



Ref. No.: PSL/2022-23/CS/SE/13

Date: 21st May, 2022

To, Listing Department National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Symbol: DIAMONDYD	To, Corporate Relationship Department BSE Limited P.J. Towers, Dalal Street, Mumbai - 400 001 Security Code: 540724 Security ID: DIAMONDYD
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Dear Sir/Madam,

Subject: Corporate Presentation of the Company for the quarter and year ended 31st March, 2022

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Corporate Presentation of the Company for the quarter and year ended 31st March, 2022.

The aforesaid presentation is also available on the Company's website www.yellowdiamond.in

This is for your information and records.

Thanking you,

Yours faithfully,

For Prataap Snacks Limited

Om Prakash Pandey

Company Secretary and Compliance Officer



Encl.: As above

Prataap Snacks Limited

CIN : L15311MP2009PLC021746

PRATAAP SNACKS LIMITED

Q4 & FY22 - Results Presentation

Rich
Feast

Yellow
Diamond[®]

Dildaar hain
hu♡

AVADH[®]



May 2022

Disclaimer



Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties, like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Prataap Snacks Limited (PSL) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward looking statements to reflect subsequent events or circumstances.



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Q4 & FY22 Results

Financial Overview



In Q4 FY22, PSL reported:

- Revenue of Rs. 3,614.6 million, registering growth of 17% yoy
- Operating EBITDA of Rs. 49.4 million, translating to a margin of 1.4%
- PAT stood at Rs. (29.5) million
- EPS (Diluted) stood at Rs. (1.26) per share

In FY22, PSL reported:

- Revenue of Rs. 13,966.2 million, registering growth of 19% yoy
- Operating EBITDA of Rs. 583.1 million, translating to a margin of 4.2%
- PAT* stood at Rs. 169.1 million with margins at 1.2%
- EPS* (Diluted) stood at Rs. 7.21 per share
- The Board of Directors have recommended a dividend of Rs. 0.50 per share (face value of Rs. 5.00 per share)

Operational Overview



- Reported revenue growth of 17% yoy in Q4 FY 22, in the backdrop of a challenging macro environment. In FY 22, revenues were higher by 19% on yoy basis.
 - Delivered encouraging volumes across product categories assisted by an uptick in consumption across key geographies
 - Addition of new retail outlets to our distribution network coupled with enhanced reach of the existing distribution network on the back of initiatives like tele-calling have positively contributed to volumes
- Continued to witness sharp rise in prices for key raw materials like palm oil and other commodities across the landscape
 - The Russia Ukraine war has disrupted global supply chains leading to unusual rise in commodity prices, which are key inputs
 - The combined effect of the raw material price inflation and supply chain disruptions led to an adverse impact of ~600 basis points on EBITDA during the quarter and ~700 basis points for the full year
 - The effects of inflation in inputs were partially offset by the ongoing cost optimization initiatives, gradual implementation of the direct distribution model, grammage rationalization and higher price realisation
- Implementation of direct distribution model was accelerated and has been completed in all regions, ahead of schedule
 - The direct distribution model supported by continuous process re-engineering and cost optimisation initiatives positions us towards an elevated margin profile

Approval under Performance Linked Incentive ('PLI') Scheme



- The company has received approval under the PLI scheme of the Government of India under ready to eat segment
- All the products are covered under the PLI scheme except for Potato Chips
- The base year for calculating the PLI benefit on-incremental sale is FY 19-20 for the first 4 years and FY 21-22 and FY 22-23 for the fifth and sixth years respectively
- The benefit is available including growth in Avadh sales
- The minimum CAGR for sales for calculating the incentive is 10% with the maximum cap of 13% CAGR for eligible products
 - From FY 21-22 to FY 24-25, the incentive rate for eligible products is 7.5% on the incremental sales over base year sales
 - The incentive for FY 25-26 is 6.75% and FY 26-27 is 6% calculated on the incremental sales over base year sales
- The investment commitment aggregates to ~ Rs.105 crore, of which PSL has already invested Rs. 20 crores with the balance to be invested between us and our contract manufacturing partners before March 2023



Normalisation of Activities

- With the uplifting of restrictions on travel and the gradual reopening of the economy, footfall has nearly returned to pre-covid levels in most existing touchpoints
- All retail touchpoints are now fully operational and well-positioned for the expected increase in demand as the activities return to normalcy
- With the re-opening of schools, we expect the demand for key products to increase



Continued Deeper Penetration

- Continuing to enhance geographical reach in key markets by adding new retail touchpoints, present in ~21.8 lakhs outlets as of Mar'22, an addition of ~1.51 lakhs outlets in last one year
- Initiatives like tele-calling is being rolled out in a phased manner which is helping to improve distribution efficacy
- Using a mix of data and analysis, feedback from local sales team and software to identify distribution gaps

Measures To Enhance Profitability and Returns

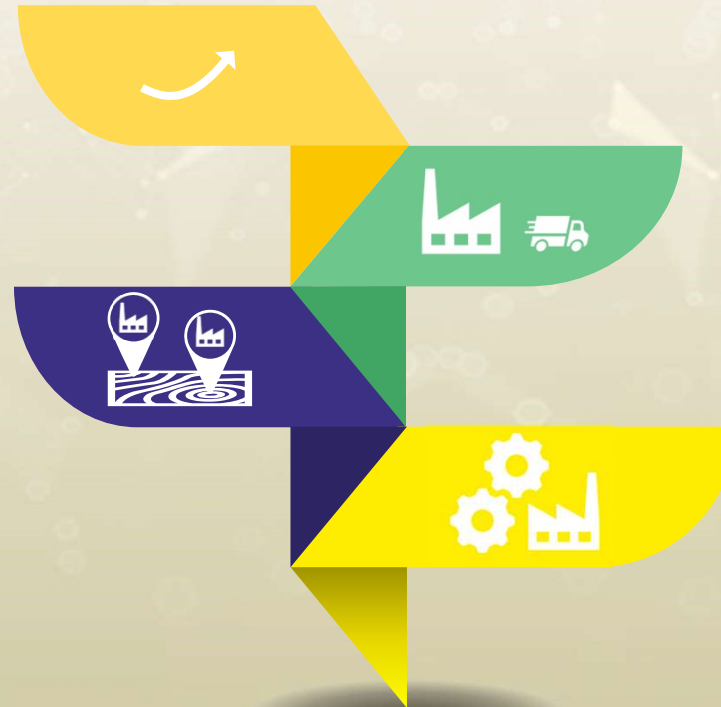


Bottom slicing

- Reasons for lesser volumes were identified, and levers were worked on to improve them
- Indirect expenses are being saved by discontinuing less popular products

