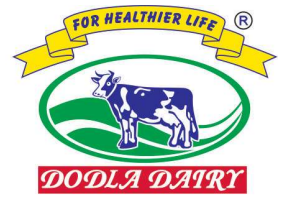


# **DODLA DAIRY LIMITED**

**MILK & MILK PRODUCTS**

Corporate Office : # 8-2-293/82/A, Plot No. 270-Q, Road No. 10C,  
Jubilee Hills, Hyderabad - 500033. Ph : 040-4546 7777 Fax : 040-4546 7788  
E-mail : mail@dodladairy.com



**Date: 21 October 2023**

The General Manager Department of Corporate Services <b>BSE Limited</b> Phiroze Jeejeebhoy Towers Dalai Street, Fort Mumbai-400 001	The Manager Listing Department <b>National Stock Exchanges of India Limited</b> "Exchange Plaza", 5th Floor, Plot No.C/1, G Block Bandra-Kurla Complex Bandra (East), Mumbai 400051.
<b>Scrip Code : 543306</b>	<b>Scrip Code : DODLA</b>

Dear Sir/Madam,

**Sub: Investor Presentation**

Pursuant to the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclosed herewith Investor Presentation on Unaudited Financial Results of the company for the quarter and half year ended 30 September 2023.

The copy of the disclosure is available on the website of the Company i.e. [www.dodladairy.com](http://www.dodladairy.com)

Kindly take the above intimation on record.

Thanking You,  
Yours Faithfully,  
**For Dodla Dairy Limited**

**Surya Prakash M**  
Company Secretary & Compliance Officer

★ An ISO 22000-2005 & 50001 EnMS Certified Company ★



# INVESTOR PRESENTATION

October 2023 | Q2FY24







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Strategic Advantages

# Q2 & H1FY24 Highlights

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“Dodla Dairy continues to prudently invest in the supply chain, thereby delivering consumer delight to its stakeholders. The Company’s revenues grew by 10.4% YoY to INR 7,678 Mn in Q2FY24. Dodla’s Value Added Products (VAP) and Fat & Fat products sales continued to display momentum with 13.1% YoY growth at INR 1,953 Mn owing to deeper distribution channel penetration aided by strong brand recall. The Company’s VAP sales contributed 26.1% to the overall revenues in Q2FY24.

The Company is geared for the upcoming festive season with its robust product portfolio coinciding with peaking of the flush season of 2023-24 along with strong balance sheet. Dodla Dairy continues to weave Sustainability, Innovation and Technology initiatives in its business operations aiming at long-term value creation for its esteemed stakeholders.”

**Mr. Dodla Sunil Reddy**  
Managing Director



# Quarterly Operational Highlights



Average milk sales during Q2FY24 stood flat at **10.9 LLPD** in Q2FY23

▲ 13.1% YoY

Revenue from value added products (VAP) and fat & fat-based products was at **₹1,953 Mn** of the overall dairy revenue during Q2FY24

**17.0**  
LLPD

▲ 18.9% YoY

Average milk procurement during Q2FY24 as compared to **14.3 LLPD** in Q2FY23

**10.9**  
LLPD

**309.3**  
MTPD

▲ 5.8% YoY

Curd sales during Q2FY24 as compared to **292.4 MTPD** in Q2FY23

**26.1%**

NOTE: All numbers above have been rounded-off to one decimal

# Half Yearly Operational Highlights



▲ 2.6% YoY  
Average milk sales during H1FY24 as compared to **10.7 LLPD** in H1FY23

▲ 13.0% YoY  
Revenue from value added products (VAP) and fat & fat-based products was at **₹4,539 Mn** of the overall dairy revenue during H1FY24

**16.4**  
LLPD

▲ 13.1% YoY  
Average milk procurement during H1FY24 as compared to **14.5 LLPD** in H1FY23

**11.0**  
LLPD

**29.2%**

**374.2**  
MTPD

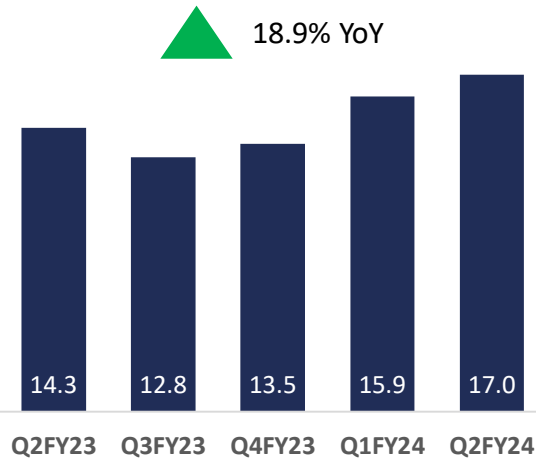
▲ 4.2% YoY  
Curd sales during H1FY24 as compared to **359.0 MTPD** in H1FY23

NOTE: All numbers above have been rounded-off to one decimal

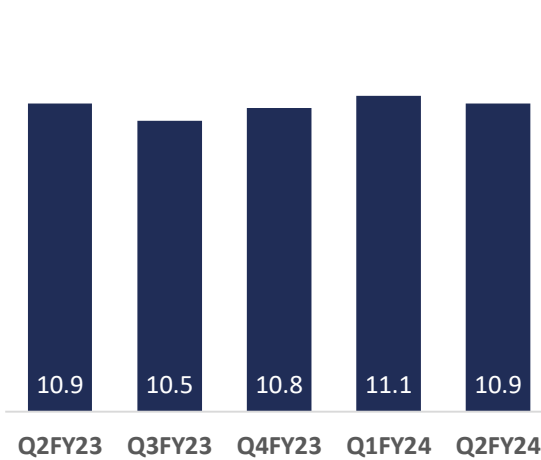
# Quarter-wise Historical Operational Highlights



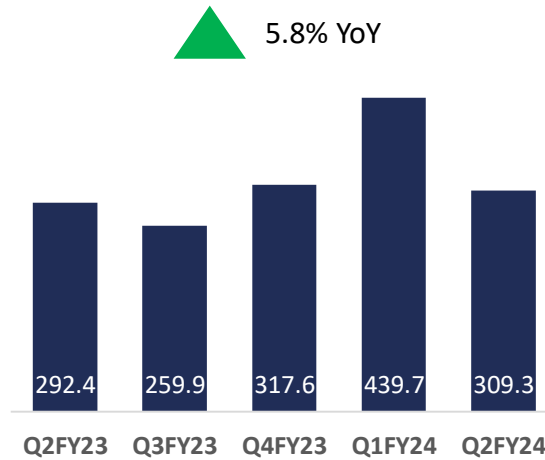
**AVERAGE MILK PROCUREMENT  
(in LLPD)**



