



TDSL /CS/BSE/16-2018-19

October 11, 2018

**To,
Corporate Relationship Department,
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai- 400001**

Ref : TDSL ; Script Code- 540955, ISIN: INE773Y01014

Subject: Pursuant to Regulation 30(4) of SEBI (LODR) Regulations, 2015

Dear Sir/ Madam,

Pursuant to Regulation 30(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the Investors Presentation of “Tasty Dairy Specialities Limited”. Please note that the Presentation contain the financial overview and analysis as on 31st March,2018.

This is for your information and record.

Thanking you,

**Yours faithfully,
For Tasty Dairy Specialities Limited**

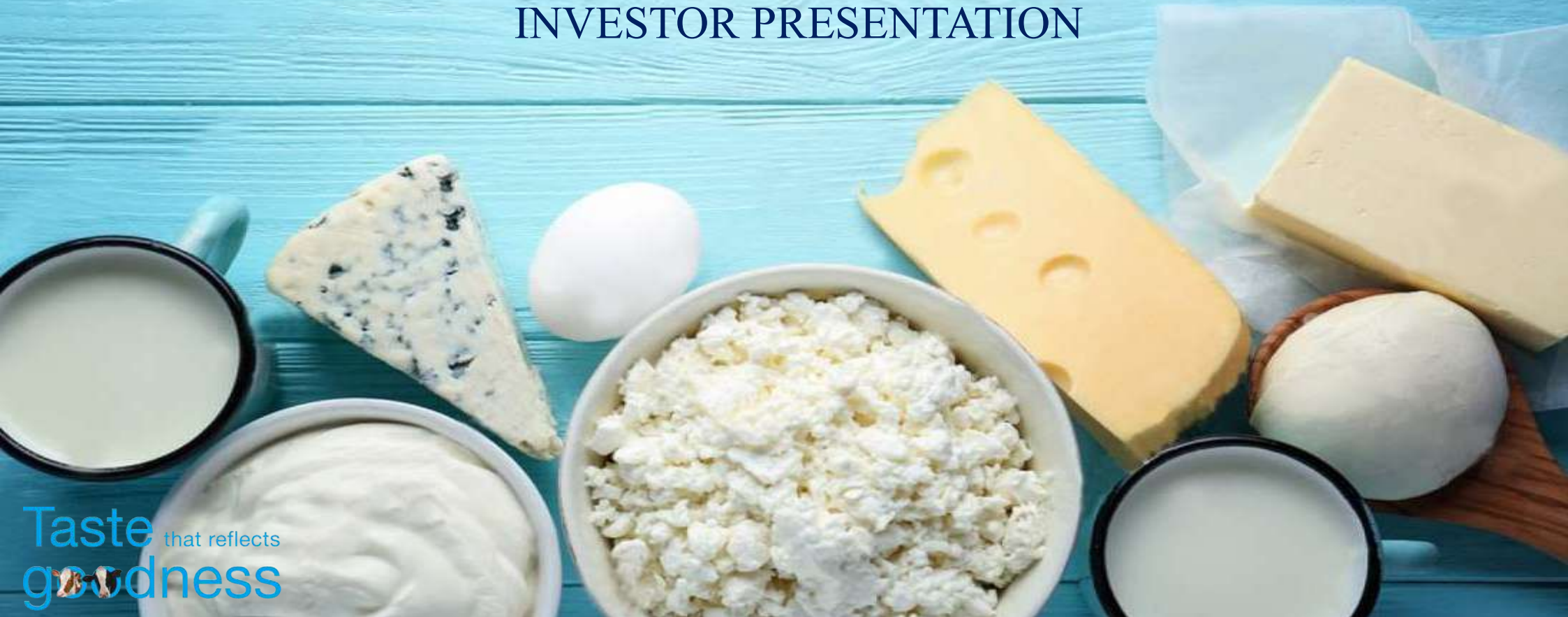
**NISHI
Company Secretary
ACS-50043**

Enclosure: Investors Presentation



Tasty Dairy
SPECIALITIES LTD.

INVESTOR PRESENTATION



Taste that reflects
goodness



BUSINESS OVERVIEW



Business Process Management

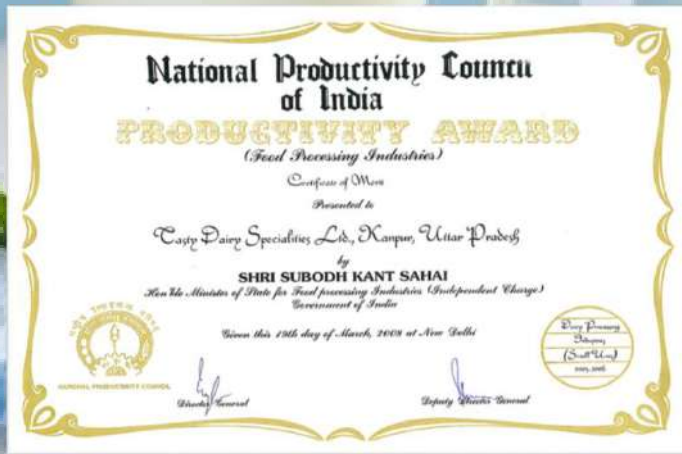
Tasty Dairy Specialities Limited was founded by Mr. Atul Mehra - a first generation entrepreneur in 1992. Since then the Company has grown to become one of the leading player in the industry, handling manufacturing of milk and milk based products. Tasty Dairy started its operations with handling 200 litres of liquid milk per day and today the Company have processing facility of about 3.5 lakh liters of milk per day.

Company is situated in Uttar Pradesh, which is one of the largest milk producer State in India. Company's state of art ISO 22000:2005 certified manufacturing unit at D-3, UPSIDC Industrial Area, Jainpur, Kanpur Dehat, falls in the richest milk belt of Uttar Pradesh

Particulars	FY2018 (In Crore)	Growth %
Total Turnover	331.86	39%
Operating Profit	14.25	7.14 %
EBITDA	13.80	5.34%
PBIT	7.04	21.17%
PAT	5.31	18.14%

As on 31/3/18	Units
CMP	Rs 44
Market Cap	Rs 90 cr
52 week High/Low	54/42
Face Value	Rs 10
Promoter Holding	73.42%

NATIONAL AWARD WINNING COMPANY



COMPANY BOARD OF DIRECTORS



Mr. Atul Mehra
Chairman & Whole
time Director



Mr. Prem Nandan Mehra
Executive Director



Mr. Mahendra Kumar Singh
Executive Director



Mr. Narendra Shankar Sathe
Independent Director



Mrs. Vimi Sinha
Independent Director



Mr. Neeraj Kanodia
Independent Director

COMPANY EVOLUTION AND GROWTH JOURNEY



- Received **AGMARK**, a symbol of quality certified by Dept of Agriculture for our product Desi Ghee

1992

Incorporation of company on July 30, 1992

2002

- Awarded with Rajiv Gandhi National Quality Award & National Productivity Award
- Received Four Star Category Certificate from Directorate of Industries

2008

- Company received a CRISIL rating of SE-1B.
- Started production of bigger and modern unit at Jainpur, UP.
- Company crossed turnover of 100 crores in FY 2009-10.

