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20 YEARS

Initiating Coverage

Dhanuka Agritech Ltd.

20-April-2021

RETAIL RESEARCH

Dhanuka Agritech Ltd.

Industry	LTP	Recommendation	Base Case Fair Value	Bull Case Fair Value	Time Horizon
Agriculture	Rs 710.75	Buy at LTP and add on dips to Rs 640	Rs 789	Rs 863	2 quarters

HDFC Scrip Code	DHAAGREQNR
BSE Code	507717
NSE Code	DHANUKA
Bloomberg	DAGRI: IN
CMP Apr 19, 2021	710.75
Equity Capital (Rs cr)	9.5
Face Value (Rs)	2
Equity Share O/S (cr)	4.76
Market Cap (Rs cr)	3310
Book Value (Rs)	149
Avg. 52 Wk Volumes	188392
52 Week High	935
52 Week Low	399

Share holding Pattern % (Mar, 2021)	
Promoters	75
Institutions	13.2
Non Institutions	11.8
Total	100.0

Fundamental Research Analyst

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Our Take:

Dhanuka Agritech has a strong diversified product portfolio across insecticides, herbicides and fungicide segments. It has a pan-India presence with over 7,200 distributors and approximately 75,000 retailers. Its unique “Rural FMCG” distribution-led business model makes it a preferred partner of global innovators targeting fast growing Indian markets. The company has a strong exclusive product portfolio from strategic partnerships with leading Japanese and US players like Nissan, Sumitomo, Mitsui, Arysta, Hokko, FMC & Oro Agro Chemicals, which makes it an asset-light company that is leveraging strong capabilities of global innovators. Segment-wise insecticides, herbicides, fungicides and others contribute 37%, 31%, 19% and 13% respectively. Key growth drivers are the new 9(3) product launches, backward integration (capex outlay of Rs 200cr) of technical pesticides in Dahej, intensive marketing network penetrating even to the interiors of India, increased farm income, and enhanced awareness of the cost-benefit ratio of agrochemicals. Dhanuka keeps adding new products every year through collaborations and continuously endeavors to bring the latest technology to Indian farmers.

Dhanuka launched two new 9(3) products by the name of Kirari and Nissodium, which are both fungicides for the grapes segment. Kirari has been launched in technical collaboration with Nissan Chemicals Japan; it will control the Downey Mildew pests in grape crops. The Nissodium has been launched in technical collaboration with a new Japanese company Nippon Soda and it will control the Powdery Mildew in the grape crop. Earlier, the company had launched Dozo Maxx and Dabooch (Herbicide). The company expects about Rs 50-60cr of revenue from these four products, in line with overall gross margin. It has launched six new products in FY21 and guided for 10 launches over the next two years. Products worth US$ 4.2bn are expected to go off patent over CY20-23, which will provide more opportunity for players like Dhanuka.

In the past three years, Dhanuka Agritech has bought back shares twice and rewarded its shareholders. It bought back 15 lakh equity shares at Rs 550 per share in early 2019 and spent Rs 82.5cr on the same. In Nov-2020, it bought back 10 lakh equity shares at Rs 1,000 each and used Rs 100cr.

The relationship with the domestic manufacturers and distributors has helped sustain inventories in the pipeline even during the lockdown period in March-May 2020. The company's product portfolio falls under essential commodities; hence, no major impact is witnessed on the business performance in 9MFY21. Despite a high base in FY21, management has guided revenue growth of 10-12% (if monsoon is good) and sustainable EBITDA margin of 16-17%. A better monsoon forecast by Skymet and IMD this year should boost growth of agri inputs. Dhanuka has a strong pipeline of products, which should drive revenue and net profit growth in the coming years.

View & Valuation:

Dhanuka Agritech has a strong product portfolio and a distribution-led business model; it has robust return ratios (> 20%), backed by a debt-free cash-rich balance sheet. It has registered 7% CAGR in revenue and 6% CAGR in PAT over FY15-20. This has been due to continuous decline in margin from 17% in FY15 to 15% in FY20.