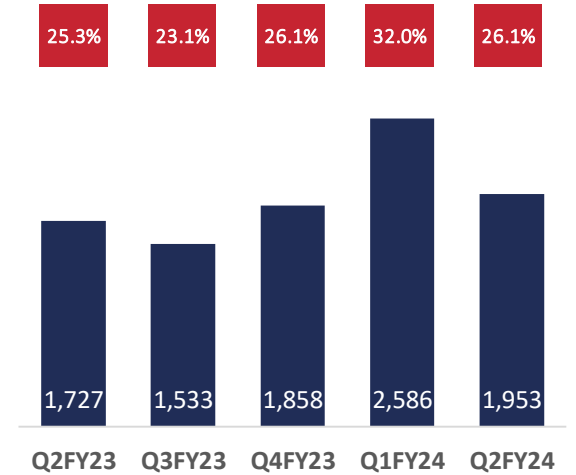
**AVERAGE MILK SALES  
(in LLPD)**



**CURD SALES  
(in MTPD)**



**\*VAP SALES (in INR Mn) and VAP SHARE (in % of TOTAL REVENUES)**



## Key Takeaways

- Average milk procurement during Q2FY24 increased by 18.9% YoY to 17.0 LLPD
- Average curd sales during the quarter grew by 5.8% YoY to 309.3 MTPD

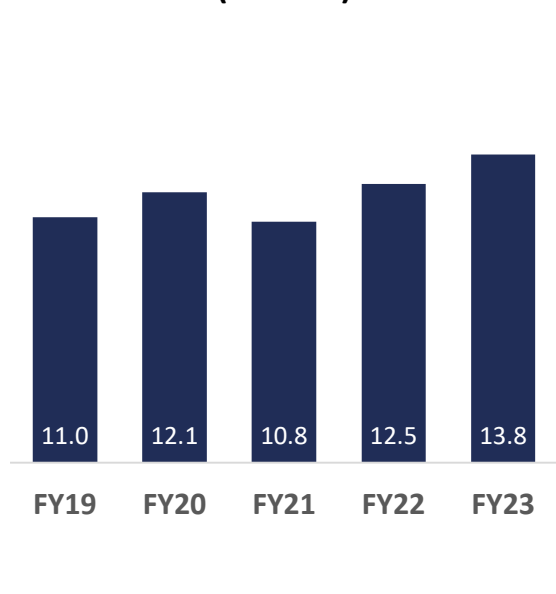




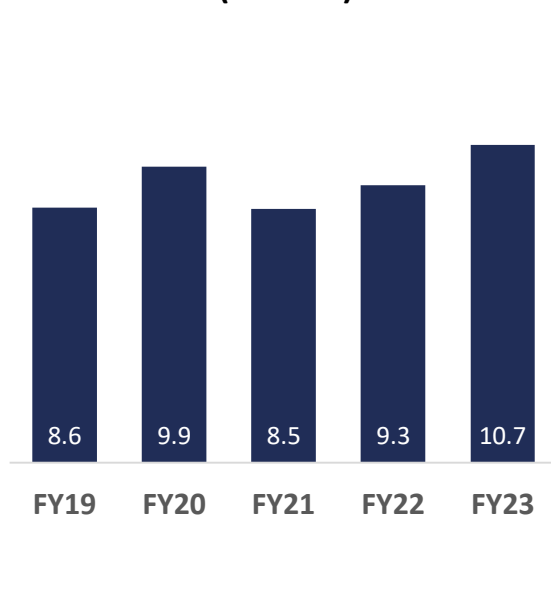
# Year-wise Historical Operational Highlights



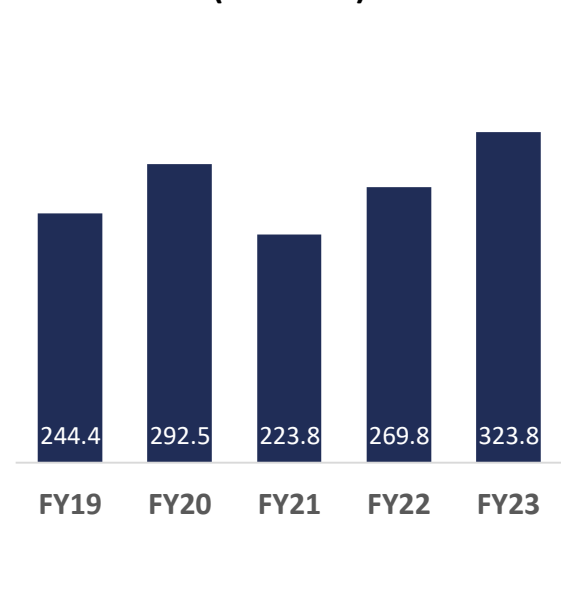
**AVERAGE MILK PROCUREMENT  
(in LLPD)**



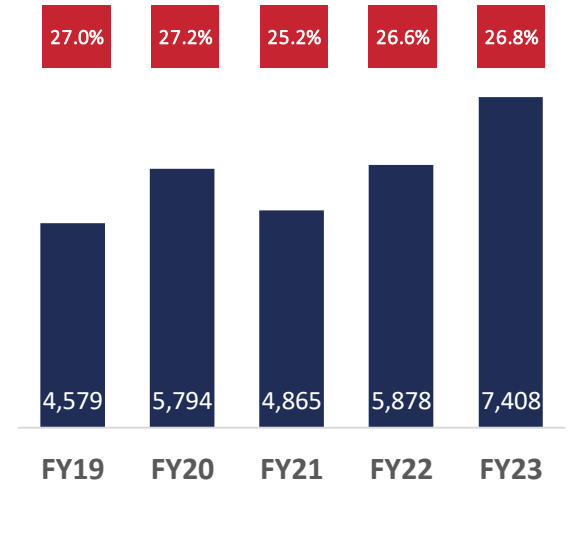
**AVERAGE MILK SALES  
(in LLPD)**



**CURD SALES  
(in MTPD)**



**\*VAP SALES (in INR Mn) and VAP SHARE (in % of TOTAL REVENUES)**



## Key Takeaway

- VAP Sales grew by 12.8% CAGR during FY19-23 period

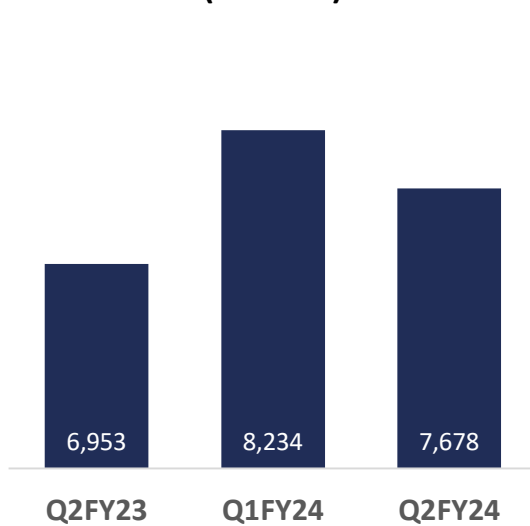


NOTE: All numbers above have been rounded-off to zero decimal excl. percentage. | Percentage have been rounded-off to one decimal | \* Includes Fat & Fat Products Sales

