

---

# XYZ Limited

## Financial Results – Q2FY18

XX November, 2017

Stock Code:

BSE: XXX

NSE : ZZZ

Quarterly Presentation

# Vision & Mission

---

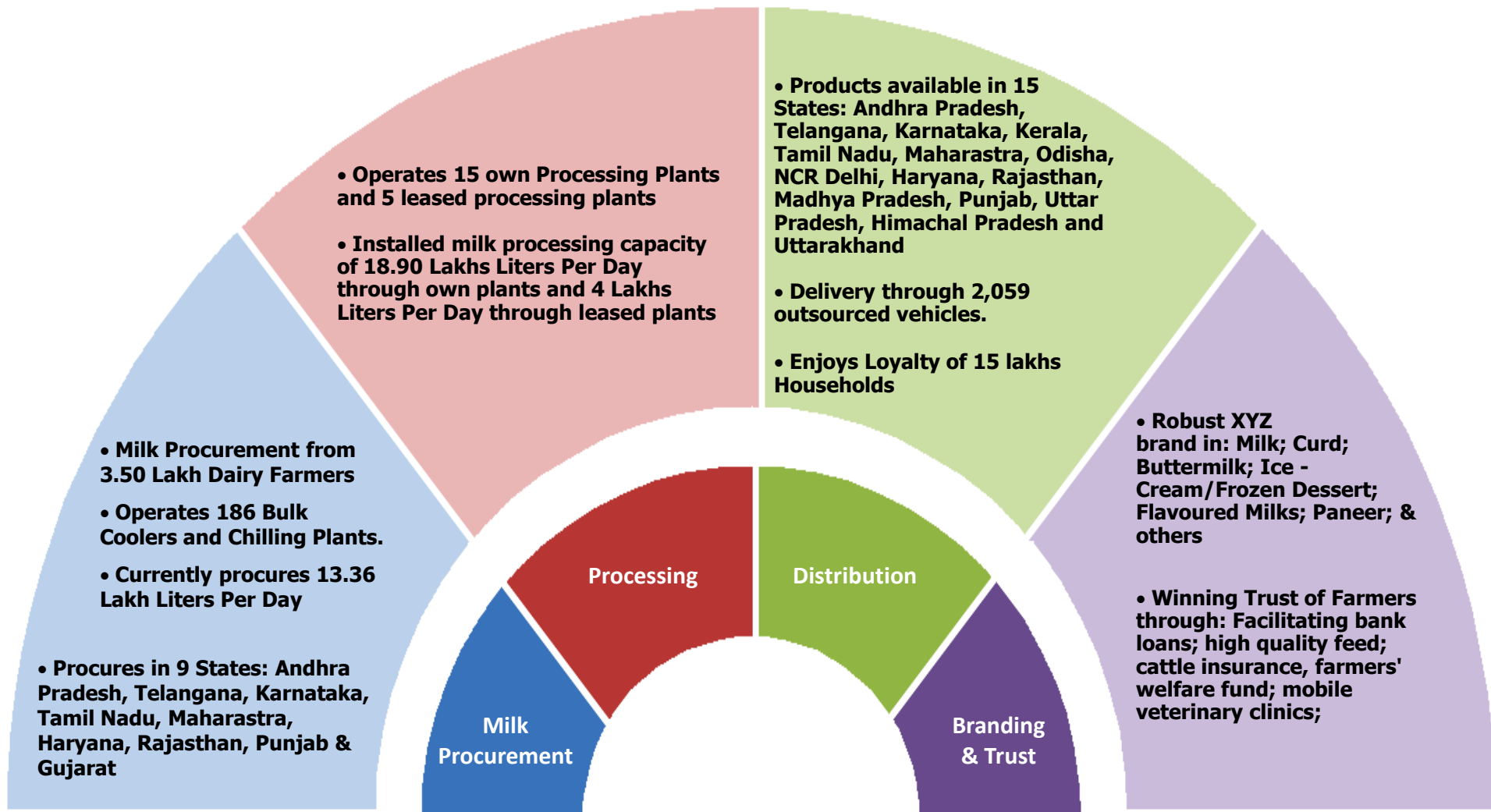
## Vision

- Delighting every home with Fresh & Healthy products and empowering the Farmer

## Mission

- To be a nationally recognized brand for Healthy and Fresh products with a revenue of INR 6000 Crore.(USD 1 Billion) by 2022
- We anticipate, understand and respond to our Customers' needs by creating high quality products and making them available through innovative and convenient channels
- We embrace the right technology to delight our Customers
- We are a strong supporter of balancing Economic, Social and Environmental aspects to create a better tomorrow
- We are devoted to empowering the Farmer community through our unique 'Relationship Farming' Model
- We aim to be the Employer of Choice by nurturing Entrepreneurship and Promoting Empowerment, alongside transparency

# Integrated B to C Business - Strong Relationships with Dairy Farmers and Consumers



# XYZ Ltd bags the Golden Peacock Award for Excellence in Corporate Governance for the year 2017...



XYZ Limited, for the second time has received the '**Golden Peacock Award for Excellence in Corporate Governance**' for the year 2017, by the Awards Jury under the Chairmanship of Justice Dr. IJK, former Judge, Supreme Court of India.

