



August 21, 2019

Compliance Department BSE Limited PhirozeJeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001	Compliance Department National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051
Scrip Code: 539889	Scrip Symbol: PARAGMILK

Dear Sir / Madam,

Subject: Intimation of Analyst / Institutional Investor Meetings as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the officials of the Company had met Analysts at the Turbhe Office as per the details given below:

Date	Place
August 21, 2019	Turbhe, Navi Mumbai

The Investor Presentation discussed during this meeting has been attached herewith and has been uploaded on the website of the Company www.paragmilkfoods.com.

Kindly note that changes may happen due to exigencies on the part of Organizer/ Company.

The above is for your information and record.

For **PARAG MILK FOODS LIMITED**


Devendra Shah
Chairman
DIN: 01127319



Parag Milk Foods Ltd.,

CIN - L15204PN1992PLC070209

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PRiSM

Parag Revolutionary Sales Model

August 21, 2019



PARAG MILK FOODS LIMITED



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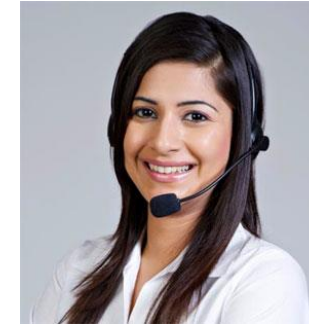
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Vision