Historical operating performance between FY10-20 shows that every 3-4 years one year growth is super strong (20+% EBITDA growth during FY11/14/17/20) followed by negligible growth in the latter period (FY13,FY16,FY19). This may be due to the inherent cyclicality in the business (largely rain dependent). This makes us put a lid on valuations.

In 9MFY21, Dhanuka has recorded strong revenue growth at 24.7%, led by traction across segments. Operating margin expanded 410bps yoy due to better gross margin and cost control measures. The company reported robust 57% yoy growth in net profit at Rs 162cr. We estimate 15% CAGR in revenue along with margin at around 17-18% over FY20-23E. Company is likely to register 17% CAGR in net profit over the same period. We are positive on the stock, given (1) strong balance sheet, (2) high revenue contribution from the specialty portfolio, and (3) strong distribution network. We recommend BUY on the stock at LTP and add more on declines to Rs 640 for the base case fair value of Rs 789 (16x FY23E EPS) and bull case fair value of Rs 863 (17.5x FY23E EPS) over the next two quarters.

Financial Summary

Particulars (Rs cr)	Q3 FY21	Q3 FY20	YoY (%)	Q2 FY21	QoQ (%)	FY19	FY20	FY21E	FY22E	FY23E
Total Revenues	296	272	8.9	442	-33.1	1,006	1,120	1,364	1,503	1,691
EBITDA	50	34	46.4	89	-43.6	146	173	257	258	298
Depreciation	4	4	-2.4	3.2	28.1	12	16	16	17	19
Other Income	9	8	20.5	8.2	14.6	21	25	29	26	31
Interest Cost	1	0	150.0	0.3	203.0	1	2	2	4	3
Tax	14	10	44.0	23.6	-39.0	41	39	70	66	78
RPAT	40	28	44.4	70	-42.9	113	141	198	197	230
EPS (Rs)						23.7	29.7	42.6	42.3	49.3
RoE (%)						17.6	20.9	27.4	23.8	22.6
P/E (x)						30.0	23.9	16.7	16.8	14.4
EV/EBITDA (x)						22.2	18.7	12.6	12.6	10.9

(Source: Company, HDFC sec)

Q3 FY21 result highlights

Dhanuka Agritech reported strong results with revenue/EBITDA/PAT growth of 9%/46%/45% yoy during Q3FY21. Gross margin expansion of 200bps to 37.1% is largely attributable to better product mix (lower sales of generic) coupled with prudent cost control measures, which have resulted in EBITDA margin expansion of 440bps yoy to 17%. The Innovation Turnover Index (ITI) for the quarter stood at 11%; management is confident of achieving 15% range by FY22 as against 12% in FY20. The company plans to launch 4-5 new products every year, with two new 9(3) molecules each year. With initial forecast of normal monsoons, the company has guided for 10-12% revenue growth in FY22E.

Contribution from Insecticides/Fungicides/Herbicides and others (PGR) stood at 37%/19%/31%/13% in Q3FY21 as against 38%/15%/32%/15% in the corresponding period last year respectively. The insecticides portfolio was badly hit during the quarter, primarily due to erratic monsoons, resulting in lower pest infestations. The herbicide and fungicide categories continue to do well for the company. The company has witnessed a healthy performance in a few top-selling products like Targa Super, Chempa, Em-1, and Lustre.

Compared to the company's results, the overall industry growth was muted in October and November due to prolonged rainfall especially in southern India (which contributes 1/3rd of the industry's agrochemicals sales) and two cyclones in Nov'20, which have resulted in lower consumption of agrochemicals. The insecticide category was severely impacted by lower pest infestations. However, the herbicide and fungicide categories continue to do well.

Long relation with reputed international technical manufacturers

Dhanuka has association with reputed international technical manufacturers (such as Nissan Chemicals, FMC Corporation, and Hokko Chemicals), which provide access to specialty molecules. As per a rating report, ~50-60% of the company's revenues are driven by the sales of specialty formulations, which also support profit margins. Going forward, too, increased revenue contribution from specialty formulations is expected to aid the company's profit margins.

Dhanuka Agritech has an established operational track record and its promoters have extensive experience of around three decades in the agrochemical industry. Over the years, DAL has set up a well-entrenched distribution network and a wide product portfolio (specialty and generic formulations), which protect it from the slowdown in offtake for any crop or region to a large extent. These factors have enabled it to develop a strong brand presence and emerge as a leading player in the industry.