The above award was received by Smt. ABC, Vice Chairperson & Managing Director of the Company at a specially organized '*Golden Peacock Award Presentation Ceremony*', held on *Wednesday, 24th October 2017, at 1900 hrs, at Millennium Hotel London Mayfair, 44 Grosvenor Square, London W1K 2HP, UK*, in the presence of distinguished gathering of business leader during *IOD India's "17<sup>th</sup> London Global Convention on Corporate Governance & Sustainability" and Global Business Meet*. The award has been organized by Institute of Directors, India in partnership with The Institute of Company Secretaries of India(ICSI), New Delhi.

# Q2FY18 Key Highlights



## Turnover

- ✓ Total Turnover growth by 32 % at Rs 6,080 mn.
- ✓ Dairy Revenue is higher by 32 % at Rs 6,080 mn.
- ✓ Branded Value Added Products in Dairy surged forward by 23 % at Rs 1,220 mn.
- ✓ Branded Value Added products contribution in Dairy is at 20 %

## EBITDA

- ✓ Dairy EBITDA is at Rs 220 mn.

## Employee Strength

- ✓ Dairy Employee Strength is 2,521.

## Q2FY18 Key metrics - Dairy



	Q2FY18	Q2FY17	Growth %
Liquid Milk Sales (llpd)	10.92	8.92	22.42 %
Liquid Milk Price Real. (Rs/l)	38.81	37.17	4.41 %
Milk Procurement (llpd)	13.36	10.28	29.96 %
Milk Procurement Price (Rs/l)	33.83	31.67	6.82 %
Branded Value Added Products Sales (Rs mn)	1220	991	23.11 %
No. of Parlours	1279	1574	

llpd: lakh liters per day

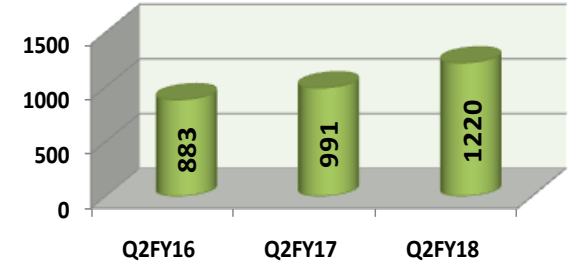
# Q2FY18 Key metrics - Dairy (Branded Value Added Products)



## Branded Value Added Products

Year	Sales(Rs. in mn)
Q2FY18	1220
Q2FY17	991
Q2FY16	883

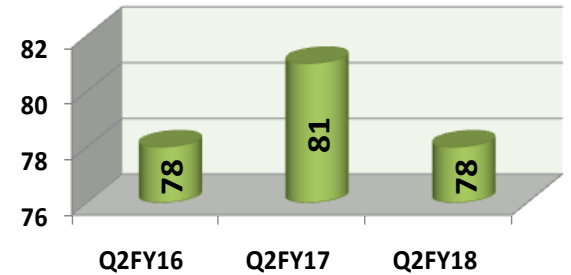
Branded Value Added Products Sales(Rs. in mn)