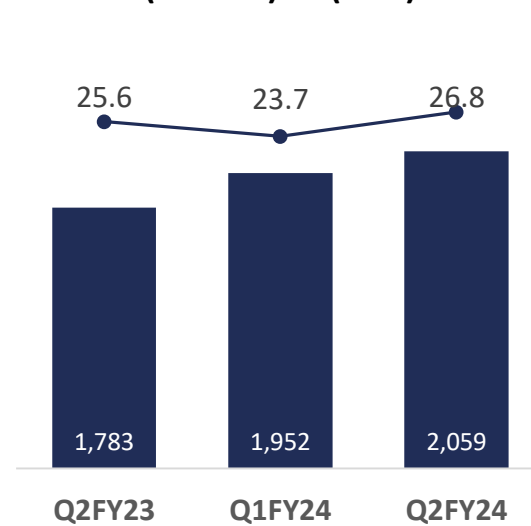
# Key Financial Metrics (Quarterly)



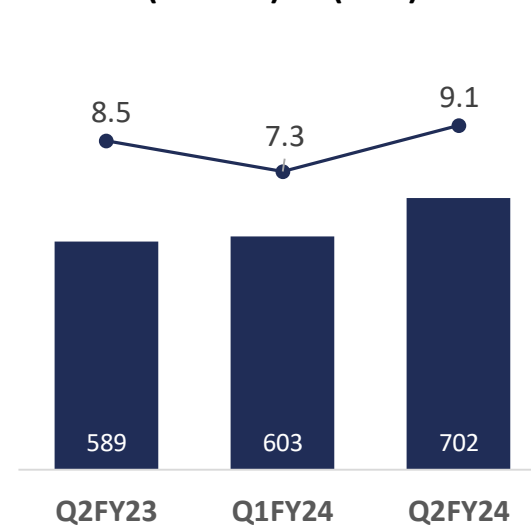
**OPERATING REVENUE**  
(in ₹ Mn)



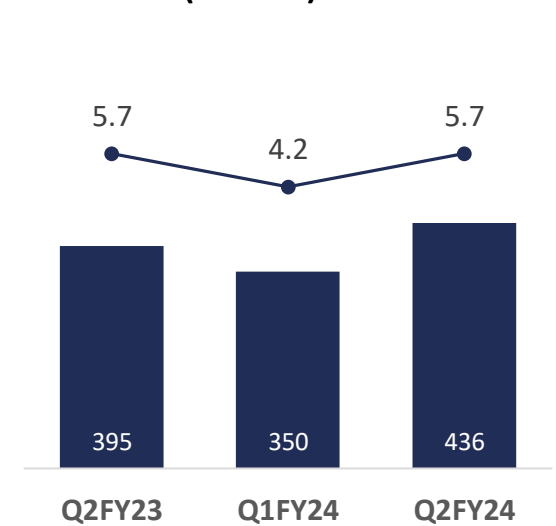
**GROSS PROFIT & GROSS MARGINS**  
(in ₹ Mn) → (in %)



**EBITDA & EBITDA MARGINS**  
(in ₹ Mn) (in %)



**PAT & PAT MARGINS**  
(in ₹ Mn)



## Key Takeaways

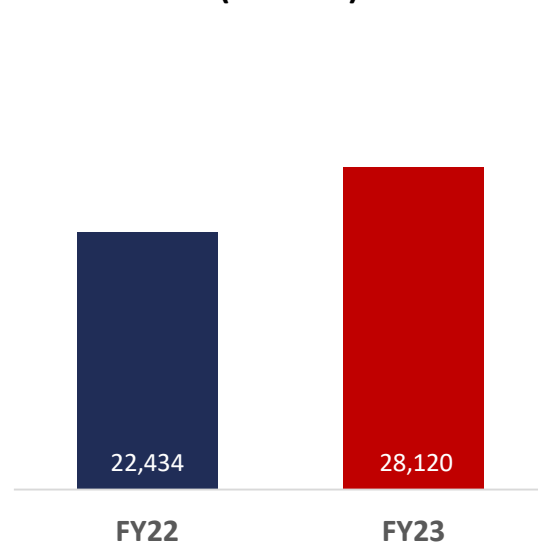
- Strong Y-o-Y increase in quarterly revenue numbers powered by increase in milk volumes and healthy Value-Added Product sales.
- Improvement in margins owing to low raw materials price and decline in other expenses.



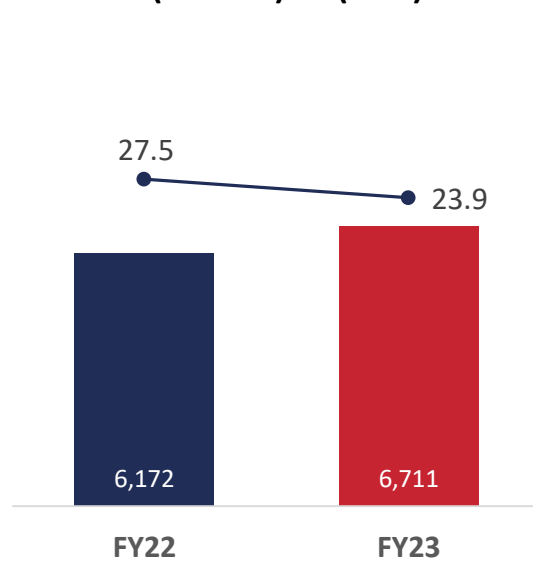
# Key Financial Metrics (Yearly results)



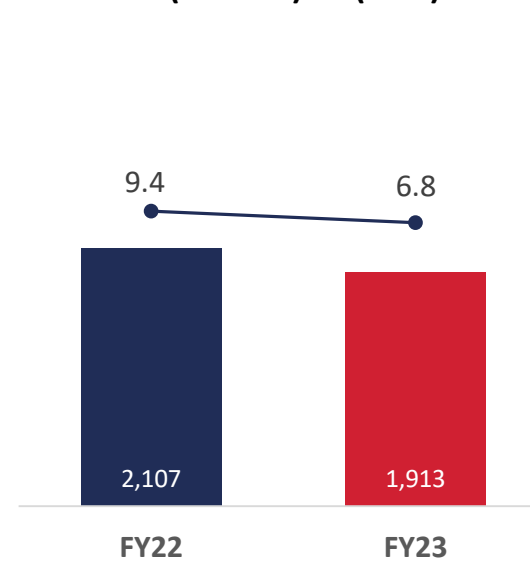
## OPERATING REVENUE (in ₹ Mn)



