



Tasty Dairy Specialities Limited

Investor Presentation

September 2020

Tasty Dairy Specialities Limited

BSE : 540955
CIN : L15202UP1992PLC014593

Company Secretary and Compliance Officer

CS Nishi Sheikh

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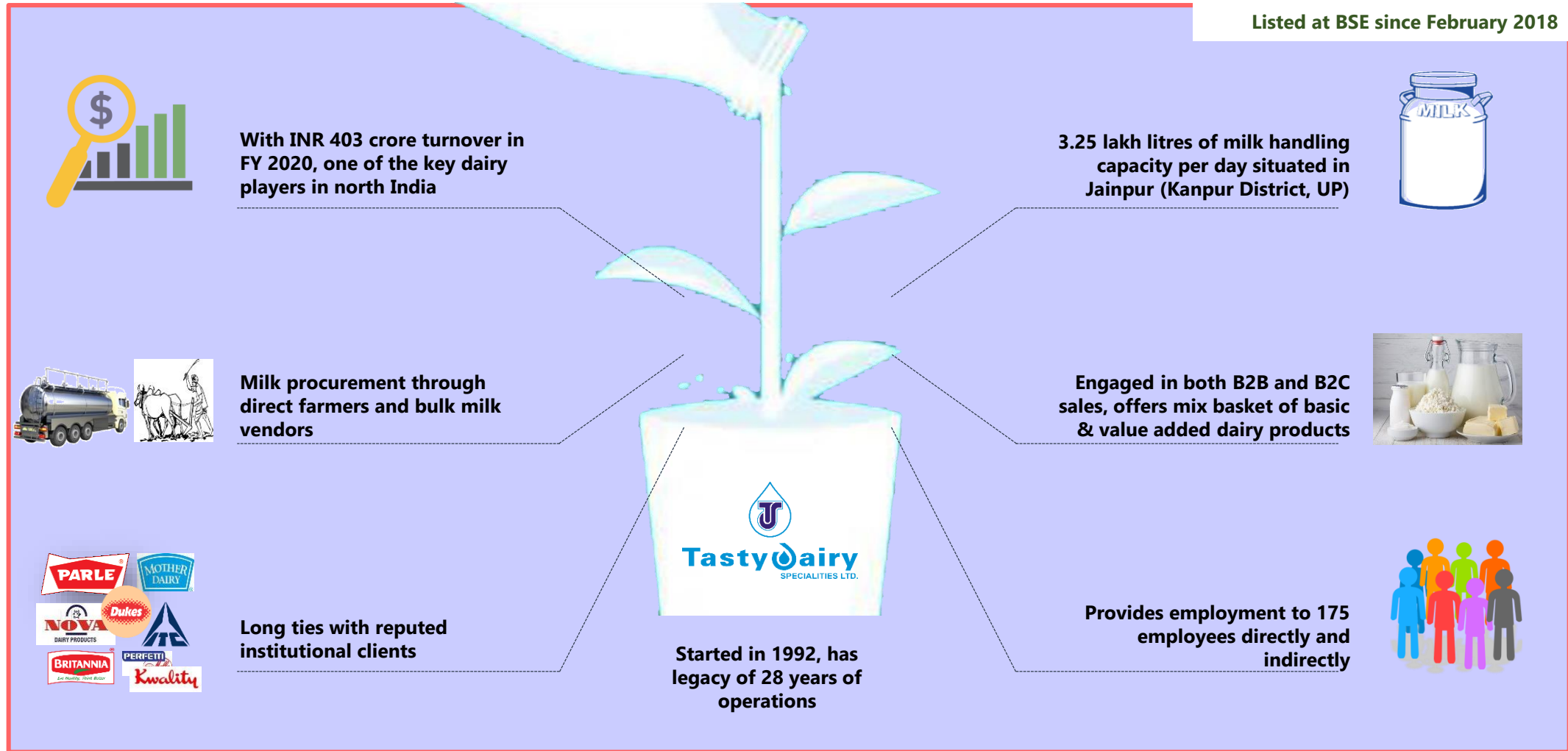
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Business Overview