Capacity expansion

- Selective capacity expansion in target markets
- Leveraging opportunity from PLI scheme to enhance presence in high-potential underpenetrated markets



Compression of distribution structure

- PSL has implemented direct distribution across all regions, ahead of schedule
- This results in savings through lower trade margins and freight optimization

Establishing hubs across India

- PSL has established hubs in all the manufacturing facilities
- These hubs will have the entire product range and cater to proximate markets in order to optimise distribution with cost efficiency



Commenting on Q4 & FY22 performance, Mr. Amit Kumar - Managing Director & CEO, Prataap Snacks Limited said:

“We have delivered a robust performance in a challenging macro environment. Revenues during the quarter grew by 17%, significantly outgrowing the industry. This was led by an uptick in consumption and expansion in distribution network. The growth in volumes is sustainable as existing retail touchpoints are witnessing normalcy in demand even as we have added new retail outlets in our network.

During the quarter, a sharp rise in prices of palm oil and other commodities was witnessed across the landscape. We were able to partially mitigate the impact by our ongoing cost optimization initiatives, gradual implementation of the direct distribution model, grammage rationalization and higher price realisation. The initial benefit from these initiatives has accrued during the year and we anticipate further benefit in the quarters to come. Further, we have implemented our direct distribution model in all regions ahead of schedule. This, along with other structural changes, positions us towards an elevated margin profile, once the unusual rise in input prices normalizes.

Over the past few quarters, despite unfavourable market conditions and inflationary pressures, we continued undertaking initiatives to enhance our business model and transform our distribution network. The enhanced retail touchpoints have enabled higher sales volume growth and increased topline. We will look to build on this momentum through further expansion in the distribution network. With Covid restrictions being lifted and normalised activity across new and existing retail touchpoints, we are confident of accelerated growth going ahead.”

Abridged P&L Statement



Particulars	Q4 FY'22	Q4 FY'21	Y-o-Y Change	FY'22	FY'21	Y-o-Y Change
Income from Operations	3,614.6	3,095.4	17%	13,966.2	11,710.9	19%
Raw Material Cost	2,735.8	2,287.4	20%	10,369.3	8,430.9	23%
Gross Profit	878.8	808.0	9%	3,596.9	3,280.0	10%
<i>Gross Margin</i>	24.3%	26.1%	-180 Bps	25.8%	28.0%	-220 Bps
EBITDA	49.4	139.2	-65%	583.1	630.7	-8%
<i>EBITDA Margin</i>	1.4%	4.5%	-310 Bps	4.2%	5.4%	120 Bps
Depreciation	139.1	131.0	6%	537.7	545.7	-1%
Interest	20.2	14.6	38%	67.2	62.7	7%
Profit After Tax*	-29.5	71.3	-141%	169.1	141.6	19%
EPS* (Diluted) in Rs.	(1.26)	3.04	-141%	7.21	6.04	19%

