Fixed assets		
(b) Reserves & Surplus	185	205	(i) Tangible assets	180	183
(c) Money received against share warrants	0	0	(ii) Intangible assets	1	1
Total Shareholder Funds	296	316	(iii) Capital work-in-progress	1	4
Non- Current Liabilities			(b) Long-term loans and advances	7	9
(a) Long-term borrowings	1	9	(c) Other non-current assets	31	59
(b) Deferred Tax liabilities (Net)	29	41	**Total Non-Current Assets**	**220**	**256**
(c) Other Long term liabilities	0	0			
(d) Long-term Provisions	6	8	**Current Assets**		
Total Non- current liabilities	**36**	**58**	(a) Current investments	0	0
Current Liabilities			(b) Inventories	396	437
(a) Short term borrowings	281	342	(c) Trade receivables	118	126
(b) Trade payables	97	60	(d) Cash and Cash equivalents	12	9
(c) Other current liabilities	52	80	(e) Short-term loans and advances	8	10
(d) Short term provisions	8	13	(f) Other current assets	16	31
Total Current Liabilities	**438**	**495**	**Total Current Assets**	**550**	**613**
Grand Total	**770**	**869**	**Grand Total**	**770**	**869**

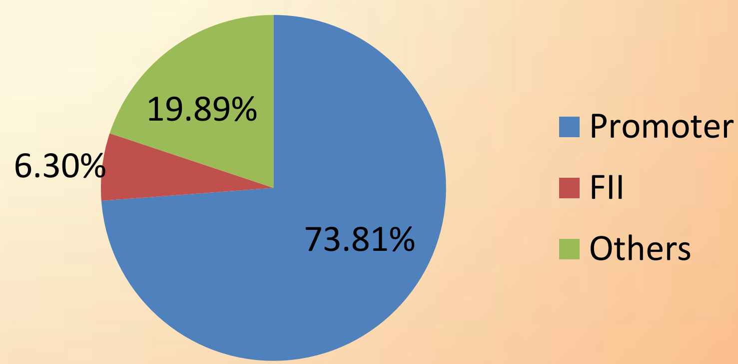
Capital Market Data

Share Price Performance (As on June 30th, 2016)



Price Data (As on June 30st, 2016)	
Face Value (INR)	10
Market Price (INR)	118.65
52 week H/L (INR)	188.80/ 38.00
Market Cap (INR Mn)	1,319.4
Equity Shares Outstanding (Mn)	11.12
1 Year Avg. Trading Volume ('000)	5.75

Shareholding Pattern (As on June 30th, 2016)



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Valorem Advisors
Mr. Anuj Sonpal, CEO
Tel: +91-22 3006-7521/22/23/24
Email: modi@valoremadvisors.com