



Ideas for a new day

PARAG MILK FOODS LIMITED

Investor Presentation

February 2019



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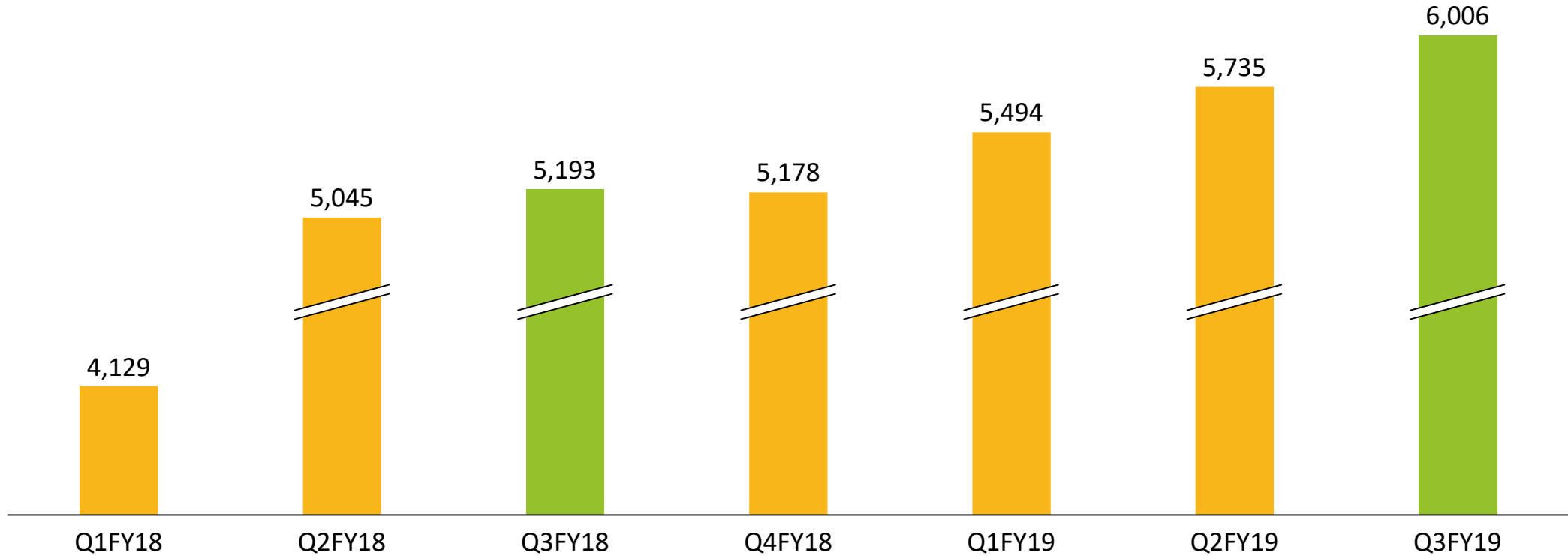
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Q3 & 9M FY19 Financials & Key Developments

Q3FY19 Performance is on track with Vision FY20

Revenue Trend



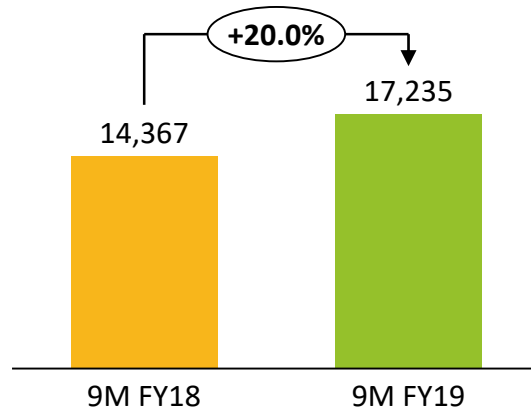
Our focus on Distribution Expansion, Execution and Value-added products is yielding Results

Consolidated Financial Analysis – 9M FY19

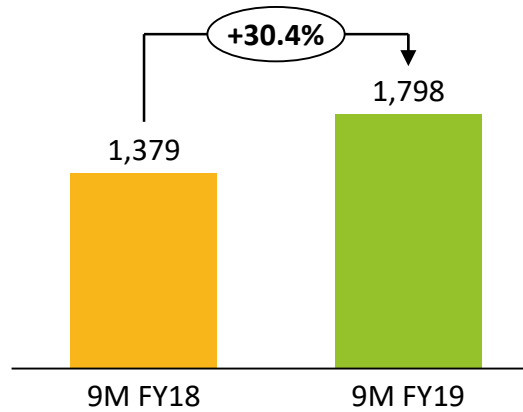


Ideas for a new day

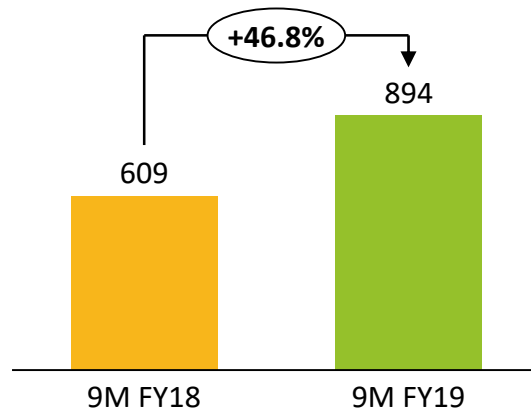
Revenue (Rs. Mn)



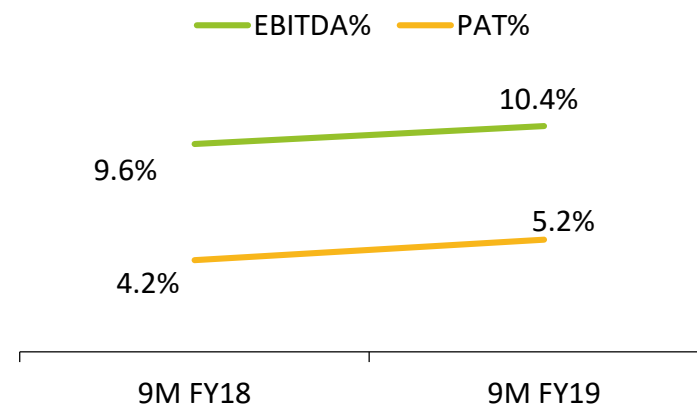
EBITDA (Rs. Mn)



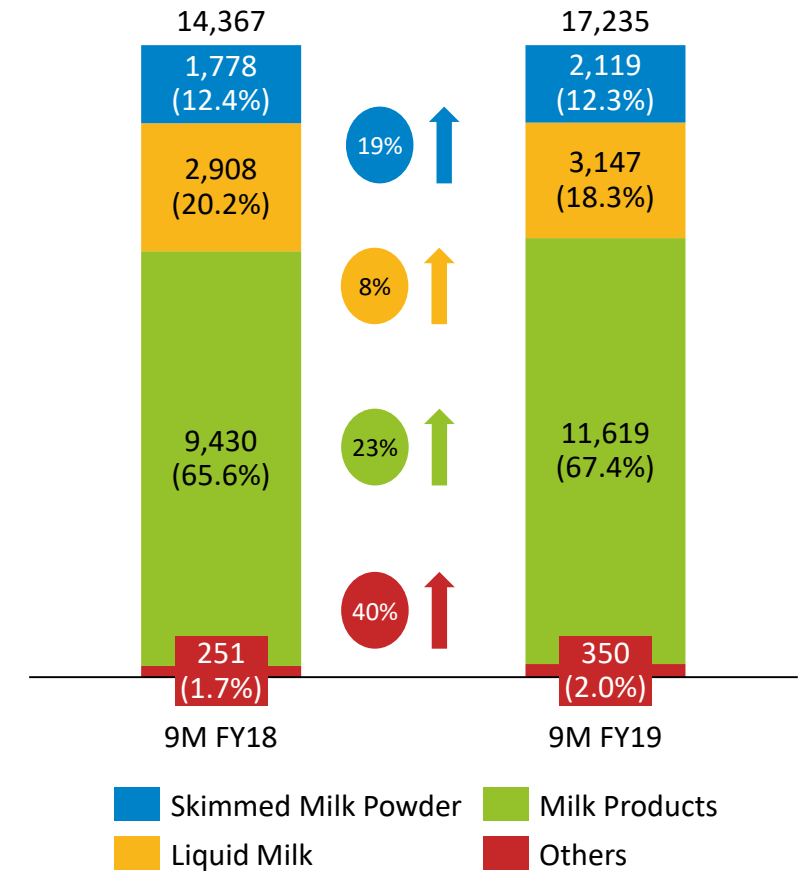
PAT (Rs. Mn)



Margins (%)



Product wise Revenue Break-up (Rs. Mn)

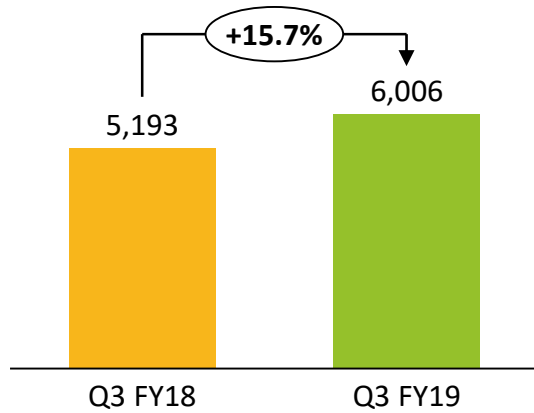


Consolidated Financial Analysis – Q3 FY19

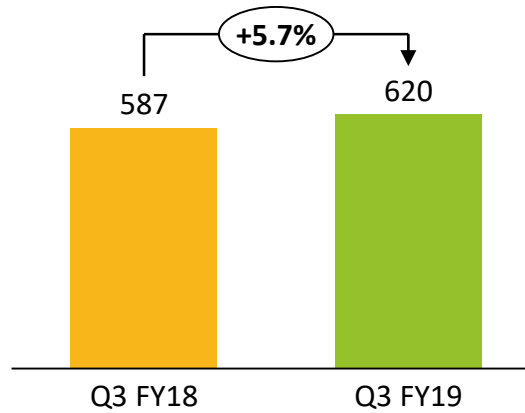


Ideas for a new day

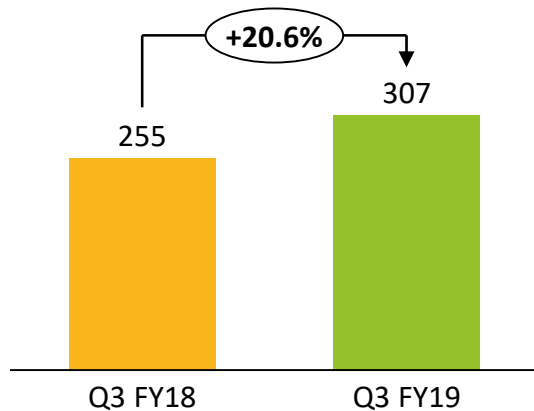
Revenue (Rs. Mn)



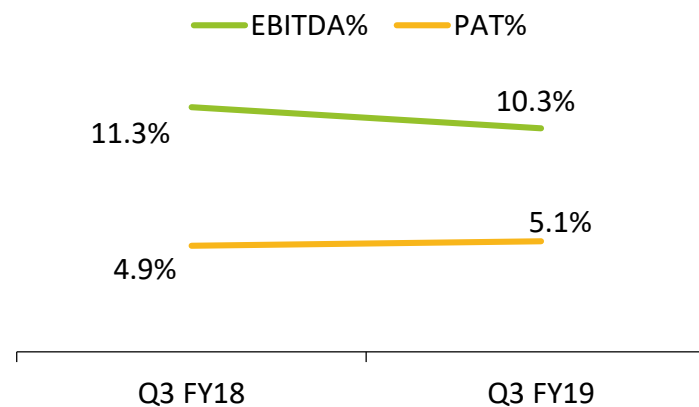
EBITDA (Rs. Mn)



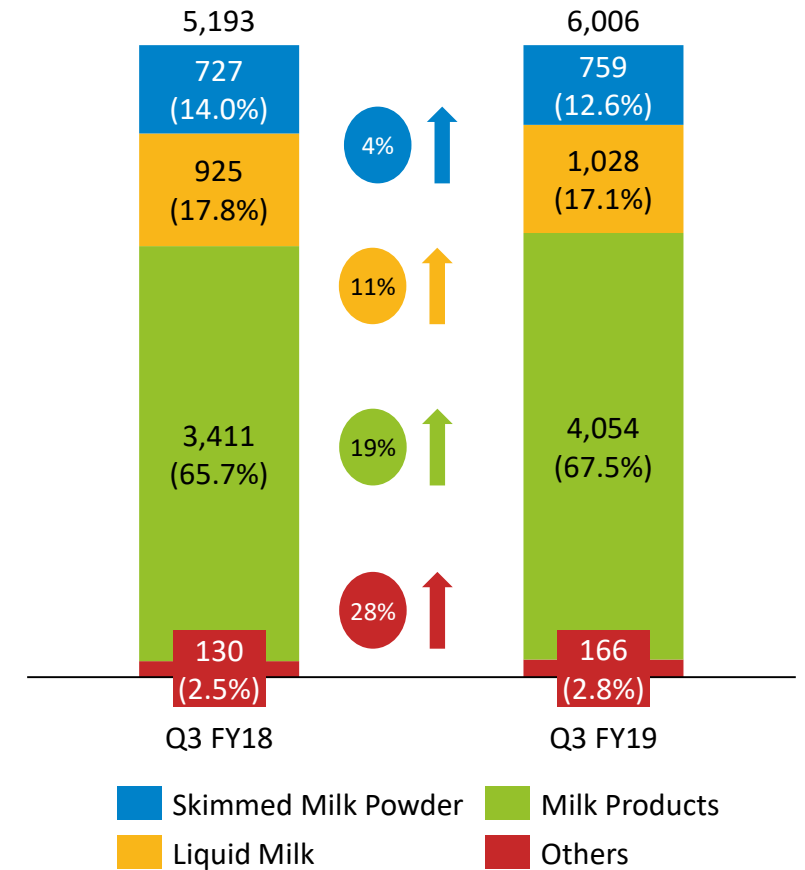
PAT (Rs. Mn)



Margins (%)



Product wise Revenue Break-up (Rs. Mn)



Key Highlights



Ideas for a new day

Revenue

- Revenue for 9M FY19 was Rs. 17,235.1 million vis-à-vis Rs. 14,366.7 million for 9M FY18, a growth of 20% YoY
 - Growth is driven by an increase in revenue from Milk Products by 23% YoY to Rs. 11,619.4 million.
- Consolidated Revenue for Q3 FY19 stood at Rs. 6,006.0 million vis-à-vis Rs. 5,192.8 million for Q3 FY18, registering a growth of 16% YoY
 - Growth is driven by an increase in revenue from Milk Products of 19% YoY to Rs. 4,054 million, continued focus on execution excellence and buoyancy in key categories.