## Packaged Curd Sales

Year	As % of Branded Value Added Products
Q2FY18	78
Q2FY17	81
Q2FY16	78

Packaged Curd Sales as % of Branded Value Added Products



## Q2FY18 Key Highlights - Dairy



- **32 % growth in Turnover to Rs 6080 mn**
- **22 % growth in Milk volume Sales to 10.92 LLPD (Lakh Liters Per Day)**
- **23 % growth achieved in Branded Value Added Products Sales**
- **19 % growth in Packaged Curd sales (accounts for approx. 78 % of Branded Value Added Products Sales)**
- **30 % growth in Milk Procurement to 13.36 LLPD (Lakh Liters Per Day)**
- **EBITDA of Rs 220 mn (EBITDA margin of 3.62 %) as against Rs 364 mn (EBITDA margin of 7.87 %) in Q2FY17**
- **Dairy Parlors as on 30.9.2017 are 1279 Nos.**
- **Export Turnover during Q2FY18 of Rs 27.03 mn**
- **Capital Employed for Dairy Rs 761 mn**



## Q2FY18 Key Highlights – Renewable Energy



- The Company has commissioned its 3<sup>rd</sup> Wind Power Plant 2.1MW capacity at Beluguppa, Ananthapur Dist, A.P adding to it existing 4.20MW Wind Power capacity thereby significantly increasing its Renewable Energy Capacity to 10.3MW including 2.4MW Solar Power, 1.66MW Distributed Solar power in the states of Andhra Pradesh, Telangana, Maharashtra, Tamil Nadu and Karnataka for the captive consumption of its Dairy plants.
- Commissioned Distributed Captive Solar Power Plants at its 6 various locations/plants namely, (1) Bobbili packing Station (Andhra Pradesh), (2) Battiprolu packing Station (Andhra Pradesh), (3) Kallur packing Station (Telangana), (3) Sangavi packing Station (Maharashtra), (5) Vada Madurai packing Station (Tamil Nadu) and (6) Bangalore packing Station (Karnataka) with total capacity of 1.66MW with key objective to optimize energy mix by use of clean & Green sources (Renewable) Energy sources to reduce carbon emissions and to secure energy at low cost.
- Turnover in Q2FY18 was Rs 21.50 mn.

# Q2FY18 Financial Results



## STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2017

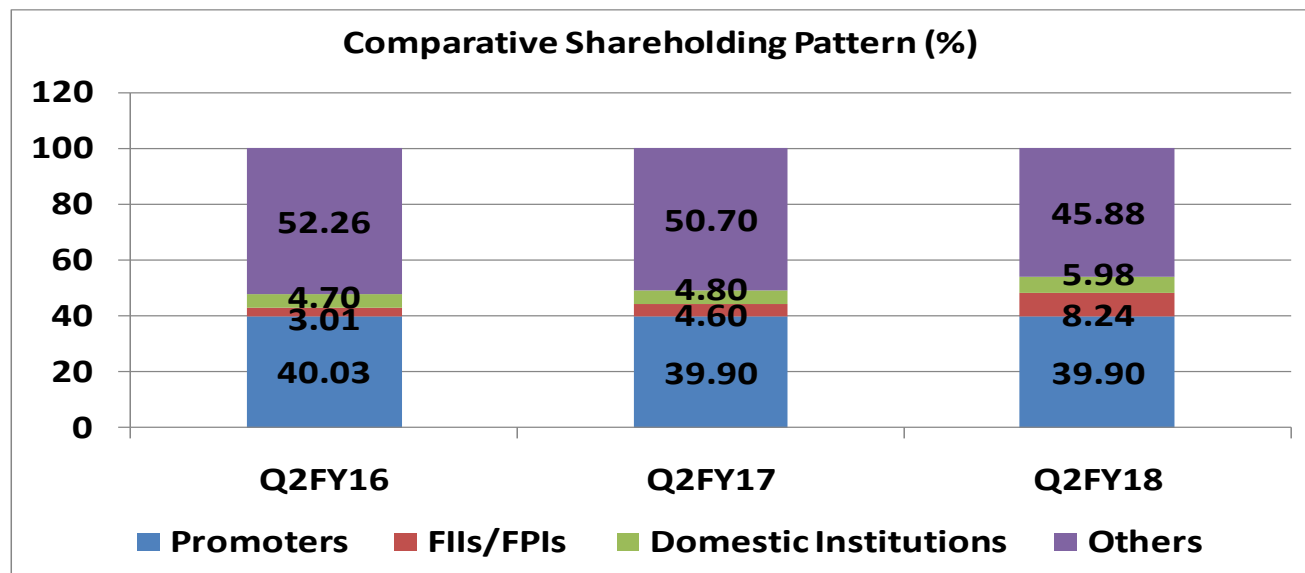
(Rs. In lakhs)