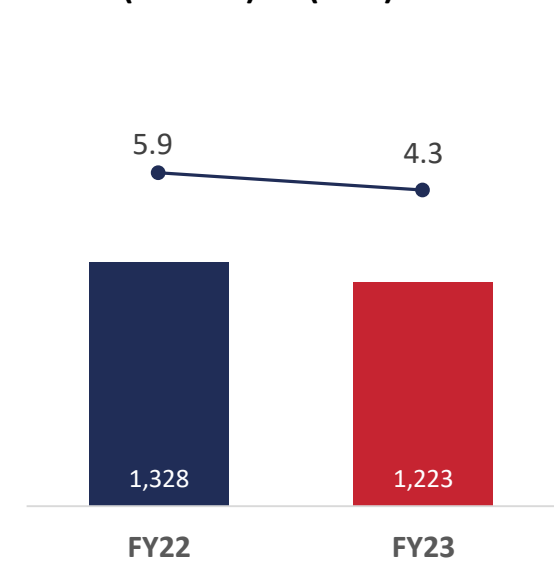
## GROSS PROFIT & GROSS MARGINS (in ₹ Mn) → (in %)



## EBITDA & EBITDA MARGINS (in ₹ Mn) → (in %)



## PAT & PAT MARGINS (in ₹ Mn) → (in %)



### Key Takeaways

- Revenues grew by 25.3% YoY to INR 28,120 Mn in FY23 navigating multiple sectoral headwinds like lumpy skin disease and rise in milk prices
- PAT at INR 1,223 Mn in FY23. PAT margin declined by 157 bps YoY to 4.3% in FY23 (lower decline than EBITDA margin at 259 bps YoY) partially benefiting from lower finance cost and higher other income





# Consolidated Profit & Loss Results



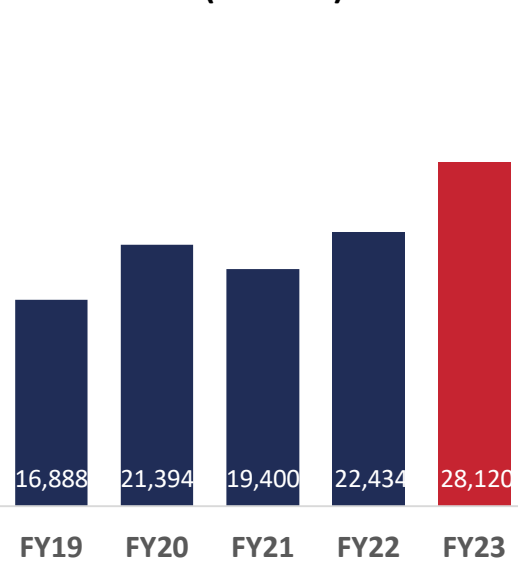
Particulars (INR in millions)	Q2FY24	Q2FY23	YoY	Q1FY24	QoQ	H1FY24	H1FY23	YoY	FY23
<b>Revenues</b>	<b>7,678</b>	<b>6,953</b>	<b>10.4%</b>	<b>8,234</b>	<b>(6.8%)</b>	<b>15,912</b>	<b>14,123</b>	<b>12.7%</b>	<b>28,120</b>
Cost of Goods Sold	5,619	5,171	8.7%	6,283	(10.6%)	11,901	10,672	11.5%	21,409
<b>Gross Profit</b>	<b>2,059</b>	<b>1,783</b>	<b>15.5%</b>	<b>1,952</b>	<b>5.5%</b>	<b>4,011</b>	<b>3,451</b>	<b>16.2%</b>	<b>6,711</b>
<i>Gross Profit margin</i>	26.8%	25.6%	118 bps	23.7%	312 bps	25.2%	24.4%	77 bps	23.9%
Employee Expenses	339	294	15.4%	349	(2.8%)	689	578	19.2%	1,191
Other Expenses	1,017	899	13.1%	999	1.8%	2,016	1,833	10.0%	3,607
<b>EBITDA</b>	<b>702</b>	<b>589</b>	<b>19.2%</b>	<b>603</b>	<b>16.4%</b>	<b>1,306</b>	<b>1,040</b>	<b>25.6%</b>	<b>1,913</b>
<i>EBITDA margin</i>	9.1%	8.5%	68 bps	7.3%	182 bps	8.2%	7.4%	84 bps	6.8%
Depreciation & Amortization	172	156	10.5%	165	4.6%	337	306	10.1%	612
<b>EBIT</b>	<b>530</b>	<b>433</b>	<b>22.4%</b>	<b>439</b>	<b>20.8%</b>	<b>969</b>	<b>734</b>	<b>32.0%</b>	<b>1,301</b>
Finance Cost	4	3	32.8%	4	8.2%	8	6	32.4%	12
<b>EBT before Other Income</b>	<b>526</b>	<b>430</b>	<b>22.3%</b>	<b>435</b>	<b>20.9%</b>	<b>961</b>	<b>728</b>	<b>32.0%</b>	<b>1,289</b>
Other Income	67	57	17.1%	72	(7.5%)	139	101	37.5%	230
<b>EBT after Other Income</b>	<b>593</b>	<b>487</b>	<b>21.7%</b>	<b>507</b>	<b>16.9%</b>	<b>1,100</b>	<b>829</b>	<b>32.7%</b>	<b>1,518</b>
Tax	157	93	69.2%	158	(0.4%)	314	185	69.6%	296
<b>PAT</b>	<b>436</b>	<b>395</b>	<b>10.5%</b>	<b>350</b>	<b>24.7%</b>	<b>786</b>	<b>644</b>	<b>22.1%</b>	<b>1,223</b>
<i>PAT margin</i>	5.7%	5.7%	1 bps	4.2%	143bps	4.9%	4.6%	38 bps	4.3%
<b>EPS (in INR)</b>	<b>7.26</b>	<b>6.58</b>	<b>10.4%</b>	<b>5.82</b>	<b>24.8%</b>	<b>13.09</b>	<b>10.73</b>	<b>21.9%</b>	<b>20.39</b>