Gross Profit

- Gross Profit for 9M FY19 grew by 28% YoY to Rs. 5,392.7 million while Gross Profit Margins improved by 200 bps to 31.3%.
- Gross Profit for Q3 FY19 grew by 23% YoY to Rs. 1,957.3 million while Gross Profit Margins improved by 190 bps to 32.6%.
- This was driven by improved product mix, favourable commodity prices and export benefits.

EBITDA

- EBITDA for 9M FY19 grew by 30% YoY to Rs. 1,797.7 million while EBITDA Margin increased by 80 bps YoY to 10.4%.
- EBITDA for Q3 FY19 grew by 6% YoY to Rs. 620.4 million while EBITDA Margins were at a healthy 10.3% which gave us the headroom to make investments in developing long term distribution infrastructure and new GTM as well as building our brands.

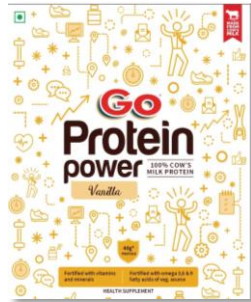
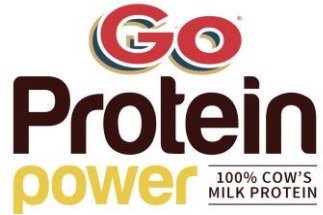
PAT

- PAT for 9M FY19 grew by 47% YoY to Rs. 894.3 million while PAT Margin improved by 100 bps YoY to 5.2%.
- PAT for Q3 FY19 grew by 21% to Rs. 307.4 million while PAT Margin increased by 20 bps YoY to 5.1%

Consolidated Profit & Loss Statement

| Particulars | Q3 FY19 | Q3 FY18 | YoY | Q2 FY19 | QoQ | 9M FY19 | 9M FY18 | YoY |
|-----------------------------------|----------------|----------------|-----------------|----------------|----------------|-----------------|-----------------|----------------|
| Revenue from Operations | 6,006.0 | 5,192.8 | 15.7% | 5,734.8 | 4.7% | 17,235.1 | 14,366.7 | 20.0% |
| Raw Material Costs | 4,048.8 | 3,596.8 | | 3,967.1 | | 11,842.5 | 10,156.0 | |
| GROSS PROFIT | 1,957.3 | 1,596.0 | 22.6% | 1,767.7 | 10.7% | 5,392.7 | 4,210.7 | 28.1% |
| Gross Margins | 32.6% | 30.7% | 190 bps | 30.8% | 180 bps | 31.3% | 29.3% | 200 bps |
| Employee Expenses | 254.3 | 183.8 | | 232.6 | | 691.1 | 531.2 | |
| Other Expenses | 1,082.7 | 825.3 | | 954.0 | | 2,903.9 | 2,300.3 | |
| EBITDA | 620.4 | 586.9 | 5.7% | 581.1 | 6.8% | 1,797.7 | 1,379.1 | 30.4% |
| EBITDA Margin % | 10.3% | 11.3% | -100 bps | 10.1% | 20 bps | 10.4% | 9.6% | 80 bps |
| Other Income | 6.9 | 24.9 | | 14.7 | | 39.3 | 76.5 | |
| Depreciation | 138.5 | 136.4 | | 133.6 | | 407.7 | 381.2 | |
| EBIT | 488.7 | 475.3 | 2.8% | 462.1 | 5.7% | 1,429.3 | 1,074.4 | 33.0% |
| Finance Cost | 102.1 | 107.0 | | 76.3 | | 279.8 | 258.4 | |
| Exceptional Items | - | - | | - | | - | - | |
| PBT | 386.6 | 368.3 | 5.0% | 385.8 | 0.2% | 1,149.5 | 816.0 | 40.9% |
| Tax Expense | 79.2 | 113.5 | | 81.5 | | 255.2 | 207.0 | |
| PAT | 307.4 | 254.8 | 20.6% | 304.3 | 1.0% | 894.3 | 609.0 | 46.8% |
| PAT Margin % | 5.1% | 4.9% | 20 bps | 5.3% | -20 bps | 5.2% | 4.2% | 100 bps |
| Other Comprehensive Income | -0.8 | -0.3 | | -1.1 | | -2.3 | -1.0 | |
| Total Comprehensive Income | 306.6 | 254.5 | 20.5% | 303.2 | 1.1% | 892.1 | 608.1 | 46.7% |

New Product Launch - Go Protein Power



Protein Supplement Market Size –
Rs. 1,400 – 1,600 Crs

Growing at **23-26% CAGR**

Strengthens our Health and Nutrition Portfolio

Targeting **Pan India Distribution**

Launched in **Mumbai**

Currently Available in **1,200 outlets**

Targeting to expand it to **200 towns** with **7 lakh** direct & in-direct **Coverage by 2021**



Features :

- ✓ Pack Size – 200gm & 400 gm
- ✓ Protein Content – 40gm per 100gm
- ✓ Age Group – Above 14 years

Product USPs :



Made from 100% Cows Milk



Easy to Digest



Meets 50% RDA for Vitamin's & Mineral's



Added Prebiotics



Rich Source of Protein



Fortified with Healthy Fats

GIVE YOUR BODY THE POWER OF PROTEIN.



Retail Reach

New Product Launch - Avvatar Advanced Mass Gainer



Sport Nutrition Market Size –
Rs. 1,400 – 1,600 Crs

Growing at more than **25% CAGR**

Strengthens our Health and Nutrition Portfolio

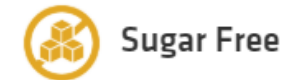
Product Features –

1st Mass Gainer in India to get **Informed-Sports certification** from WADA approved lab in UK

Enriched with **21 vital vitamins and minerals** to enable the right kind of growth

Two scoops of 60g offers **45.6g of protein** in the mass gainer segment along with **122g carbohydrates**

Contains the right blend of **Protein-Carb Matrix** – Maltodextrin, Whey Protein Concentrate and Isolate and Dextrose



Sugar Free



GMO Free



Soy Free



Low Cholesterol



Gluten Free



Low Fat



Marketing Campaigns & Consumer Engagement Initiatives



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Gowardhan Milk



Gowardhan Pure Milk Radio Campaign Conducted in Delhi on Red FM, Radio City, Big FM, Hit 95 FM, Radio Mirchi and Fever 104

Pride of Cows



Pride of Cows TV Campaign on Top Business News Channels like CNBC TV18, CNBC Awaaz, CNBC Bajar

Go Protein Power



Print and Outdoor Campaigns for Go Protein Power conducted in Mumbai in Nov & Dec 2018

Gowardhan Ghee & Paneer



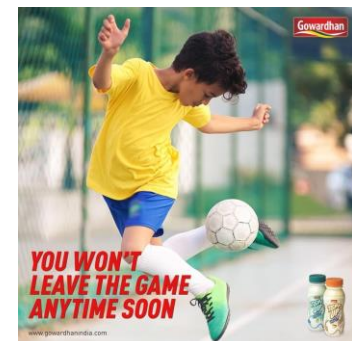
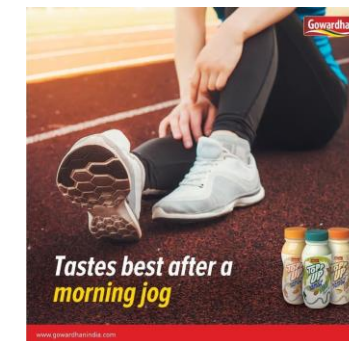
Gowardhan Ghee and Paneer TV Ad Campaign conducted on various popular news and regional channels

Avvatar



Avvatar was the Nutrition Partner for Zee Maharashtra Kushti Dangal which was featured on Zee Talkies

Topp Up



Topp Up digital campaign



Our Journey so far...

Did You Know???



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One of India's **State-of-the-Art Infrastructure** with a milk processing capacity of **2.9 Mn Litres Per Day**

2nd Largest Player in Cheese in the India with 35% Market Share

Leaders & Pioneers of **Cow Ghee** category

Pioneers of **Fresh Paneer** with a **75 Day Shelf Life**

The **Leading private player in UHT Category**

Own's one of the **Largest Cow Farms in India**

Introduced the concept of "**Farm to Home**" milk under the brand '**Pride of Cows**'

India's First Company to launch a truly made in India B2C **Whey protein powder** under Brand Name '**Avvatar**'

Parag at a Glance



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Strong Relationships

Established Strong Relationships with over 2 lakh farmers and over 3.0 lakh retail touch points

State-of-the-art Facilities

Aggregate milk processing capacity of 2.9 mn litres per day with the largest Cheese production capacity in India of 60 MT / day and a Paneer Capacity of 20MT / day

Strong Distribution

Pan-India Distribution Network of 19 Depots, over 140 Super Stockists and 3,000+ Distributors

170+ SKU's

Diversified product portfolio with 170+ SKU's that cater to a wide range of customers

7 Brands

Gowardhan
Go
Pride Of Cows
Topp Up
Milkrich
Avvatar
Slurp

Ranked #1

Parag Milk Foods was ranked #1 in Fortune India's 'Next 500' from #67 last year



Evolution



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1992

Parag Milk Foods Limited founded in 1992 with one purpose:
To deliver Fresh Milk and Dairy Products



1998

Commissioned Manchar plant and began manufacturing Traditional products like Butter and Ghee under the brand, **'Gowardhan'**



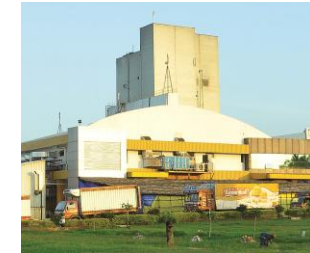
2005

Birth of **Bhagyalaxmi Dairy Farm** - India's most modern dairy farm with the finest International Equipments



2008

Commissioned **"Go Cheese World"** - India's largest cheese manufacturing plant with a capacity of 40 MT per day



2010

Palamaner plant was established with a **world-class UHT facility**



2011

Birth of **'Pride of Cows'**, a First-of-its-kind premium farm-to home milk brand



2014

Realising the needs of our institutional clients, we launched **B2B Whey Protein**



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2015

Relaunched the brand **Parag** with a new identity



2016

Got listed on the bourses, thus becoming a **Publicly branded** and owned entity



2017

Entered into the Juice drink market by launching a mango drink with a **Dash of milk' and 100% Whey protein**

Board of Directors



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Mr. Devendra Shah
Chairman

Mr. B. M. Vyas
Director

Mr. Narendra Ambwani
Independent Director

Mrs. Radhika Pereira
Independent Director



Mr. Pritam Shah
Managing Director

Mr. Sunil Goyal
Independent Director

Mr. Nitin Dhavalikar
Independent Director

Mr. Ramesh Chandak
Director

The Board consists of well qualified personnel with a strong understanding on the Procurement & Production Processes with a wide gamut of Industry experience in the Dairy and Consumer Space backed by innovative abilities to make the company a successful Dairy FMCG company.

Management Team



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Ms. Akshali Shah

VP – Strategy (Sales & Marketing)

An MBA in Family Managed Business from S.P. Jain Institute of Management & Research, she is actively involved in branding, marketing & advertising strategy, category intelligence & competitive analysis. She has also played a key role in the revamping the corporate identity of company.

Mr. Vimal Agarwal

Chief Financial Officer

He is a Chartered Accountant and an MBA by qualification. He has a rich and diversified experience of 18 years in leading FMCGs in India. He has accelerated in Financial Planning, Reporting, Capex & Opex Budgeting, Commercial and Supply Chain Management, Working Capital Management & Cost efficiency strategies. He has demonstrated his leadership skills by driving profitable growth while enhancing Governance Standards in consumer product companies.

Mr. Amarendra Vishnu Sathe

Chief Commercial Officer (CCO)

He has 24+ years of experience in new product launches, brand management, sales promotion & distribution management. He is PGDMM (Marketing) from INDSEARCH Institute of Management and B.Sc from A.G.College. Prior to joining us, he was associated with Kimberly-Clark Lever Pvt. Ltd as Director Sales India & SAARC and served as Director Sales with Inbisco India Pvt. Ltd and Uni-charm India Pvt. Ltd. He also had various roles with PepsiCo India Holdings Pvt. Ltd.

Mr. H.S. Oberoi

President - Cheese Manufacturing

A Mozzarella Cheese manufacturing expert, he has a B. Tech degree and over 52 years of extensive experience in the dairy industry.

Mr. Harshad Joshi

Chief Operating Officer

He is a graduate in Dairy Technology from S.M.C. College of Dairy Science, Energy Conservation in Dairy Industries from NDDDB and Strategic Retail Management from ISB. He has 26+ years of experience. Prior to joining us, he was associated as CEO in Vizebh Agri Sciences Pvt Ltd, CEO in Maahi Milk Producer and as GM – Merchandising & Operations in Bharti - Walmart and as GM Sales & Marketing in VRSs Foods Ltd. He had leadership positions at Amul-Fed Dairy, Gayatri Dairy Ltd. and in Sardar Dairy Pvt. Ltd.

Mrs. Rachana Sanganeria

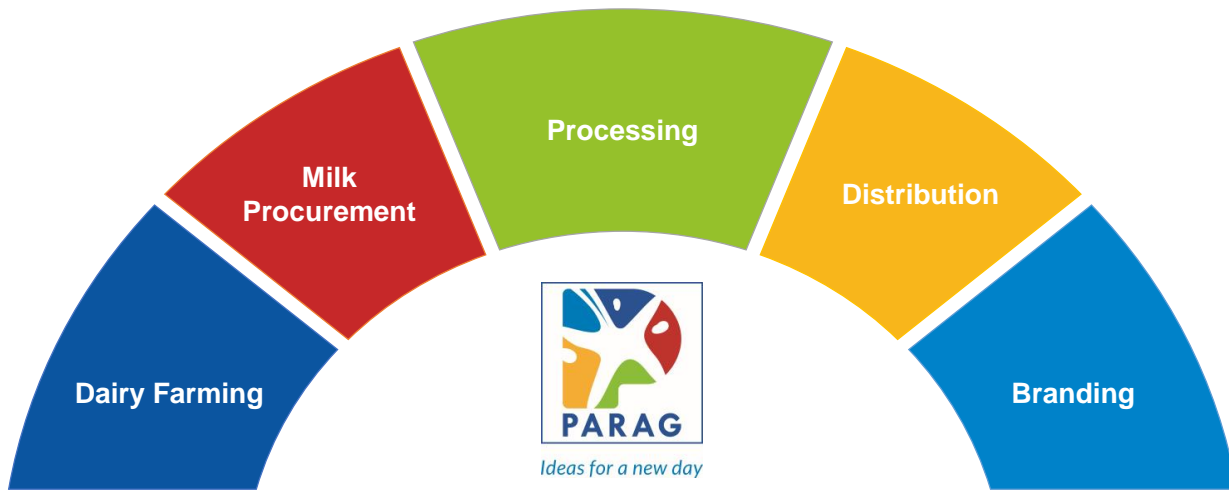
Company Secretary & Compliance Officer

Qualified Company Secretary and an Associate Member of the Institute of Company Secretaries of India. She also holds a Bachelor's degree in Commerce and LL.B. degree from the University of Mumbai. She has over 18 years of experience as a Company Secretary.