2009

- Leader of Tomorrow Award.

2010

- Received ISO-22000:2005 certification.
- Leader of Tomorrow Award.
- National Award of MSME, Business Leadership Udyog Patra received.

2012

- Received Certificate of appreciation from CRISIL for inclusion in top 100 SME.
- Crossed turnover of 200 crores in FY 2012-13

2013

- Included in CRISILs top 50 SMEs of India
- Upgraded CRISIL rating to SME-1
- Company acquired the adjacent plot of existing unit for expansion purposes.
- Received certificate of merit from PARLE for consistent quality supplies.

2014

- Export Council of India approved our facility for exports of dairy products.

2015

- Exported its dairy products for the first time.
- Crossed a turnover of 300 crores in FY 2015-16.
- Won CSR Leadership award.

2016

- Company entered into MOU with PUM.
- Received certificate of registration from APFDEPA to comply with ISO requirement.
- Received ISI quality certification for Skimmed Milk Powder

2017

The Company came out with its maiden Public Issue and Successfully listed on BSE SME Platform

2018

POISED FOR ACCELERATED GROWTH



ON A STRONG COURSE

Driven by strong vision, mission , goals and values
Diversified Product and Brand Portfolio
Present across the Value Chain
Experienced Management And Professional Team
Supplying To Leading Clients Like Parle , ITC, Mother Dairy,
Central Dairy, Perfetti Van Melle among others

SCALABLE CAPABILITES

Strong In House Processing , Manufacturing Capabilities
Strong value added product development capabilities achieved
through constant use of technology, R&D
Strong Relationships at grass root level with farmers, distributors
and marquee institutional clients
Strong Distribution network of over 20 dealers
Strong presence in 14 States

COMPETITIVE EDGE

STRONG CASH FLOWS

The Company is expanding its production line at an investment of Rs 35 cr at Kanpur
The Company is setting up Integrated Cold Chain Project worth Rs 50cr under a Govt Scheme and will be allowed Grant-in-aid upto Rs.10 Crores from Ministry of Food Processing Industries
The Company under a PPP model with PUM is working on transforming the dairy sector

CONSISTANT GROWTH

The Company is growing at a CAGR of 7.2%
Net Profit is growing at CAGR of 6.5%
PE Ratio of 13 and Price to book value ratio of 1.36 is the lowest among listed peers

Healthy Profit & Loss Ratios

Working Capital to Sales-14.8%
EBITAD Margin-4.2%
Net Profit Margin-1.61%

Balance Sheet Ratios

Debt to Equity(x) -1.09
ROCE Ratio-9.12%
Interest Coverage Ratio-2.44

AIM TO ACHIEVE A TURNOVER RS 600 CR BY FY2021



STRATEGY

Enhance Capacity

Pursue Strategic Acquisitions and Collaborations

Build own brand to reach end consumer

Enter into new markets, expand reach and network

IMPROVE QUALITY, QUANTITY OF MILK, AND STRENGTHEN PROCUREMENT NETWORK
IMPROVE OPERATIONAL EFFICIENCIES & LOGISTICS

EXPAND CAPACITY TO 5 LAC LITRES, ADD NEW PRODUCTS PANEER, CURD, YOGURT LASSI, BUTTER, CHEESE, ICECREAM

BUILD DIVERSIFIED PORTFOLIO
FOCUS ON RETAIL SEGMENT & EXPAND REACH
ADD NEW CLIENTS

Drive Profitable Growth



PRESENT ACROSS VALUE CHAIN



Product Mix

Production Capacity

Milk Powder



Desi Ghee



White Butter, Salted Butter,
Condensed Milk



Instant Food Mix



Full Cream, Skimmed, Toned Milk
& Butter Milk



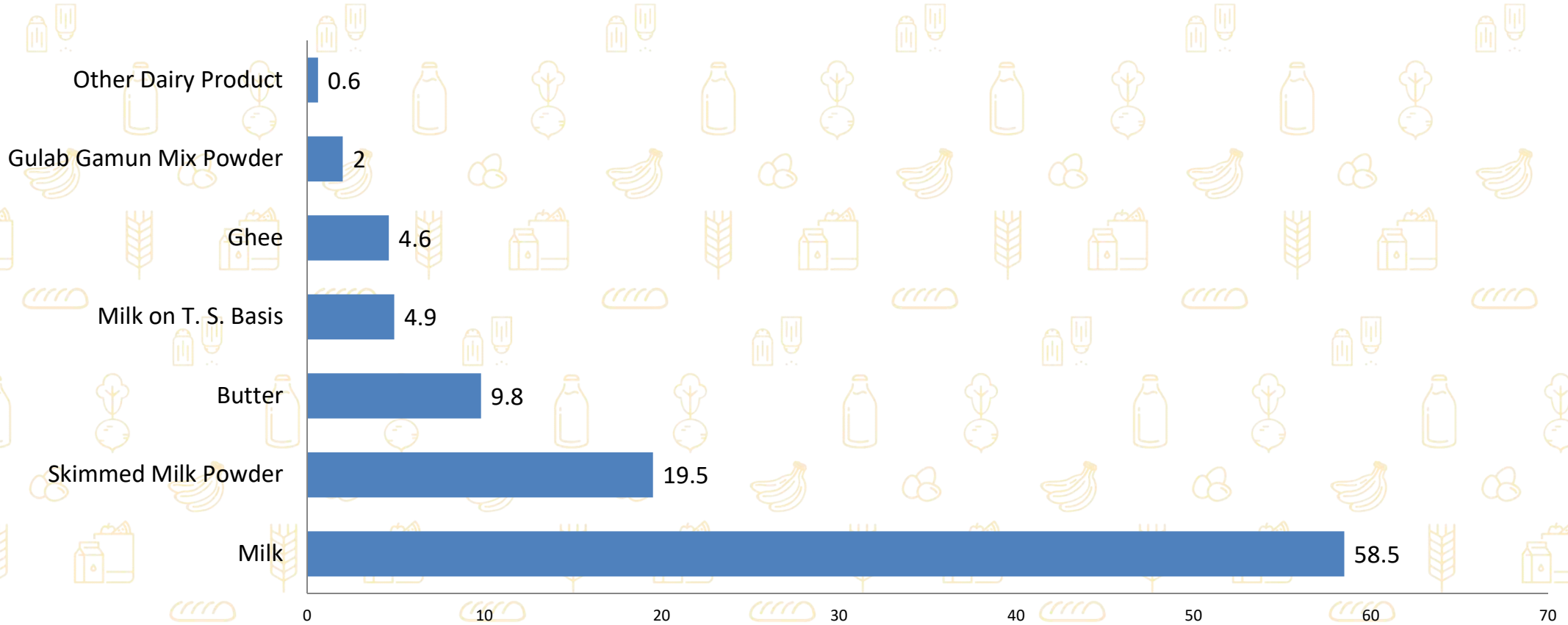
Product	Per day
Aggregate Milk Processing Capacity	3.5 Litres
Milk Powder	30 tons
Desi Ghee	16.5 tons
Butter	1 ton
Paneer	1 ton
Khoya and pasteurised milk	1 ton

Focusing on Categories like Cheese, Butter, Curd, Ice-cream and few others which are the fastest growing.