* EXCLUDING EXCEPTIONAL ITEM DUE TO LOSS BY FIRE AT KOLKATA PLANT

CONSOLIDATED FINANCIALS, IN RS. MILLION EXCEPT AS STATED

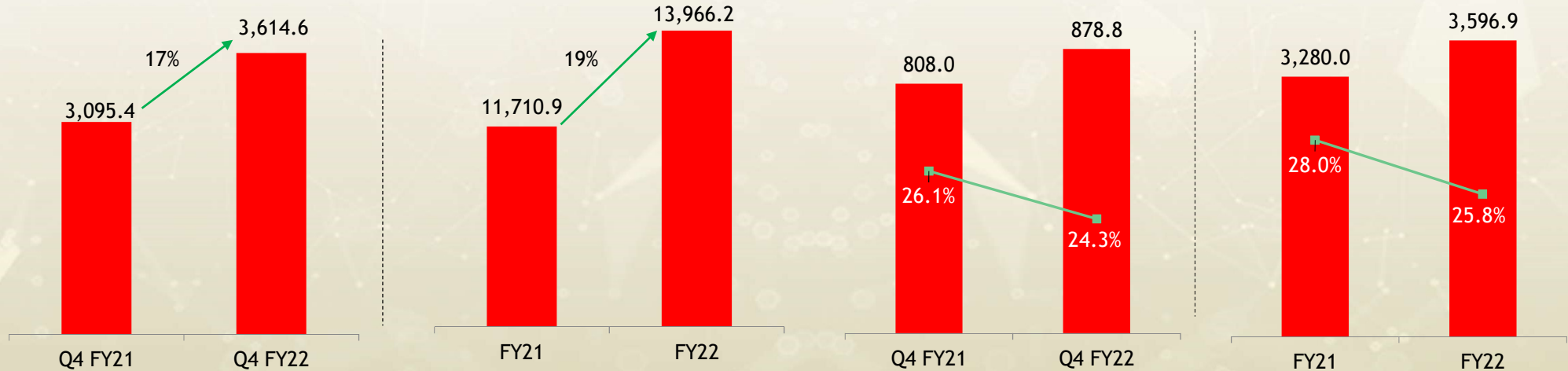
Financials - Q4 & FY'22 Performance



Income From Operations

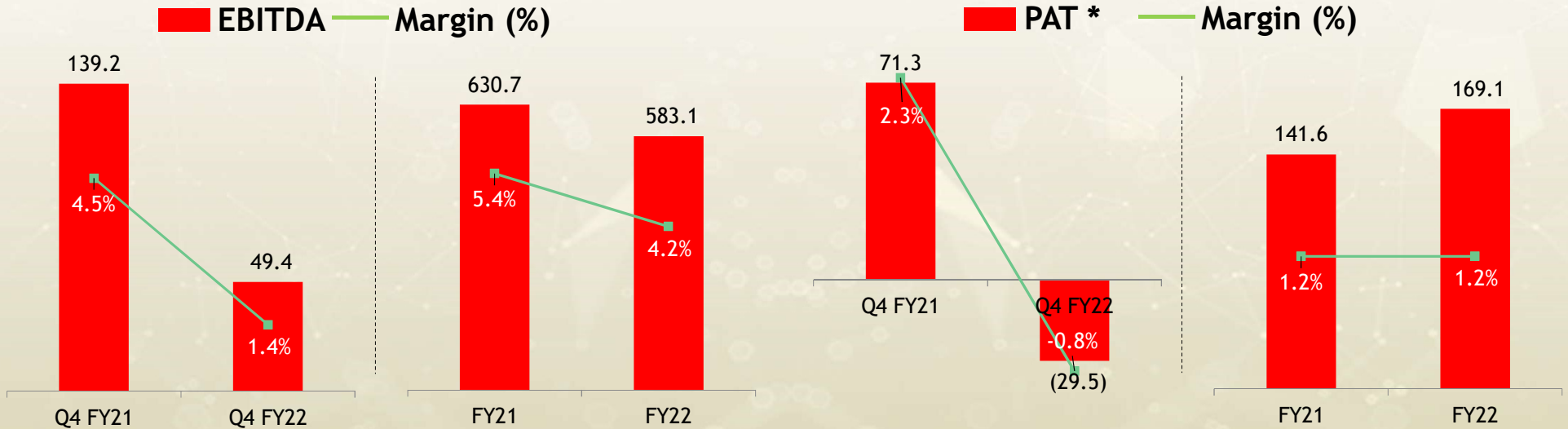
Gross Margin (%)

■ Gross Margin — Margin (%)



- Income from operations in Q4 FY'22 stood at Rs.3,614.6 Mn registering a growth of 17% yoy and for FY'22 Rs.13,966.2 Mn registering a growth of 19% yoy
- Gross margin stood at 24.3% in Q4 FY'22 and 25.8% in FY'22
 - The raw material price inflation has led to an adverse impact of ~600 basis points and ~700 basis points on gross margin for Q4 FY'22 and FY'22 respectively
 - Partially offset by the ongoing cost optimization initiatives, gradual implementation of the direct distribution model, grammage rationalization and higher price realisation

Financials - Q4 & FY'22 Performance



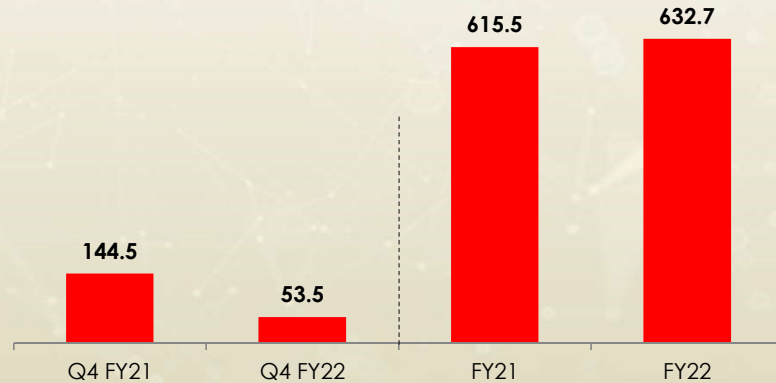
- EBITDA for Q4 FY'22 and FY'22 stood at Rs. 49.4 Mn and 583.1 Mn respectively, in spite of severe pressure of higher input cost
- Profit after Tax* for FY'22 stood at Rs. 169.1 million

* EXCLUDING EXCEPTIONAL ITEM DUE TO LOSS BY FIRE AT KOLKATA PLANT

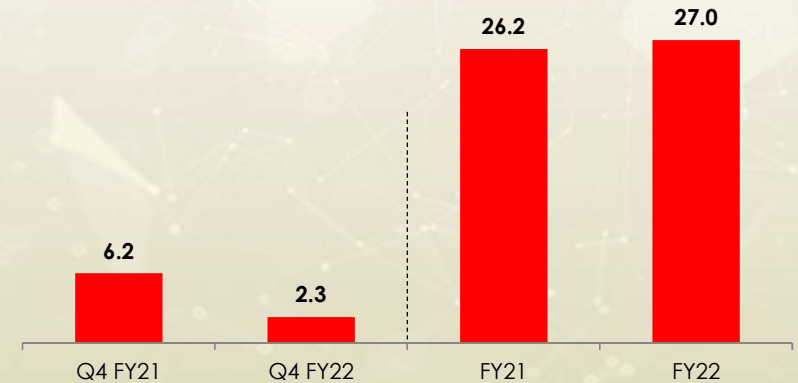
Financials - Q4 & FY'22 Performance



Cash Profit *



Cash EPS *



- In spite of severe pressure of higher input cost, cash profit has been maintained at FY 21 level
- The Company follows a conservative accounting policy and is amortizing intangible assets of Avadh Snacks
 - A lateral benefit has been contained tax outflow