Business Overview

Listed at BSE since February 2018



Current offerings include basic dairy products

Product Basket					
	Milk Powder *	Bulk Milk	Butter	Ghee	Gulab Jamun Mix
Annual Capacity	48,00,000 kg	Not Applicable	31,50,000 kg	39,00,000 kg	9,00,000 kg
Production (FY 2020)	43,03,591 kg	6,05,19,597 kg	7,86,900 kg	12,89,669 kg	5,77,284 kg
Packaging Sizes	1.0 kg Pouch 25.0 kg Bag	Bulk in insulated Tankers	10.0 kg 20.0 kg	CEKA Pack, Jar, Pouch 15.0 kg Tin bulk pack	400g/500g/1.0 kg Pouches
Direct Sales/Job Work	Direct Sales and Job Work	Direct Sales	Direct Sales and Job Work	Direct Sales and Job Work	Direct Sales

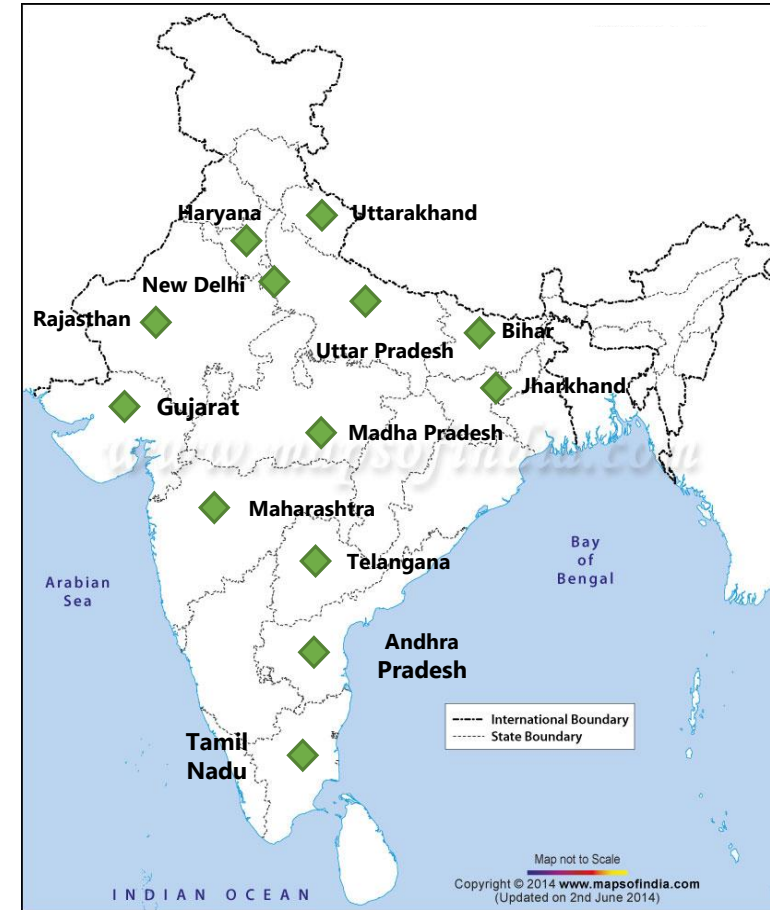
Note: * Includes Skimmed Milk Powder (SMP), Whole Milk Powder (WMP) and Roller Dried Powder