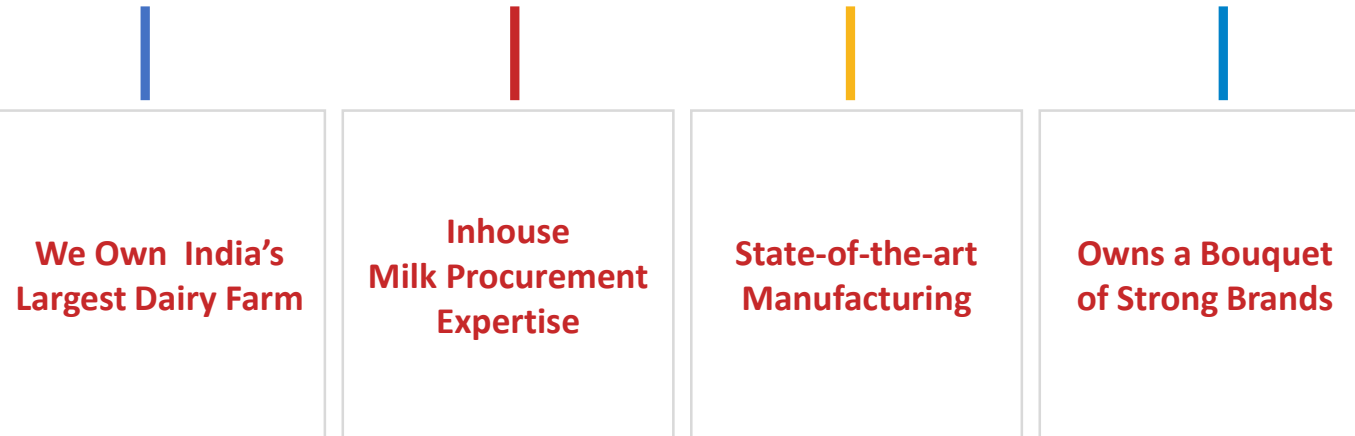


Creating Value through an Integrated Business Model

Fully Integrated Business Model...



COMPETITIVE EDGE OVER OTHER PLAYERS IN INDUSTRY



STRONG PRESENCE ACROSS THE VALUE CHAIN

- Dairy Farming** Owns **2,500** Holstein Freisan Cows

- Milk Procurement** Relationship with over **2 Lakhs** Farmers – Our Partners in Progress

- Processing** Capacity of processing **2.9 million** liters per day

- Distribution** Network of **19** Depots, **140+** Stockiest, **3,000+** Distributors – Well Integrated Supply Chain Network

- Branding** Owns **7** Brands – Targeting Distinct Consumer Groups with Diverse Needs

Farmer Relationship is an integral part of our business...

3-tier Milk Procurement Process

Tier 1

Village collection centres procure milk from over 2 lakh farmers in 29 districts

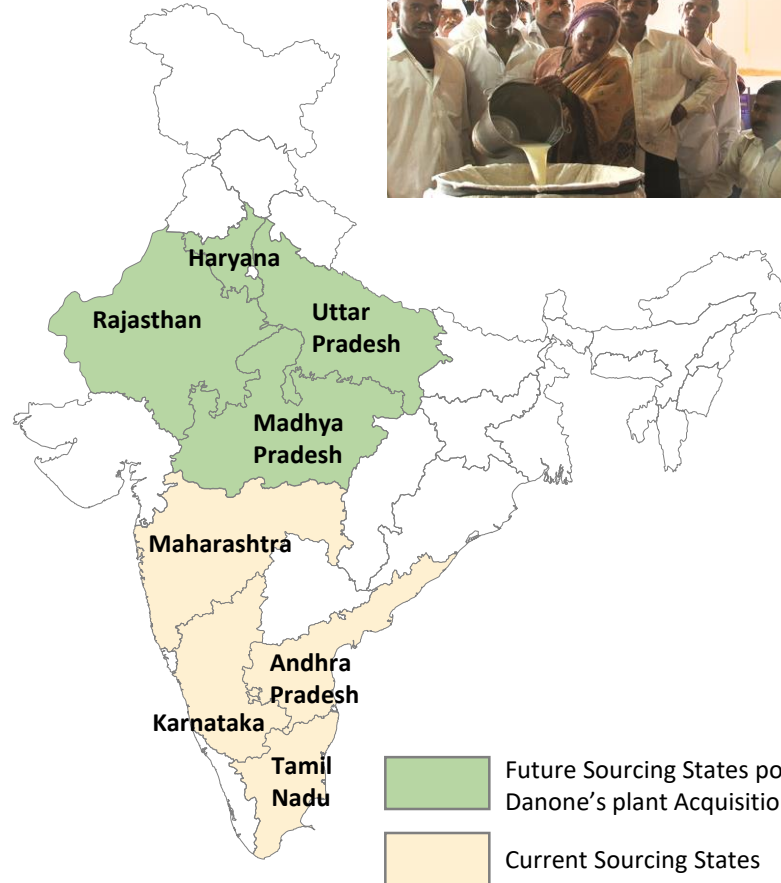
Tier 2

Milk is then transported to nearby Bulk Milk Coolers (BMC) and chilled

Tier 3

The chilled milk is then transported in tanks to our dairy plant

Procurement Network



Farmer Services

Never Say No for Milk

Correct Quantity & Quality

Transparent Milk Pricing

Supplying Cattle feed at subsidized rates

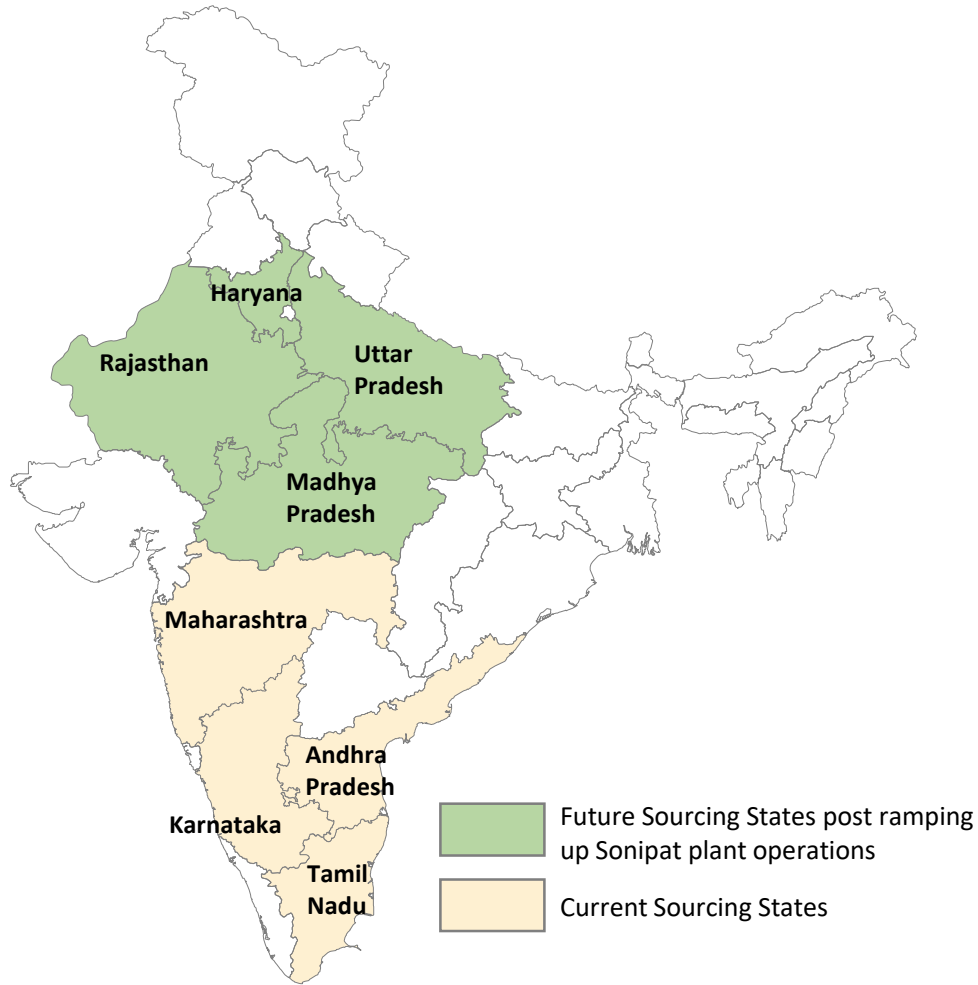
Building Relationship with Farmers

Improving the Productivity of Cows

Free Health Camps for Cattles

Free Vaccinations for Cattles

We are present in all key Cow milk procuring States



In Million MT

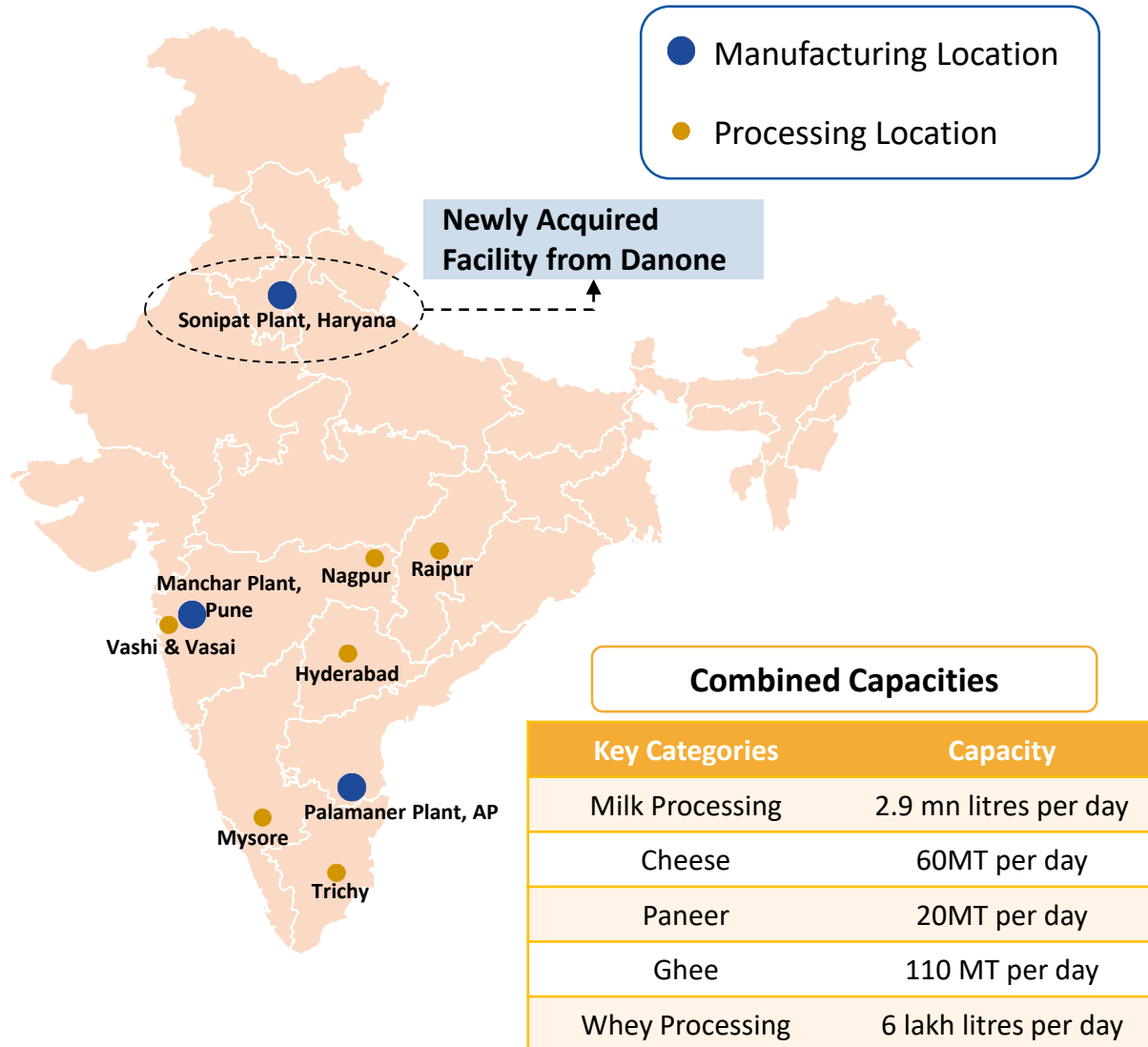
| Sr. No | States | Milk Production (2016-17) | % Share of Total Milk Produced | CAGR for last 2 years | Cow Milk Production (2016-17) | % Share of Cow Milk | CAGR for last 2 years |
|--------------------|-----------------|---------------------------|--------------------------------|-----------------------|-------------------------------|---------------------|-----------------------|
| 1 | Tamil Nadu | 7.6 | 4.6% | 2.9% | 7.1 | 93% | 3.1% |
| 2 | Karnataka | 6.6 | 4.0% | 3.5% | 4.6 | 70% | 2.6% |
| 3 | Maharashtra | 10.4 | 6.4% | 4.4% | 6.2 | 60% | 8.2% |
| 4 | Bihar | 8.7 | 5.3% | 5.8% | 5.2 | 60% | 9.2% |
| 5 | Madhya Pradesh | 13.4 | 8.2% | 11.7% | 6.6 | 49% | 14.7% |
| 6 | Gujarat | 12.8 | 7.8% | 4.6% | 5.8 | 45% | 7.7% |
| 7 | Rajasthan | 19.4 | 11.9% | 6.9% | 7.1 | 37% | 7.9% |
| 8 | Andhra Pradesh* | 16.9 | 10.3% | 12.3% | 5.3 | 31% | 12.1% |
| 9 | Uttar Pradesh | 27.6 | 16.9% | 4.6% | 8.6 | 31% | 16.2% |
| 10 | Punjab | 11.3 | 6.9% | 4.4% | 3.2 | 28% | 3.1% |
| 11 | Haryana | 9.0 | 5.5% | 6.6% | 1.7 | 19% | 17.8% |
| India Total | | 163.7 | 100.0% | 5.8% | 70.2 | 43% | 8.2% |