Strategic Partnerships

Nissan Chemical, Japan	Corteva Agriscience, USA	ORO Agri, USA
FMC Corporation, USA	Sumitomo Chemical, Japan	Mitsui Chemicals Inc., Japan
Oat Agri, Japan	Hokko Chemical, Japan	Arysta Life Science, Japan

Segment	Insecticides	Herbicides	Fungicides	PGRs
No. of Products	38	25	16	9
% Revenue (9M FY21)	38.3	32.7	16.7	12.3
Key Products	Aaatank, Adfyre, Apple, Areva, Bombard, Caldan, Cover Granules, Fax, Foster, Markar Super, Domar etc.	Barrier Craze, D-Era, Dhanutop, Weedmar, Fuzi Super, Maxxsoy, Nabood, Oxykill, Sakura, Targa Super etc.	Cursor, Dhanteam, Dhanustin, Hexadhan, Godiwa, Lustre, Sheathmar, Specttrum etc.	Dhanvarsha, Dhanuvit, Dhanzyme Gold, Maxyld, Suelo etc.

New product launches in past two years

Dhanuka plans to launch 10 new molecules over the next two years with more focus on 9(3) molecules. The company has launched six new products in FY21 (five in FY20). It is trying to make its portfolio more monsoon agnostic by launching more products catering to drought resistant seeds (like Cempa).

Mycore: Mycore helps in enhancing surface area of roots and facilitates increased absorption of soil nutrients and water, ultimately helping the crop to be vigorous and resistant to physical and biological stress; it also increases the yield and productivity of the crop. It has huge opportunity in multiple crops, including cereal crops and vegetables.

Zapac: Zapac is a systemic and contact insecticide, formulated by mixing two most trusted molecules. It gives long-lasting and effective protection against a broad range of pests. It has a better rain fastness and gives lush green leaves.

Pro-rin: The company has re-launched Prorin, a broad-spectrum insecticide. It has stomach and contact action. It is used to control bollworms of cotton and kills insects on lower and upper surface of leaves due to penetrating action.

Prodhan: Company re-launched Prodhan (insecticide). It is used to control bollworms, jassids, aphid, thrips and white flies in cotton. It has strong contact and stomach action. It has excellent translaminar action, when sprayed on the upper surface of leaf, it immediately percolates down to lower surface of the leaf. It is absorbed readily in plant cells and is not affected by rainfall.

Chempa - (Pyrazosulfuron-Ethyl 70% WDG) is a herbicide for paddy, which effectively controls major broadleaf weeds, sedges and grassy weeds. It is a pre and early post emergence herbicide, which gives longer duration of control by inhibiting shoot growth and killing the weeds.

Apply - (Pymetrozine 50% WG) has the best known chemistry for effective control on BPH. It is an insecticide, which paralysis the hoppers, stops egg-laying and get the insects killed from starvation. It checks next generation growth by blocking egg-laying of pests.

Largo - It is a thripicide which provides insect control like Thrips and Lepidopteran, with excellent residual activity on a variety of crops. It contains 11.7% Spinetoram as active ingredient. Spinetoram has a unique mode of action; no other group of insecticide acts on this particular site of nervous system. The active ingredient in Largo does not interact with the known binding sites of other classes of insecticide.

Dozo Maxx is a selective herbicide for cotton crop. It has an advanced “ME” formulation, which is superior and thermodynamically stable. It controls major broad and narrow leaves weeds. Pyrithiobac sodium is absorbed by roots and shoots and translocated to growing points.

Dabooch is a pre-emergence herbicide applied in Soybean crop within three days after sowing. It is Systemic in action and provides superior control of key broadleaf weeds in soybean in addition to suppression of key grasses and sedges.

Kirari – It is an in-licensed product from Japanese firm Nissan Chemical. Kirari is a fungicide for grapes against Downy and Powdery Mildew. It is having preventive and curative mode of action and controls different stages of Oomycetes fungi.