Particulars	STANDALONE					
	Quarter Ended			Six Months Ended		Year Ended
	30.09.2017 (Unaudited)	30.06.2017 (Unaudited)	30.09.2016 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	31.03.2017 (Unaudited)
<b>1. REVENUE :</b>						
a. Revenue from operations	60,800.73	60,937.15	45,383.05	121,737.88	90,653.35	183,383.94
b. Revenue on transaction with discontinued operations	-	-	842.11	-	1,661.30	3,759.63
c. Other income	163.39	137.15	77.42	300.54	135.73	360.68
<b>Total Revenue</b>	<b>60,964.12</b>	<b>61,074.30</b>	<b>46,302.58</b>	<b>122,038.42</b>	<b>92,450.38</b>	<b>187,504.25</b>
<b>2. EXPENSES :</b>						
a. Cost of materials consumed	45,773.38	44,728.68	32,490.04	90,502.06	64,438.63	135,056.02
b. Excise duty on sale of goods	-	33.26	16.55	33.26	49.68	87.23
c. Purchase transactions with discontinued operations	-	-	957.29	-	1,782.73	3,913.54
d. Purchases of stock in trade	2,200.09	6,805.44	281.09	9,005.53	514.18	3,053.10
e. Changes in inventories of finished goods, stock-in-trade and work in progress	1,882.80	(1,915.76)	2,175.74	(32.95)	4,720.28	3,342.25
f. Power and fuel	712.85	712.59	652.31	1,425.44	1,355.41	2,607.51
g. Employee benefits expenses	3,024.56	3,058.47	2,389.50	6,083.03	4,759.84	9,791.22
h. Finance costs	378.23	380.38	166.44	758.61	365.19	963.24
i. Depreciation and amortization expenses	903.26	851.84	620.60	1,755.09	1,205.53	2,487.06
j. Impairment losses	-	-	-	-	2.29	84.88
k. Other expenses	4,976.19	5,113.89	3,578.97	10,090.09	7,030.35	14,612.97
<b>Total expenses</b>	<b>59,851.36</b>	<b>59,768.79</b>	<b>43,328.54</b>	<b>119,620.16</b>	<b>86,224.11</b>	<b>175,999.02</b>
<b>3. Profit before share of (loss) of an associate and exceptional items from continuing operations (1-2)</b>	<b>1,112.76</b>	<b>1,305.51</b>	<b>2,974.04</b>	<b>2,418.26</b>	<b>6,226.27</b>	<b>11,505.23</b>
4. Share of (loss) of an associate	-	-	-	-	-	-
5. Profit/(loss) before tax and exceptional items from continuing operations (3-4)	<b>1,112.76</b>	<b>1,305.51</b>	<b>2,974.04</b>	<b>2,418.26</b>	<b>6,226.27</b>	<b>11,505.23</b>
6. Exceptional Items	-	-	-	-	-	-
<b>7. Profit before tax from continuing operations (5-6)</b>	<b>1,112.76</b>	<b>1,305.51</b>	<b>2,974.04</b>	<b>2,418.26</b>	<b>6,226.27</b>	<b>11,505.23</b>
<b>8. Tax expense:</b>						
a. Current Tax	-	-	480.00	-	1,476.00	2,707.50
b. Prior period tax	-	-	(536.00)	-	(107.43)	(107.43)
c. Deferred Tax	(51.85)	61.03	177.87	9.17	141.72	473.66
<b>9. Profit for the period from continuing operations (7-8)</b>	<b>887.61</b>	<b>764.48</b>	<b>2,367.71</b>	<b>1,652.09</b>	<b>4,715.98</b>	<b>8,431.50</b>
<b>10. Discontinued operations :</b>						