* EXCLUDING EXCEPTIONAL ITEM DUE TO LOSS BY FIRE AT KOLKATA PLANT

CONSOLIDATED FINANCIALS, IN RS. MILLION



Company Overview

Prataap Snacks at a Glance



*[7 Inhouse plants (Kolkata plant gutted in fire and is under restoration process) and 7 contract manufacturing units (3P)]

Diverse Product Portfolio



POTATO CHIPS

- Potato based snack
- SKUs: 7 flavours
- Target group: All



CHULBULE

- Rice grit & Corn grit based snack
- SKUs: 5 flavours
- Target group: Youth & Children



RINGS, KURVES,
PUFF & Stix

- Corn grit based snack
- Market leader in Rings
- SKUs: 11 flavours
- Target group: Children



NAMKEEN

- Gram and other lentils based
- SKUs: 26 varieties
- Target group: All



PELLET SNACKS

- Wheat based
- SKUs: 22 flavours and varieties
- Target group: Children



Sweet Snacks

- Cake variations with Chocolate fillings
- SKUs: 10 flavour
- Target group: Children and Youth



NAMKEEN &
FRYUMS

- Namkeen and Fryums catering to local tastes
- SKUs: over 59 varieties
- Target group: All

Diverse product portfolio at strategic price points and pack sizes



Leading and fourth largest snacks brand in Gujarat



Strong presence in Gujarat, one of the largest market



30% revenue CAGR over the past 6 years



Avadh Snacks delivered positive growth in FY22 yoy

Product Portfolio

Namkeen



Key Products: Bhavnagri Gathiya, Sada Mamra, Papdi Gathiya, Chavanu, Lasaniya Mamra

Price Point: Rs. 5, 10, 30, 50

SKUs: 41+ varieties

Target group: Adults

Fryums



Key Products: Tomato Cup, Salted reffil, Masala cup, Chiji Noodles, Salli, White crunchy papad

Price Point: Rs. 5, 10

SKUs: 18+ varieties

Target group: All

Avadh Snacks - Unique Business model & Expansion plans



Business Model

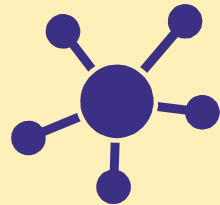


Avadh has a Unique Business model

- Value Player offering higher value for Money to consumers.

Direct Distribution model

- Manufacturing facility at Rajkot and a well-oiled distribution network in Gujarat
- Established facility in close proximity to markets to reduce distribution costs
- Direct supplies to distributors without any C&F / super stockist