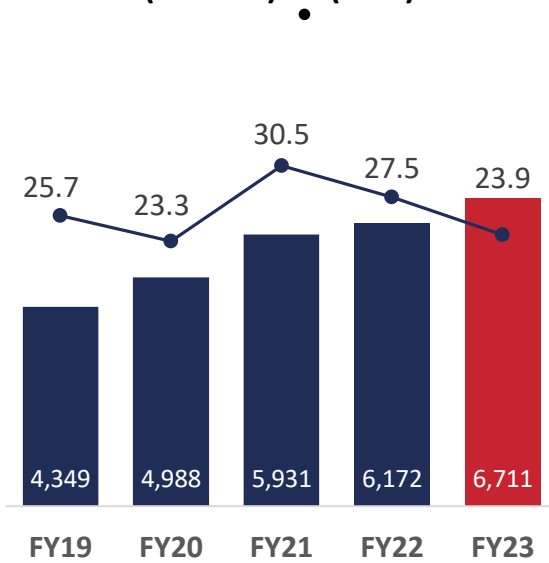
# Full Year Financials

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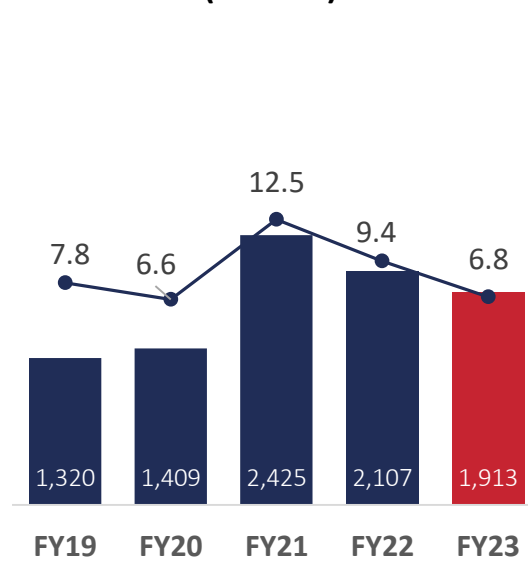
**OPERATING REVENUE**  
(in ₹ Mn)



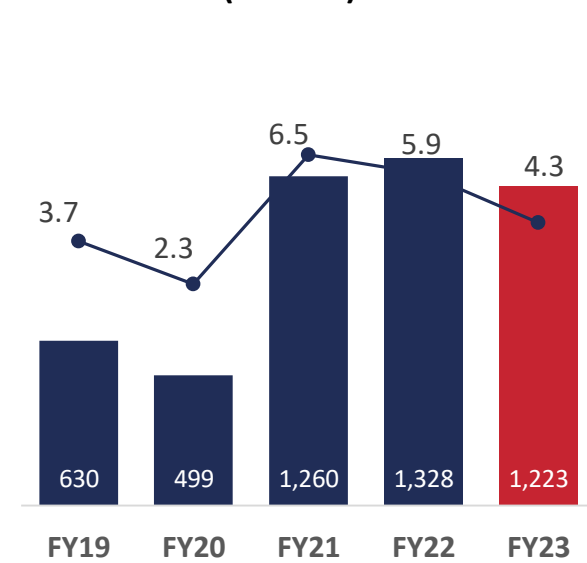
**GROSS PROFIT & GROSS MARGINS**  
(in ₹ Mn) — (in %)



**EBITDA & EBITDA MARGINS**  
(in ₹ Mn)



**PAT & PAT MARGINS**  
(in ₹ Mn)



## Key Takeaways

- During FY19-23 period, the Company's operating revenues, EBITDA and PAT registered 14%, 10% and 18% CAGR growth

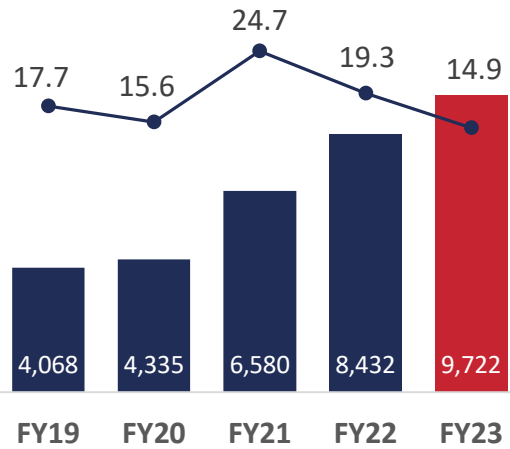




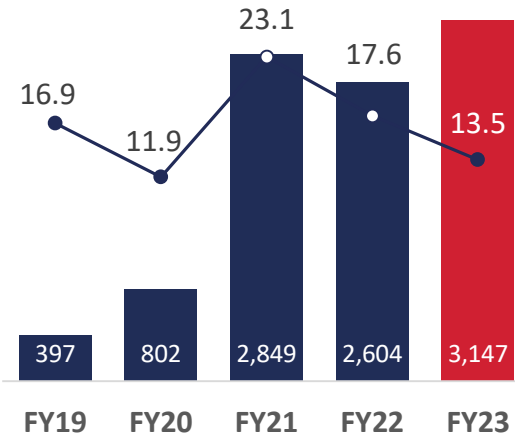
# Key Ratios – Full Year



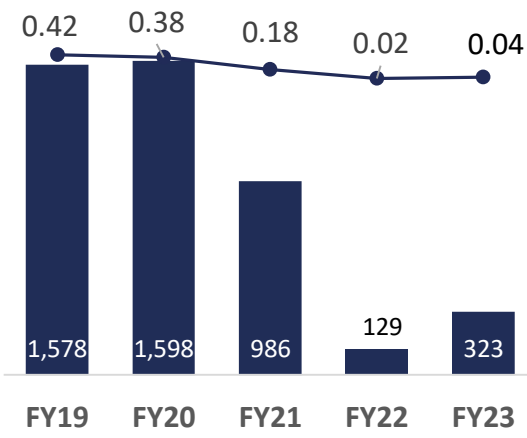
**NETWORTH & ROCE**  
(in ₹ Mn) → ROCE (in %)



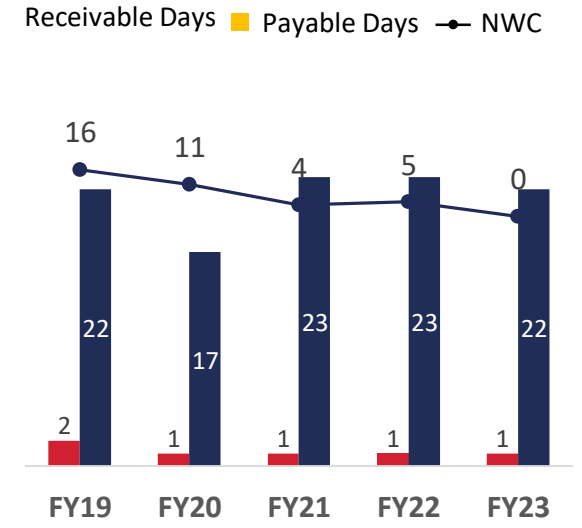
**CASH % CASH EQUIVALENT & ROE**  
(in ₹ Mn) → ROE (in %)



