

A background image featuring a rustic wooden surface. In the upper left, a branch of an olive tree with green leaves and a single green olive is visible. In the lower left, a wooden bowl contains several olives, some green and some dark, glistening with oil. The overall theme is natural and high-quality.

Modi Naturals Ltd.

Earnings Presentation – Q4/FY2017

India's Finest Range of Branded Edible Oil 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 1,612 Mn (As on 31st March, 2017).

Products



• Oleev Olive Oils:

- Oleev Health
- Oleev Smart
- Oleev Active
- Oleev Extra Virgin
- Oleev Extra Light
- Oleev Pomace

• Mustard Oil: Tarai Shudh, Tarai Tasty+

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

Other Non-branded products:

- Sunflower Oil
- Rice Bran Oil
- Mustard Oil
- Rice Bran Wax and De-oiled Cakes

FY17 Financials



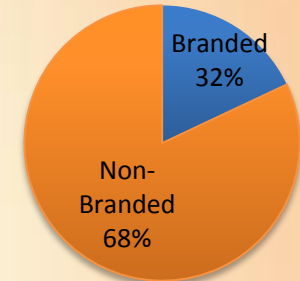
- **Total Income (Including other income)** - INR 2,932 Mn
- **EBITDA** - INR 43 Mn
- **PAT** - INR 0.2 Mn



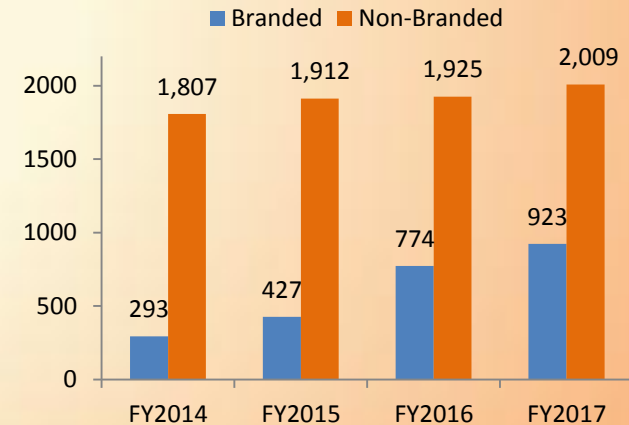
Company Snapshot

- 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 Health, Oleev Smart oil, Oleev Active oil, Rizolo Rice bran oil, Miller Canola Oil, Olivana Wellness Oil, Tarai shudh and Tarai Tasty+ .
- 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 – FY17



Segmental Sales Growth (INR Mn)



Q4-FY17 Financial & Operational Highlights

Q4-FY17 Financial Highlights:

- ❑ **Total Income** : INR 866 Mn
- ❑ **EBITDA** : INR 10 Mn
- ❑ **EBITDA Margin** : 1.15%
- ❑ **Net Profit** : INR (2) Mn
- ❑ **PAT Margin** : NA
- ❑ **Diluted EPS** : INR (0.20)

FY17 Financial Highlights:

- ❑ **Total Income** : INR 2,932 Mn
- ❑ **EBITDA** : INR 43 Mn
- ❑ **EBITDA Margin** : 1.47%
- ❑ **Net Profit** : INR 0.2 Mn
- ❑ **PAT Margin** : 0.01%
- ❑ **Diluted EPS** : INR 0.02

Q4-FY17 Operational Highlights:

- ❑ Board of Directors has passed a resolution to enter into other allied foods category business and is now considering various options to venture into the same.
- ❑ Inspite of demonetization, the company's branded product sales have seen ~20% growth year-on-year.
- ❑ The raw material prices of edible oil have increased considerably this quarter because of which the EBITDA margins have been affected.