*Including Telangana

Disclaimer: Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness

Source: Ministry of Animal Husbandry, Dairy and Fisheries

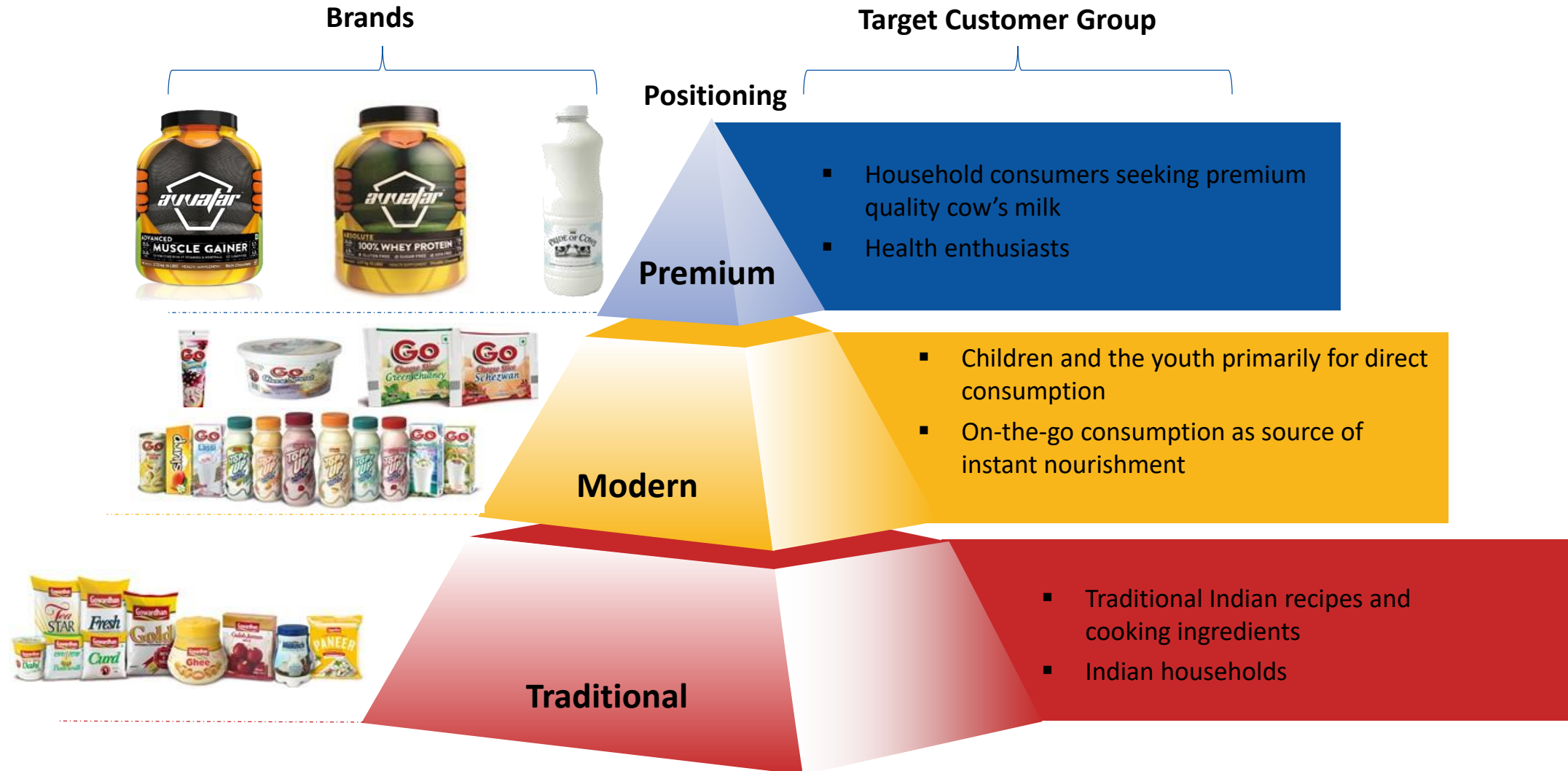
State-of-the-Art Manufacturing Facilities



Key Features : Parag's Manufacturing Footprint

- One of the **Largest Cheese Plants** in India
- India's 1st state-of-the-art fully integrated **Whey Protein Plant**
- Fully automated **Paneer Plant**
- World-class **UHT facility**
- India's most **Modern Dairy Farm**
 - Houses Over **2,500 Holstein Friesian Cows**
 - With an **Average yield of 20-25 litres per cow** vs India's Average of 4-5 litres per cow
- Newly **Acquired Sonipat Facility** & Infrastructure
 - Currently has a Milk & Curd Processing Unit
 - Future Plans to install processing units for pouch milk, flavoured milk, pouch butter milk, cup curd, misthi doi as well as expand the existing yoghurt facility

Diverse Portfolio catering to all Segment of Customers



Working closely with Institutional Clients



Interact with Customers at the **Inception Phase** of the Product and even help them to **curate a menu**

Customization of the product according to the **Need**

Maintaining the **Exclusivity** of the **Product**

Strong/ Long term Relations with **Customers**

Supplies To:

Prominent Burger Chains

Major FMCG companies



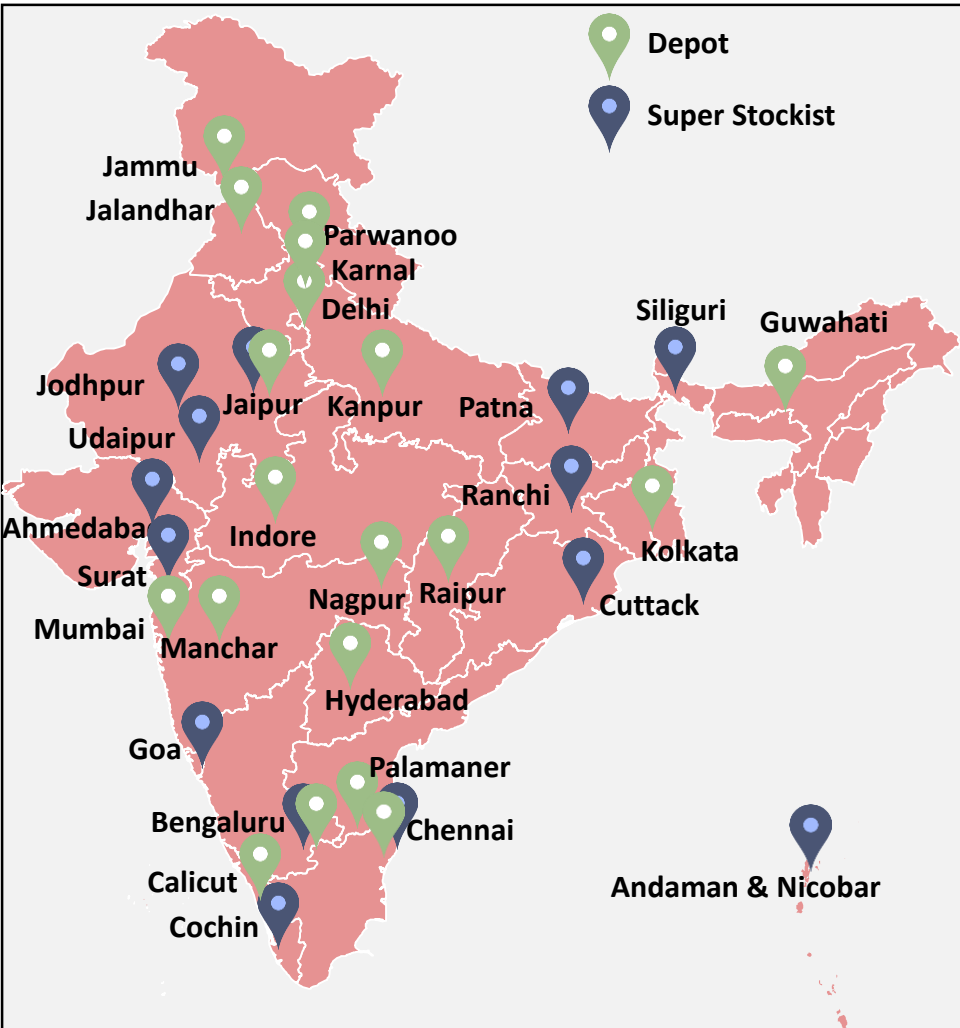
Leading Pizza Chains

Hotels, Restaurants and Food Chains

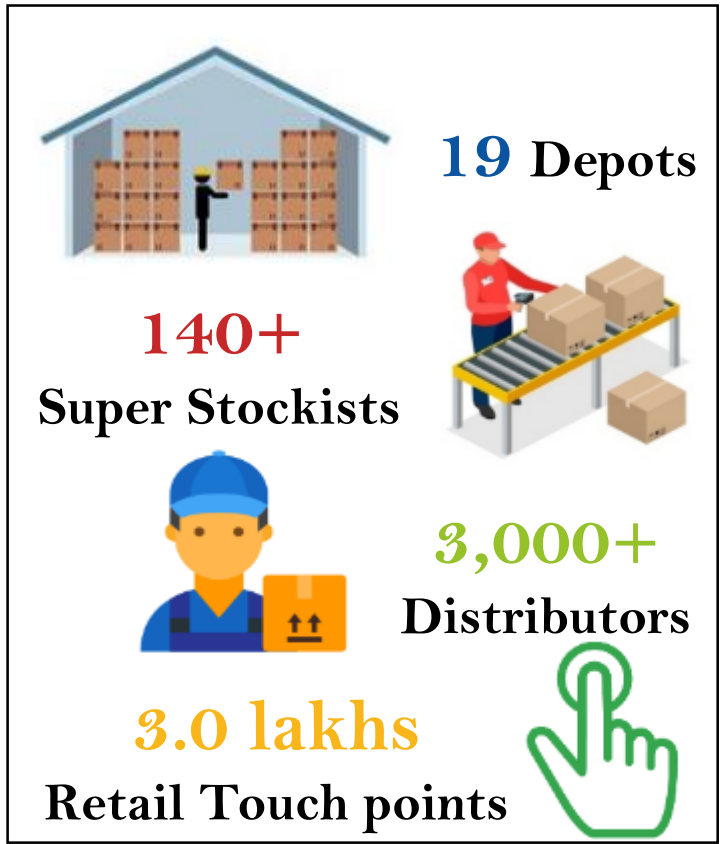


Last mile availability from 'Farm to Fork'

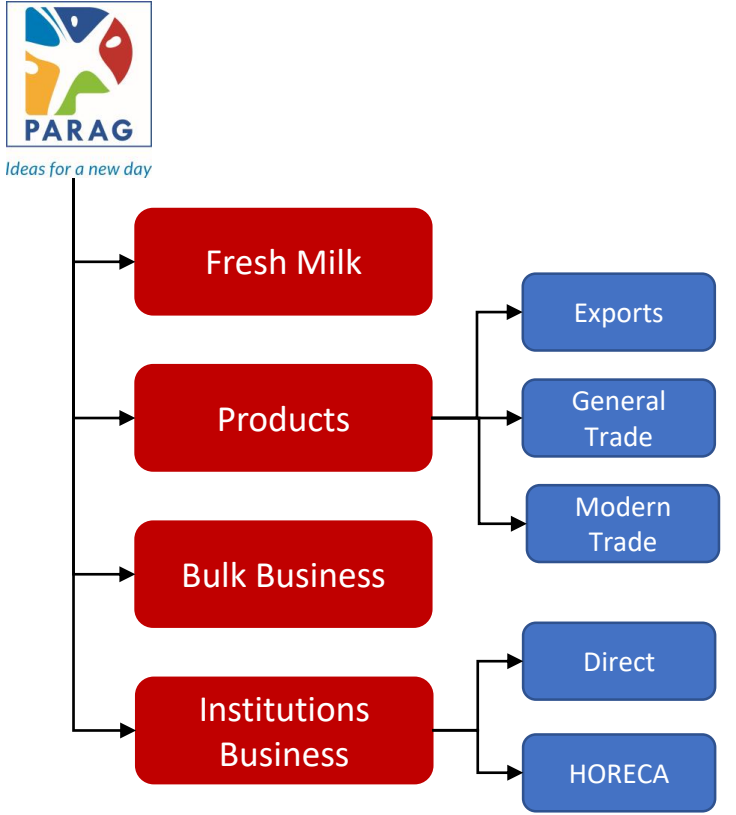
Pan-India Reach



Distribution Network



Route-to-market Strategy



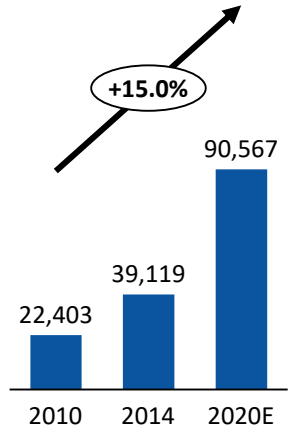
- Dedicated Sales and Marketing team comprising of over 800 personnel
- Sales force Automation –Better visibility of Supply Chain Management

