



Earnings Presentation H1 / Q2-FY20



aries agro limited

Executive Summary



Company Overview



Incorporated in the year 1969 Aries Agro Limited (Aries) is a leading manufacturer of speciality plant and animal nutrient solutions. Aries has a diverse and complete portfolio of all nutrients required for plant nutrition, plant protection, animal and fisheries nutrition. Aries is respected for the high quality of its products, both Agricultural and Veterinary, and enjoys tremendous amount of goodwill with dealers and consumers. Aries has a vision to transform itself from India's Plant Nutrition Super Bazaar to one of India's largest Agro-input companies.

Business Mix # (Revenue Share %)



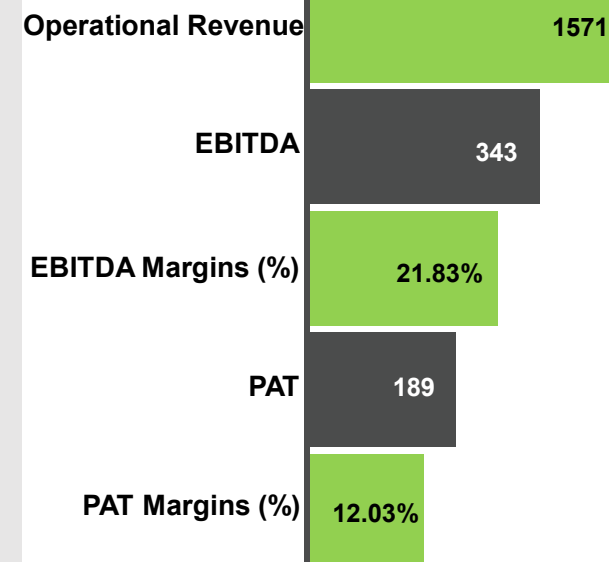
- Primary Nutrients (14%)
- Secondary Nutrients (16%)
- Micronutrients (53%)
- Other Nutrients (15%)
- Animal and Fisheries Nutrition (3%)

Manufacturing & Distribution Networks



- 4 Manufacturing Units in India with a capacity of 95,400 Metric Tonnes per annum.
- Registered Distributors & Dealers network of about 6,800+.
- More than 86,000 Dealer counters serviced.
- 1,99,000 villages covered across India (assuming 2 to 3 villages / dealer).

H1-FY20 Financial Snapshot* (INR Mn)



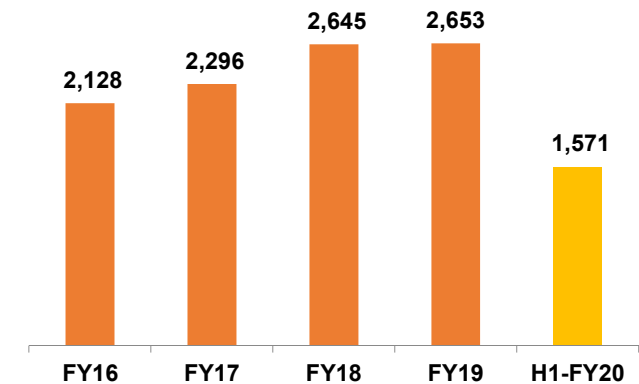
* Standalone
As on FY19

Company Overview

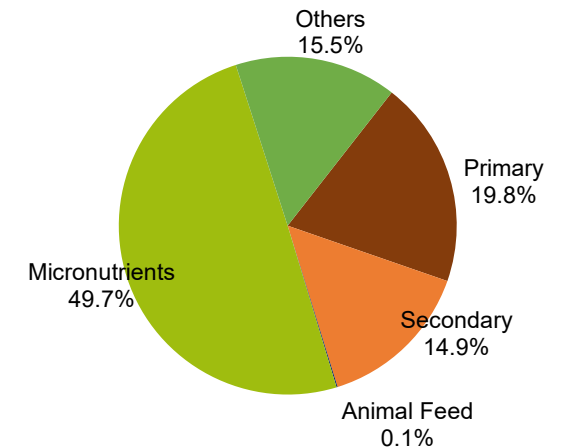


- Aries Agro is India's largest and the most respected manufacturer of speciality plant nutrition solutions
- Since 1969 Aries has provided Indian agriculturists with several innovative concepts for farming.
- Pioneering innovations include:
 - Chelation Technology
 - Biodegradable Complexes of Plant nutrients
 - Water soluble NPK fertilizers
 - Value Added Secondary Nutrients
 - Natural and Biological Products
 - Water Treatment Formulations
- They provide all the 13 plant nutrients required in agriculture, customized for the specific needs of 107 different crops.
- They have 75 brands which are successfully tested at over 100 research institutions in India and abroad
- Currently their products are trusted and used by over 8 Mn farmers across 1,99,000 Indian villages and 6 other regions in the Middle East and the SAARC Regions