Q4-FY17 Income Statement

Income Statement (Mn)	Q4-FY17	Q4-FY16	Y-o-Y	Q3-FY17	Q-o-Q
Total Income*	866	899	(3.7)%	921	(5.9)%
Total Expenses	856	882	(2.9)%	912	(6.1)%
EBITDA	10	17	(41.2)%	9	11.1%
EBITDA Margin	1.15%	1.89%	(74) Bps	0.98%	17 bps
Depreciation	3	3	NA	2.9	3.4%
Interest	7	9	(22.2)%	5.9	18.6%
PBT	0	5	NA	0.2	NA
Tax	2	18	NA	0	NA
Profit After tax	(2)	(13)	NA	0.20	NA
PAT Margin	NA	NA	NA	0.02%	NA
EPS	(0.20)	(1.16)	NA	0.02	NA

*Includes Other Income



Income Statement

Income Statement (Mn)	FY17	FY16	Y-o-Y
Total Income*	2,932	2,717	7.9%
Total Expenses	2,889	2,632	9.8%
EBITDA	43	85	(49.4)%
EBITDA Margin	1.47%	3.13%	(166) Bps
Depreciation	12.2	12	1.7%
Interest	29	31	(6.5)%
PBT	1.8	42	(95.7)%
Tax	1.6	22	(92.9)%
Profit After tax	0.2	20	(98.9)%
PAT Margin	0.01%	0.74%	(73) bps
EPS	0.02	1.77	(98.9)%

*Includes Other Income



Historical Income Statement

Income Statement (Mn)	FY14	FY15	FY16	FY17
Total Income*	2,098	2,339	2,717	2,932
Total Expenses	2,052	2,299	2,632	2,889
EBITDA	46	40	85	43
EBITDA Margin	2.19%	1.71%	3.13%	1.47%
Depreciation	14	12	12	12.2
Interest	16	26.6	31	29
PBT	16	1.4	42	1.8
Tax	8	(0.1)	22	1.6
Profit After tax	8	1.5	20	0.2
PAT Margin	0.38%	0.06%	0.74%	0.01%
EPS	0.74	0.14	1.77	0.02

*Includes Other Income



Balance Sheet

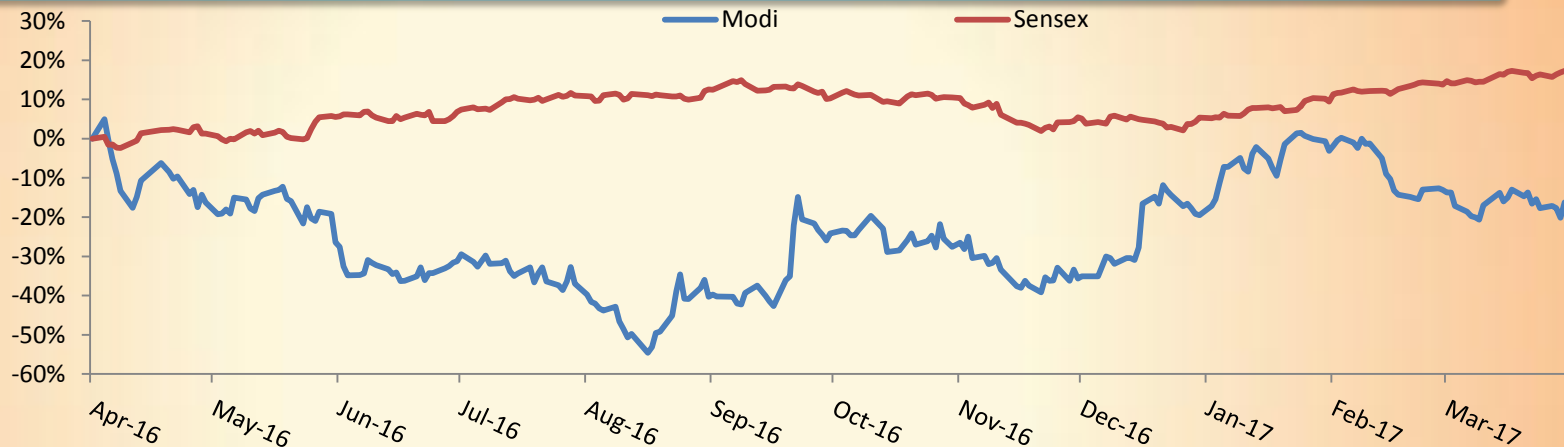
PARTICULARS (MN)	Mar-14	Mar-15	Mar-16	Mar-17
EQUITY AND LIABILITIES				
<u>Shareholder's Funds</u>				
(a) Share Capital	111	111	111	111
(b) Reserves & Surplus	184	185	205	205
(c) Money received against share warrants	0	0	0	100
Total Shareholder Funds	295	296	316	416
<u>Non- current liabilities</u>				
(a) Long-term borrowings	3	1	9	18
(b) Deferred Tax liabilities (Net)	29	29	41	42
(c) Other Long term liabilities	1	0	0	0
(d) Long-term Provisions	5	6	8	9
Total Non- current liabilities	38	36	58	69
<u>Current Liabilities</u>				
(a) Short term borrowings	213	281	342	334
(b) Trade payables	144	97	60	36
(c) Other current liabilities	52	52	80	131
(d) Short term provisions	8	8	13	5
Total Current Liabilities	417	438	495	506
Grand Total	750	770	869	991