Nisodium – It is an in-licensed product from Japanese firm Nippon Soda. It is a grape fungicides to take care of Downy Mildew and Powdery Mildrew respectively. Nissodium is having Cyflufenamid 5% EW for the effective control of Powdery Mildew of grapes caused by Uncinula necator.

The company has exclusive marketing rights in India and distribution rights for both the new launches.

Capex of Rs 200cr to set up technical manufacturing plant

Dhanuka Agri plans to invest Rs 200cr to set up a technical manufacturing plant at Dahej for backward integration and venturing into exports. Dhanuka's import dependence could reduce to 20% from 25% following ramp up of the plant and the company may also look to export technicals. The plant is likely to be commercialized in the next 24-30 months. The land was purchased by the company in the year 2012 or 2013. There will be no fresh investment in land. Moderation in dividend payout is likely for next 2 years, as it would fund capex with internal accruals. Return ratios may also be impacted post commencement of investment in the new facility. The company is in discussion with one of the Japanese companies for a partnership for the new project. The budget and other specific details are likely to get finalized over the next six months while commercial production will take about 30 months. The company has appointed Mr. Kapil Dev Vatse (erstwhile associated with Isagro Asia, General Manager; Atul Ltd - General Manager, Manufacturing) to work on the project.

Agrochemical segment

India's agrochemical sector has undergone multiple structural changes in recent years due to rising domestic demand, positive regulatory changes, constrained supply from China, significant growth opportunities presented by products goings off patent, and opportunities to collaborate with global players. Considering over 50% of India's population depends on farming and the sector has seen challenges in the past few years, government's objective is to double farmers' income through higher MSPs for crops, widen irrigation network, improve procurement, and provide easy access to credit. Doubling of farm income could lead to increase in agrochemical demand, going forward. India is the world's fourth-largest producer of agrochemicals after the US, China and Japan.

The Minimum Support Price (MSP) for most major crops has seen a rise of about 30% in the past six years. Key crops such as paddy and wheat have seen prices increase by 39% and 38%, respectively. The price protection provided to farmers gives them the liberty to invest in modern farming practices.

Agrochemicals are classified into five categories

Insecticides are the largest consumed pesticides with 53% of total pesticides market in India due to its use in high production crops i.e. paddy, cotton, sugarcane and other cereals. Insecticides provide protection to the crops from insects by killing the morby preventing their attack. They help in controlling the pest population below the desired economic threshold level.

Fungicides comprise only 19% of total pesticides market share with its application in fruits, vegetables and rice. Fungicides play an important role to reduce post-harvest losses in fruits and vegetables. They are used to control disease attacks on crops and protect the crops from the attack of fungi. Fungicides are of two types – protectants and eradicants.

Herbicides, also called weedicides, are used to kill undesirable plants. Herbicides are the second largest and fastest growing pesticides segment, comprising 24% market share. Herbicides are majorly used in rice and wheat crops; however, due to availability of cheap labor in India, workers are employed to manually pull weeds out. Herbicides have seasonal demand due to the fact that weeds flourish in damp, warm weather and die in cold spells.

Bio-pesticides are the new age crop protection product manufactured from natural substance like plants, animals, bacteria and minerals. They are eco-friendly, easy to use, and require lower dosage amounts for same performance as other chemical-based pesticides. Other agrochemicals mainly include fumigants, nematicides and rodenticides which protect the crops from pest attacks during crop storage.

Key Risks

Competitive industry

The intensely competitive and fragmented nature of the agrochemical industry exerts pricing pressure and needs constant marketing and branding expenditure. However, Dhanuka is in a good position with its strong brands.

High working capital intensity

Given the inherent seasonality of demand, diverse product portfolio, dependence on imports for raw material, and wide distribution network, the company needs to maintain the high level of raw material and finished goods inventory. This has continued to result in high working capital cycle.

Exposure to agro-climatic conditions and regulatory risks

Revenue and profitability remain susceptible to agro-climatic conditions, and the business' inherent regulatory risks. This is demonstrated by revenue growth moderation and contraction in margins in the past years due to sub-par monsoon seasons.