a. Profit/(loss) before tax for the period from discontinued operations	-	-	(747.69)	-	(1,498.47)	(1,772.30)
b. Tax (Income)/ expense of discontinued operations	-	-	45.10	-	(6.78)	(17.57)
<b>Profit/(loss) for the period after tax from discontinued operations (a-b)</b>	<b>-</b>	<b>-</b>	<b>(702.59)</b>	<b>-</b>	<b>(1,491.69)</b>	<b>(1,754.73)</b>
<b>11. Profit for the period (9+10)</b>	<b>887.61</b>	<b>764.48</b>	<b>1,574.92</b>	<b>1,652.09</b>	<b>3,224.29</b>	<b>6,676.77</b>
<b>12. Other Comprehensive Income :</b>						
<b>A Items that will be reclassified to profit or loss</b>						
Re-measurement gains (losses) on defined benefit plans	-	-	-	-	-	7.17
Income tax effect	-	-	-	-	-	(2.48)
Net (loss)/gain on FVTOCI equity securities	7,010.74	5,459.07	0.23	12,469.81	0.39	29,056.10
Income tax effect	-	-	-	-	-	-
<b>Total (B)</b>	<b>7,010.74</b>	<b>5,459.07</b>	<b>0.23</b>	<b>12,469.81</b>	<b>0.39</b>	<b>29,060.79</b>
<b>13. Total Comprehensive Income for the period (11+12)</b>	<b>7,898.35</b>	<b>6,223.55</b>	<b>1,575.15</b>	<b>14,121.90</b>	<b>3,224.68</b>	<b>35,737.56</b>
<b>14. Profit for the period from continuing operation attributable to:</b>						
Owners of the parent	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	-
<b>15. Profit for the period from discontinued operation attributable to:</b>						
Owners of the parent	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	-
<b>16. Total Profit for the period attributable to :</b>						
Owners of the parent	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	-
<b>17. Other Comprehensive Income attributable to :</b>						
Owners of the parent	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	-
<b>18. Total comprehensive income for the period attributable to:</b>						
Owners of the parent	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	-
<b>19. Paid up Equity Share Capital (face value of Rs./-each)</b>	<b>2,319.90</b>	<b>2,319.90</b>	<b>2,319.90</b>	<b>2,319.90</b>	<b>2,319.90</b>	<b>2,319.90</b>
<b>20. Earnings per equity share of Rs.5/- each for continuing operations</b>						
1) Basic (Not annualised)	1.91	1.65	5.10	3.56	10.16	18.17
2) Diluted (Not annualised)	1.91	1.65	5.10	3.56	10.16	18.17
<b>21. Earnings per equity share of Rs.5/- each for discontinued operations</b>						
1) Basic (Not annualised)	-	-	(1.71)	-	(3.21)	(3.78)
2) Diluted (Not annualised)	-	-	(1.71)	-	(3.21)	(3.78)
<b>22. Earnings per equity share of Rs.5/- each for discontinued and continuing operations</b>						
1) Basic (Not annualised)	1.91	1.65	3.39	3.56	6.95	14.39
2) Diluted (Not annualised)	1.91	1.65	3.39	3.56	6.95	14.39