Our Growth Strategy

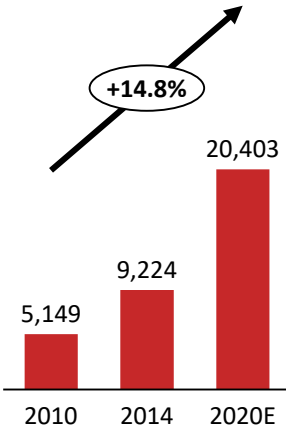


Industry has tremendous Growth Potential

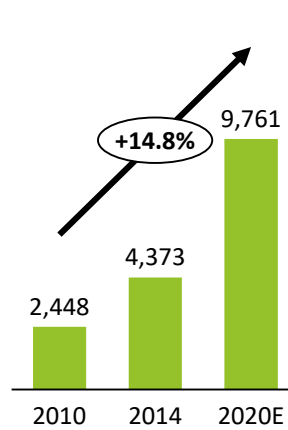
Liquid Milk



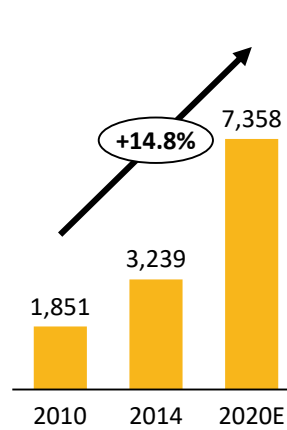
Ghee



Paneer



Curd



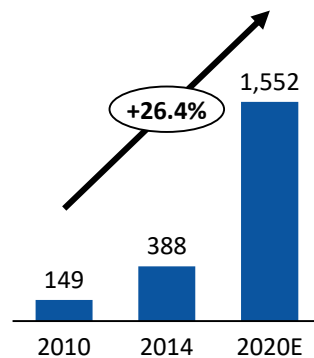
Traditional Products Growth

CAGR of 15%

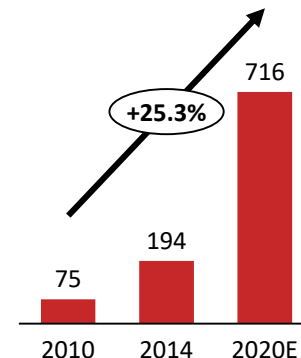
Modern Products Growth

CAGR of 26%

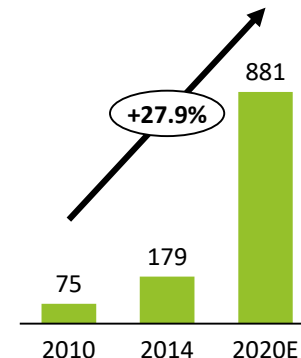
UHT Milk



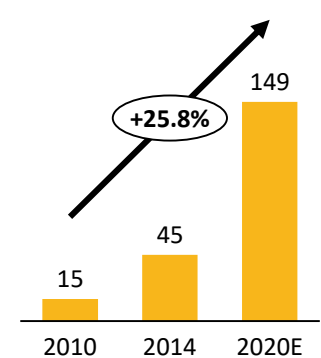
Flavoured Milk



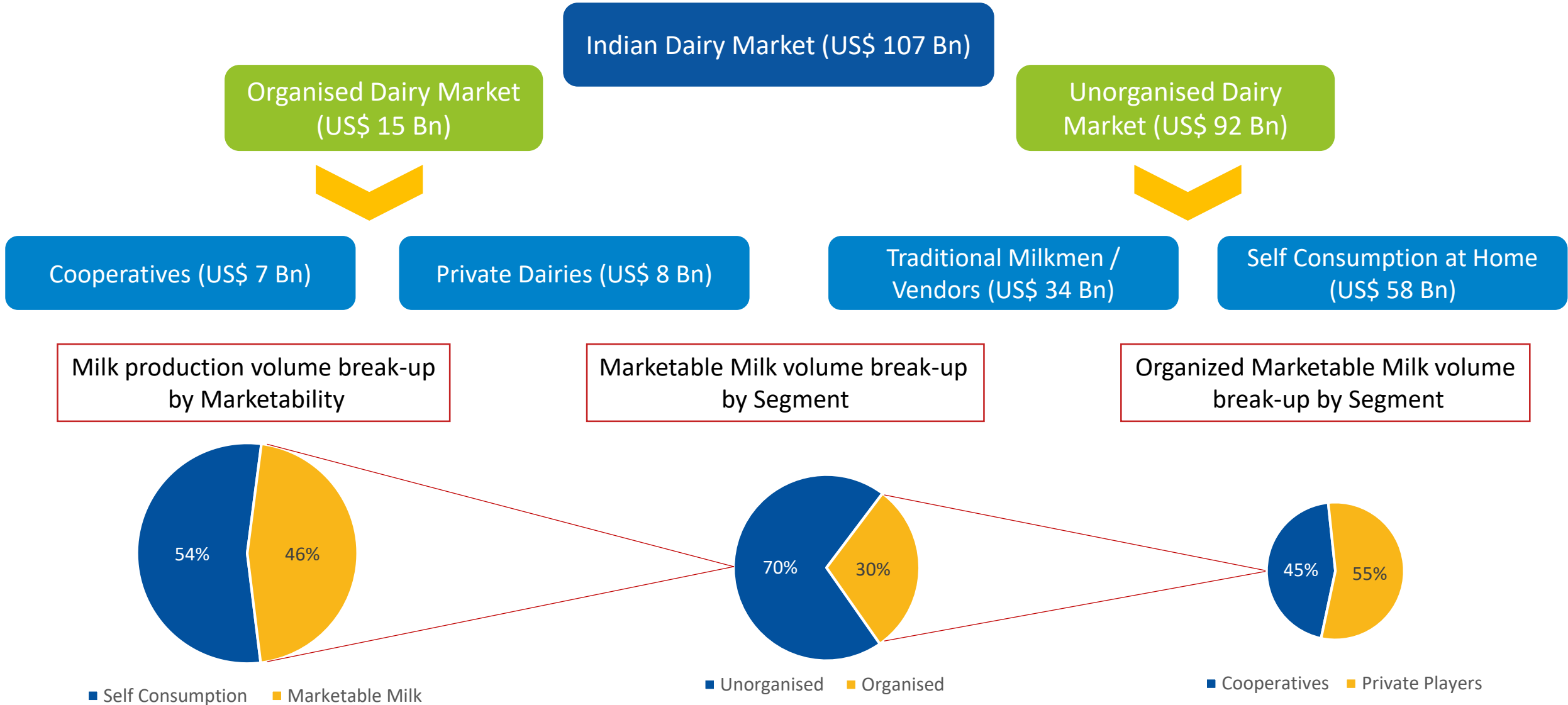
Cheese



Whey (Powder)



Indian Dairy Market Structure



Our strategy for Value Creation

Increase Operational Efficiencies

Leverage in-house technological, R&D capabilities

to:

- Maintain strict operational controls
- Enhance customer services levels
- Develop customised systems & processes

Operational Efficiencies

Focus on Health & Nutrition

Introduce healthy & nutritious product variants like

- Whey protein powder for mass consumption and in different formats
- Colostrum products – as daily supplements
- High protein, low fat cheese products

Health & Nutrition

Strengthen Our Brands

- Enhance brand recall through strategic branding initiatives
- Increase Ad spend on diverse channels including television, newsprint, digital media

Brands

Increase Value-added Product Portfolio

- Offer wider range of farm-to home products under 'Pride of Cows'
- Focus on health & nutritional aspect in developing premium products
- Sell whey protein directly to consumers in the form of a branded product

Value-added Product

Increase Milk Procurement

- Strengthening existing farmer relations
- Offer quality & quantity based incentives
- Set up new collection centres & reach new districts
- To add 75 new bulk coolers, 100 automated collection systems

Milk Procurement

Enhance Product Reach

- Strengthen distributor & stockists base to achieve higher retail penetration
- Introduce low unit price products in Tier III cities
- Identify specific states and regions in India to increase sales volumes

Product Reach





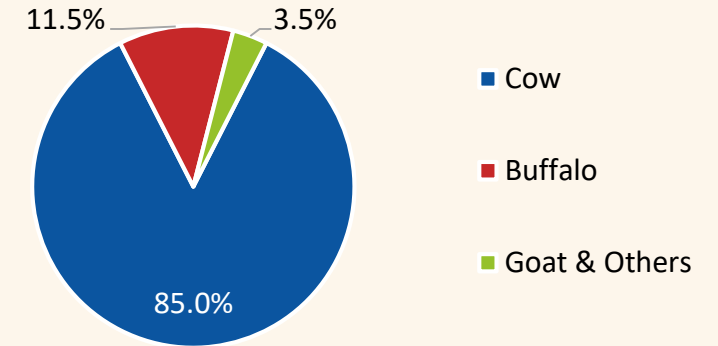
Industry Dynamics

India Contributes > 20% of Global Milk Production

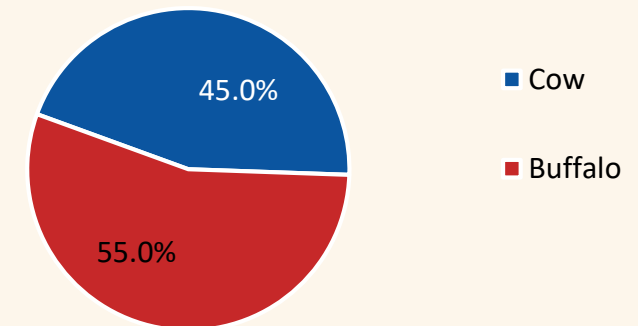
Top Milk Producing Countries (Million MT)

| Countries | 2017 | 2018E | 2019E | 2020E | 2027E | CAGR |
|--------------|------------|------------|------------|------------|------------|-------------|
| India | 169 | 174 | 181 | 188 | 244 | 3.7% |
| EU – 28 | 164 | 167 | 167 | 169 | 177 | 0.8% |
| USA | 98 | 98 | 99 | 100 | 105 | 0.7% |
| Pakistan | 54 | 56 | 58 | 59 | 70 | 2.8% |
| China | 40 | 43 | 44 | 45 | 50 | 2.3% |
| Russia | 31 | 31 | 31 | 31 | 31 | 0.0% |
| Brazil | 29 | 30 | 30 | 31 | 36 | 2.1% |
| New Zealand | 21 | 22 | 22 | 23 | 25 | 1.5% |
| World | 823 | 844 | 859 | 875 | 994 | 1.9% |

Global - Animal Wise Milk Production - 2017

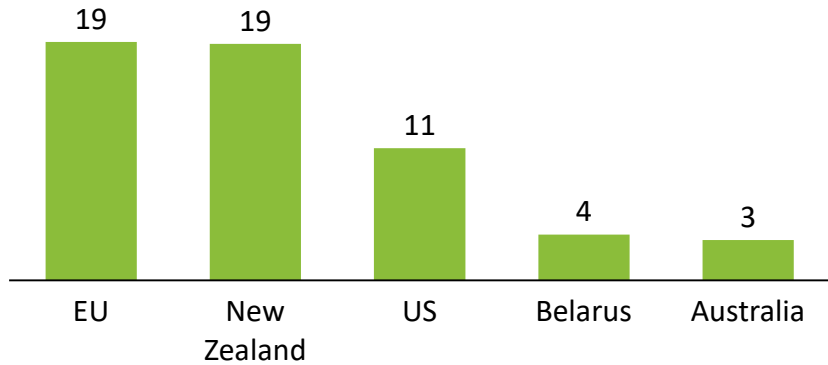


India - Animal Wise Milk Production - 2017

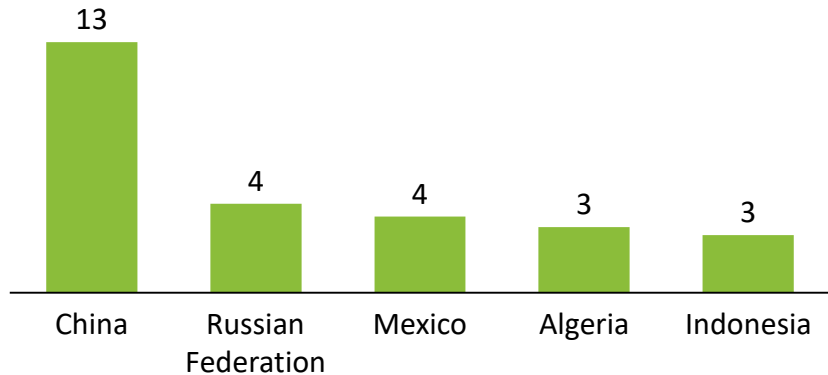


Indian Dairy Sector is self-sufficient

Top Exporting Countries (Million MT) - 2017

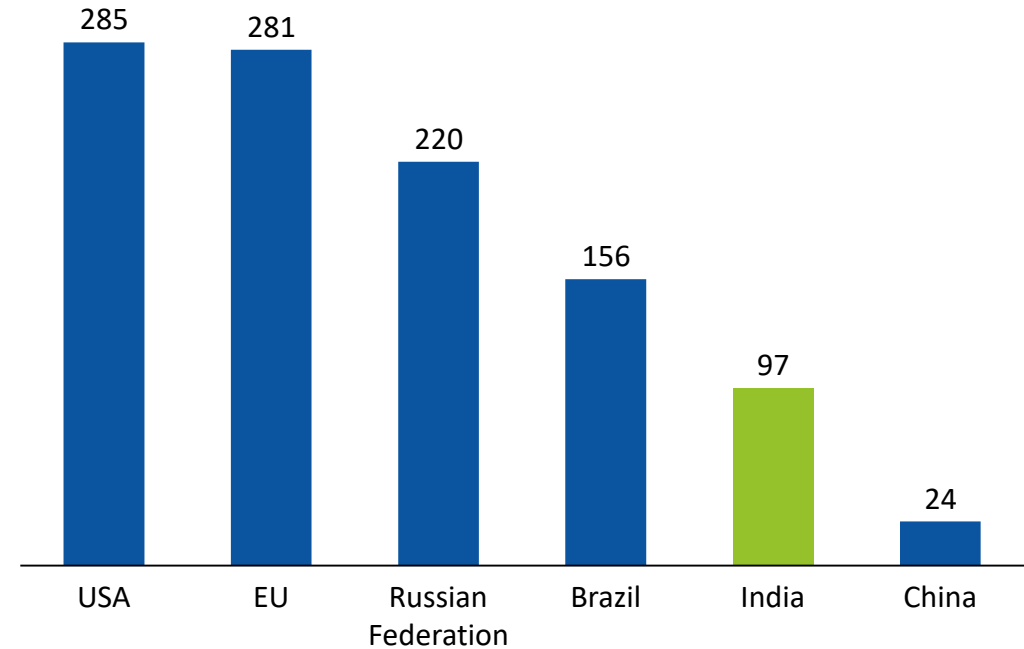


Top Importing Countries (Million MT) - 2017



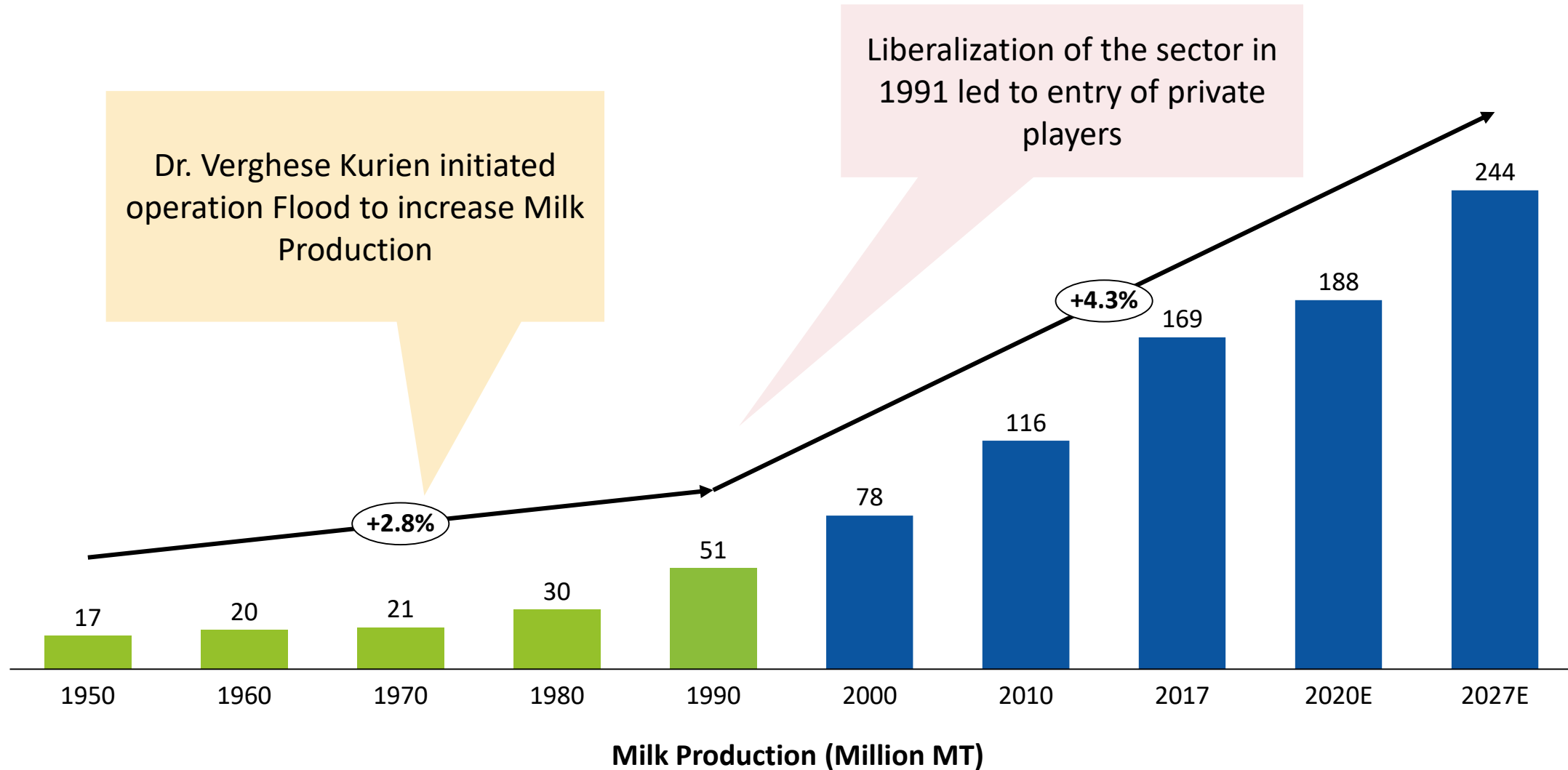
India's share in World trade of Milk & Milk Products is negligible