Exposure to raw material price and foreign exchange volatility

Lack of backward integration into technical manufacturing and dependence on imports for around 20% of its raw material requirement brings volatility in the company's margin. Forex outgo for FY18, FY19 and FY20 were at Rs 106cr, Rs 123cr and Rs 98cr respectively.
Price of raw materials being imported from China is witnessing an uptick driven by lower supply due to lockdown restrictions and a sharp rise in freight rates.

Discontinuation of tie-ups with global major

Moreover, given that tie-ups for technical reasons is critical for business position, it remains exposed to the risk of discontinuation of such tie-ups or increase in competition from other formulators, or the primary supplier developing its own formulation.

Regulatory Risk

The Agrochemical sector is highly regulated. It can potentially take up to 5 years for Section 9(3) and 9(4) products to get registered and there is a high probability of failure.

Genetically modified (GM) crops:

The use of crop protection products is significantly less in case of GM crops. Hence, rising acceptance of GM crops may adversely affect Dhanuka's business.

Company Background

Dhanuka Agritech is a leading agro-chemical player in India. Its strength lies in manufacturing formulations. Its pan-India distribution network consists of approximately 7,200 distributors and 75,000 retailers, which ensure its presence across 10 million farmers touch points. Over the years, Dhanuka has built strong strategic partnerships with leading global innovators. The company has world class NABL Accredited Laboratories and international collaborations with leading companies of US, Japan and Europe. Dhanuka has three manufacturing facilities in Rajasthan, Gujarat and J&K. The company's brand portfolio consists of over 80 products. It offers a range of product categories, including herbicides, such as Targa Super, Nabood, Hook, Sultop, Dynofop, Craze, Super/Weedmar, Noweed, Barrier and Ozone; fungicides such as Vitavax Power, Vitavax Ultra FF, Kasu-B, Sheathmar, Cursor and Hi-Dice; insecticides such as Omite, Caldan 4G, Caldan 50 SP, Dunet, Markar, Aaatank, Dhawa Gold and Areva; and plant growth regulators such as Dhanzyme, Dhanzyme Gold, Dhanuvit and Wetcit.

The company offers its crop solutions for various crops such as soyabean, paddy, cotton, sugarcane, potato, chilli, brinjal, onion and garlic, tomato, okra, and cabbage and cauliflower. It has a network of about 7,200 distributors/dealers and approximately 75,000 retailers across India. The product portfolio is largely distributed across Insecticides, Herbicide, Fungicides and Plant Growth Regulators segment. Insecticides contribute a significant portion of the overall revenues and the company aims to ramp up its presence in the fast-growing Herbicides segment. It is aggressively working towards the goal of transforming India through agriculture by initiatives like doubling farmer's income. The latest technology-driven platform ensures smooth reach of products to farmers with readily available stock on demand. Issues like inventory cost, blockage of fund, and uncertain demand and supply are being managed by this platform.

Basic Terminologies:

9(4) Me-too Registration: This is for product and source, which are already registered in India. 9(4) is the easiest method of registration. If all the documents submitted with CIB (Central Insecticides Board) are in proper order, then registration is issued within 6 months of making the application.

9(3) New Registration: This registration is for products or sources, which are not registered in India yet. Any first-time registration of a molecule or of a source will be under this category. New registrations can be of:

9(3) – TI New Molecule: Technical import registration for a new Molecule, which is never registered in India for Import.

9(3) – TI New Source: Technical import registration for technical already registered in India for Import, but a new overseas manufacturer also wants to register itself as an authorized source for exporting the molecule to India.

9(3) – FI New molecule: Formulations, which are to be directly imported to India, in finished form.