Long ties with institutional clients

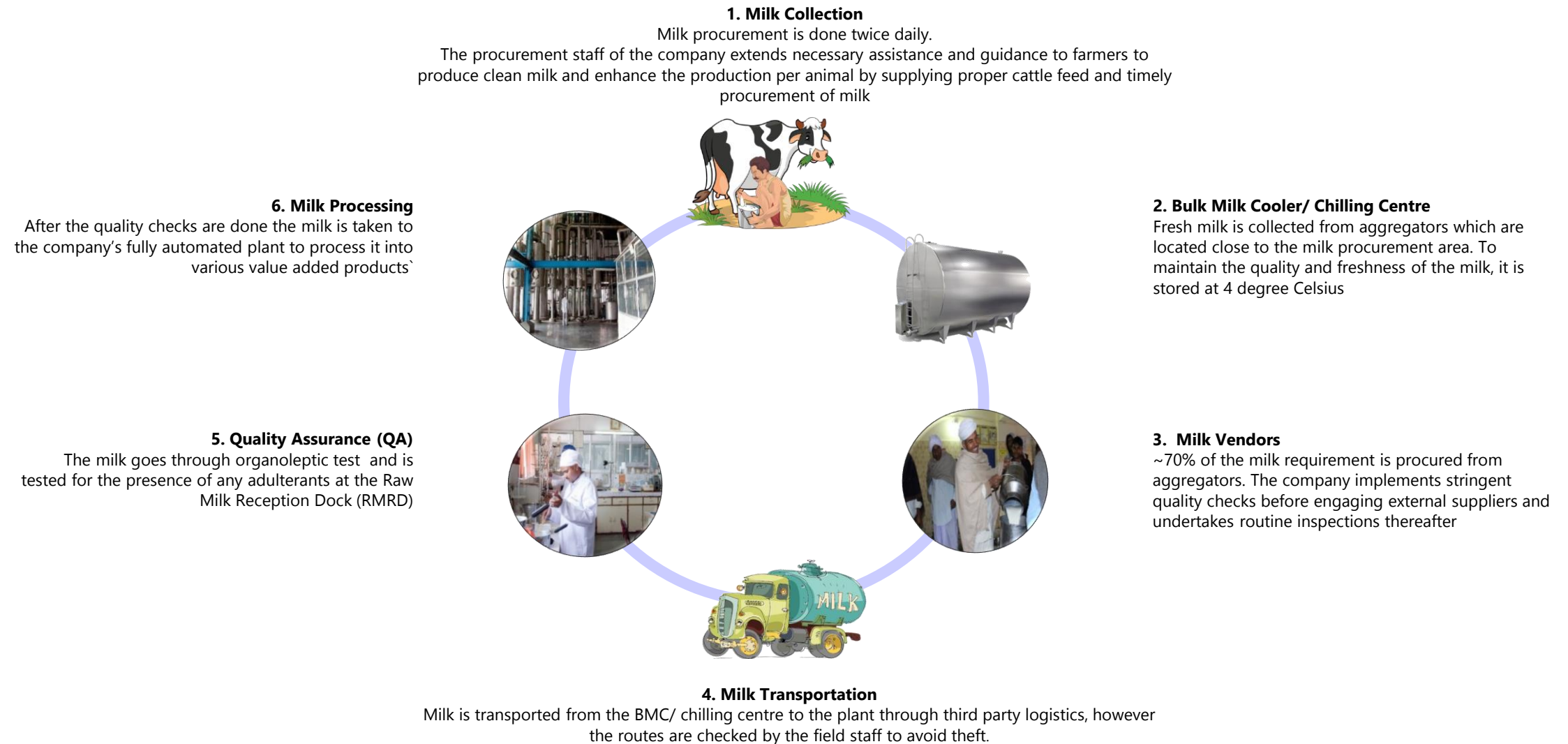
Certifications



Serves Clients Across India



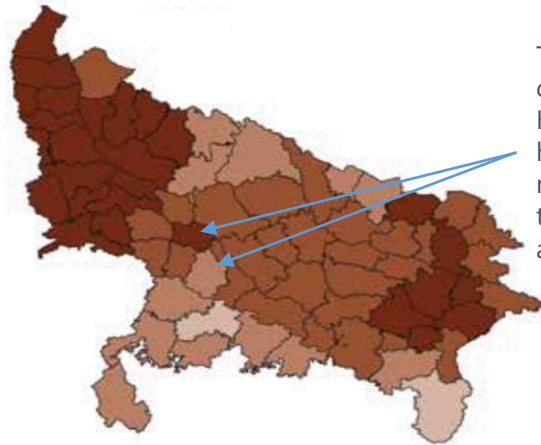
Robust milk procurement system



Strategically located in the largest milk producing state in the country

Highlights

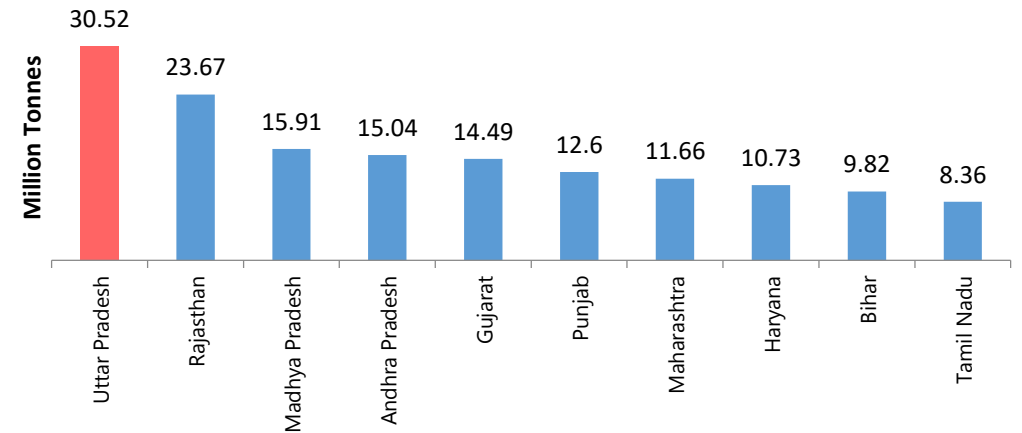
- ❖ Uttar Pradesh is one of the largest milk producing states in India with total production of 30,519 thousand tonnes in 2018 - 2019
 - The state accounts for ~16.3% of the total milk production in the country
- ❖ The main milk producing areas in Uttar Pradesh are the northern and western regions
- ❖ ~33% of the milk produced in the state is consumed locally in rural areas while the remaining 67% is marketable surplus.
 - The marketable surplus is either sold as liquid milk in major towns or used for the preparation of a large variety of value added dairy products.