Country Wise Per Capita Milk Consumption (litres / Year)

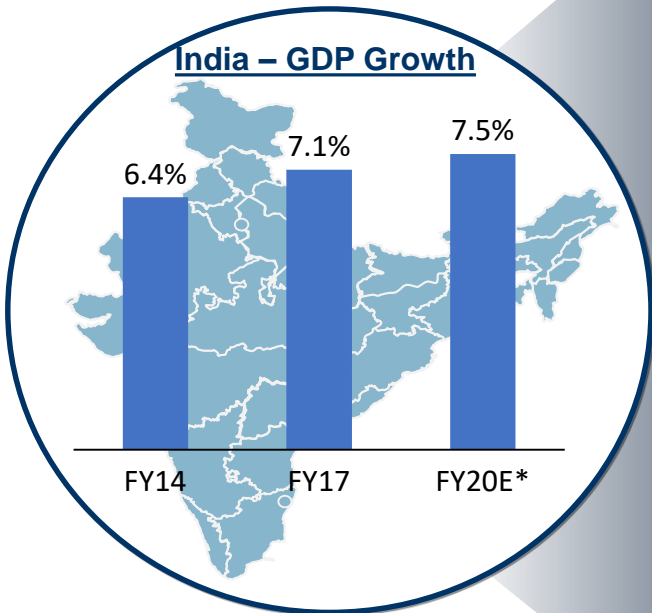


Although, India is the largest milk Producer in the world, its per capita consumption is one of the lowest

Milk Production in India



India's Favourable Dynamics offer Huge Opportunities



Rising Middle Class Population & Income Levels

- Middle class households to grow from 255 million in 2015 to 586 million in 2025 at a CAGR of 8.7%
- Rising income & disposable income to drive consumption of milk & dairy products

Urbanisation

- Urban population expected to increase from 31.2% in 2011 to 34.5% in 2021
- Preference for clean, hygienic & ready-to-eat milk & dairy products to boost organised dairy industry

Changing Dietary Patterns with focus on Milk

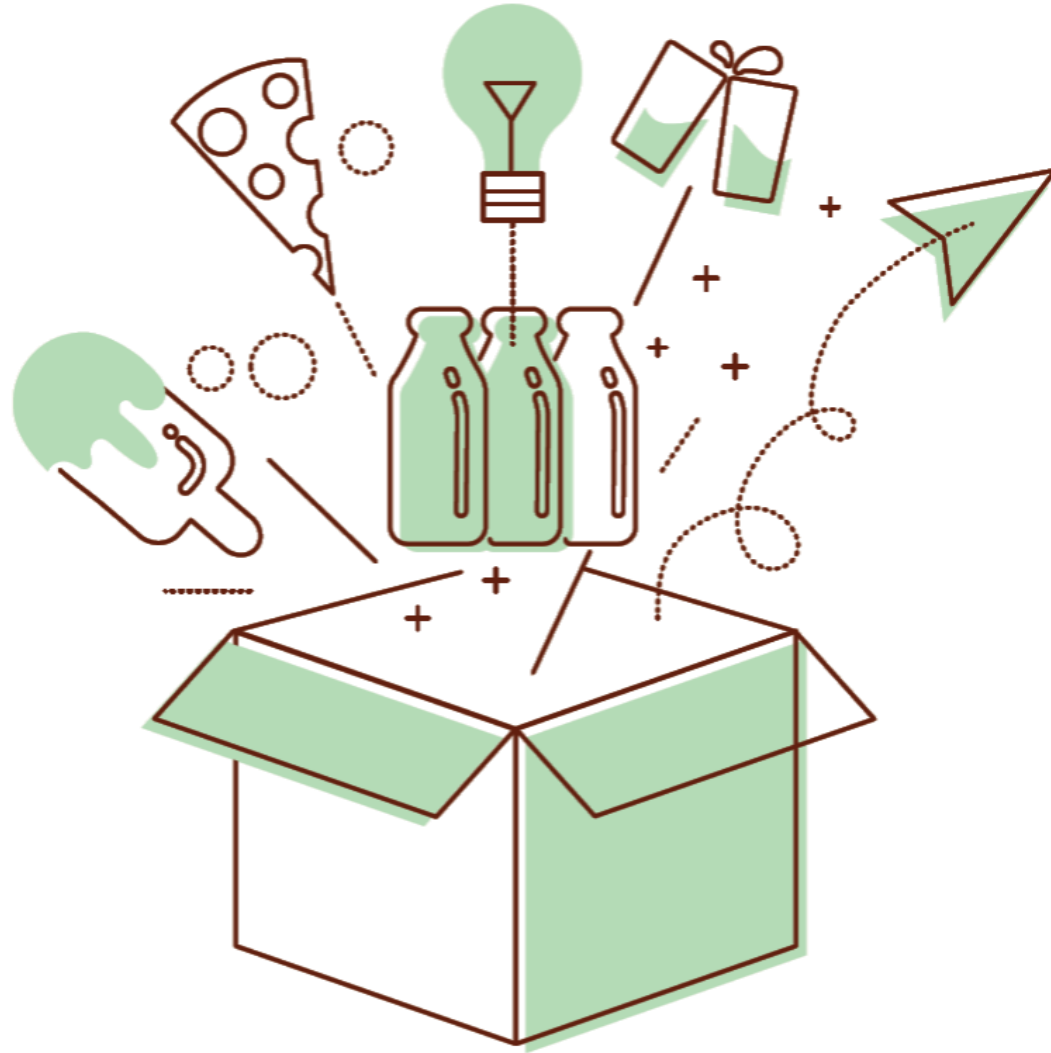
- Milk being important source of vital nutrients especially for vegetarians, consumers are shifting away from cereals to milk & dairy products
- 31% Indian population is vegetarian, ensuring continuous demand for milk & dairy products

Shift to Packaged Food to drive Organised Market

- Increasing quality & safety concerns increasing demand for packaged food, in particular pasteurised packaged milk
- Organised market share to also increase to 26%, in value terms, by 2020

Source: IMARC Report

* As per World Bank report on Global Economic Prospects – January 2018



Vision 2020

| | FY 2018 | FY 2020 |
|---------------|---------------|-----------------------|
| Revenue | Rs. 1,955 Crs | Rs. 2,700 – 3,000 Crs |
| EBITDA Margin | 10.5% | 11- 12% |
| ROCE | 15.8% | 18-20% |



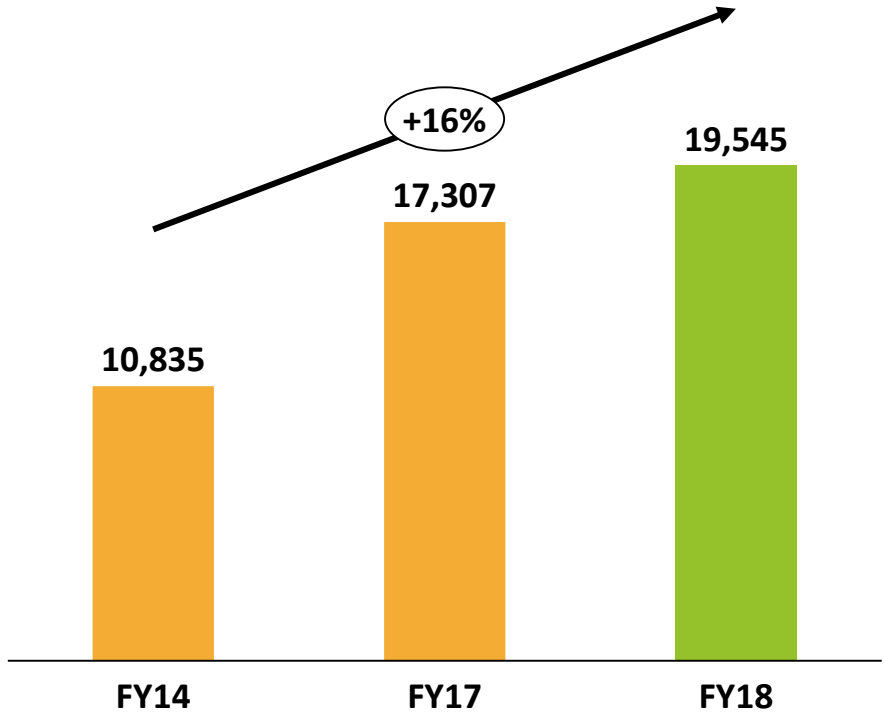
Financial Highlights



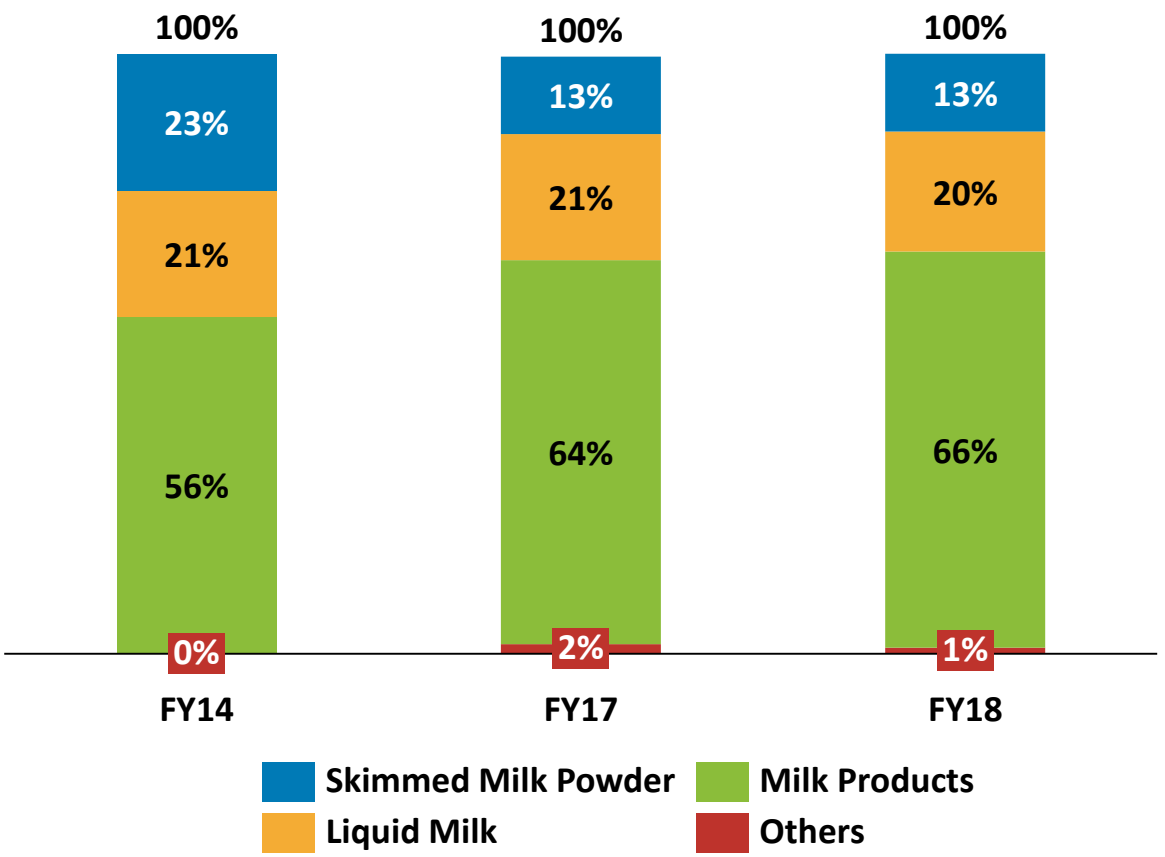
Consolidated Revenue Highlights – FY18



Revenue (Rs. Mn)