# Q2FY18 Shareholding Pattern



As on September, 2017	shares held	% holding
Promoters	9,256,596	39.90
FPIs / FIIs	1,910,661	8.24
Domestic Institutions	1,388,400	5.98
Others	10,643,343	45.88
<b>Total</b>	<b>23,199,000</b>	<b>100</b>



# Q2FY18 Dairy - Spread of Operations

Widest regional footprint in India among privately held dairy companies. Spread across 15 states:



Andhra Pradesh

Kerala

Madhya Pradesh

Telangana

Maharashtra

Punjab

Karnataka

Himachal Pradesh

Uttar Pradesh

Tamil Nadu

Rajasthan

Uttarakhand

Odisha

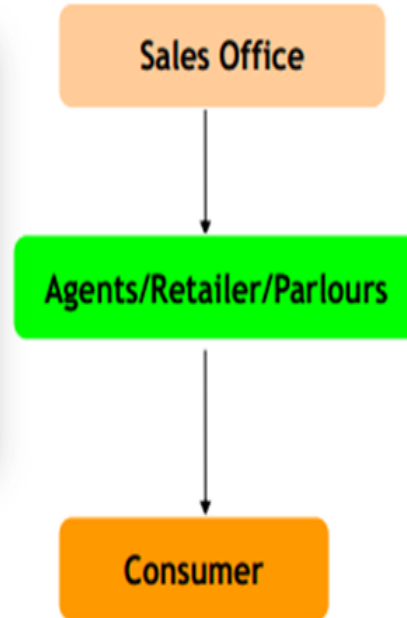
Haryana

NCR Delhi

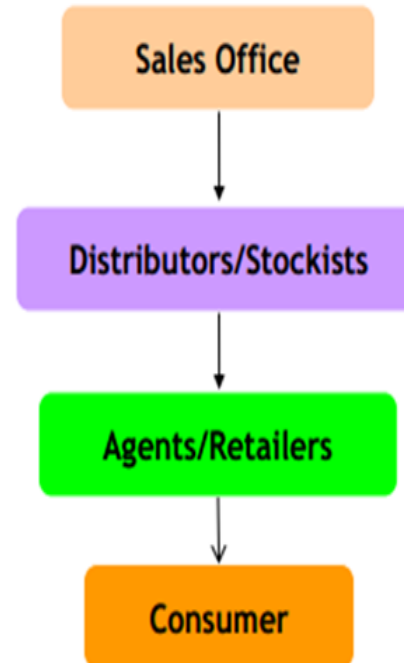
# Q2FY18 Distribution Network Structure



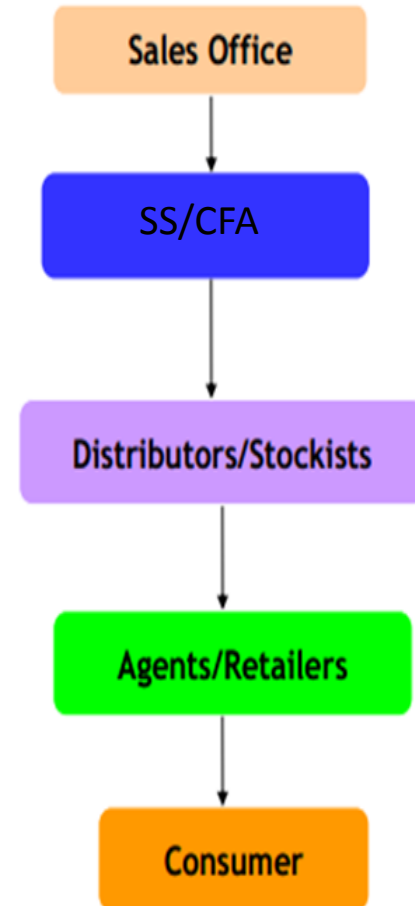
One Level  
86 % sales



Two Level  
11 % sales



Three Level  
3 % sales



# Way Forward



To look for additional capacities in procurement, processing, and packing. Given mandate to E&Y.