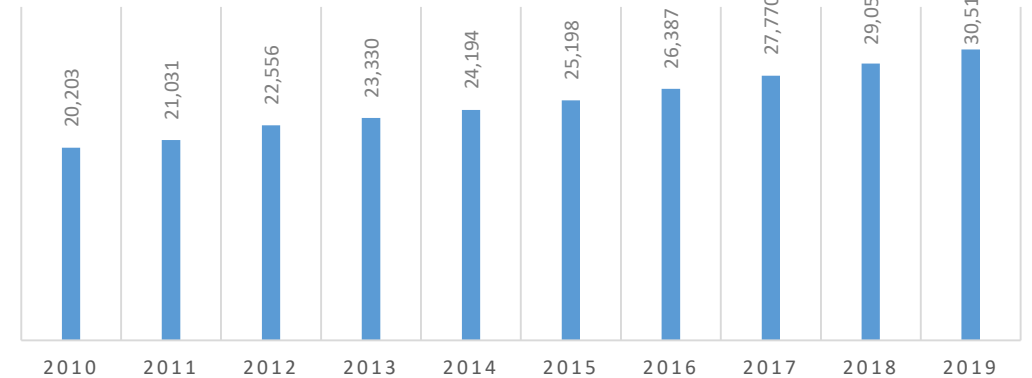
The milk catchment areas of the company are Kanpur Dehat and Kannauj. Though they are not on the highest side of the scale in terms of milk production density, there is more than enough milk available for current and projected processing capacities

Source: National Action Plan for Dairy Development Vision 2022, Ministry of Agriculture & Farmers' Welfare; Broker Research

Major Milk Producing States in India 2018-19



Uttar Pradesh Milk Production ('000 Tonnes)



Tasty Dairy plant is a landmark site in the vicinity. The site is known for high standard of maintenance and cleanliness

Design of the plant ensures efficient processing and smooth transiting of material from process to process with uncompromised hygiene standards