Peer Comparison

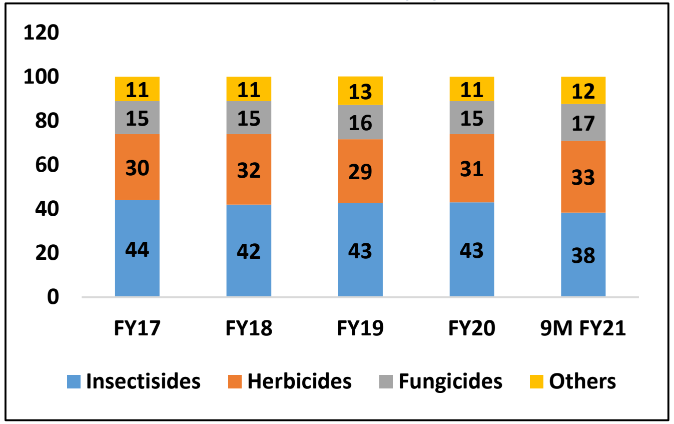
Company	Mcap (Rs cr)	Revenue				EBITDA Margin				PAT				RoE			
		FY20	FY21E	FY22E	FY23E	FY20	FY21E	FY22E	FY23E	FY20	FY21E	FY22E	FY23E	FY20	FY21E	FY22E	FY23E
Rallis India	5234	2252	2383	2682	3033	11.7	13.7	14.5	15.2	185	228	265	314	12.8	14.8	15.6	16.4
Dhanuka Agri	3310	1120	1364	1503	1691	15.5	18.8	17.2	17.6	141	198	197	230	20.9	27.4	23.8	22.6

Company	EV/EBITDA				P/E			
	FY20	FY21E	FY22E	FY23E	FY20	FY21E	FY22E	FY23E
Rallis India	17.8	14.3	12	10.2	27.4	22.2	19	16.3
Dhanuka Agri	18.7	12.6	12.6	10.9	23.9	16.7	16.8	14.4

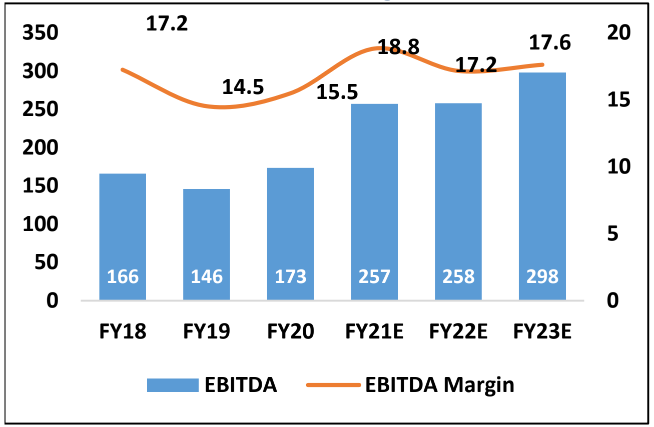
Source: Company, HDFC sec Research, Bloomberg

Dhanuka Agritech Ltd.

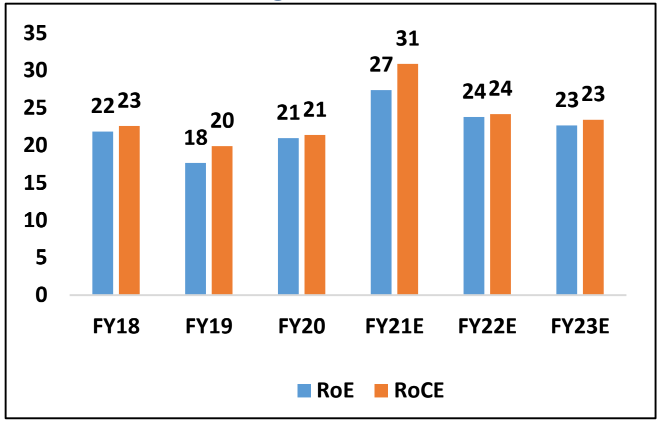
Revenue Mix (%)