To achieve a topline of Rs 6000 crore.

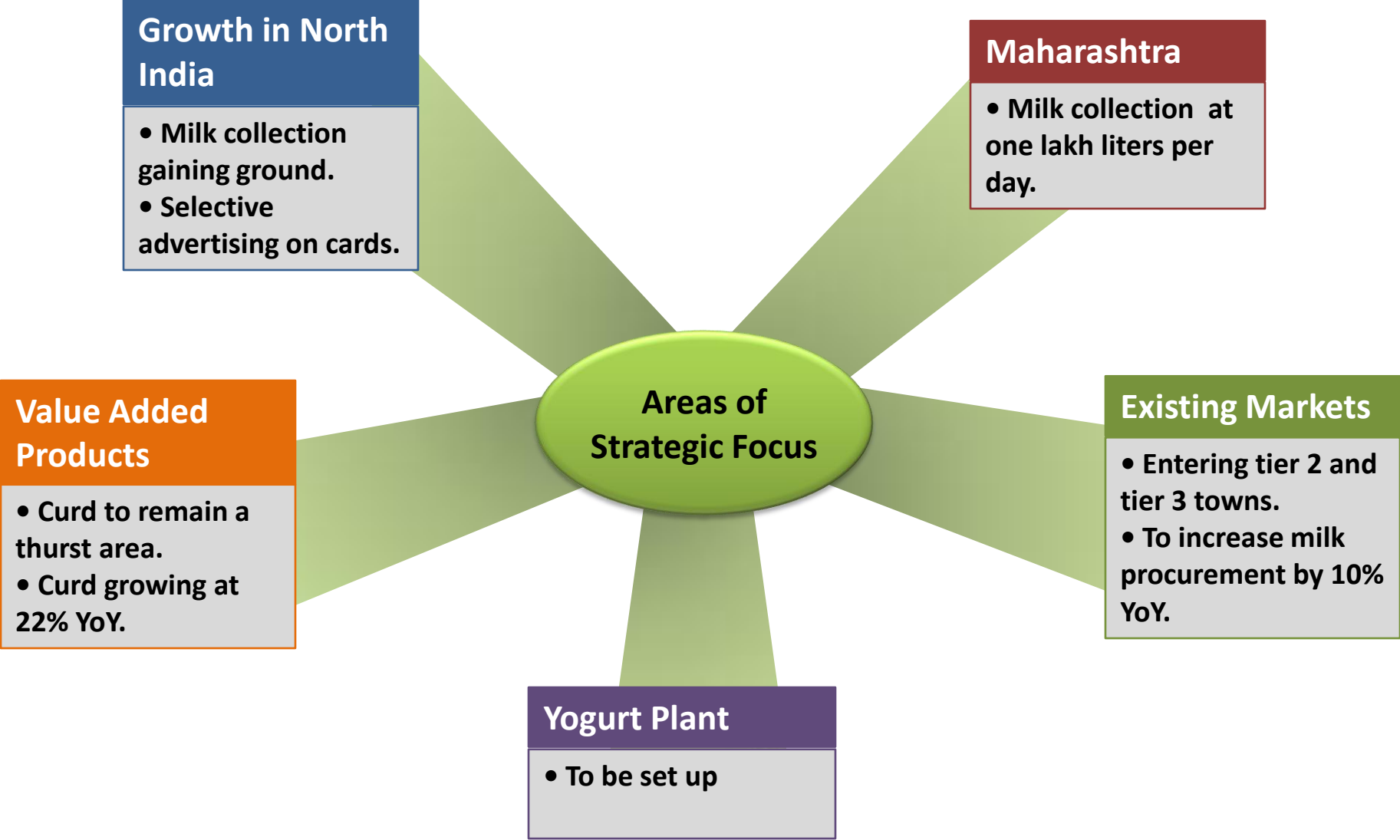
To improve revenue contribution from VAP to 40%.

To set up Yogurt plant in FY18.

To scout for newer VAPs.

To emerge as Pan India player.

# Prime Movers



---

*Thank you*