Revenue From Operations* (INR Mn)



Segment Revenue*



* Standalone



**H1 / Q2-FY20
FINANCIAL
OVERVIEW**

51.76

829.49

662.25

952.91

H1 / Q2-FY20 Financial Highlights



➤ Q2-FY20 Standalone Financial Highlights:

- ✓ **Operational Income:** INR 927 Mn
- ✓ **EBITDA:** INR 217 Mn
- ✓ **EBITDA Margin:** 23.40%
- ✓ **Net Profit:** INR 136 Mn
- ✓ **PAT Margin:** 14.67%
- ✓ **Diluted EPS:** INR 10.48

➤ H1-FY20 Standalone Financial Highlights:

- ✓ **Operational Income:** INR 1,571 Mn
- ✓ **EBITDA:** INR 343 Mn
- ✓ **EBITDA Margin:** 21.83%
- ✓ **Net Profit:** INR 189 Mn
- ✓ **PAT Margin:** 12.03%
- ✓ **Diluted EPS:** INR 14.52

➤ Q2-FY20 Consolidated Financial Highlights :

- ✓ **Operational Income:** INR 927 Mn
- ✓ **EBITDA:** INR 203 Mn
- ✓ **EBITDA Margin:** 21.90%
- ✓ **Net Profit:** INR 107 Mn
- ✓ **PAT Margin:** 11.54%
- ✓ **Diluted EPS:** INR 8.73

➤ H1-FY20 Consolidated Financial Highlights :

- ✓ **Operational Income:** INR 1,571 Mn
- ✓ **EBITDA:** INR 327 Mn
- ✓ **EBITDA Margin:** 20.81%
- ✓ **Net Profit:** INR 141 Mn
- ✓ **PAT Margin:** 8.98%
- ✓ **Diluted EPS:** INR 11.78

Q2-FY20 Operational Highlights



- A Novel marketing model called “Flash sales” operating over digital platform is backed by strong brand name of Aries Agro and robust product range which has led to consistent growth in the revenues for the company. This has also shown a promising trend with a conversion rate of 75% to 80% of the order book.
- Despite a short duration of the Kharif season we have still managed to ramp up the revenues by 15% on Y-o-Y basis.
- Net margin has been consistent and echoing performance of earlier comparable period, largely due to sector dependence on external natural factors like rain coupled with seasonal crop pattern.
- In regards to the UAE Subsidiary, the operations of GHME are expected to start in the month of December 2019 as required permission for merchant trading expected towards the end of November 2019.
- As for Amarak Chemicals FZC facility at Fujairah, we anticipate requisite facilities of continuous power to be operational by 15th December, which shall help us kick start our manufacturing activities.

Q2-FY20 Standalone Income Statement

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INCOME STATEMENT (INR MN)	Q2-FY20	Q2-FY19	Y-o-Y	Q1-FY20	Q-o-Q
Revenue from Operations	927	812	14.2%	644	43.9%
Total Expenses	710	662	7.3%	518	37.1%
EBITDA	217	150	44.7%	126	72.2%
EBITDA Margin	23.40%	18.47%	493 Bps	19.57%	383 Bps
Other Income	32	75	(57.3)%	14	NA
Depreciation	6	6	NA	6	NA
Finance Cost	69	52	32.7%	48	43.8%
PBT	174	167	4.2%	86	NA
Tax	38	58	(34.5)%	33	15.2%
Profit After Tax	136	109	24.8%	53	NA
PAT Margins	14.67%	13.42%	125 Bps	8.23%	644 Bps
Other Comprehensive Income	(2)	(1)	NA	-	NA
Total Comprehensive Income (After Tax)	134	108	24.1%	53	NA
Diluted EPS (INR) (not annualized)	10.48	8.37	25.2%	4.04	NA