REVENUE MIX

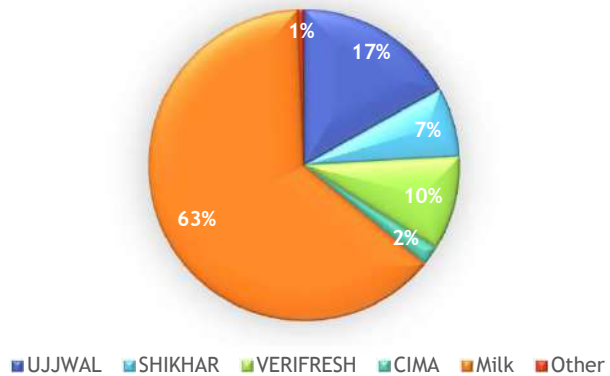
FY-18-Product Sales Mix (%)



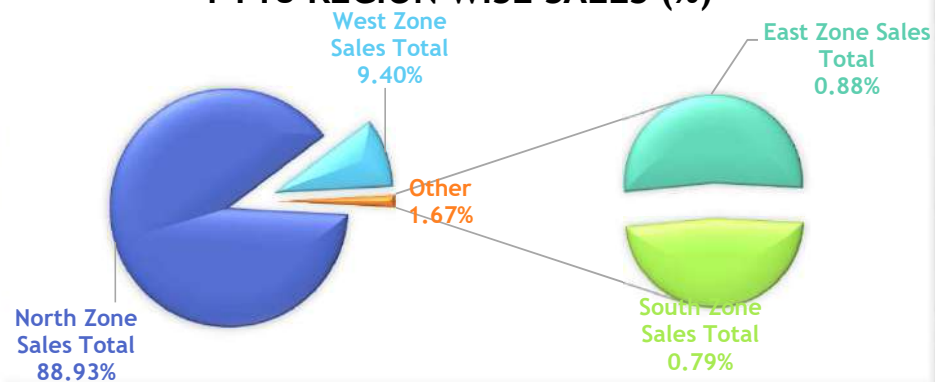
Increasing consumption of value added products, which makes better realisations, will add to bottom line and profitability

REVENUE MIX

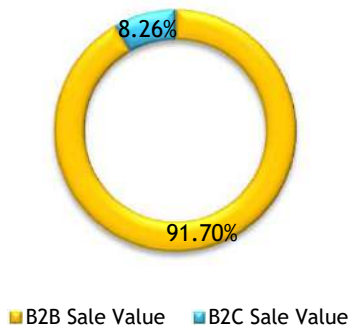
FY18 BRAND SALES MIX (%)



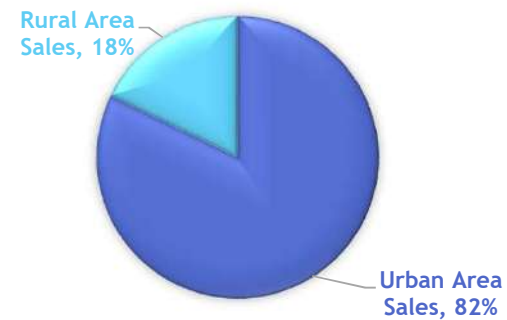
FY18 REGION WISE SALES (%)



FY18 BUSINESS MIX



FY18 SALES MIX



STRONG FOCUS ON WIDE PRODUCT BASKET, BRAND BUILDING AND RETAIL EXPANSION HELPING THE COMPANY GROW FASTER



Milk Powder



Instant Food Mix



White Butter, Salted Butter & Paneer



Desi Ghee



Full Cream, Skimmed, Toned Milk & Butter Milk



BUILDING RETAIL PRESENCE ACROSS VALUE CHAIN



**Launched
Exclusive
Branded Outlets**

**Stores operated on
'Franchise Owned –
Franchise Operated' model**



**Access to entire range of Tasty
products creates unique
customer experience**



**Presence in Modern Trade outlets
across 14 states, plans to open
stores in the next 2-3 years**

ENHANCING PRODUCTION CAPACITY TO 5 LAKH LITRES A DAY

STATE OF THE ART MILK PROCESSING UNITS



Our existing plant and machinery is capable of handling approximately 5,00,000 litres of raw milk comprising 1,60,000 litres of milk packaging, 20,000 litres of buttermilk packaging, 2,20,000 Litres for making Skimmed Milk Powder and Ghee and 2,00,000 litres of bulk milk processing.



Our State of the art facilities in largest milk producing State enjoy location advantage and are capable of delivering clients' specific needs.



Our facilities are not only in close proximity to its milk procurement region but also to target market Semi automated plant with highly motivated workforce with high quality certifications.

USE OF ADVANCED TECHNOLOGY AND R&D



Our quality products are manufactured in a modern facility, mainly using Computerized milk testing, advanced systems leading to strict quality control, lower production losses & ability to process large orders.



A highly Secure, Robust and Automated Infrastructure for quality output.



We also conduct thorough R&D on quality and operations aspect of production.

STRONG RELATIONSHIPS WITH INSTITUTIONAL & B2B CLIENTS



Military Farm

Heinz India Private Limited

Uttar Pradesh Employee Welfare Association

EXPANDING DISTRIBUTION NETWORK



- We sell our products to retail customers through general trade channels in over 14 States including Uttar Pradesh, Uttarakhand, Haryana Rajasthan Delhi, Bihar, Madhya Pradesh, Karnataka, Kerala etc.
- Company's distributor network includes more than 20 distributors through which the Company serve a large number of retail outlets.
- We are strengthening our footprint to other states, rural and urban markets.