Expansion plans

Increased capacity of Rajkot facility by 50% post acquisition

To expand Avadh's products in neighboring markets initially

Pan India expansion using Prataap's existing distribution

Sweet Snacks Portfolio



Cookie-Cake

- SKU's - 1
- Target group - Youth and Children



Center Filled Cup Cake

- SKU's - 2
- Target group - Youth and Children



Choco Vanilla Cake

- SKU's - 1
- Target group - Youth and Children



Yum Cake

- SKU's - 1
- Target group - Youth and Children



Tiffin Cake

- SKU's - 1
- Target group - Youth and Children



Sandwich Cake

- SKU's - 1
- Target group - Youth and Children

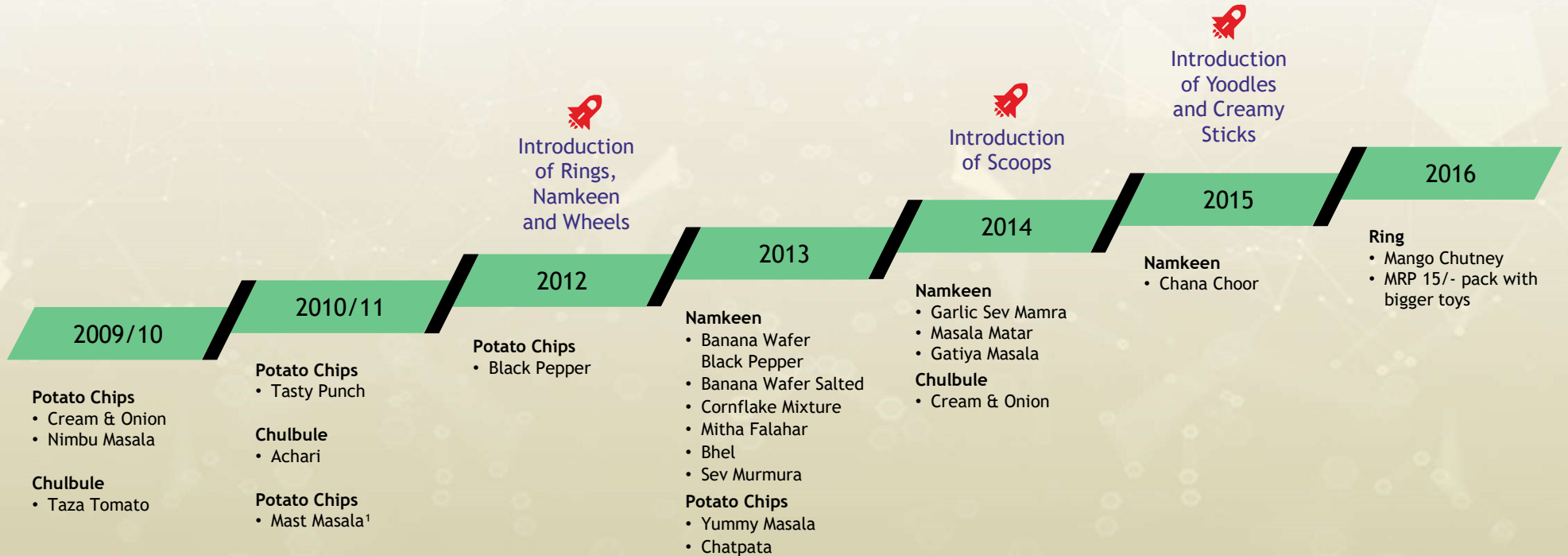


Swiss Roll

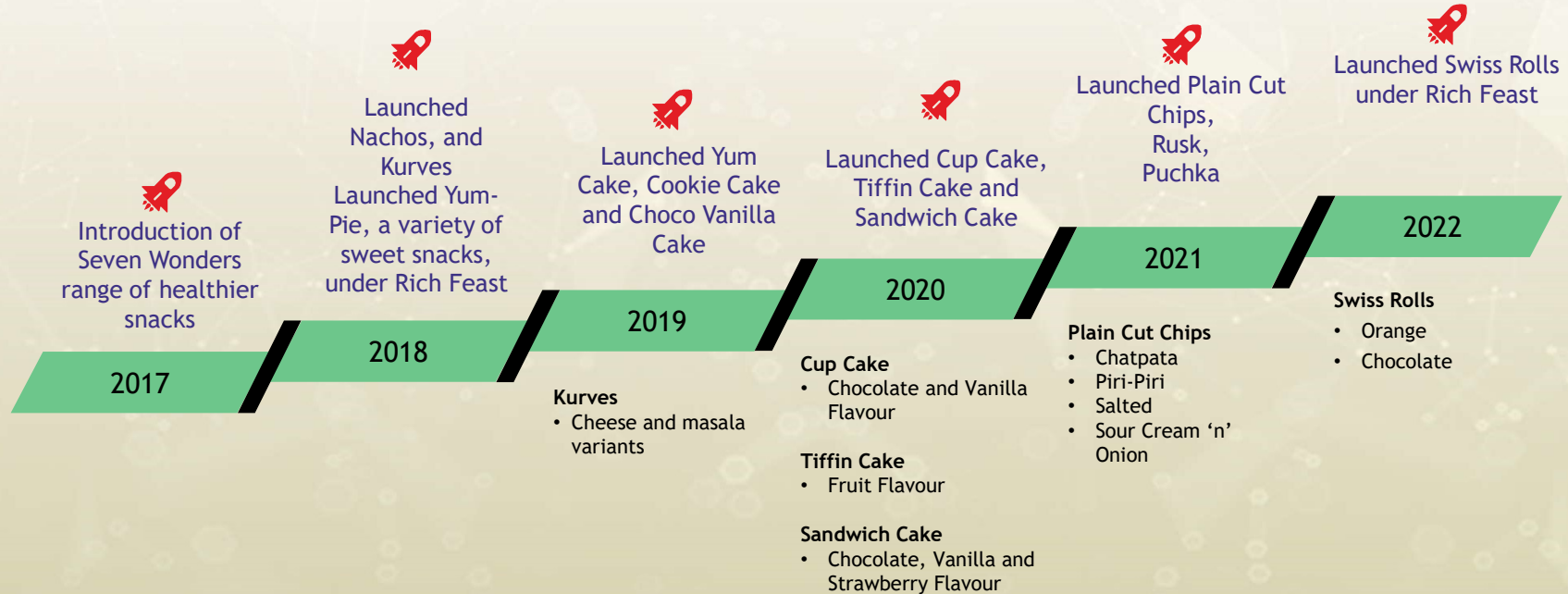
- SKU's - 2
- Target group - Youth and Children

Diverse product portfolio at strategic price points and pack sizes

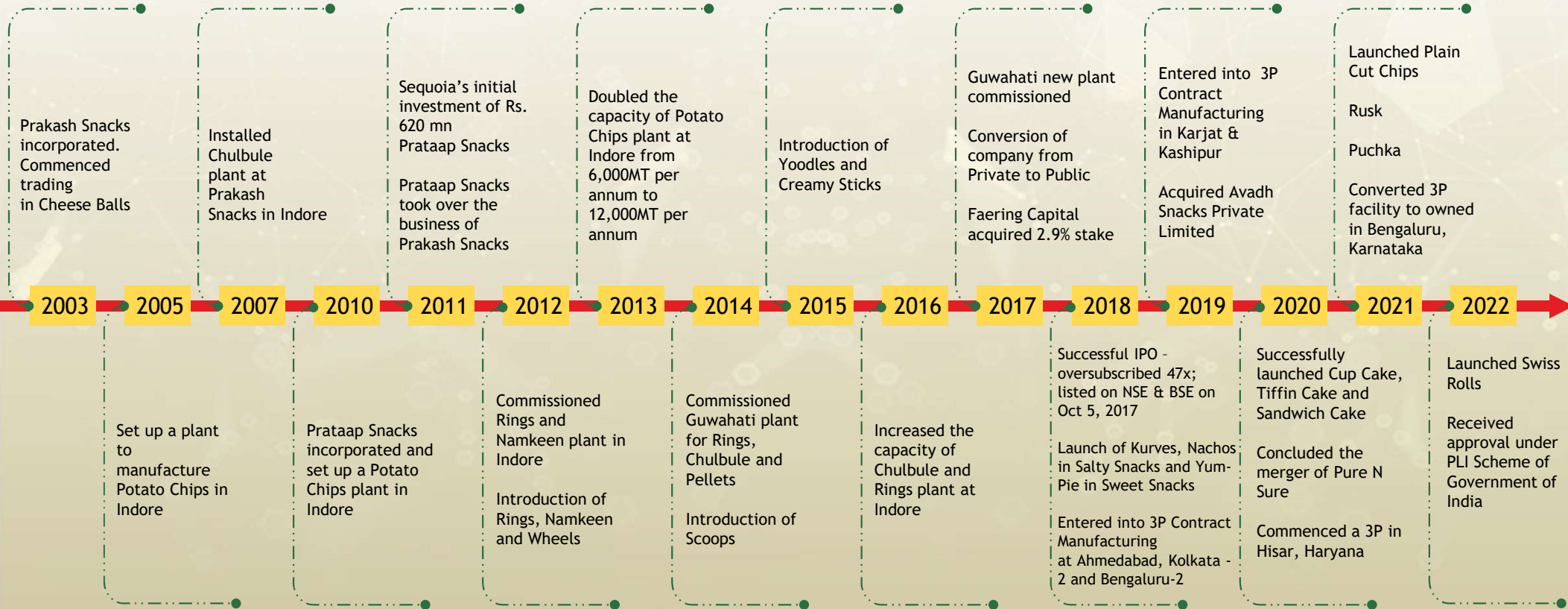
Track Record of Innovation (1/2)