Minimal human interaction with product and process



Packaging and storage is automated with ultra modern techniques

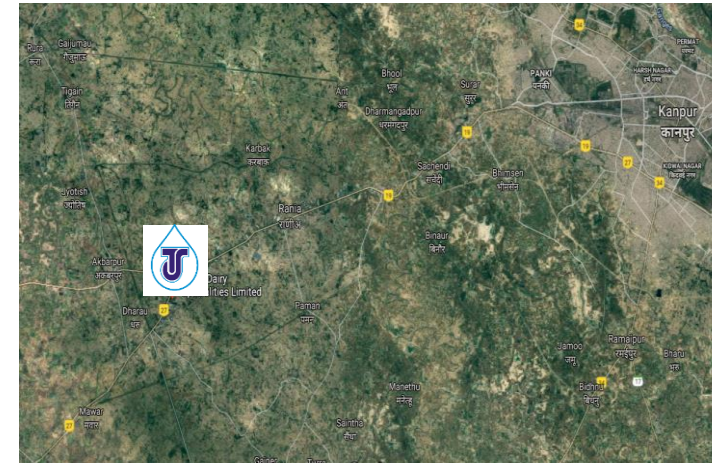


Significant land available for expansion

Location Highlights

- ❖ The company has 7 acres of land located at Jainpur Industrial Area, which is rated as a 5 star industrial area in the state, The land is taken on a long term lease of 99 years
 - Located on a diversion of 2 km from the national highway which connects state with other major cities in the different states
 - Strategically located in an area with high milk availability which will enable ease of procurement
 - Well connected for convenient road, rail and air transport
- ❖ The existing plant can also be expanded to 6 lakh liters per day capacity from the 3.25 lakh liters per day

Located in an area with good connectivity



Latitude : 26.367286
Longitude : 79.993424

Location	Distance from owned land
National Highway – 19	3 Km
State Highway - 27	200 Mtr
Kanpur Airport	48 Km
Lucknow Airport	114 Km
Kanpur Railway Station	44 Km

Management Profile



Management consist a combination of domain expertise and leadership skills

Board of Directors and KMPs

Mr. Atul Mehra Chairman and Whole Time Director	Age: 58 Experience: 35 Years Degree: B.Tech (Mech) & Masters
Mr. Mahendra Kumar Singh Executive Director	Age: 58 Experience: 35 Years Degree: B. Sc. in Agriculture with major Rural Banking & Agriculture economics
Dr. Ashok Kumar Tripathi Additional Independent Director	Age: 62 Experience: 35 Years Degree: BVSc & AH and PGDRDM
Mr. Neeraj Kanodia Independent Director	Age: 60 Experience: 36 Years Degree: B.Com
Mr. Narendra Shankar Sathe Independent Director	Age: 58 Experience: 28 Years Degree: B.Sc.
Mrs. Vimi Sinha Independent Woman Director	Age: 53 Experience: 16 Years Degree: B.Com.
CS Nishi Company Secretary & Compliance Officer	Age: 27 Experience : 3 Years Degree : Company Secretary , B.com, Business Basics
Mr. Rakesh Kumar Yadav Chief Financial Officer	Age: 47 Experience: 13 Years Degree: M.Com.

Management Team

Mr. Atul Mehra Chairman and Whole Time Director	Age: 58 Experience: 35 Years Degree: B.Tech (Mech) & Masters
Mr. Mahendra Kumar Singh Head – Procurement	Age: 58 Experience: 35 Years Degree: B. Sc. in Agriculture with major Rural Banking & Agriculture economics
Mr. Vinod Tripathi Chief Operating Officer	Age: 51 Experience: 27 Years Degree: B Sc. -Dairy Technology NDRI, Sr. Executive Leadership Program Harvard Business School, Boston, USA
Mr. Arpit Mehra Senior Vice President	Age: 32 Experience: 10 Years Degree: BBA from University of Bradford UK
Mr. Vinod Kumar Mishra Head – Sales and Marketing	Age: 60 Experience: 30 Years Degree: B.A.
Mr. Ashok Kumar Singh Head – Quality Control	Age: 47 Experience: 23 Years Degree: B.Sc., Dairy Technology
Mr. Abhijit Mitra Asst. General Manager – Operations	Age: 50 Experience: 25 Years Degree: Graduation in Dairy Technology, PMI & Six Sigma

Founder, Mr. Atul Mehra, a first generation entrepreneur, has successfully drove the TDSL journey. Moreover, he has contributed to other causes through his leadership skills