**DEBT & DEBT EQUITY**  
(in ₹ Mn) → (x)



**RECEIVABLE DAYS/ PAYABLE DAYS/ NWC DAYS (in ₹ Mn)**



## Key Takeaways

- Healthy growth leading to high capital efficiency and low debt levels resulting to efficient working capital management



# Balance Sheet Summary (Full Year)



Particulars	FY19	FY20	FY21	FY22	FY23
<b>Equity</b>	<b>4,068</b>	<b>4,335</b>	<b>6,580</b>	<b>8,432</b>	<b>9,722</b>
Non-current Liabilities	1,459	1,426	1,197	576	636
Current Liabilities	1,908	2,165	1,946	1,877	2,157
<b>Total Liabilities</b>	<b>3,367</b>	<b>3,591</b>	<b>3,143</b>	<b>2,453</b>	<b>2,791</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7,435</b>	<b>7,926</b>	<b>9,722</b>	<b>10,884</b>	<b>12,513</b>

Particulars	FY19	FY20	FY21	FY22	FY23
<b>ASSETS</b>					
Non-current Assets	5,374	5,697	5,703	6,869	7,775
Current Assets	2,061	2,229	4,019	4,015	4,738
<b>TOTAL ASSETS</b>	<b>7,435</b>	<b>7,926</b>	<b>9,722</b>	<b>10,884</b>	<b>12,513</b>

## Key Takeaways

- The Company enjoys a net debt free status and is steadily expanding its capabilities and capacities which is reflected in the growth of Non-current assets from FY19- FY23



# About Us

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**40+**

Sales offices

**2,000+**

Milk and milk  
product distributors

**2,750+**

Agents

**22+**

LLPD aggregate  
installed capacity

**15**

Processing  
plants

**625+**

Dodla Retail  
Parlours

**135**

Chilling Centres/  
Plants

**8,000+**

Village level  
collection centers

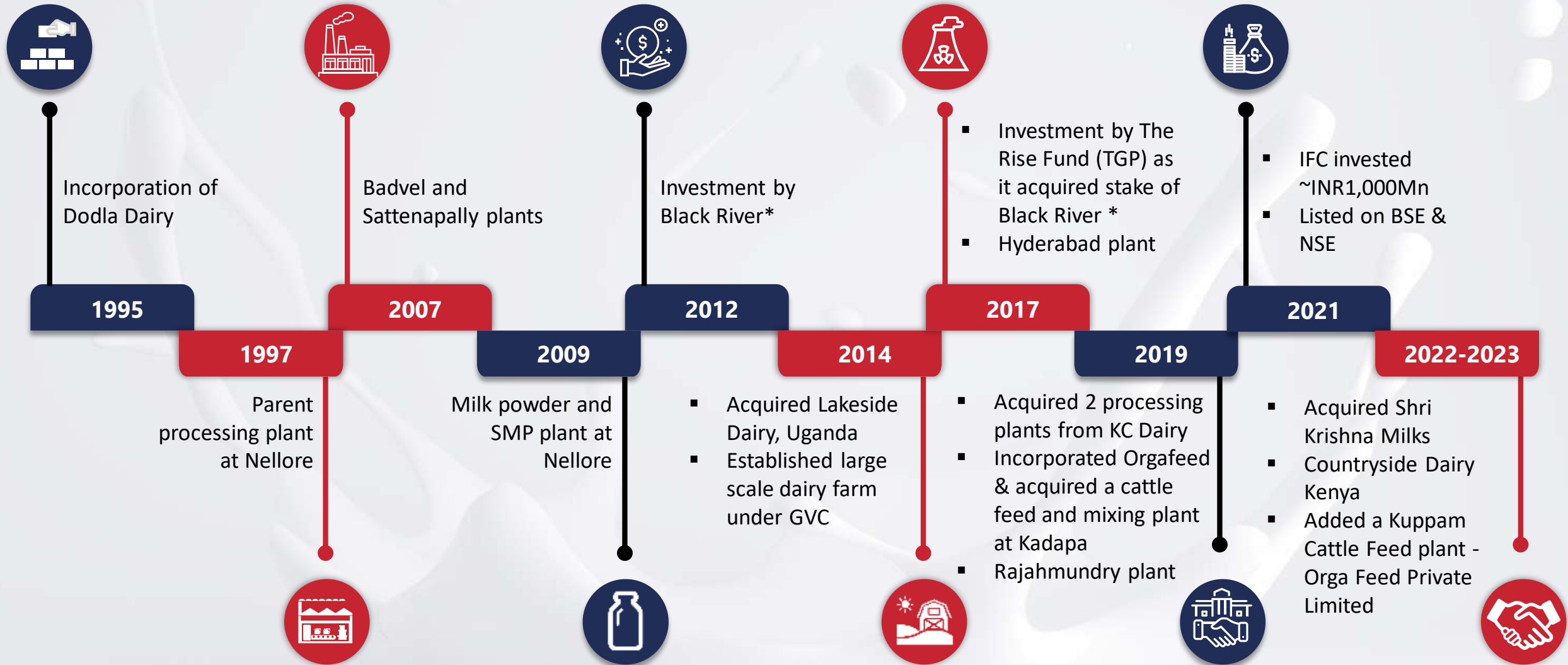
**93.4%**

Milk Directly procured  
from farmers

Founded in 1995, Dodla Dairy is an integrated dairy company based in South India. Processes and sells milk and produces dairy-based value-added products (“VAPs”)



# Our Journey So Far: 25+ years of dairy operations in partnership with marquee investors



\*DENOTES: Black River is the erstwhile name of the private equity fund Proterra which invested through its entity Black River Capital Partners Food Fund Holding (Singapore) Pte Ltd.

## DAIRY FARM

Procurement of raw milk from 1.4+ lakh farmers across 8,500+ villages through 8,000+ VLCCs  
Raw milk directly procured from farmers



## PROCESSING PLANTS

Total 15 milk processing plants in India & Uganda  
Company regularly incurs capex to upgrade technology, automate lines and bring efficiency in operations



## CHILLING CENTRES

Transportation from villages through 871 primary vehicles to 135 chilling centers/plants



## DISTRIBUTION CENTERS

40+ sales offices,  
2,750+ agents  
2,000+ milk & milk products distributors, 625+ DRP's and 65+ Modern Trade





# Few of Our Products



## SOLD IN INDIA



**PASTEURIZED POUCH MILK**  
Full cream, Standardized Milk,  
Toned



**UHT MILK**  
Toned, Double Toned



**CURD**  
Sachet Curd, Bucket  
Curd, Cup Curd



**GHEE**  
Cow ghee, White ghee  
(buffalo ghee) and  
Premium ghee (full boiled  
white ghee)



**ICE CREAM**  
Vanilla, Elaichi, Pista,  
Badam, Chocolate,  
Strawberry, Pineapple



**SWEETS & OTHERS**  
Besan Ladoo, Basundi,  
Doodh Peda, Rasgulla,  
Gulab Jamun, Paneer, etc.

## SOLD IN AFRICA



**YOGHURT**  
Plain, Strawberry, Vanilla,  
Chocolate & Mango



**GHEE**



**PANEER**



**MOZZARELLA  
CHEESE**



**MILK POUCH**



Orgafeed primarily engaged in farming, breeding, agriculture, horticulture and allied activities such as dairy and livestock farming. Additionally, it is also in the business of seed crushers, manufacturing and dealing of groundnuts, gingerly, cotton and in the manufacturing of cattle feed.