Track Record of Innovation (2/2)



Key Milestones

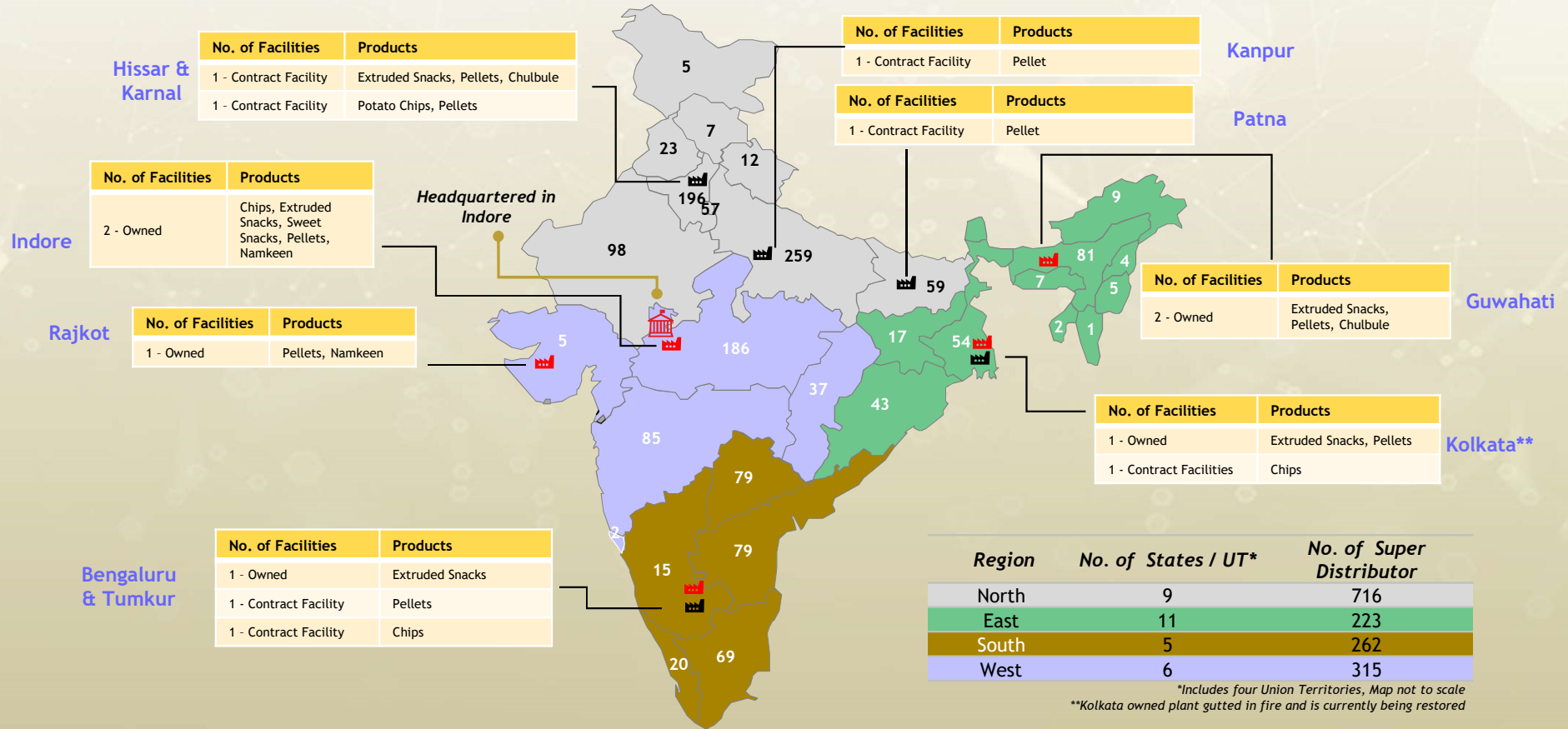


Note: As per Financial Year

Pan India Presence



Strategically located Manufacturing facilities to cater the regional demand



Guided by an Accomplished Board



Arvind Mehta

Chairman & Executive Director

Over 33 years of experience in real estate business along with over 18 years in the snacks food industry and in the financing business



Amit Kumat

Managing Director & CEO

Managing Director and Chief Executive Officer
Over 26 years in the snacks food industry



Apoorva Kumat

Executive Director (Operations)

Over 26 years of experience in the snacks food industry



G.V. Ravishankar

*Non-Executive Nominee Director
MD (Sequoia Capital)*

Over 21 years in management consultancy & PE investments. Previously worked at McKinsey & Company and Wipro Technologies



Vineet Kumar Kapila

Independent Director

Ex-COO (RPC North of United Spirits) & earlier MD (Spencer's Retail)



Chetan Kumar Mathur

Independent Director

Ex-CFO PepsiCo India (Snacks)
33 years of experience in F&B industry, worked with PepsiCo India for 23 years



Mr. V.T. Bharadwaj

Independent Director

General Partner at A91 Partners
Over 21 years in management consultancy & PE investments. Previously worked with Sequoia Capital and McKinsey & Company



Anisha Motwani

Independent Director

Partner (Storm the Norm Ventures)
Earlier with General Motors India & Max Life Insurance Company

PSL has high standards of Corporate Governance and sound internal control policies