H1-FY20 Standalone Income Statement

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INCOME STATEMENT (INR MN)	H1-FY20	H1-FY19	Y-o-Y
Revenue from operations	1,571	1,375	14.3%
Total Expenses	1,228	1,115	10.1%
EBITDA	343	260	31.9%
EBITDA Margin (%)	21.83%	18.91%	292 bps
Other Income	46	85	(45.9)%
Depreciation	12	11	9.1%
Finance Cost	117	99	18.2%
PBT	260	235	10.6%
Tax	71	81	(12.3)%
Profit After Tax	189	154	22.7%
PAT Margins (%)	12.03%	11.20%	83 bps
Other Comprehensive Income	(3)	(1)	NA
Total Comprehensive Income (After Tax)	186	153	21.6%
EPS (Diluted)	14.52	11.81	22.9%

Q2-FY20 Consolidated Income Statement



INCOME STATEMENT (INR MN)	Q2-FY20	Q2-FY19	Y-o-Y	Q1-FY20	Q-o-Q
Revenue from Operations	927	812	14.2%	644	43.9%
Total Expenses	724	665	8.9%	520	39.2%
EBITDA	203	147	38.1%	124	63.7%
EBITDA Margin	21.90%	18.10%	380Bps	19.25%	265Bps
Other Income	18	65	(72.3)%	-	NA
Depreciation	6	6	NA	6	NA
Finance Cost	67	56	19.6%	50	34.0%
PBT	148	150	(1.3)%	68	NA
Tax	38	58	(34.5)%	34	11.8%
Share of Profit/(loss) of Associate/JV	(3)	-	NA	-	NA
Profit After Tax	107	92	16.3%	34	NA
PAT Margins	11.54%	11.33%	21Bps	5.28%	626Bps
Other Comprehensive Income	(3)	(2)	NA	-	NA
Total Comprehensive Income (After Tax)	104	90	15.6%	34	NA
Diluted EPS (INR) (not annualized)	8.73	6.82	28.0%	3.05	NA

H1-FY20 Consolidated Income Statement



INCOME STATEMENT (INR MN)	H1-FY20	H1-FY19	Y-o-Y
Revenue from operations	1,571	1,375	14.3%
Total Expenses	1,244	1,123	10.8%
EBITDA	327	252	29.8%
EBITDA Margin (%)	20.81%	18.33%	248Bps
Other Income	18	65	(72.3)%
Depreciation	12	11	9.1%
Finance Cost	117	107	9.3%
PBT	216	199	8.5%
Tax	72	82	(12.2)%
Share of Profit/(loss) of Associate/JV	(3)	-	NA
Profit After Tax	141	117	20.5%
PAT Margins (%)	8.98%	8.51%	47Bps
Other Comprehensive Income	(2)	(1)	NA
Total Comprehensive Income (After Tax)	139	116	19.8%
EPS (Diluted)	11.78	9.26	27.2%



HISTORICAL FINANCIAL OVERVIEW

Standalone Income Statement (IND-AS)



INCOME STATEMENT (INR MN)	FY17	FY18	FY19	H1-FY20
Revenue from operations	2,296	2,645	2,653	1,571
Total Expenses	1,898	2,199	2,203	1,228
EBITDA	398	446	450	343
EBITDA Margin	17.33%	16.86%	16.96%	21.83%
Other Income	15	41	75	46
Depreciation	18	22	24	12
Finance Cost	212	247	274	117
PBT	183	218	227	260
Tax	65	76	78	71
Profit After Tax	118	142	149	189
PAT Margins	5.14%	5.37%	5.62%	12.03%
Other Comprehensive Income	(5)	1	(7)	(3)
Total Comprehensive Income (After Tax)	113	143	142	186
Diluted EPS (INR)	9.11	10.88	11.46	14.52

Standalone Balance Sheet (IND-AS)