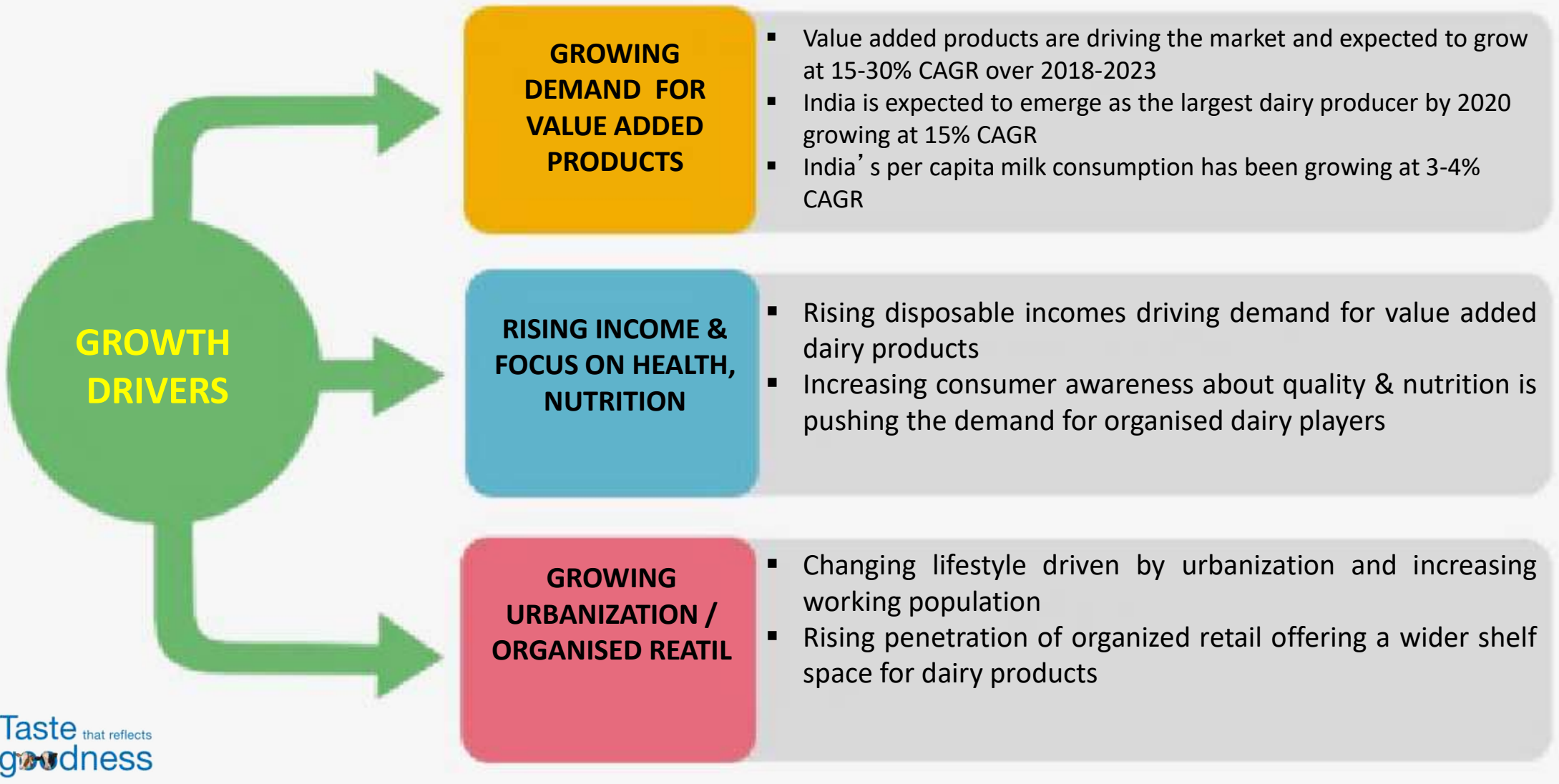


INDUSTRY OVERVIEW



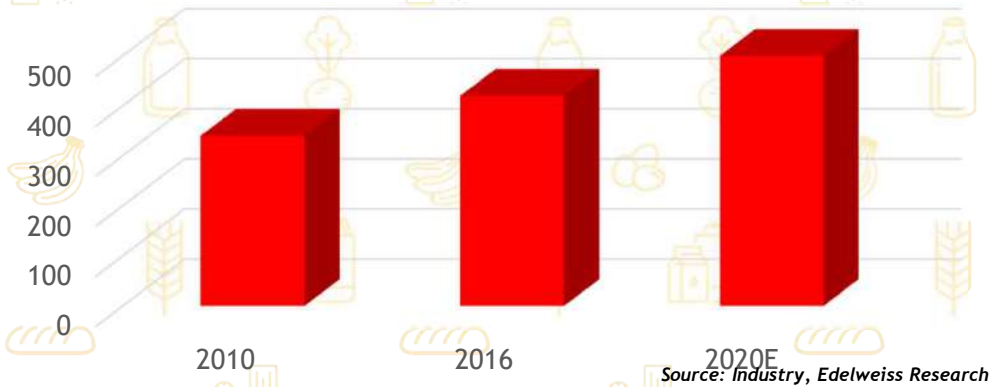
Taste that reflects
goodness

TAILWINDS DRIVING THE DAIRY CONSUMPTION IN INDIA



INDUSTRY OVERVIEW: GROWTH DRIVERS

Domestic Dairy Industry
(mn Litre / day)



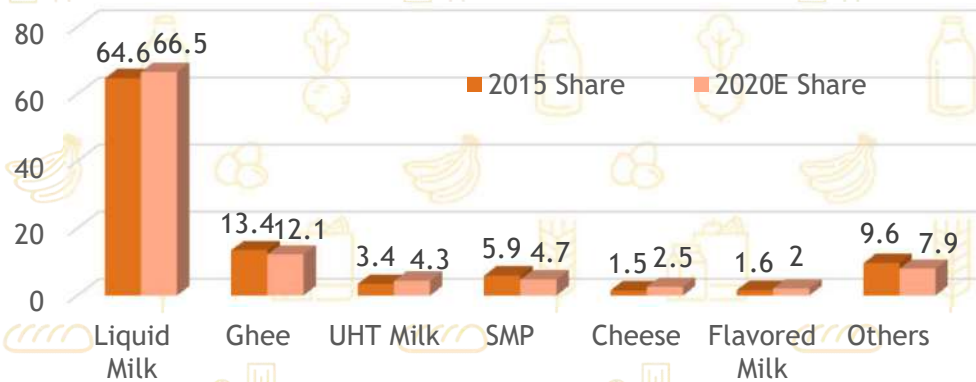
Domestic Dairy Industry
(INR bn)



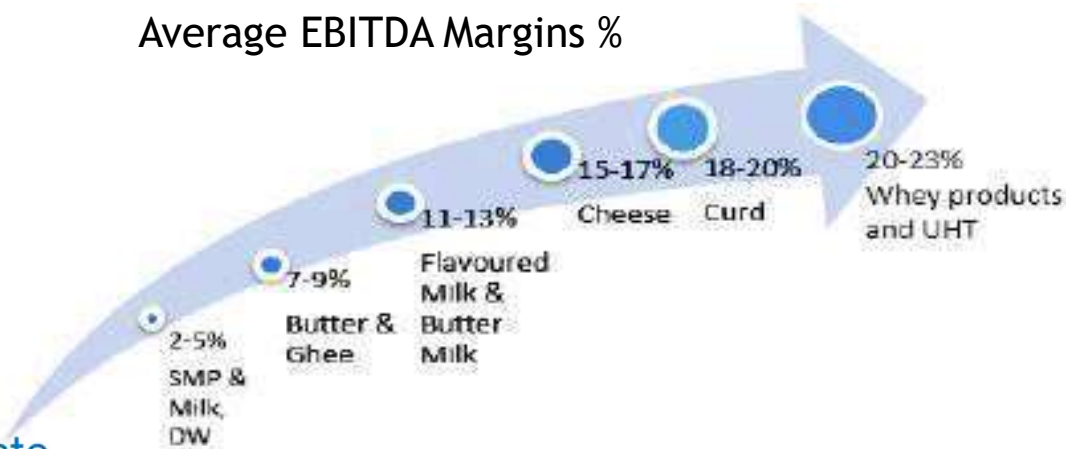
- ✓ Product innovation, strong marketing, focus on branding and increasing reach expected to help the Company grow faster
- ✓ Increasing consumption of value added products, which makes better realisations, expected to add to bottom line and profitability.