State-of-the-art manufacturing facilities at Kadapa & Kuppam, Andhra Pradesh

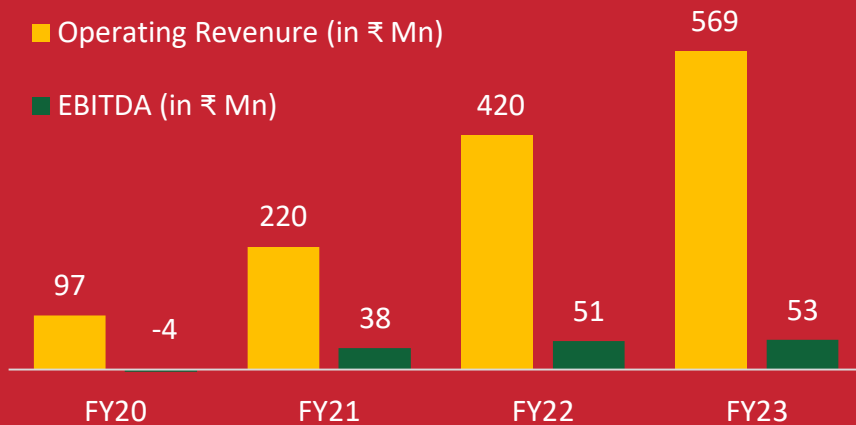


We have tied up with various veterinarians to provide services to farmers for their milch animals



Selling directly to our farmers through our procurement network which is adjusted against the value of the raw milk supplied to us by such farmers

## ORGAFEED FINANCIAL FIGURES



**₹385 MN**

Company sales in H1FY24



**₹30 MN**

EBITDA in H1FY24



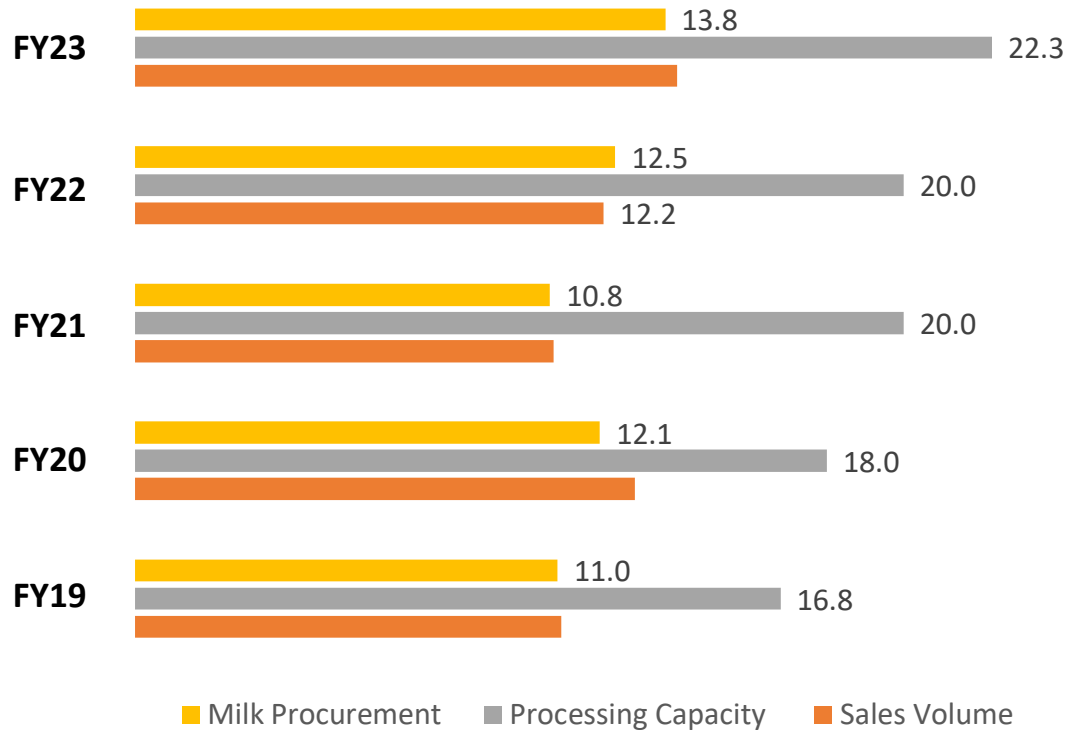
**480 MTPD**

Cattle feed plants capacity

# Company Canvas

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## Key Highlights



### MILK PROCUREMENT

- All dairy processors have access to the same raw material and equipment; what distinguishes us is our dedicated employees and our strong relationship with farmers



### PROCESSING CAPACITY

- Best practices to maximize capacity utilization, operating metrics and profitability
- Flexible and agile with continuous improvement mindset



### SALES VOLUME

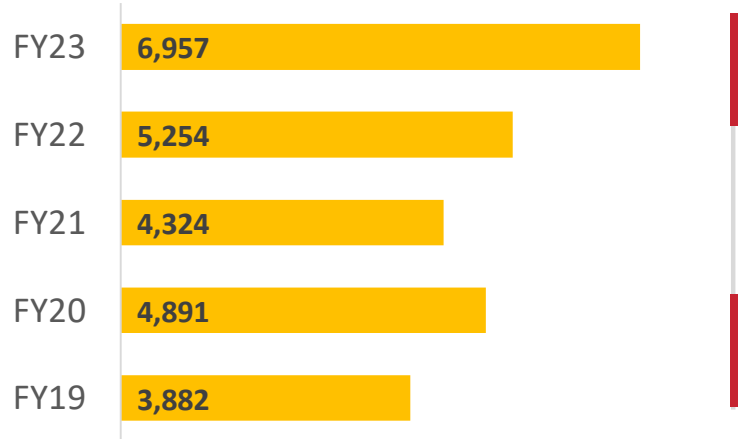
- Company has comprehensive product offering across different markets and channels
- Company conducts regular Product Outreach Program



# Value-added Products (VAP) Trajectory



VAP Sales (in ₹ Mn)



## STRONG DISTRIBUTION NETWORK

The company already has a strong distribution network in southern states for milk as well as value added products through which it can roll out existing and upcoming products



## STRONG VAP PORTFOLIO

Dodla Dairy is investing heavily in expanding its range of value-added products, a move that is anticipated to boost margins. The company has been proactive in identifying and responding to customer preferences. It has invested significantly in value-added products such as Curd, Ice Creams, Flavored Milk, Lassi, Butter Milk, Yoghurt to name a few.