To have range of products at all potential outlets
with faster reach & freshness

PRiSM-Transformative S&D Model in India

Evolution of S&D Model

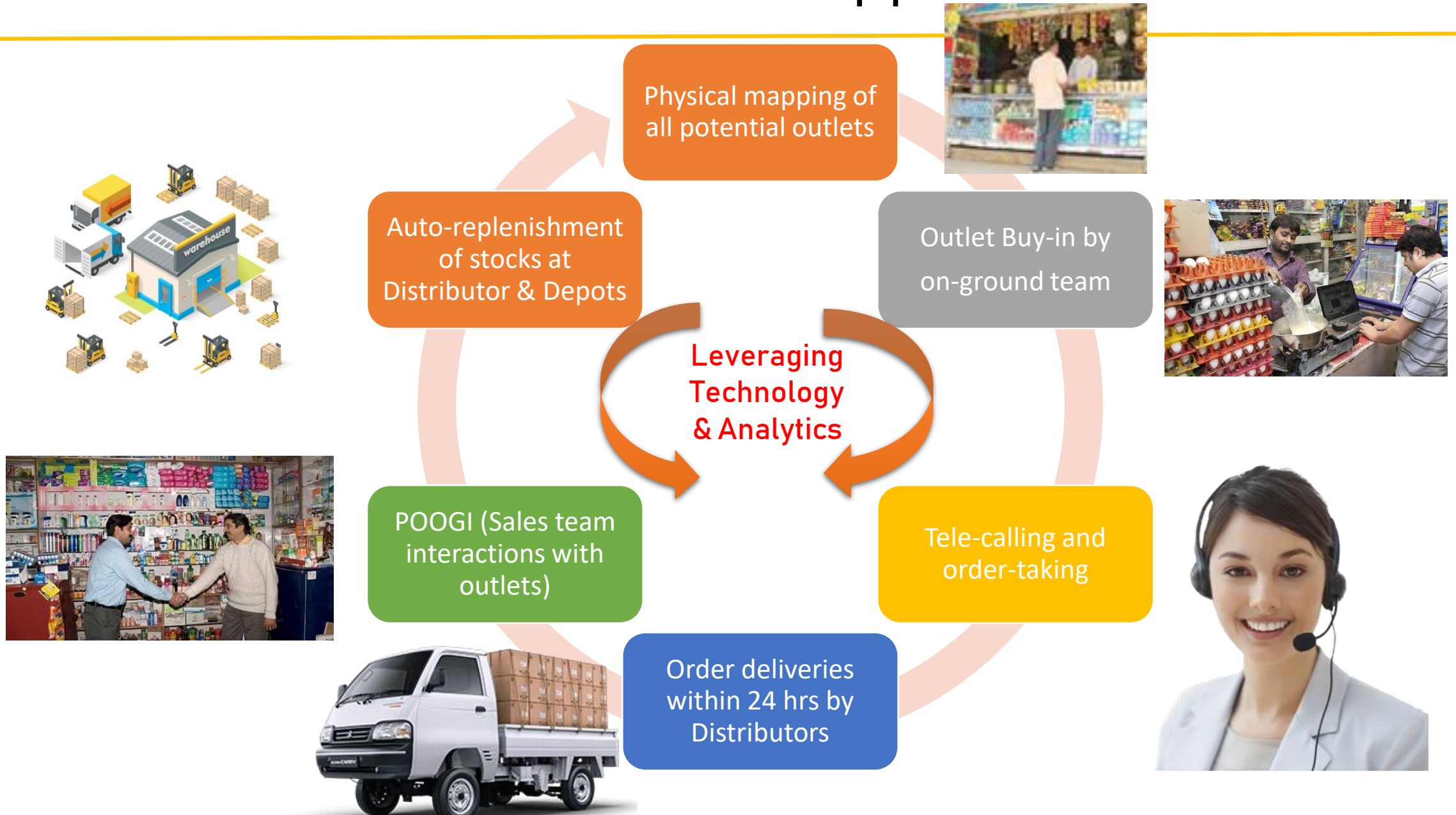


Ready-stock
Delivery

Order
Taking

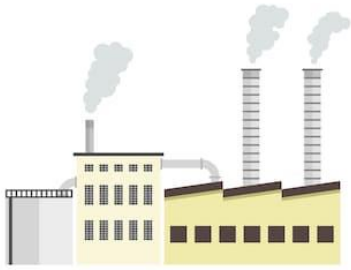
Intelligent
Sales with
PRiSM

PRiSM: The new approach



Increasing the Range & Reach

Sales & Distribution Value Chain & Pain points



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Plant / Depot

- Skewed requirement
- Mis-match in forecasting & actual supplies

Distributor

- Limited Funds, space, manpower
- Dumping
- Skewed billing towards month-ends

Sales Team

- Limitations of physical coverage in a day
- Focus on high selling outlets & SKUs to achieve targets

Retailer

- Limited Space
- Faster rotation of stocks
- Competitor loading the space with offers

Consumer

- Regular availability
- Freshness

Sales team: Multitasking



Business Development Activity:

- Adding new retail outlets
- Communicating new product launches

Transactional Activity

- Taking orders from each outlet
- Maintaining Secondary stock level
- Collection of Outstanding
- Damages and Replacement: Outlet issues
- Communicating Schemes
- Distributor management

Distributors



Normal FMCG Distributors

- Dealing with multiple Companies and sharing resources
- Have limitations of space, manpower & funds; high cost of operations
- Month-end skews in sales, dumping
- Restricts business to few outlets & SKUs

Retailers



Retailer keeps products for which

- There is high customer demand
- Earn Higher ROI
- Stocks which have no ageing(Freshness)

To achieve this:

- Buying in small quantity
- Service more frequently
- Reliability

PRiSM: Adding Sales Capacity



- Retailers are given reliability that the stocks will be delivered within 24hrs = Ordered two times a week
- As this is transactional activity which happens in every beat hence we have moved to more efficient system of

Telecalling



The sales team will do “Business development”

PRiSM: How tele-calling is better?

Order-Taking

- Limited coverage of outlets on daily basis
- However, interpersonal relations have a role to play
- If owner not available during the visit, orders are missed
- Focus on top outlets & top SKUs

PRiSM

- Almost 4-5 times higher coverage
- While physical touch with retailers is moving out,
- There is intelligent calling backed by analytics and history
- Physical barriers of reaching out removed
- Convenience of retailers taken care of
- More democratic without differentiation of type of outlets

PRiSM: Retail Loyalty

Presenting the retailer offer to mapped counters and enrolling them on the ‘Bandhan Khushiyon Ka’ **retail loyalty program** – a long term program with the following features:



- **Objective** of securing & expanding retail shelf space.
- **Driving our KPIs - Thru Retailers**
- **Incentivizes retailers** on each purchase and showing desired behavior - **placing orders on every call** (Frequency) and **placing orders(Range) of variety of PMFL products** (and not just 1 SKU)
- Redemption of loyalty points against various gift items from pen-drive to a car to a exotic vacation

PRiSM: POOGI (Process Of On-Going Improvement)

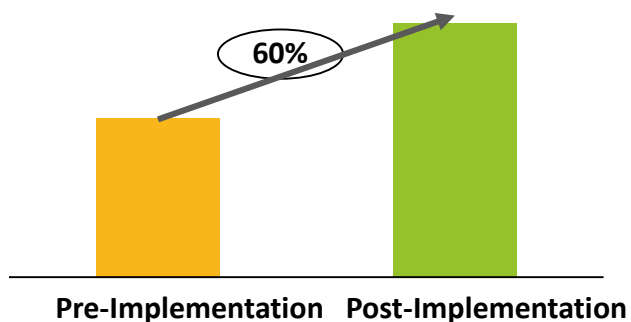


- Analyzing trends and taking necessary interventions (through a centralized war-room)
- Task are generated and assigned automatically to the on ground sales force
- Task generated are for;
 - Increase reach in the market
 - Re-activate dropped retailer
 - Increase range at active retailer