INDUSTRY OVERVIEW: KEY GROWTH DRIVERS

Share of Different Categories (%)



Average EBITDA Margins %



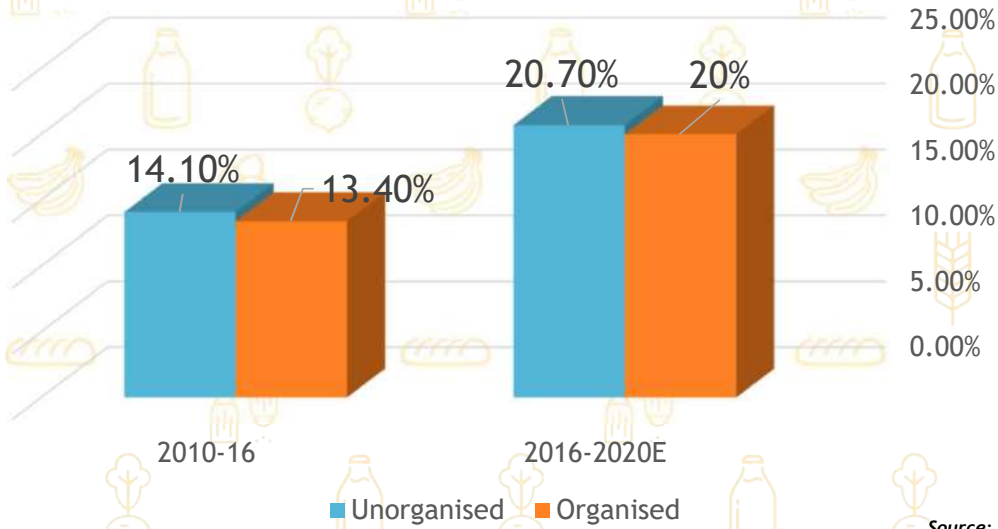
Source: Care Ratings

- ✓ Organised market will grow faster led by structural changes
- ✓ Share of unorganized players will reduce with the increasing quality and tax compliances
- ✓ Consumers are gradually shifting towards the branded and valued added products.
- ✓ Categories like Cheese, Butter and few others are the fastest growing

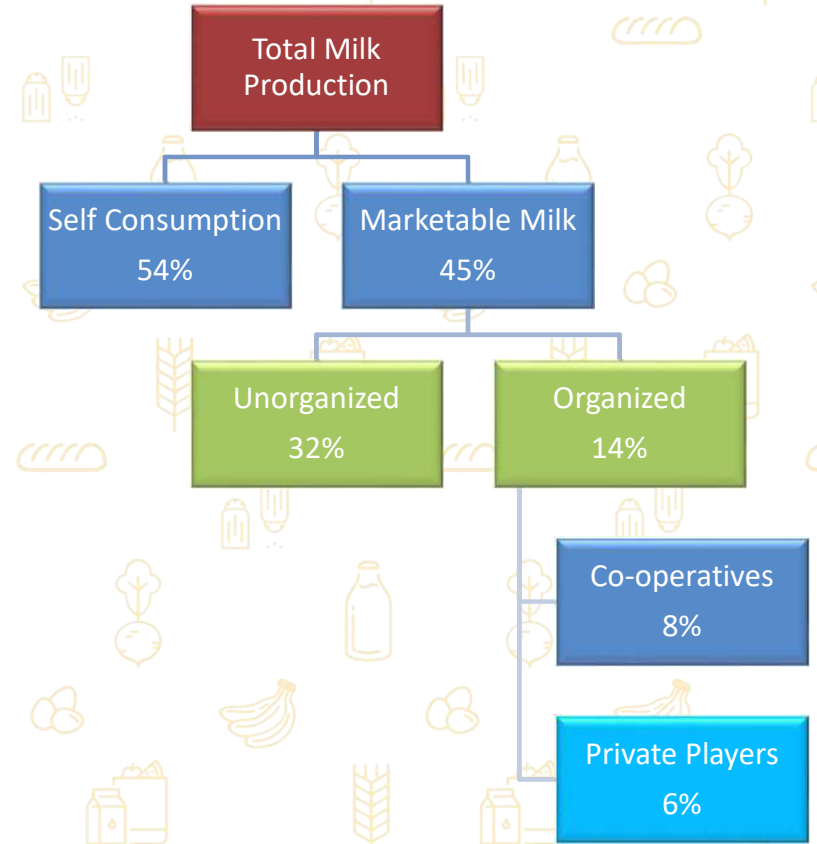


ORGANISED MARKET TO GROW FASTER

Processed Dairy Growth



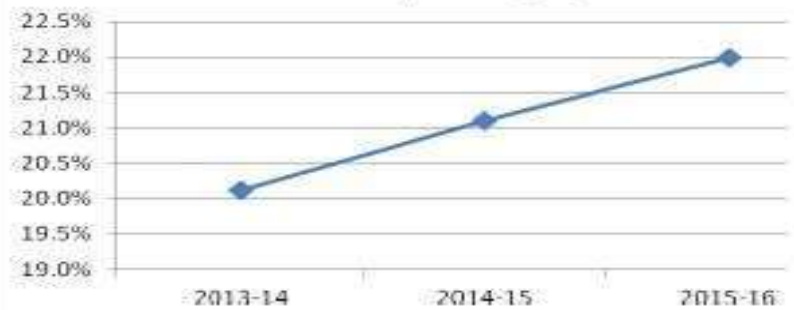
Source: Edelweiss Research



INDUSTRY OVERVIEW: KEY GROWTH DRIVERS

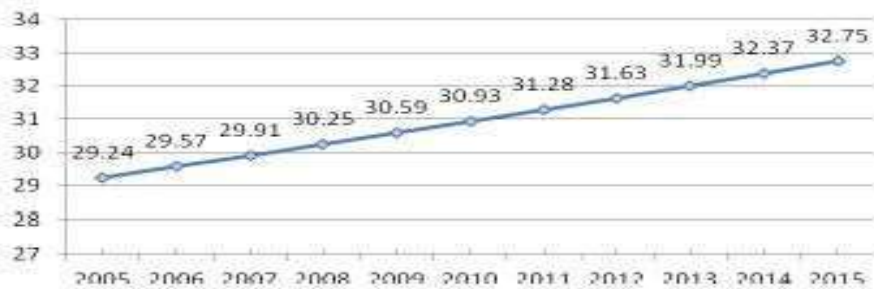
- ✓ Share of milk and milk products in overall household spending is growing with the changing lifestyle, urbanization, growing working population and increase in overall income levels
- ✓ India per capita consumption is still low compared to some of the emerging and developed nations of the world

Expenditure on milk and milk products as a % of total Food Spending by Households



(Source: Ministry of Statistics and Program Implementation- MOSPI)

Indian urbanization rate (%)



(Source: Statista)