PARTICULARS (INR MN)	FY18	FY19	H1-FY20	PARTICULARS (INR MN)	FY18	FY19	H1-FY20
EQUITIES & LIABILITIES				ASSETS			
Shareholder Funds				Non Current Assets			
(A) Share Capital	130	130	130	(A) Property, Plant and Equipment	339	383	394
(B) Other Equity	1,332	1,438	1,624	(B) Intangible Assets	2	3	3
Total Equity	1,462	1,568	1,754	(C) Capital Work-in-Progress	136	145	146
				(D) Financial Asset	202	203	202
				Total Non Current Assets	679	734	745
NON CURRENT LIABILITIES				CURRENT ASSETS			
(A) Non Current Borrowings	164	133	192	(A) Inventory	1,271	1,298	1,390
(B) Non Current Provisions	9	20	21	(B) Financial Assets			
(C) Deferred Tax Liabilities (net)	45	39	37	(I) Trade Receivables	949	993	1,154
Total Non Current Liabilities	218	192	250	(II) Cash & Cash Equivalents	57	41	24
				(III) Other Bank Balances	43	42	44
(A) Financial liabilities				(IV) Current Loans	516	838	895
(I) Current Borrowings	1,286	1,438	1,288	(V) Other Current Financial Asset	2	2	-
(II) Trade Payables	512	513	616	(C) Other Financial Asset	333	301	305
(III) Other Current Financial Liabilities	45	46	3	Total Current Assets	3,171	3,515	3,812
(B) Other current liabilities	295	445	582				
(C) Current Provision	5	11	11				
(D) Current Tax Liability (Net)	27	36	53				
Total Current Liabilities	2,170	2,489	2,553				
GRAND TOTAL - EQUITIES & LIABILITIES	3,850	4,249	4,557	GRAND TOTAL - ASSETS	3,850	4,249	4,557

Consolidated Income Statement (IND-AS)

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INCOME STATEMENT (INR MN)	FY17	FY18	FY19	H1-FY20
Revenue from operations	2,653	2,947	2,653	1,571
Total Expenses	2,264	2,489	2,218	1,244
EBITDA	389	458	435	327
EBITDA Margin	14.66%	15.54%	16.40%	20.81%
Other Income	31	20	33	18
Depreciation	67	23	24	12
Finance Cost	234	289	289	117
PBT	119	166	155	216
Tax	65	76	78	72
Share of Profit/(loss) of Associate/JV				(3)
Profit After Tax	54	90	77	141
PAT Margins	2.04%	3.05%	2.90%	8.98%
Other Comprehensive Income	(5)	1	(9)	(2)
Total Comprehensive Income (After Tax)	49	91	68	139
Diluted EPS (INR)	5.43	8.06	7.60	11.78

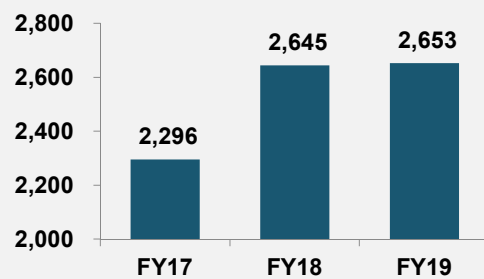
Consolidated Balance Sheet (IND-AS)



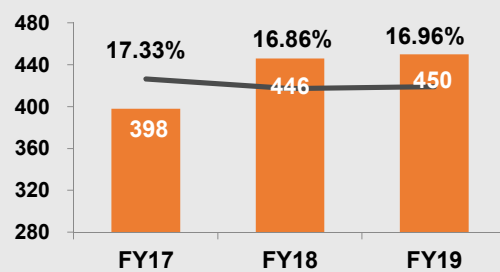
PARTICULARS (INR MN)	FY18	FY19	H1-FY20	PARTICULARS (INR MN)	FY18	FY19	H1-FY20
EQUITIES & LIABILITIES				ASSETS			
Shareholder Funds				Non Current Assets			
(A) Share Capital	130	130	130	(A) Property, Plant and Equipment	874	951	394
(B) Other Equity	1,700	1,761	1,877	(B) Intangible Assets	2	3	3
Total Equity	1,830	1,891	2,007	(C) Capital Work-in-Progress	136	145	146
				(D) Financial Asset	-	-	561
Non-Controlling Interest	262	237	90	Total Non Current Assets	1,012	1,099	1,104
Non Current Liabilities				Current Assets			
(A) Non Current Borrowings	164	133	192	(A) Inventory	1,271	1,298	1,390
(B) Non Current Provisions	10	21	21	(B) Financial Assets			
(C) Deferred Tax Liabilities (net)	45	39	37	(I) Trade Receivables	1,822	1,859	1,292
Total Non Current Liabilities	219	193	250	(II) Cash & Cash Equivalents	61	45	26
(A) Financial liabilities				(III) Bank balance other then Cash and Cash Equivalents	43	42	44
(I) Current Borrowings	1,503	1,543	1,288	(IV) Current Loans	2	1	3
(II) Trade Payables	578	563	617	(V) Other Current Financial Asset	2	1	0
(III) Other Current Financial Liabilities	45	46	3	(C) Other Financial Asset	562	598	1,019
(B) Other current liabilities	306	423	559	Total Current Assets	3,763	3,844	3,774
(C) Current Provision	5	11	11				
(D) Current Tax Liability (net)	27	36	53				
Total Current Liabilities	2,464	2,622	2,531				
GRAND TOTAL - EQUITIES & LIABILITES	4,775	4,943	4,878	GRAND TOTAL – ASSETS	4,775	4,943	4,878