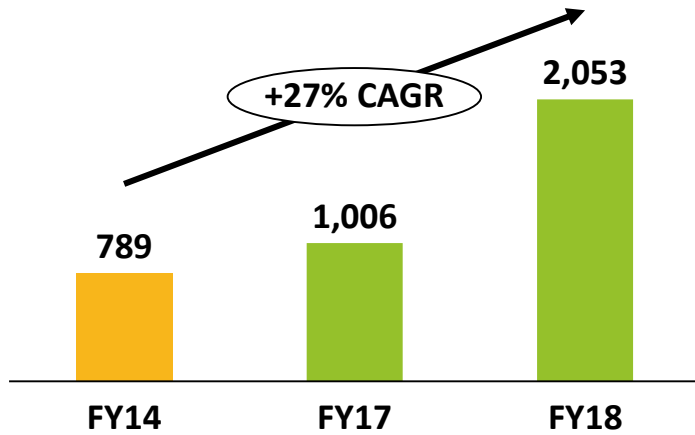


Category wise Share

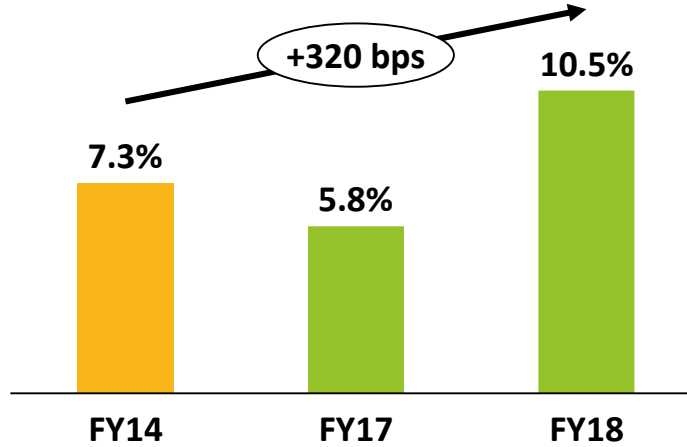


Consolidated Profitability & Returns

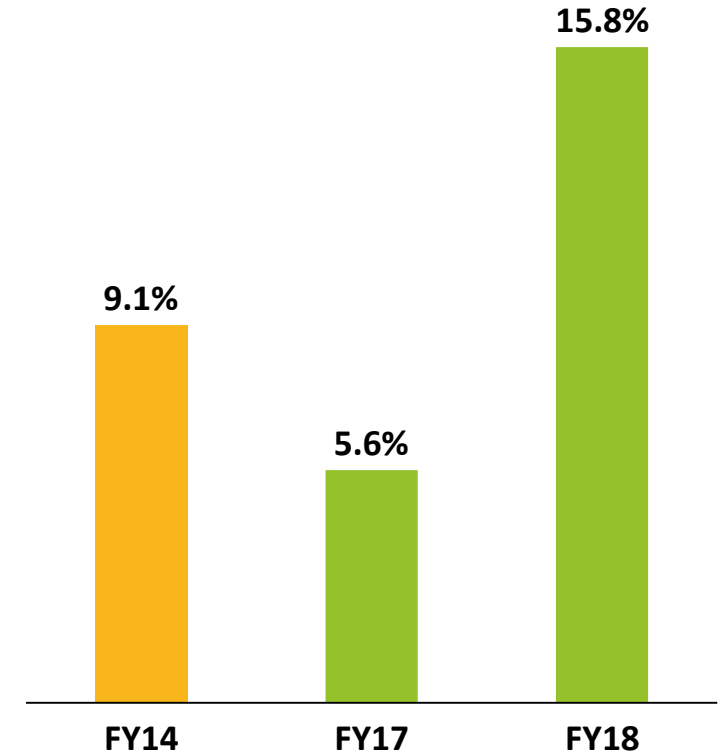
EBITDA (Rs. Mn)*



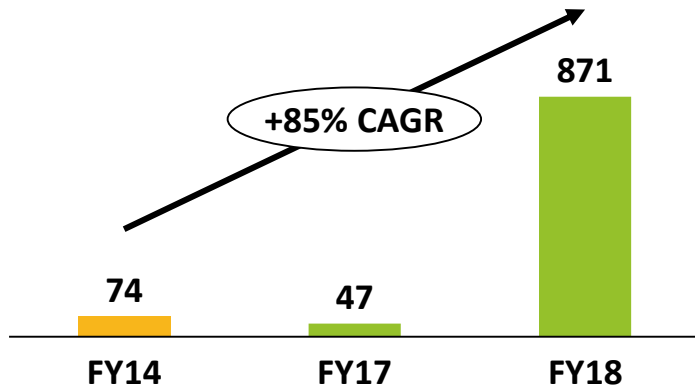
EBITDA Margin (%)*



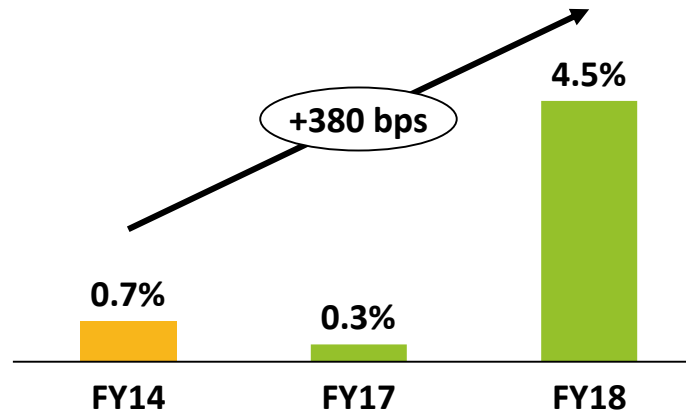
ROCE (%)



PAT (Rs. Mn)



PAT Margin (%)

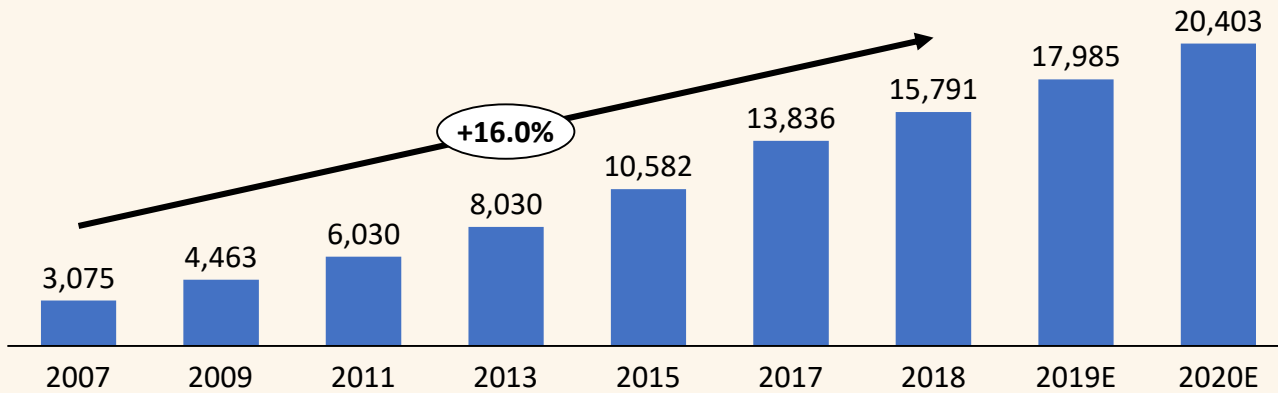


* Includes Other Income

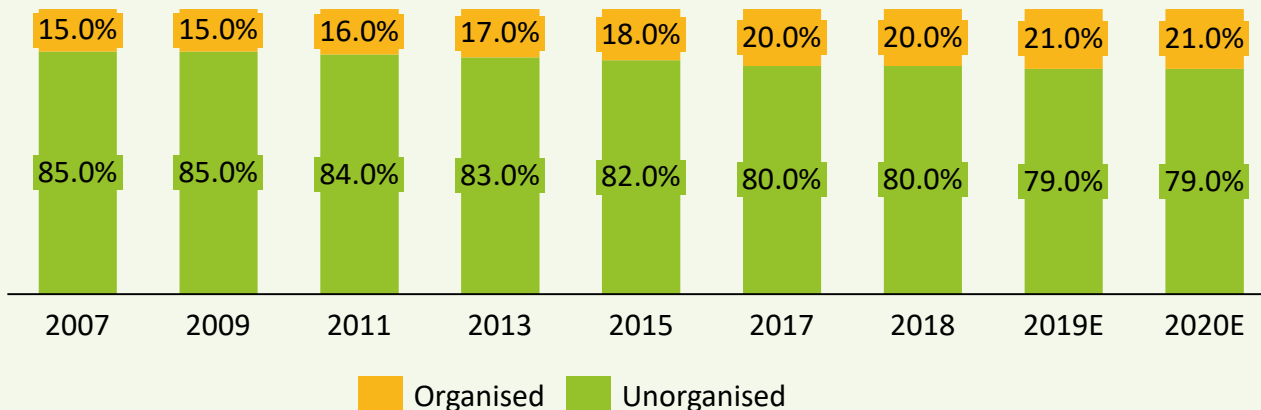
Annexures

Ghee Market (Butter Oil/Cooking Oil/Clarified Butter)

India's Ghee Market Size (in US\$ Million)



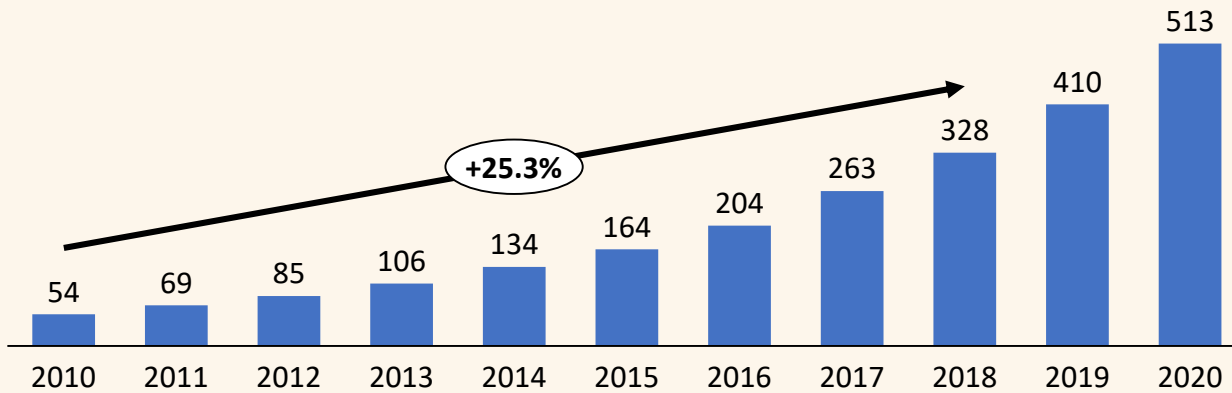
Organized vs Unorganized Sales



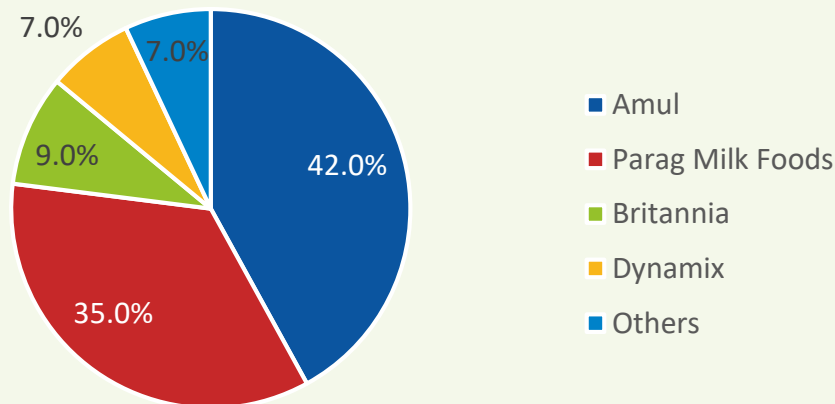
Key Highlights

- Ghee is traditionally used as cooking oil in Indian households
- It is the 2nd largest category in the Indian dairy industry after Liquid Milk
- The organized market is currently 20% of total, and is growing rapidly at a CAGR of 17%
- Parag is present in the “Cow Ghee” category and are not only pioneers of the category but also the most sought after brand in the segment
- The Cow Ghee segment is growing faster than the overall Ghee market and has higher margins

India's Cheese Market Size (in US\$ Million)



Cheese - Value Market Share

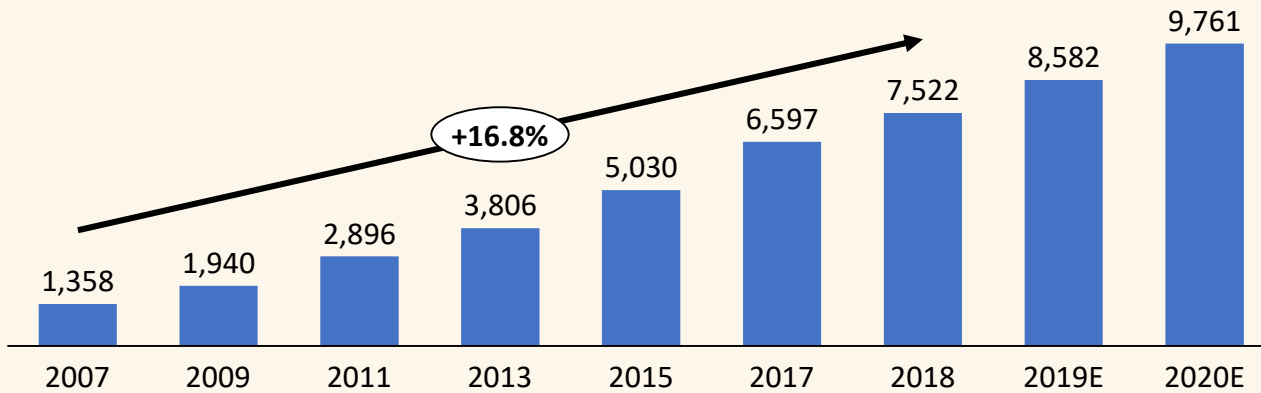


Key Highlights

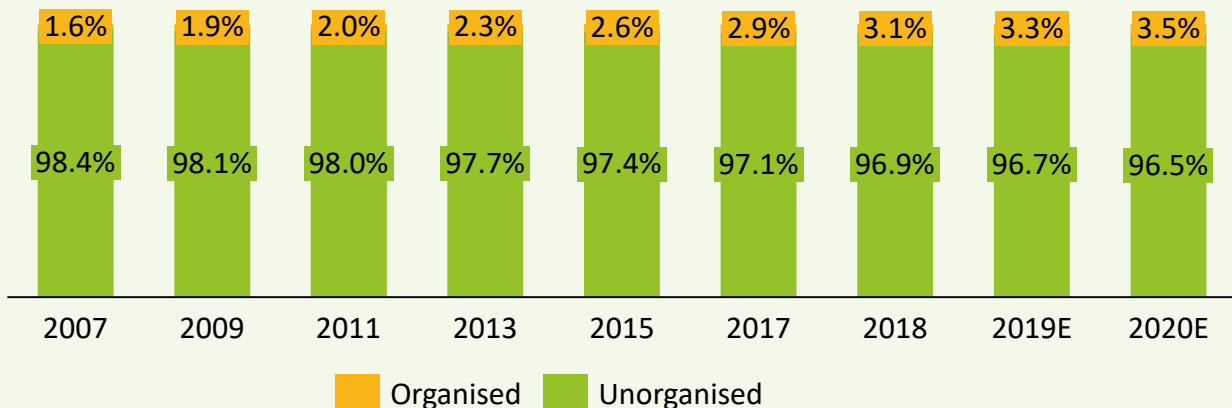
- Cheese is one of the fastest growing segments among dairy products in India
- Rise in food service outlets and changing food habits are major drivers
- Earlier, the cheese market in India was dominated by block cheese, slices and cubes
- Through innovation Parag has achieved a leadership position with a 1/3rd market share
- Parag dominates the Institutional & HoReCa segment
- Maharashtra is the biggest market for cheese consumption, followed by Gujarat, Delhi, Tamil Nadu and Uttar Pradesh

Paneer (Cottage cheese)

India's Paneer Market Size (in US\$ Million)