Awards & Recognition

- ❖ National MSME Award for Outstanding Entrepreneurship
- ❖ Rajiv Gandhi National Quality Award
- ❖ Best CEO Award by Agriculture Today
- ❖ National Productivity Award
- ❖ Leaders of Tomorrow Award
- ❖ Business Leadership Award
- ❖ Udyog Patra Award
- ❖ Vyapar Kesari Vishisht Samman
- ❖ Honored by Uttar Pradesh Milk Chilling Centre Owner's Association



Key Positions & Involvements

- ❖ Co-chairman, National Committee on Allied Sectors in Agriculture constituted by Confederation of Indian Industry (CII)
- ❖ Chairman, Uttar Pradesh State Council of CII
- ❖ Ex-Member, Executive Committee of Confederation of Indian Food Trade & Industry (CIFTI)
- ❖ Auditor, National Food Safety Award instituted by CII
- ❖ Founding force behind creation of INDUCED (Indo Dutch Centre of Excellence on Dairying)

Complemented by strong board – Brief biographies

MAHENDRA KUMAR SINGH
Executive Director
Head - Milk Procurement (Bulk)



Mr. Mahendra Kumar Singh is the Executive Director of our company, appointed as a director to the Board on August 10, 2009. He holds a Bachelors degree of Science degree in Agriculture and Masters of Science degree in Agriculture with major rural banking and agricultural economics from Pantnagar, Dist. Nainital (formerly known as U.P Agricultural University).He possesses an experience of 32 years in the dairy industry. With his background of education in agriculture and his vast experience in the dairy line he plays an important part in the working of the company.

Dr. ASHOK TRIPATHI
Director
Head - Milk Procurement (VLC)



Dr. Ashok Kumar Tripathi, aged 62 years, joined the Board of Tasty Dairy after successful innings at Mother Dairy, a WOS of NDDDB. He has experience of more than 35 years. He completed his graduation from University of Pantnagar in year 1982 in BVSc & AH & also completed his PGDRDM from IRMA Anand (Gujrat). He has retired from 'Mother Dairy' as a GM-Milk Procurement. During his working period since 2004 to 2018 in Mother Dairy, the company drastically improved its Procurement Network and robust distribution network. He was recruited by NDDDB in 1983 and has undergone in-house training in Dairy Cooperative Management and thereafter he lent his services to PCDF as Manager till the year ended 2004. He has experience of Institutional bulk sales also. Therefore, the board thinks fit to appoint him as an Independent Director, he fulfils the criteria of expertise and knowledge in the field of work and criteria of independency.

NEERAJ KANODIA
Independent Director



Mr. Neeraj Kanodia aged 60 years, is the Non-Executive Director and Independent Director of our Company and was appointed on our Board on May 28, 2015. He holds a Bachelor's degree in Commerce from Kanpur University. He possesses appropriate skills, experience and knowledge of 36 years in one or more fields of finance, law, management, sales, marketing or other disciplines related to the company's business.

VIMI SINHA
Independent Woman Director



Mrs. Vimi Sinha, aged 53 years, is the Non-Executive Director and Independent Women Director of our Company and was appointed on our Board on October 24, 2015 as Non-Executive Director and on 30th day of September,2017 her appointment has been regularized as Independent and Non-Executive Director for a period of five year with the shareholders' consent. She holds a Bachelor's degree in Commerce from Kanpur University. She possess appropriate skills, experience and knowledge of 6 years in one or more fields of finance, General management, sales, marketing management, or other disciplines related to the company's business. She possesses appropriate skills, experience and knowledge in one or more fields of finance, General management, sales, marketing management, or other disciplines related to the company's business.

NARENDRA SHANKAR SATHE
Independent Director



Mr. Narendra Shankar Sathe aged 58 years, is the Non-Executive Director and Independent Director of our Company and was appointed on our Board on May 28, 2015. He holds a Bachelor's degree in Science from Christ Church College at Kanpur University. He possesses an experience and knowledge of 28 years in one or more fields of finance, law, management, sales, marketing, administration, or other disciplines related to the company's business.