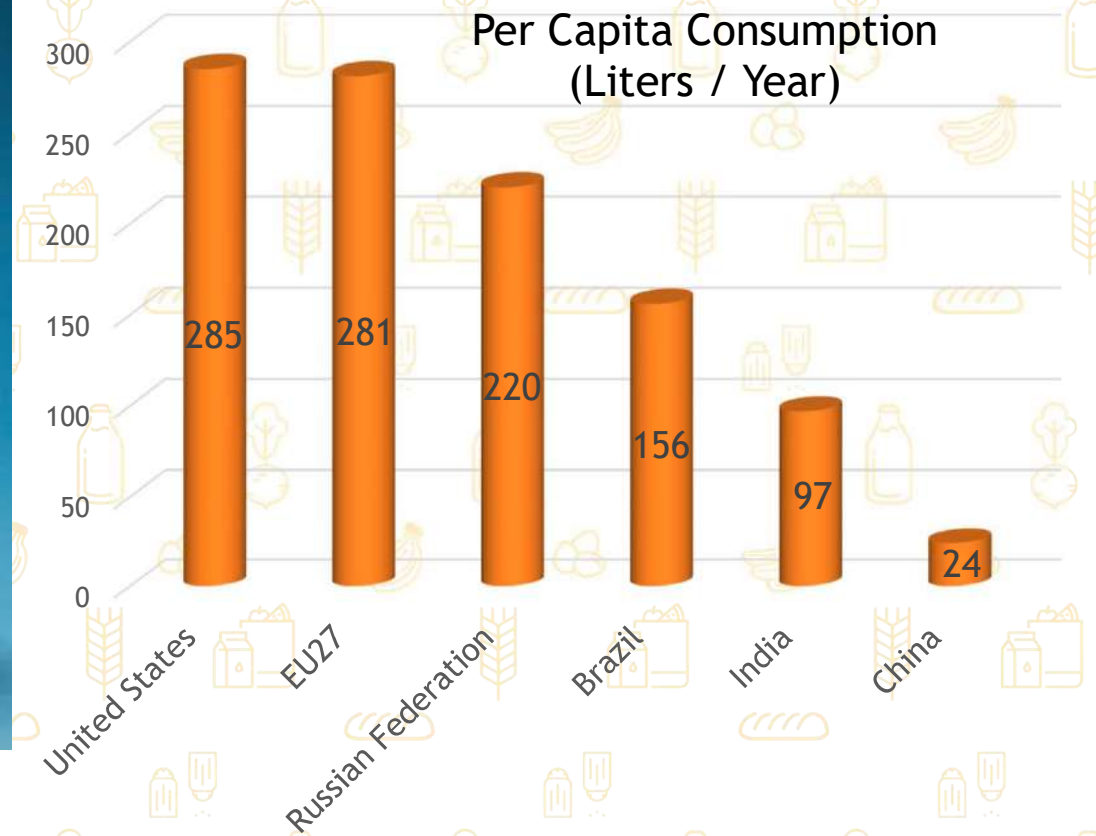


INDIA AT NASCENT STAGE

✓ India despite being a large consumer market accounts for very low per capita consumption of milk and dairy products.



✓ There is ample scope for India's per capita consumption to improve backed by product innovation, growing middle class and changing lifestyle.



PEER GROUP ANALYSIS (Only for self use)



(In Rs cr)	Tasty Dairy	Parag Milk	Prabhat Dairy	Umang Dairies	Heritage Foods
Net Sales	331.8	1954.5	1554	245.2	2373
Net profit	5.34	87.06	47.28	5.27	62.7
Price to Earnings (X)	13	29.9	26.2	32	52
Price to Book Value (x)	1.36	3.5	1.7	4.4	7.6
Current market price (Rs)	33.9	308.7	126.5	77.5	609
Market Capitalisation (Rs cr)	69.4	2603	1238.5	169.3	2837.7
Source: Moneycontrol and company, Market Data as on 3rd July 2018, Valuation ratios based on FY18 financial data					

Tasty Dairy Introduces Self-Sustaining Social-Business Model in India for Dairy Sector Transformation

Business Standard

Kanpur firm ties up with Dutch group to boost dairy entrepreneurship

Tasty Dairy Specialities, PUM Netherlands to set up dairy excellence centre in the city; PUM has assisted over 40,000 enterprises in three dozen countries

Virendra Singh Rawat | Lucknow

An Indo-Dutch collaboration has taken shape in the industrial town of Kanpur to promote entrepreneurship in the [dairy sector](#) and boost sustainability of dairy farms.

Kanpur-based dairy company [Tasty Dairy Specialities](#) Limited has collaborated with a Dutch consortium to set up a dairy excellence centre. The company has joined hands with [PUM Netherlands](#) to establish INDUCED (Indo-Dutch Centre of Excellence in Dairying) in Kanpur. The two organisations would sign the Memorandum of Understanding (MoU) for INDUCE tomorrow in the presence of Dutch Ambassador Alphonsus Stoelinga, Tasty Dairy CMD Atul Mehra told Business Standard.

Funded by the Dutch ministry of foreign affairs, [PUM Netherlands](#) has a global footprint. It supports sustainable development of small and medium size enterprises in developing and emerging markets. PUM has assisted over 40,000 organisations in about three dozen countries. INDUCE aims at working towards the growth of the Indian [dairy sector](#) by enriching the knowledge and skills of dairy farmers and aiding dairy farms become sustainable and profitable, Mehra underlined.

Besides, PUM CEO Johan Van de Gronden and PUM expert Johan Koeslag would also be present on the occasion. "Our previous programme was aimed at developing the knowledge and skills of street vendors of food products. This time, we are working for the growth of dairy farming in India and have roped in [PUM Netherlands](#) to work with us in building a roadmap to sustainable development of dairy farming," Mehra said.

The new centre fits with the overall agenda of Uttar Pradesh chief minister [Yogi Adityanath](#) to boost the [dairy sector](#) for supplementing rural incomes and thus contributing towards the ultimate goal of the [Narendra Modi](#) government at the Centre to double the farmers' income by 2022. Earlier, Yogi had even sought the support of domestic dairy giant Amul to bolster the UP dairy sector. The main objectives of this Indo-Dutch collaboration are to establish a centre of excellence in dairying that could be a blueprint for others, increasing skills of small scale dairy farmers, training 25 medium sized dairy farmers per year, establishing a medium size model dairy farm, which could be used for training farmers and field workers and enhancing the performance of the dairy plant by increasing efficiency and diversifying product lines.

Although India is the world's largest dairy producer and consumer, yet its per capita consumption is a third of the US, while milk productivity per cattle is also low.

Besides, Indian dairy farm size and average cattle per farm is low compared to global standards. At the same time, Indian dairy farms produce a lot of wastage and spoilage of milk at the farm level.

Milk yield per animal in India is 6-7 litres compared to over 35 litres in other countries. The country also lacks proper [cold chain](#) from farm to factory, while there are too many middlemen involved, which reduces the ultimate yield to farmers.