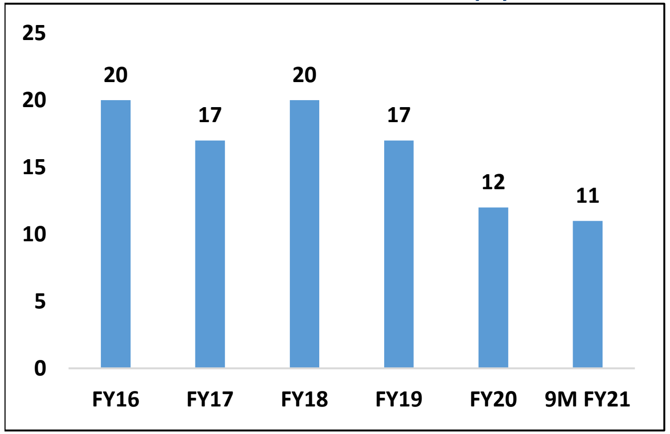
EBITDA and Margin Trend



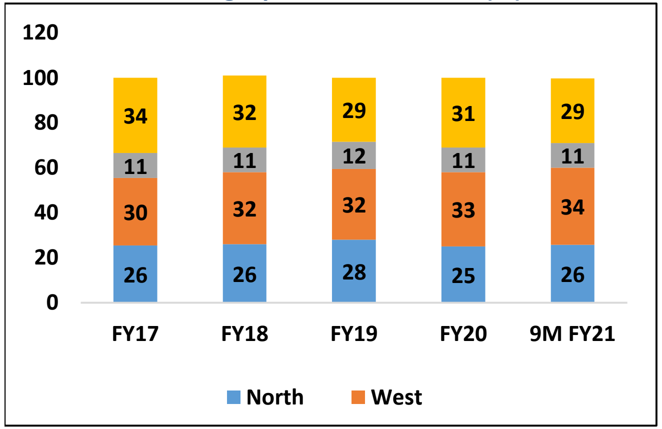
Strong Return Ratios



New Products Revenue (%)



Geographic Business Mix (%)



Dhanuka Agritech Ltd.

Financials

Income Statement

(Rs Cr)	FY19	FY20	FY21E	FY22E	FY23E
Net Revenue	**1006**	**1120**	**1364**	**1503**	**1691**
Growth (%)	4.5	11.4	21.8	10.2	12.5
Operating Expenses	860	947	1107	1245	1393
EBITDA	**146**	**173**	**257**	**258**	**298**
Growth (%)	-12	18.8	48.1	0.4	15.5
EBITDA Margin (%)	**14.5**	**15.5**	**18.8**	**17.2**	**17.6**
Depreciation	12	16	16	17	19
EBIT	134	157	241	241	279
Other Income	21	25	29	26	31
Interest expenses	1	2	2	4	3
PBT	154	181	268	263	307
Tax	41	39	70	66	78
RPAT	**113**	**141**	**198**	**197**	**230**
Growth (%)	-10.8	25.5	40.5	-0.7	16.5
EPS	23.7	29.7	42.6	42.3	49.3

Balance Sheet

As at March	FY19	FY20	FY21E	FY22E	FY23E
SOURCE OF FUNDS					
Share Capital	**9.5**	**9.5**	**9.3**	**9.3**	**9.3**
Reserves	633	698	734	907	1102
Shareholders' Funds	**642**	**708**	**743**	**916**	**1111**
Long Term Debt	0	0	0	40	33
Net Deferred Taxes	12	5	10	9	11
Long Term Provisions & Others	18	22	27	30	37
Total Source of Funds	**671**	**735**	**780**	**996**	**1192**
APPLICATION OF FUNDS					
Net Block	115	119	126	164	225
Intangible Assets	3	2	2	2	2
Non-Current Investments	123	145	159	176	187
Total Non-Current Assets	**241**	**266**	**287**	**342**	**415**
Current Investments	31	60	61	66	69
Inventories	207	250	288	321	363
Trade Receivables	219	242	273	317	361
Short term Loans & Advances	0	0	0	0	0
Cash & Equivalents	1	26	34	120	167
Other Current Assets	137	88	82	88	96
Total Current Assets	**593**	**667**	**739**	**914**	**1058**
Short-Term Borrowings	22	8	12	10	7
Trade Payables	78	113	143	156	178
Other Current Liab & Provisions	63	76	92	94	96
Total Current Liabilities	**163**	**198**	**247**	**260**	**281**
Net Current Assets	429	469	492	654	777
Total Application of Funds	**671**	**735**	**780**	**996**	**1192**

Source: Company, HDFC sec Research

Dhanuka Agritech Ltd.