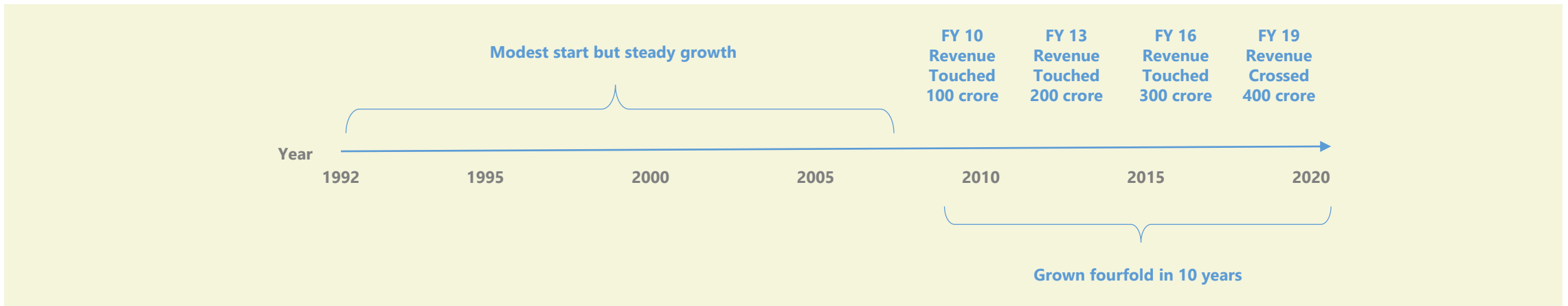
Financial Overview

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Financial Track

Started in 1992, carries strong operating history with sustained progress and dynamically staying modern



Demonstrated stable and healthy operations over the past two years

Income Statement Summary

INR Lakh/ FY Ending Mar 31,	2019	2020
Revenue From Operations	36,521	40,316
Growth	10.0%	10.4%
Gross Profit	2,438	2,628
Gross Margin	6.7%	6.5%
EBITDA	1,349	1,292
EBITDA Margin	3.7%	3.2%
EBIT	1,156	1,126
EBIT Margin	3.2%	2.8%
PAT	595	420
PAT Margin	1.6%	1.0%

Balance Sheet Summary

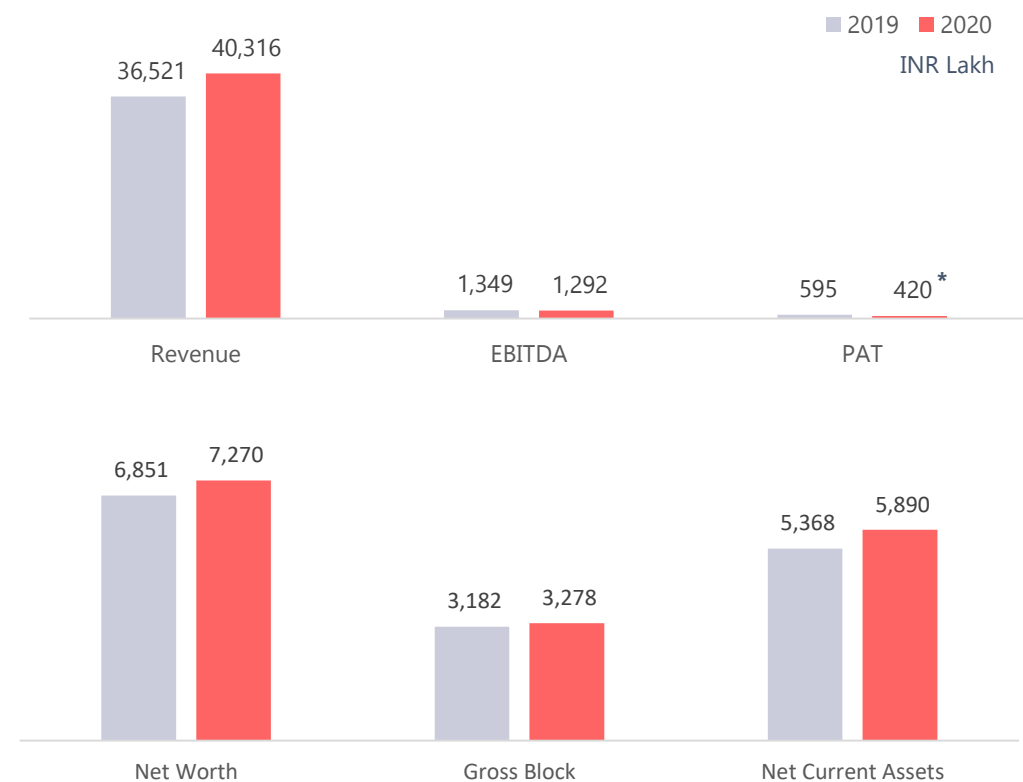
INR Lakh/ FY Ending Mar 31,	2019	2020
Sources		
Net Worth	6,851	7,270
Long Term Borrowings	242	103
Other Long Term Liabilities	191	186
Total	7,284	7,559
Uses		
Gross Block	3,133	3,244
Net Block	1,238	1,168
Other Long Term Assets	678	501
Net Current Assets	5,368	5,890
Total Current Assets	9,811	12,662
Less: Total Current Liabilities	4,443	6,772
Total	7,284	7,559