Organized vs Unorganized Sales

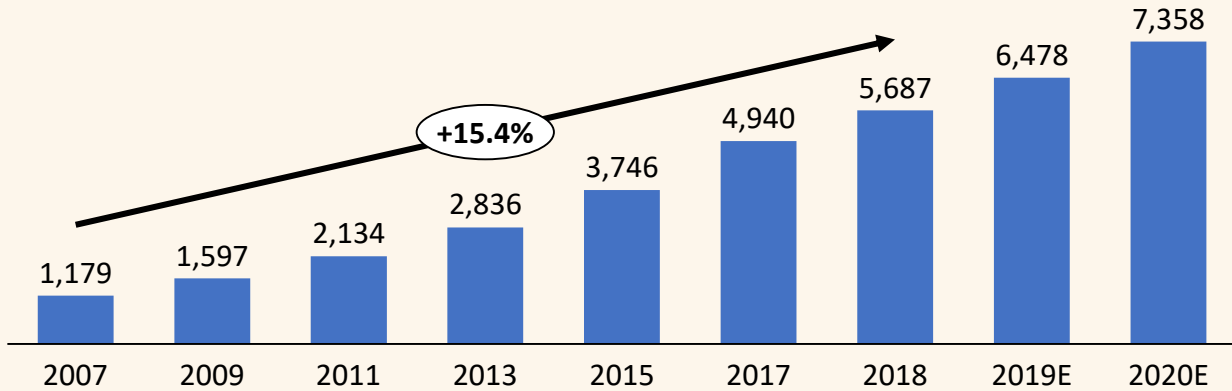


Key Highlights

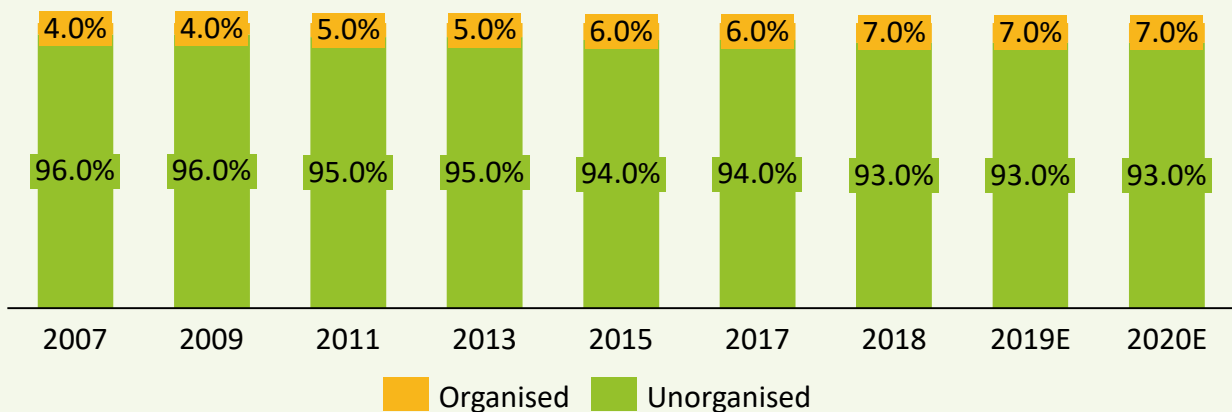
- Paneer is to India what cheese is to the Western world and is an integral part of many Indian recipes
- Paneer is the third largest segment in the milk products category
- Paneer is consumed like vegetables in Indian households and therefore purchased fresh on a daily basis
- With innovation in manufacturing & packaging, Parag has created a long-shelf life Fresh Paneer made from 100% cow milk
- Due to hygiene and consistency in taste, the trend towards branded packaged paneer is gaining momentum

Curd (Dahi)

India's Curd Market Size (in US\$ Million)



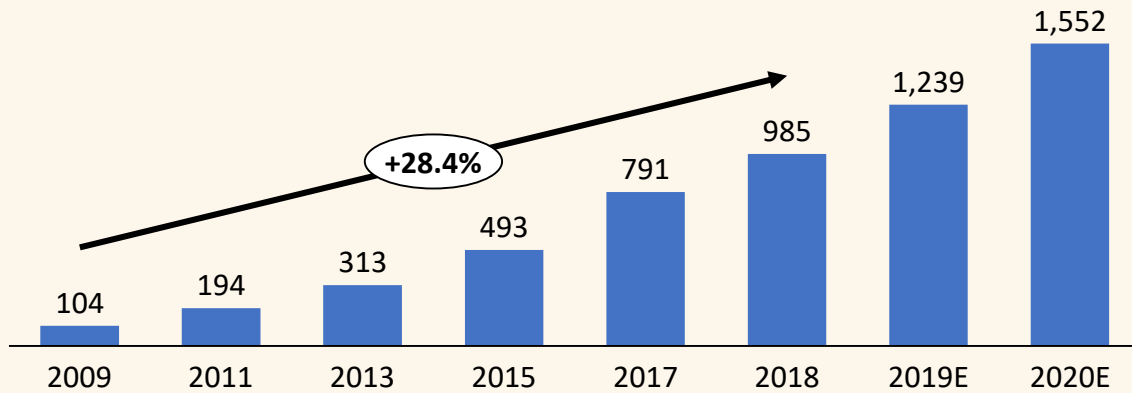
Organized vs Unorganized Sales



Key Highlights

- Curd industry has transformed from being a product that was traditionally made at home to a branded & packaged product
- The organized curd market is growing rapidly at a CAGR of 20%+ with even higher growth in metros
- With a distinctive home-made recipe and made of pure Cow milk, our curd is well-positioned to dominate this category in major markets
- Parag has significant presence in major metros like Mumbai, Pune, Nagpur, Hyderabad, Bangalore & Chennai and is now expanding into Delhi NCR and nearby markets of North & East

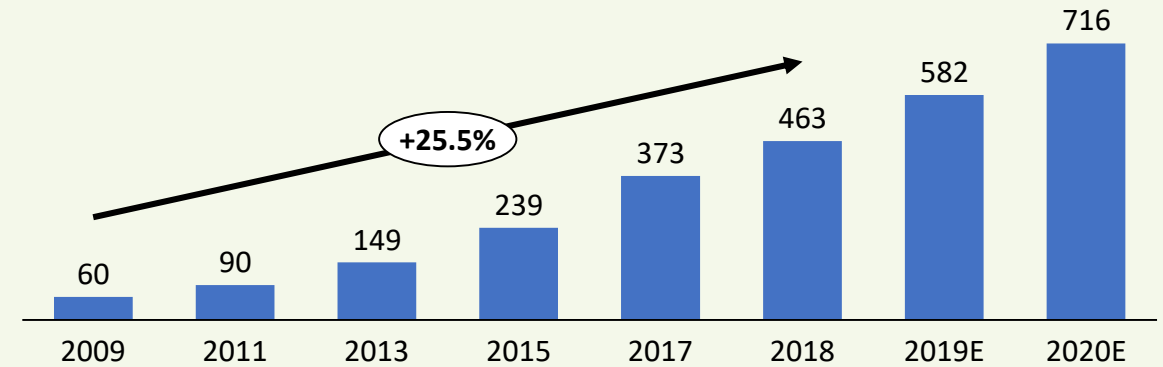
India's UHT Market Size (in US\$ Million)



Key Highlights

- In 2014, the UHT milk market accounted for less than 1% of the total milk market and ~5% of the organized milk market
- However, with benefits like safety, convenience and longer shelf life, usage of UHT milk is increasing at a fast pace in major metros
- Milk deficit areas are switching from milk powders to UHT milk
- Parag has established itself as a the largest private player in this segment

India's Flavoured Milk Beverages Market Size (US\$ Million)



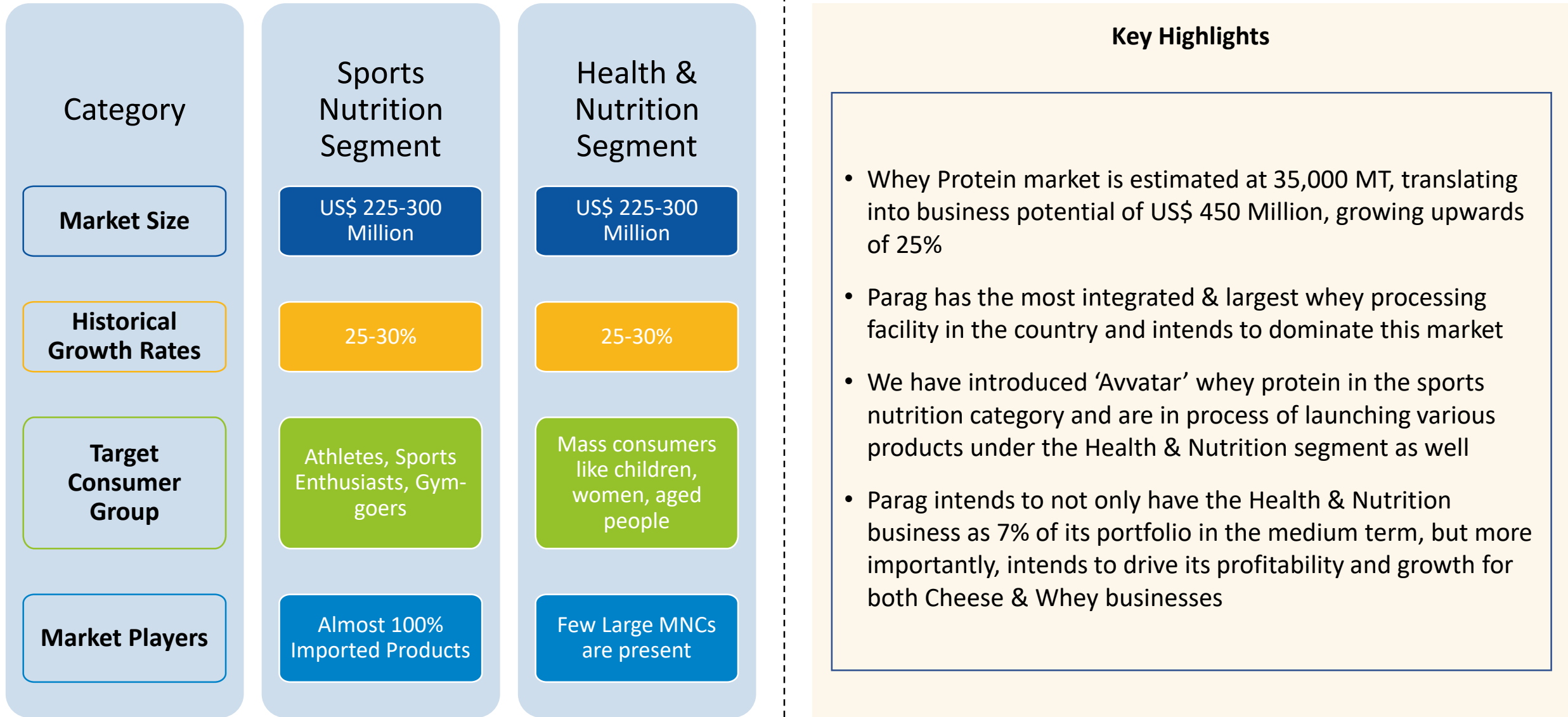
Key Highlights

- Flavoured milk represents one of the fastest growing segments in the Indian dairy market due to:
 - Indian consumers slowly substituting carbonated soft drinks with healthier options
 - Advent of single serve, re-sealable bottles and tetra packs which has made milk convenient for use and easier to distribute

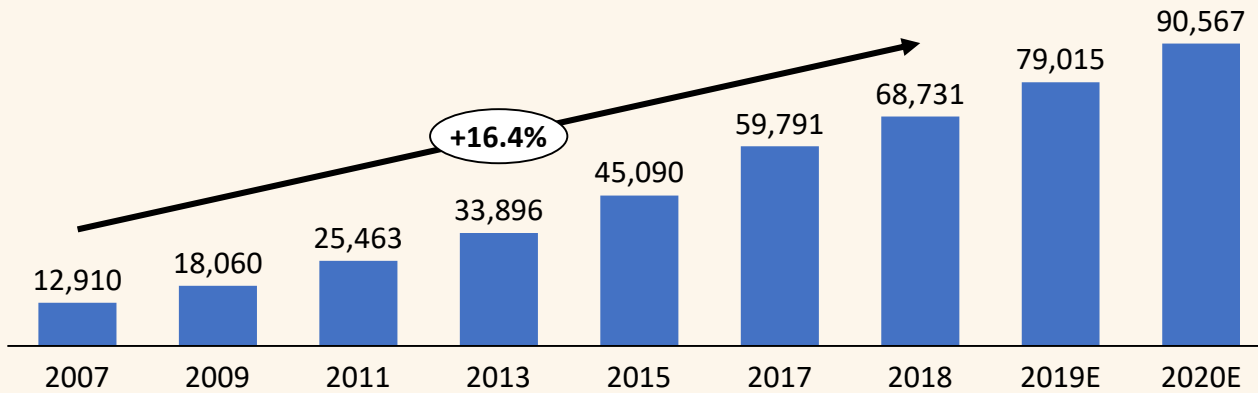
Whey Protein



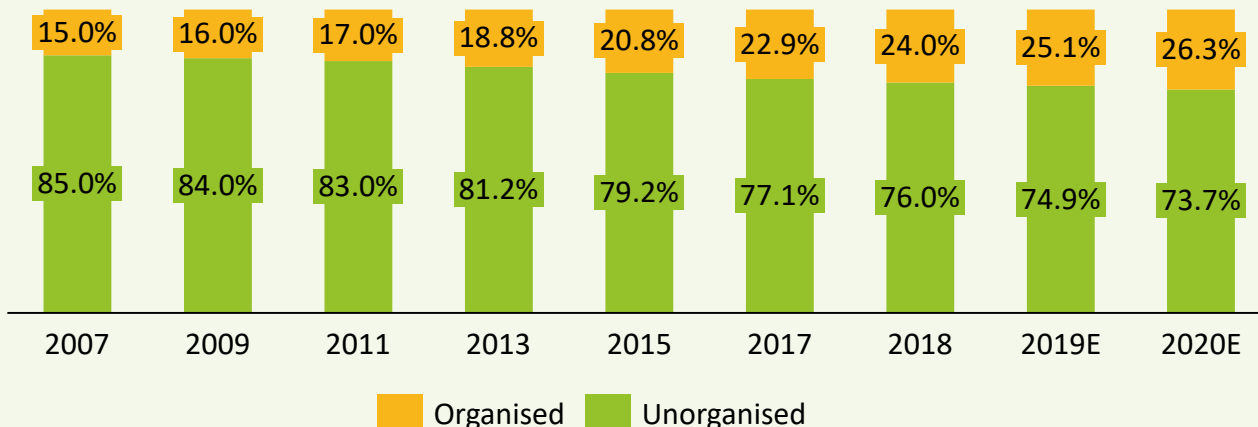
Ideas for a new day



India's Liquid Milk Market Size (in US\$ Million)



Organized vs Unorganized Sales



Key Highlights

- A majority (77%) of the milk sold in India is unorganized and in the form of loose milk sold by milkmen
- The organized sector in liquid milk is highly fragmented with several regional players and co-operatives
- Consumers are shifting from loose liquid milk to branded packaged milk due to safety and quality concerns
- The organized liquid milk market is growing faster than the unorganized market
- Parag has a strong presence in urban parts of West and South India and is currently the largest private player in Mumbai



Ideas for a new day

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