Key Financial Highlights (Standalone)

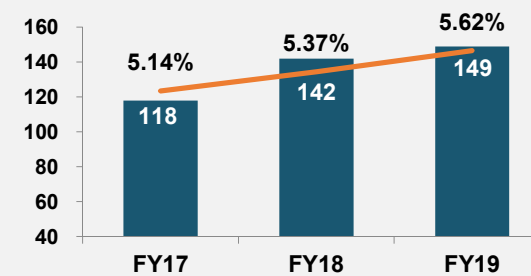
Operational Revenue (INR Mn)



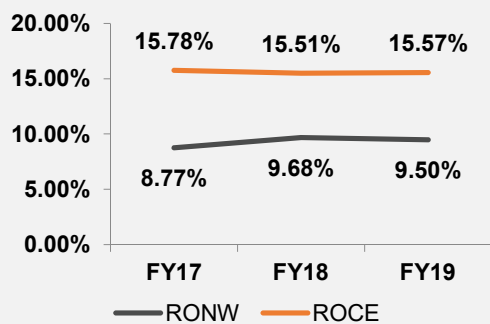
EBITDA (INR Mn) & EBITDA MARGIN (%)



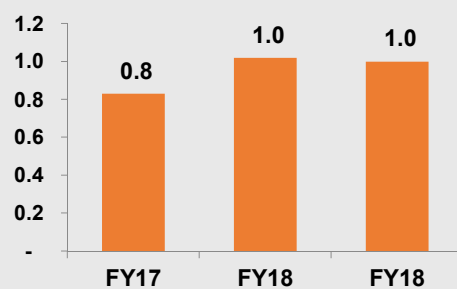
PAT (INR Mn) & PAT MARGIN (%)



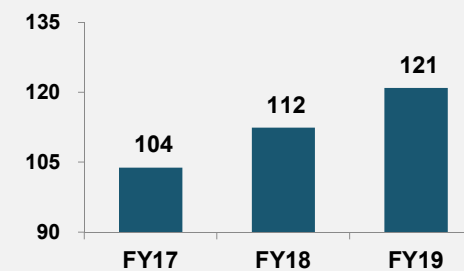
RONW & ROCE (%)