Helmed by a Professional Management Team



Corporate functions



Mr. Arvind Mehta
Chairman & Executive Director

Over 33 years of experience in real estate business along with over 18 years in the snacks food industry and in the financing business



Mr. Amit Kumat
Managing Director and Chief Executive Officer

Over 26 years in the snacks food industry



Mr. Apoorva Kumat
Executive Director (Operations)

Over 26 years of experience in the snacks food industry

Helmed by a Professional Management Team



Corporate functions



Mr. Sumit Sharma
Chief Financial Officer

Member of Institute of Chartered Accountants of India. He has over 20 years of experience in accounting, finance, banking and taxation and worked with Crompton Greaves, L&T and New Holland Group



Mr. Awadh B. Singh
General Manager Sales - East

He holds bachelor degree in Science. He has over 34 years of experience in the FMCG industry and worked with Prakash Snacks and Hello Agro



Mr. Mahesh Purohit
General Manager Sales - West

He holds bachelor degree in Commerce. He has over 25 years of experience in the FMCG industry and worked with Parke-Davis, BPL Synergy and Candico

Helmed by a Professional Management Team



Corporate functions



Mr. D.V. Praveen Kumar
General Manager Sales - South

He holds bachelor degree in Commerce. He has over 34 years of experience in the field of beverages & food, FMCG, dairy, confectionaries, cosmetics and edible and worked with PepsiCo for more than 22 years



Mr. Om Prakash Pandey
Company Secretary and Compliance Officer

Fellow Member of the Institute of Company Secretaries of India. He has over 16 years of experience in corporate laws and secretarial matters and worked with NSE, Great Offshore, Avantika Gas and Universal Cables

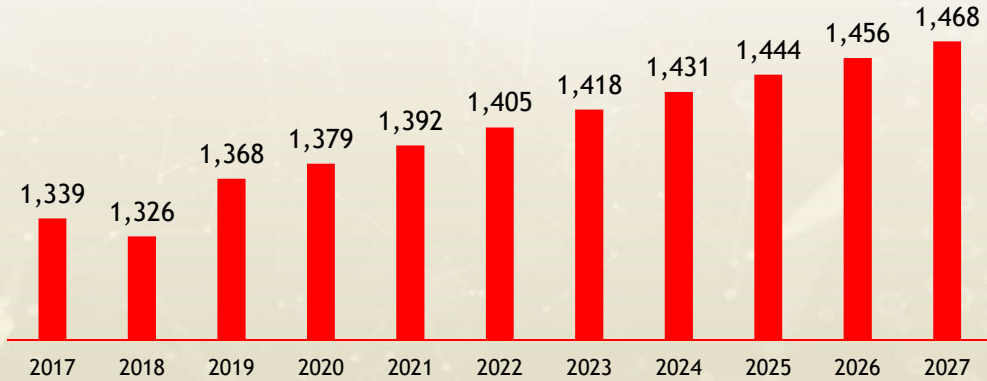


Industry Overview

Favourable Demographics Supporting Industry Growth

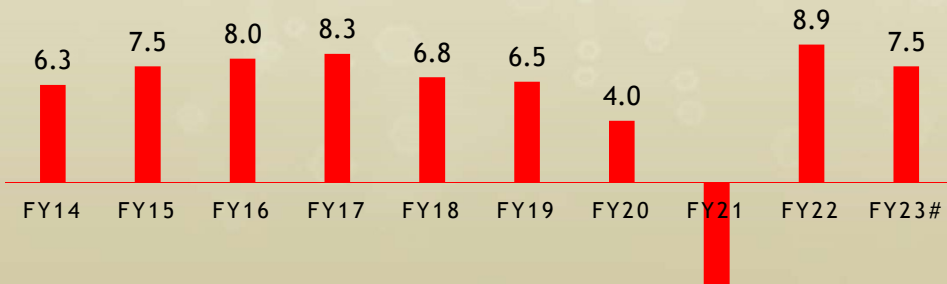


INDIA POPULATION TREND (MILLIONS)



Source: Statista April 2022

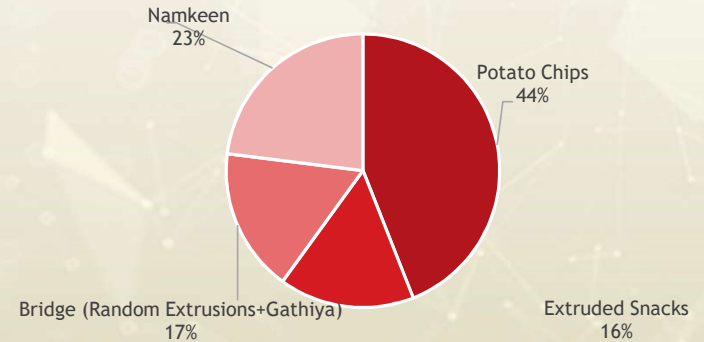
INDIA GDP GROWTH (%)



Source: NSO Second Advance Estimates as on 28th Feb 2022
#SPF report by RBI dated 8th April, 2022)

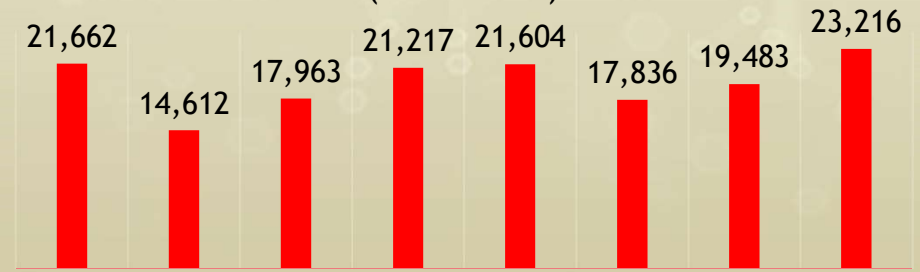
TOTAL ORGANIZED SNACKS FOOD MARKET SIZE 33,000 CRORES (CY 21)

PRODUCT WISE SPLIT



Source: Nielsen

CONSUMER SPENDING IN INDIA (RS. BILLION)



Source: Statista, March 2022

About Prataap Snacks Ltd.