Cash Flow Statement

(Rs Cr)	FY19	FY20	FY21E	FY22E	FY23E
Reported PBT	154	181	268	263	307
Non-operating & EO items	-21	-25	-29	-26	-31
Interest Expenses	1	2	2	4	3
Depreciation	12	16	16	17	19
Working Capital Change	-92	28	-14	-75	-76
Direct Tax Paid	-41	-39	-70	-66	-78
OPERATING CASH FLOW (a)	**13**	**162**	**173**	**117**	**144**
Capex	-5	-11	-25	-55	-80
Free Cash Flow	94	103	148	62	64
Investments	48	-59	-14	-17	-11
Non-operating income	21	25	29	26	31
INVESTING CASH FLOW (b)	**64**	**-45**	**-10**	**-46**	**-60**
Debt Issuance / (Repaid)	18	-27	9	43	1
Interest Expenses	-1	-2	-2	-4	-3
FCFE	84	99	156	101	62
Share Capital Issuance	0	0	0	0	0
Dividend	-21	-72	-62	-24	-35
Buyback	-83	0	-100	0	0
FINANCING CASH FLOW (c)	**-87**	**-93**	**-155**	**15**	**-37**
NET CASH FLOW (a+b+c)	-10	24	8	86	47

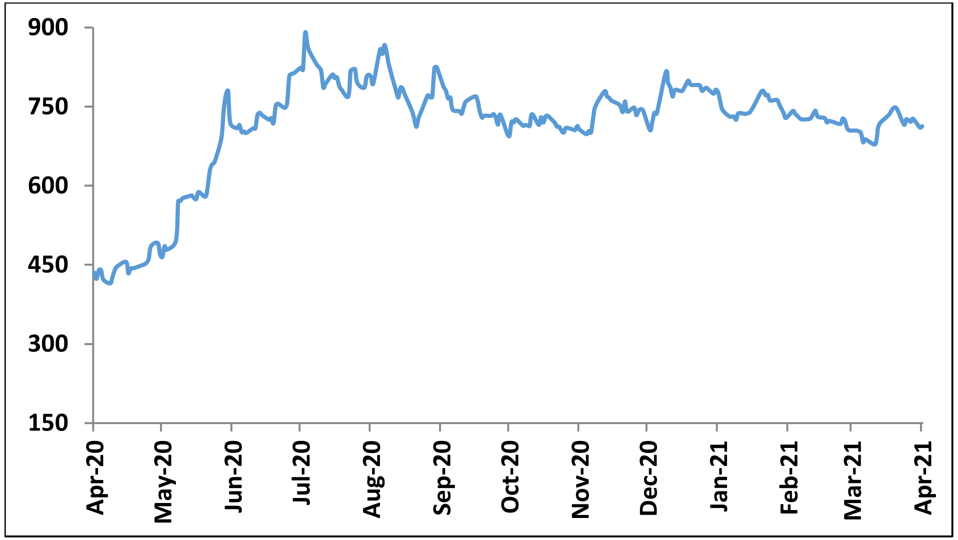
Key Ratios

	FY19	FY20	FY21E	FY22E	FY23E
Profitability (%)					
EBITDA Margin	14.5	15.5	18.8	17.2	17.6
EBIT Margin	13.3	14	17.6	16	16.5
APAT Margin	11.2	12.6	14.5	13.1	13.6
RoE	17.6	20.9	27.4	23.8	22.6
RoCE	19.9	21.4	30.8	24.2	23.4
Solvency Ratio					
Net Debt/EBITDA (x)	-0.1	-0.5	-0.3	-0.5	-0.7
D/E	0	0	0	0.1	0
Net D/E	0	-0.1	-0.1	-0.1	-0.1
Per Share Data					
EPS	23.7	29.7	42.6	42.3	49.3
CEPS	26.3	33.1	46.1	46	53.3
BV	135	149	160	197	238
Dividend	0.6	12	1	5	7
Turnover Ratios (days)					
Debtor days	79	79	73	77	78
Inventory days	75	74	77	78	78
Creditors days	36	48	53	51	51
VALUATION (x)					
P/E	30	23.9	16.7	16.8	14.4
P/BV	5.3	4.8	4.5	3.6	3
EV/EBITDA	22.2	18.7	12.6	12.6	10.9
EV / Revenues	3.3	3	2.5	2.2	2
Dividend Payout (%)	2.5	40.4	2.3	11.8	14.2

Source: Company, HDFC sec Research

Dhanuka Agritech Ltd.

One Year Price Chart



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