## Factors Driving the VAP Growth



The rapid economic growth and urbanization have resulted in a fundamental shift in consumer preferences and food preferences



Consumer desire for branded, healthier, and more nutritional alternatives is growing



Rising disposable incomes driving demand for value added dairy products



Post COVID-19 pandemic, structural changes occurred in consumer pattern a result of heightened hygiene awareness, which benefits the organized dairy industry





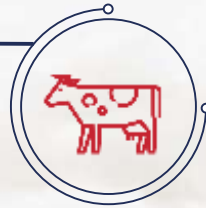
## Presence in Kenya & Uganda

Dodla operates in Kenya and Uganda in Africa through its subsidiaries Lakeside Dairy Limited & Dodla Dairy Kenya Limited. Our African product portfolio is marketed under the “Dairy Top” and “Dodla +” brands and includes Milk, yogurt with different flavors, ghee, paneer, cheese and UHT milk.

### Salient Features – Overseas Dairy Business



Dairy player margins are higher due to limited competition and constrained supply of processed milk



Easier milk farming due to abundance of grazing lands for large animal population in Africa



Dodla has Similar Integrated Business model in Africa



East Africa, with its growing population and demand for dairy is attractive market for dairy companies\*



# Strategic Advantages

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## Strong Presence

End to end integrated dairy company in South India

## International Presence

Operations in Uganda and Kenya



## Branding

Higher B2C Sales through strong branding



## Strong distribution network

13 States engaged in our strong distribution network



## Consistent product quality

An extensive Product Portfolio (Milk-Based value-added Products)



## Production Capacity

**15** processing plants



## Feed plant

**2** Feed plants





# Stringent Quality Control Procedures



## Well Defined Quality and Food Safety Procedures at Various Stages from Procurement to Distribution



### PROCUREMENT STAGE

- VLCCs equipped with GPRS enabled electronic milk analyzers which test for the fat and solid not fat (SNF) content of the raw milk
- Tests conducted at VLCCs for color and smell for segregation of poor quality of raw milk
- Quality checks documented in a quality manual to ensure raw milk meeting standards for further processing is procured

### PROCESSINGS STAGE

- At chilling centers and processing plants, the raw milk undergoes adulteration tests and neutralizer tests to detect contaminants
- FT-1 Milko-scanner at Hyderabad – enables conduct of 26 adulterant tests automatically
- Well-defined and documented quality system, monitored at various stages

## QUALITY CERTIFIED PRODUCTS AND PROCESSING PLANTS





## REGULAR DIRECT PAYMENT

- Money paid directly to farmers in their bank accounts once every 10 to 15 days
- ~89% of total farmers payment covered as of Q2 FY24



## TIE UP WITH VETERINARIANS

- Organize training camps to educate about ways to prevent common ailments for cattle

## TRANSPARENCY IN PROCUREMENT

- Company has VLCCs equipped with GPRS enabled Electronic milk analyzers & Weigh scales
- This Enables testing of quality and quantity of raw milk procured



## SUPPLY CATTLE FEED

- Incorporated Orgafeed Private Limited to help provide cattle feed to farmers through own procurement network
- Payments adjusted against value of raw milk supplied



## FACILITATE BANK LOANS

- Facilitate sanction of loans from regional banks to invest into cattle



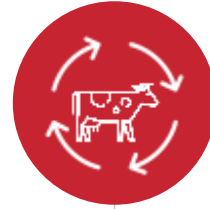
## INTEGRATED SUPPLY CHAIN

Strong Direct procurement model, eliminating middleman, reducing the cost of primary raw material and maintaining relationship with farmers



## AUTOMATED PLANTS

Fully automated plants leading to improved operational efficiencies and reduce operating costs



## BACKWARD INTEGRATED

Presence in cattle feed business through its subsidiary, leveraging existing supply chain resulting in better margin profiles for business



## PROVEN TRACK RECORD

Proven track record of successfully integrating organic and inorganic assets with existing operations leading to substantial growth



## ROBUST BALANCE SHEET

Strong cashflows led to robust balance sheet giving financial flexibility for future growth of company



## ENVIRONMENT

- We believe that preserving and rebuilding the environment is crucial in providing opportunities for future generations
- We are dedicated to producing dairy products in a manner that is humane toward people, animals, and the environment, as well as beneficial to our societies



## SOCIAL

- To ensure a sustainable future, we are focused on the development of healthy business model and products
- We are safeguarding people's safety and well-being in workplace, while continue to offer growth opportunities for them, and supporting the communities in which we live and work. This is all part of ensuring dairy plays a role in a sustainable food system



## GOVERNANCE

- We are committed to providing our shareholders with accurate, timely, regular and reliable information on the Company's activities, performance, prospects and strategy
- We have established a diverse governance structure in order to fully use the resources of all partners in order to maximize synergy and enhance corporate governance





**34,000+**  
Total Shareholders

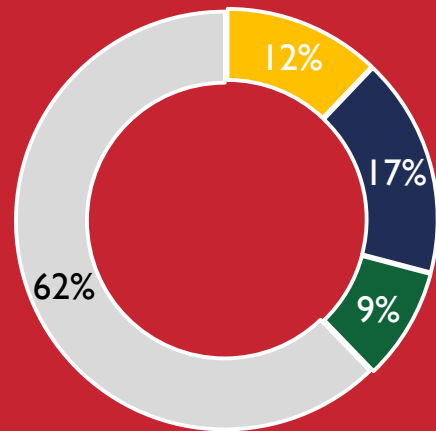


## Few of our Key Investors as on 30<sup>th</sup> September 2023

(% of Total Equity)

SBI MF	9.23
DSP Small Cap Fund	4.06
Bharat Biotech International Ltd.	3.41
Ashoka India Opportunities Fund	2.70
Steinberg India Emerging Opportunities Fund	2.52
International Finance Corporation	2.23

## Shareholding Pattern as on 30<sup>th</sup> September 2023



- Non Institutional
- Mutual Funds
- Flls. & Foreign Companies
- Promoter





# Contact Us



## Company Secretary

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# Appendix

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**LLPD**

**Lakhs Liter per day**

**MTPD**

**Metric Tonnage Per Day**

**UHT  
milk**

**Utrahigh Temperature Processed Milk**

**VLCC**

**Village Level Collection Centers**

**DRP**

**Dodla Retail Parlours**

**LPA**

**Liters Per Annum**

**MT**

**Metric Ton**

**VAP**

**Value- added Product**

**FII**

**Foreign Institutional Investor**

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