DEBT EQUITY

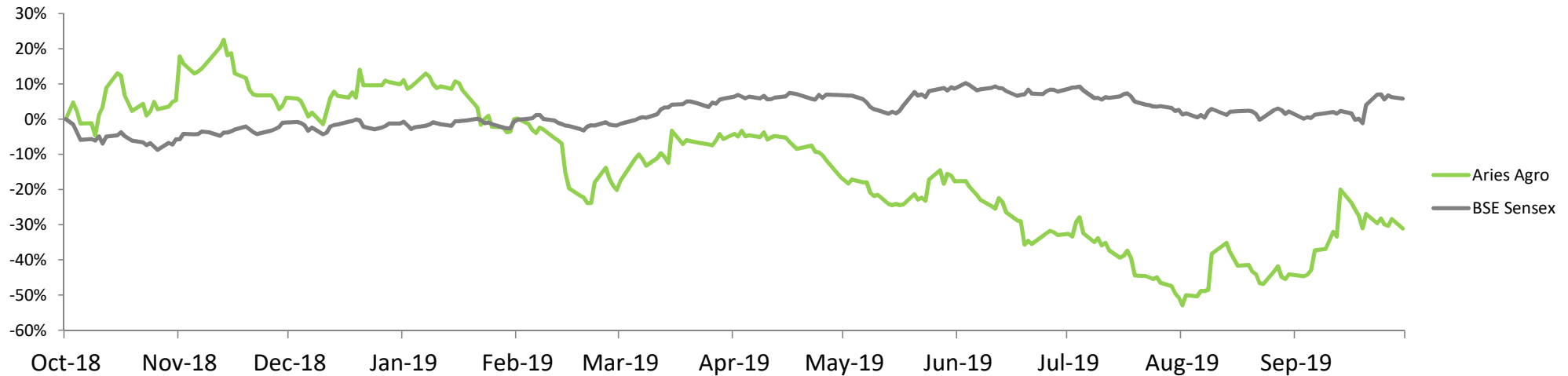


BOOK VALUE PER SHARE (INR)



Capital Market Information

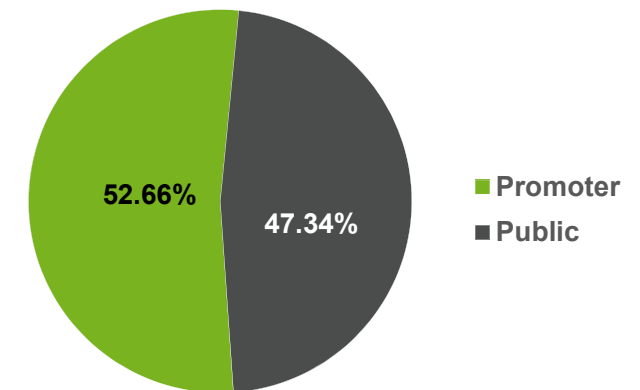
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PRICE DATA (AS ON 30th September 2019)

Face Value (INR)	10.0
Market Price (INR)	63.40
52 week H/L (INR)	119.90/41.85
Market Cap (INR Mn)	824.2
Equity Shares Outstanding (Mn)	13.0
12 Month Avg. Trading Volume ('000)	47.5

Shareholding Pattern as on (30th September 2019)



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Mr. Anuj Sonpal
Valorem Advisors Investor Relations
Management
Tel: +91-22-49039500
Email: aries@valoremadvisors.com



Thank You

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Annexure

- Products under different business segments

Primary Nutrients	Secondary Nutrient	Micronutrients			Other Speciality Nutrients	Animal and Fisheries feed
MacroFert(19-19-19)	Zn-Sulf	Chelamin	Phosphocop	Mobomin	Endomyco	Aquazin
FertiMAX-NK(13-0-45)	Magmix	Chelafer	Agromin-SA	Tracemin	Agronaa	Boon-o-Milk
FertiMAX-PK(13-0-45)	Mn-Sulf	Chelacop	Chelacal	FerroMix	Plantomycin	Fishmin
FertiMAX-NP(12-61-0)	Calbor/Orgabor	Agromin-Gold	Chelamag	Tetrabor Lite	Marino Liquid	
FertiMAX/ Plantex-CN(15.5-15.8)	Sulphur Bentonite	Mn-chel	Calpro	Aquacal	Marino Gold	
Primasulf	Fertisol-Super	Procop	Combical	Horticab	Hydropro	
K-Phomic	Knight	Agripro	Zincomix	Teamin	Antox	
Plantex	Ferromag	Aries Total	Tetrabor	Coffemin	Arisil	
Plantex-CN	Calcomag	Boron-20	ASA Max Powder	Potabor Super	Aquarite	
	Crackguard	Ferrocare	Agromin Soil+Powder	ZincMag	Orgafert	
	Magcal	Borocan	ASA Granules	Ecocop	Hydropro Gold	
	Fertisol	Boromag	Agromin Foliar Spray Liquid	Ecofer	Hortimin	
	Calbor Granules	Zincbor	Agromin Foliar Spray Powder	EcoZinc	Hortimin-G	
		Procal	PhosphoZinc	Nitroborax		
		Profer				