BUSINESS INDIA ● THE MAGAZINE OF THE CORPORATE WORLD

Expanding operation

Tasty Dairy Specialities is on an expansion mode. The Kanpur-based listed entity which is engaged in the manufacturing of milk and milk-based products, will expand its processing facility to over 5,00,000 litres of milk per day from the present 350,000 litres in the next 12-18 months. The company which is into B2B space, catering to big names like Mother Dairy, Parle Products, Sterling Agro Industries, Kwality Dairy, and Perfetti Van Melle (previously, it also did job work for Amul) will also enlarge its basket of value-added product adding Yogurt, ice cream and cheese. Currently, 55 per cent of its milk processing is into the production of value added products such as butter, ghee, paneer, skimmed milk and concentrate dairy whitener. In fact, the company is looking to almost double its turnover in the next three years from the present Rs 332 crore. Integrating backward, the company has also entered into a collaboration with [pum Netherlands](#). A part of Indo-Dutch partnership programme, under this project, Indo Dutch Centre of Excellence on Dairying or induced has been established in Kanpur. Under induced, experts from [pum Netherlands](#) will impart knowledge and help dairy farmers in increasing the yield

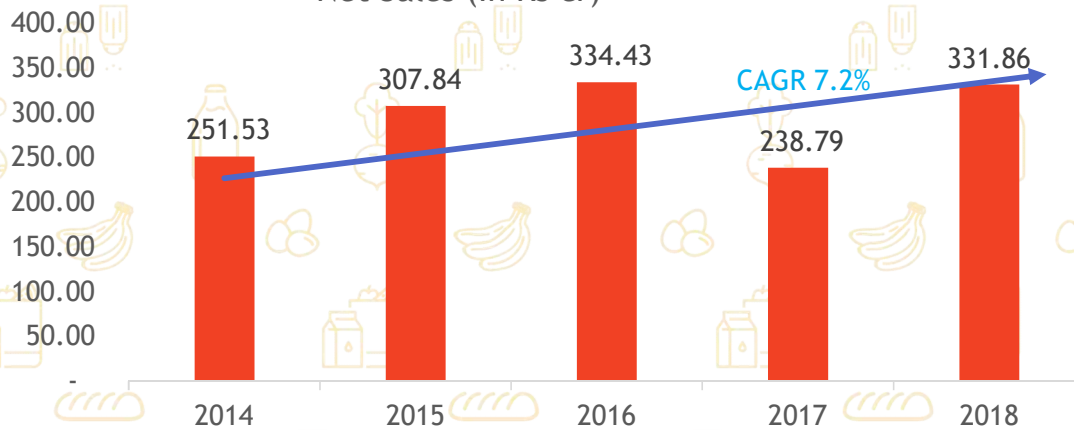
‘As the dairy consumption is all set to go up significantly in India, the market needs to become extremely organized and attractive to budding dairy professionals, entrepreneurs, dairy farmers and workers. We at the INDUCED are trying to bridge the knowledge gap between unorganized and organized dairying by educating, training and introducing various new International concepts and technology to the dairy farmers and other stakeholders for transformation and growth’-Mr Atul Mehra

FINANCIAL OVERVIEW

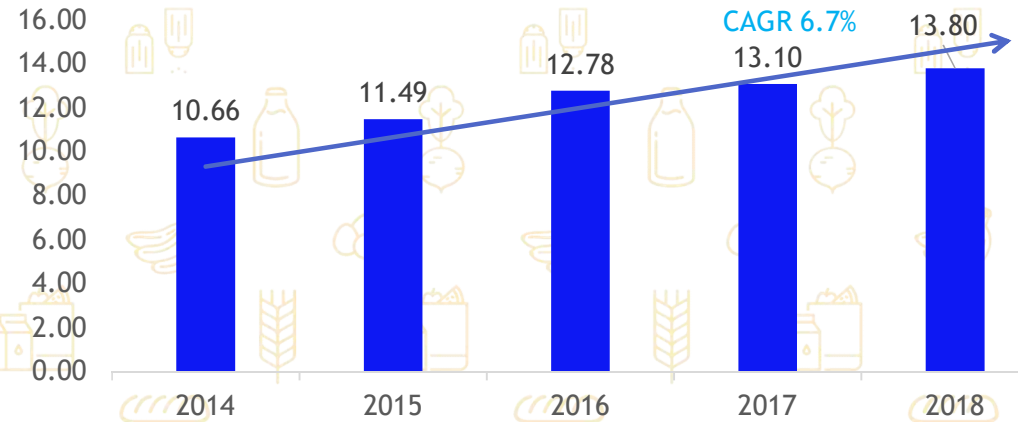


CONSISTENT FINANCIAL PERFORMANCE

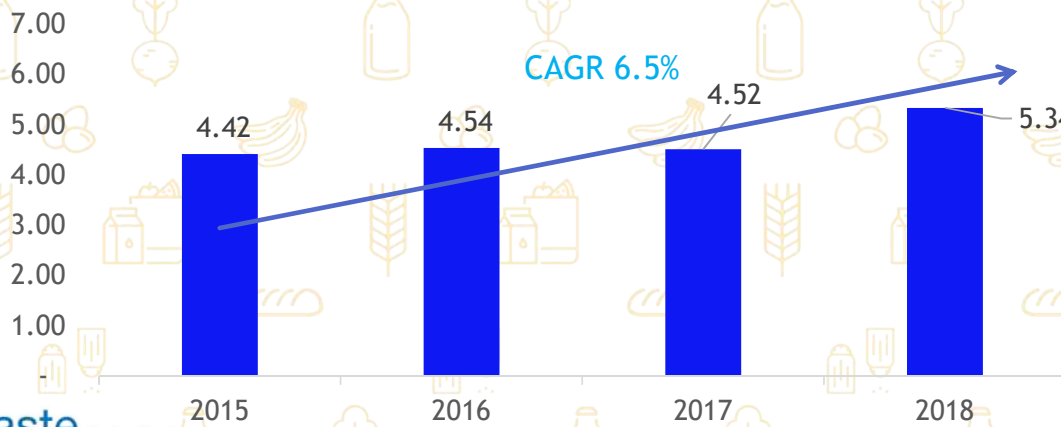
Net Sales (In Rs cr)



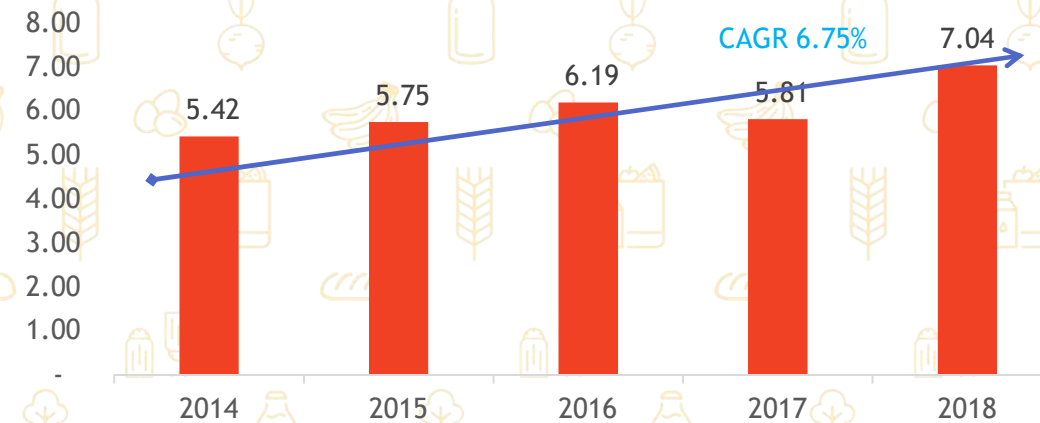
EBITDA (In Rs cr)