Prataap Snacks Limited (PSL) is a leading Indian Snacks Food Company. It offers multiple variants of products across categories of Potato Chips, Extruded Snacks, Namkeen (traditional Indian snacks) under the popular and vibrant Yellow Diamond and Avadh brands. It has recently launched a range of sweet snacks under the distinctive Rich Feast brand. PSL is focused on offering deep value to consumers through a variety of pack sizes at attractive price points. Its products are present across 27 states and 4 union territories in India, and it is one of the fastest growing companies in the organized snacks industry.

Headquartered in Indore, India; PSL operates 14 manufacturing facilities of which 7 facilities (Indore 1&2, Assam 1&2, Bengaluru, Kolkata and Rajkot) are owned and 7 facilities (Kolkata, Bengaluru (2), Kanpur, Karnal, Patna and Hissar) are on contract manufacturing basis. Its distribution network includes more than 1,500 super distributor and more than 3,700 sub-distributors allowing it extensive reach across the country. PSL has a wide presence that is equally spread in metro cities and urban clusters as well as in rural areas and Tier 2 and 3 cities and towns. Its products are available at independent grocers and small retail stores in the lanes and bylanes of its key markets and it is now building up its presence in supermarkets, hypermarkets and modern trade outlets.

Led by an able and experienced leadership and guided by an accomplished Board of Directors, PSL is a socially responsible corporate citizen with a strong focus on Corporate Governance and Internal controls. PSL is listed on the Bombay Stock Exchange (BSE:540724) and National Stock Exchange (NSE:DIAMONDYD) in India.

Sumit Sharma

Prataap Snacks Ltd

Email: cfo@yellowdiamond.in

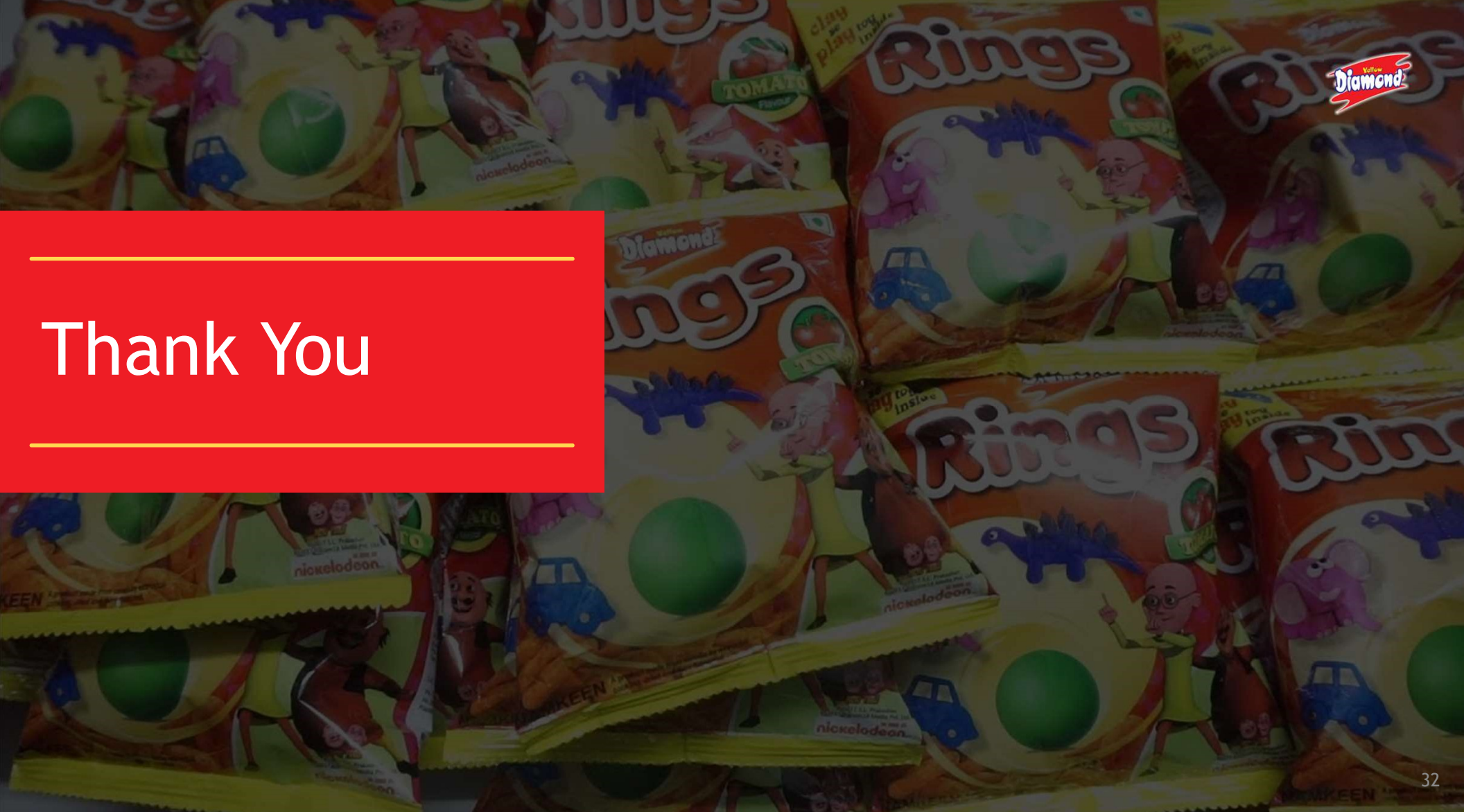
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Thank You