Demonstrated stable and healthy operations over the past two years... *(Continued)*

Key Operating Ratios

INR Lakh/ FY Ending Mar 31,	2019	2020
Debt/Equity	0.58x	0.63x
Return on Capital Employed	11%	10%
Return on Equity	9%	6%
Revenue/ Gross Block	11.7x	12.4x
Revenue/ Net Fixed Assets	29.5x	34.5x
Inventory Days	69	64
Debtor Days	20	48
Creditor Days	1	17

Key Parameters Y-o-Y Perspective



Notes:

- In FY 20, there is a one time expense of bad debt written off worth INR 204.5 Lakh and an exceptional expense worth INR 68.0 Lakh both totaling to INR 272.5 Lakh
- Gross Block includes WIP assets

Shareholding Pattern

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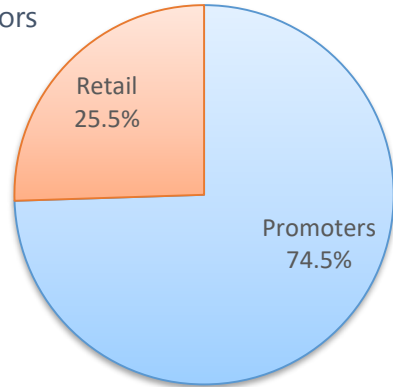


Shareholding Pattern

As on 31st March 2020

SHAREHOLDING PATTERN

Represented by
544 investors



Total **204.3 lakh** shares outstanding

In February 2018

LISTING

Earlier, Listed on the SME platform of BSE through Initial Public Offering (IPO) which was **over subscribed 97 times the Offer Size**

In September 2020

MIGRATION TO MAIN BOARD

Within 2.5 years of listing on the SME platform, got migrated to the **Main Board** of BSE thus facilitating further ease of trading to the retail investors

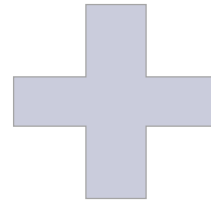
The Way Ahead



Key strategy for the way ahead is to expand the product offerings to cater to the emerging needs in the dairy sector

The new products are expected to be launched in Q4, FY 2021

Existing	
Product	Segment
Bulk Milk	Commodity
SMP	Commodity
Ghee	Traditional VADP
Butter	Traditional VADP
Gulab Jamun Mix	Traditional VADP



New Launches	
Product	Segment
Mozzarella Cheese	Emerging VADP
Dairy Whitener	Emerging VADP
Whey Powder	Emerging VADP
Flavored Milk	Traditional VADP
Farm Fresh Milk	Commodity
Bread	Complementing consumer basket
Eggs	Complementing consumer basket



The existing and new products will be effectively marketed & distributed through three focused segments

New Perspective to Business Segmentation

Product Range

Institutional

- ✓ Bulk Milk
- ✓ SMP
- ✓ Butter
- ✓ Ghee
- ✓ Dairy Whitener

HORECA

- ✓ SMP
- ✓ Dairy Whitener
- ✓ Butter
- ✓ Ghee
- ✓ Cheese

B2C (Consumer)

- ✓ Flavored Milk
- ✓ Fresh Milk
- ✓ Bread
- ✓ Eggs
- ✓ Dairy Whitener
- ✓ Cheese



Tasty Dairy
SPECIALITIES LTD.

Thank You