Net Profit (In Rs cr)



PBT (In Rs cr)



PROFIT AND LOSS

Particulars	March - 2014	March - 2015	March - 2016	March - 2017	March - 2018
Gross Sales	251.53	307.84	334.43	238.79	331.86
Net Sales	251.53	307.84	334.43	238.79	331.86
EXPENDITURE :					
Increase/Decrease in Stock	(5.67)	(6.17)	16.23	(1.61)	
Raw Material Consumed	235.59	290.87	293.11	214.95	
Power & Fuel Cost	2.66	2.87	3.00	2.27	
Employee Cost	1.37	2.20	2.28	2.40	
Other Manufacturing Expenses	2.17	2.60	2.66	2.38	
General and Administration Expenses	3.96	2.02	2.36	3.02	
Selling and Distribution Expenses	0.60	1.20	1.29	2.17	
Miscellaneous Expenses	0.21	0.76	0.71	0.12	
Less: Expenses Capitalized					
Total Expenditure	240.88	296.35	321.65	225.69	318.06
Operating Profit (Excl OI)	10.66	11.49	12.78	13.10	13.80
Other Income	0.27	0.32	0.50	0.21	0.44
Operating Profit	10.92	11.81	13.28	13.30	14.25
Interest	3.61	3.84	4.43	4.77	4.9
PBDT	7.32	7.97	8.86	8.53	9.35
Depreciation	1.90	2.23	2.66	2.69	2.3
Profit Before Taxation & Exceptional Items	5.42	5.75	6.19	5.84	7.04
Exceptional Income / Expenses	-	-	-	(0.03)	-
Profit Before Tax	5.42	5.75	6.19	5.81	7.04
Provision for Tax	(0.03)	1.33	1.65	1.29	1.7
Profit After Tax	5.45	4.42	4.54	4.52	5.34

BALANCE SHEET



Rs. Crore

Particulars	March - 2014	March - 2015	March - 2016	March - 2017	March - 2018
EQUITY AND LIABILITIES					
Share Capital	9.00	9.00	9.00	9.00	20.43
Share Warrants & Outstanding	0.00	0.00	0.00	0.00	0.00
Total Reserves	11.88	16.28	20.82	25.32	42.13
Shareholder's Funds	20.88	25.28	29.82	34.32	62.56
Long-Term Borrowings					
Secured Loans	1.99	1.70	4.85	3.99	-
Unsecured Loans	1.17	1.01	0.24	0.22	3.95
Deferred Tax Assets / Liabilities	0.43	0.14	0.36	0.15	0.02
Other Long Term Liabilities	2.79	4.29	4.12	1.71	1.71
Long Term Provisions		0.12	0.14	0.15	0.12
Total Non-Current Liabilities	6.38	7.26	9.71	6.22	5.80
Current Liabilities					
Trade Payables	1.52	1.60	1.86	6.31	1.51
Other Current Liabilities	4.13	6.54	5.23	3.89	4.71
Short Term Borrowings	25.10	32.62	36.54	41.30	29.72
Short Term Provisions	0.41	0.35	0.34	0.07	0.19
Total Current Liabilities	31.16	41.11	43.96	51.57	36.13
Total Equity & Liabilities	58.42	73.65	83.49	92.11	104.49

BALANCE SHEET



Rs. Crore

Particulars	March - 2014	March - 2015	March - 2016	March - 2017	March - 2018
ASSETS					
Non-Current Assets					
Gross Block	22.51	24.52	29.81	31.63	
Less: Accumulated Depreciation	(8.77)	(10.81)	(13.14)	(15.82)	
Less: Impairment of Assets					
Net Block	13.74	13.71	16.67	15.81	14.00
Non Current Investments	0.01	0.01	0.01	0.01	0.01
Long Term Loans & Advances	7.34	5.98	4.60	4.72	5.37
Other Non Current Assets	-	-	-	-	-
Total Non-Current Assets	21.08	19.69	21.27	20.54	19.38
Current Assets					
Loans & Advances					
Currents Investments				2.47	0.25
Inventories	27.80	39.83	40.86	42.93	48.74
Sundry Debtors	3.76	7.90	7.95	18.23	21.91
Cash and Bank	3.00	0.91	0.92	1.38	2.14
Other Current Assets	0.13	0.15	0.12	0.20	0.31
Short Term Loans and Advances	2.64	5.18	12.38	6.37	11.75
Total Current Assets	37.34	53.96	62.22	71.57	85.11
Total Assets	58.42	73.65	83.49	92.11	104.49

CASH FLOW STATEMENT



Particulars	March - 2014	March - 2015	March - 2016	March - 2017
Profit Before Tax	5.42	5.75	6.19	5.88
Adjustment	1.89	2.15	2.54	7.32
Changes In working Capital	(11.80)	(14.55)	(6.75)	(3.48)
Cash Flow after changes in Working Capital	(4.49)	(6.65)	1.98	9.72
Interest Paid	3.59	3.84	4.42	
Tax Paid	(1.09)	(1.34)	(1.43)	(1.23)
Cash From Operating Activities	(1.99)	(4.15)	4.98	8.49
Cash Flow from Investing Activities	(0.08)	(2.15)	(5.50)	(4.76)
Cash from Financing Activities	(1.56)	4.21	0.54	(3.28)
Net Cash Inflow / Outflow	(3.63)	(2.10)	0.02	0.45
Opening Cash & Cash Equivalent	6.63	3.00	0.91	0.92
Closing Cash & Cash Equivalent	3.00	0.91	0.92	1.37

FINANCIAL RATIOS



Particulars	March - 2014	March - 2015	March - 2016	March - 2017	March – 2018
Profit & Loss Ratios					
Working Capital to Sales	2.45%	4.17%	5.46%	8.38%	14.8%
EBITAD Margin	4.2%	3.7%	3.8%	5.5%	4.2%
Net Profit Margin	2.17%	1.44%	1.36%	1.89%	1.61%
Receivable Turnover	4.43	6.91	8.65	20.00	22.07
Balance Sheet Ratios					
Debt to Equity(x)	1.46	1.52	1.46	1.36	1.09
Total Asset Turnover Ratio	430.59%	417.94%	400.55%	259.25%	485.60%
ROCE(%)	18.97%	16.65%	15.50%	13.70%	9.12%
Interest Coverage Ratio	2.50	2.50	2.40	2.22	2.44



Disclaimer

This presentation may contain statements which reflect Management's current views and estimates and could be construed as forward looking statements. The future involves risks and uncertainties that could cause actual results to differ materially from the current views being expressed. Potential risks and uncertainties include factors such as general economic conditions, commodities and currency fluctuations, competitive product and pricing pressures, industrial relations and regulatory developments.