PARTICULARS (MN)	Mar-14	Mar-15	Mar-16	Mar-17
ASSETS				
<u>Non-Current Assets</u>				
(a) Fixed assets				
(i) Tangible assets	189	180	183	195
(ii) Intangible assets	1	1	1	1
(iii) Capital work-in-progress	2	1	3	0
(b) Long-term loans and advances	5	7	8	8
(c) Other non-current assets	17	31	61	42
Total Non-Current Assets	214	220	256	246
<u>Current assets</u>				
(a) Current investments	0	0	0	0
(b) Inventories	402	396	437	575
(c) Trade receivables	106	118	126	98
(d) Cash and Cash equivalents	19	12	9	19
(e) Short-term loans and advances	5	8	10	20
(f) Other current assets	4	16	31	33
Total Current Assets	536	550	613	745
Grand Total	750	770	869	991



Capital Market Data

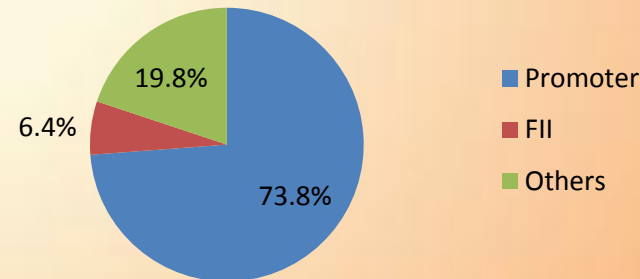
Share Price Performance (As on March 31st 2017)



Price Data (As on March 31st 2017)

Face Value (INR)	10
Market Price (INR)	145.00
52 week H/L (INR)	188.80/ 76.65
Market Cap (INR Mn)	1,612.40
Equity Shares Outstanding (Mn)	11.12
1 Year Avg. Trading Volume	3,044

Shareholding Pattern (As on March 31st 2017)



Disclaimer

No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements" based on the currently held beliefs and assumptions of the management of Modi Naturals Limited ("Company" or "MNL" or "Modi Naturals Ltd."), which are expressed in good faith and in their opinion reasonable, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance or achievements of the Company or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration there from.

This presentation is confidential and may not be copied or disseminated, in whole or in part, and in any manner.

Valorem Advisors Disclaimer:

Valorem Advisors is an Independent Investor Relations Management Service company. This Presentation has been prepared by Valorem Advisors based on information and data which the Company considers reliable, but Valorem Advisors and the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. Valorem Advisors also hereby certifies that the directors or employees of Valorem Advisors do not own any stock in personal or company capacity of the Company under review.

For further information please contact our Investor Relations Representatives:



Valorem Advisors

Mr. Anuj Sonpal, CEO

Tel: +91-22 3006-7521/22/23/24

Email: modi@valoremadvisors.com