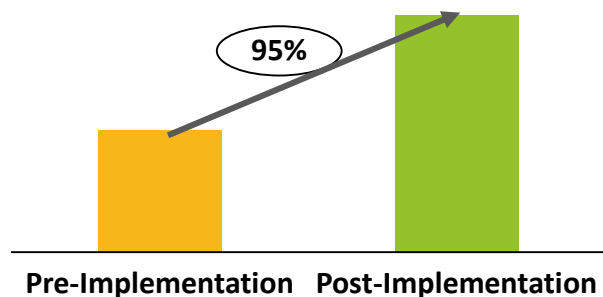
Outcomes

OUTCOME : SPIKE IN SELLING KPIs

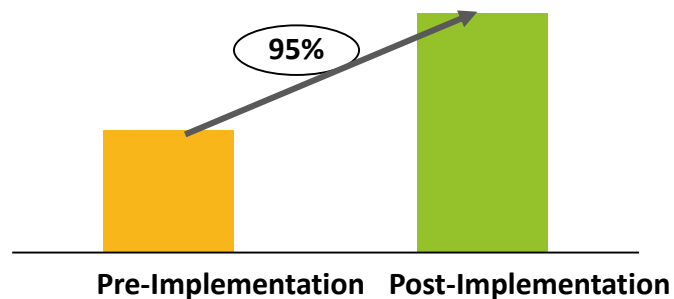
Unique SKUs



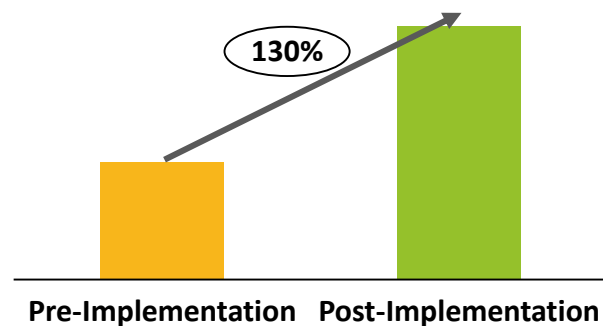
TLSD



No of Active Counters

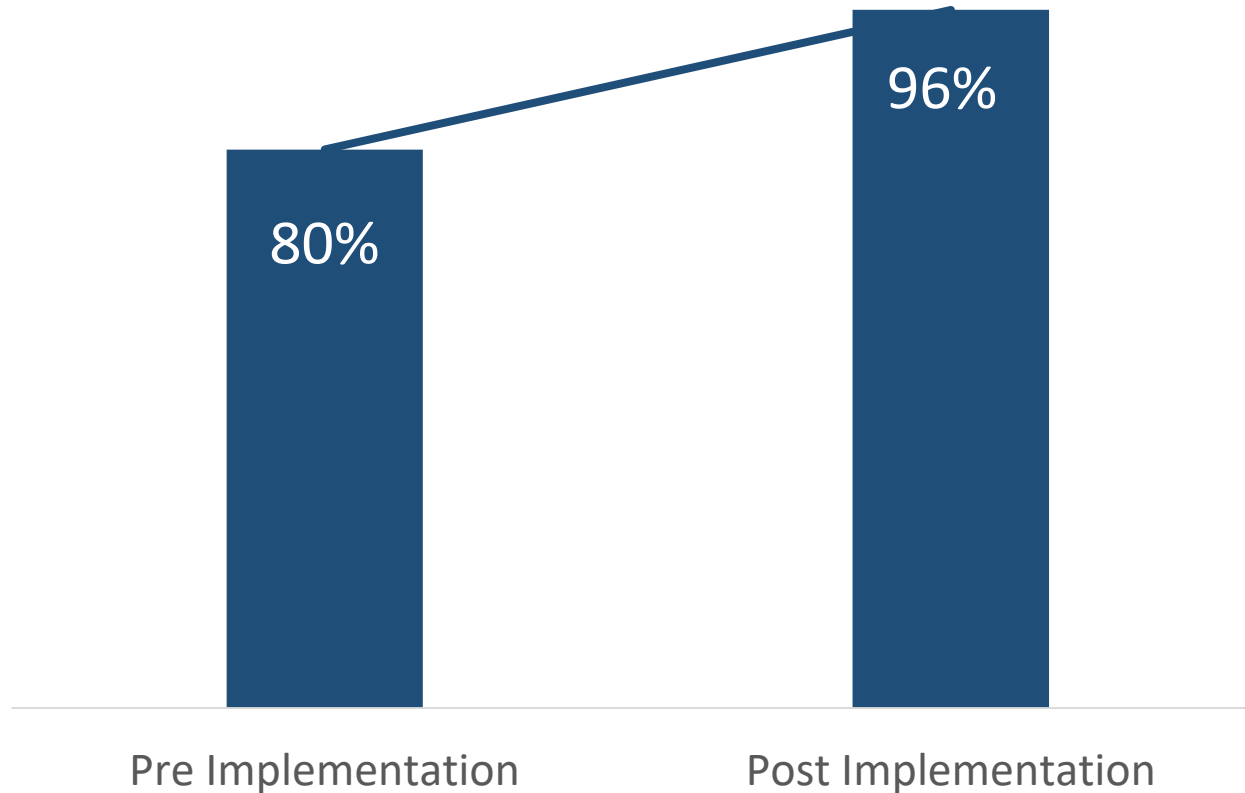


Repeat Orders



- More than 50,000 relevant outlets mapped in Mumbai
- Covered outlets till date is approx. 40,000
- Increasing shelf space and wallet share by reaching maximum mapped outlets.

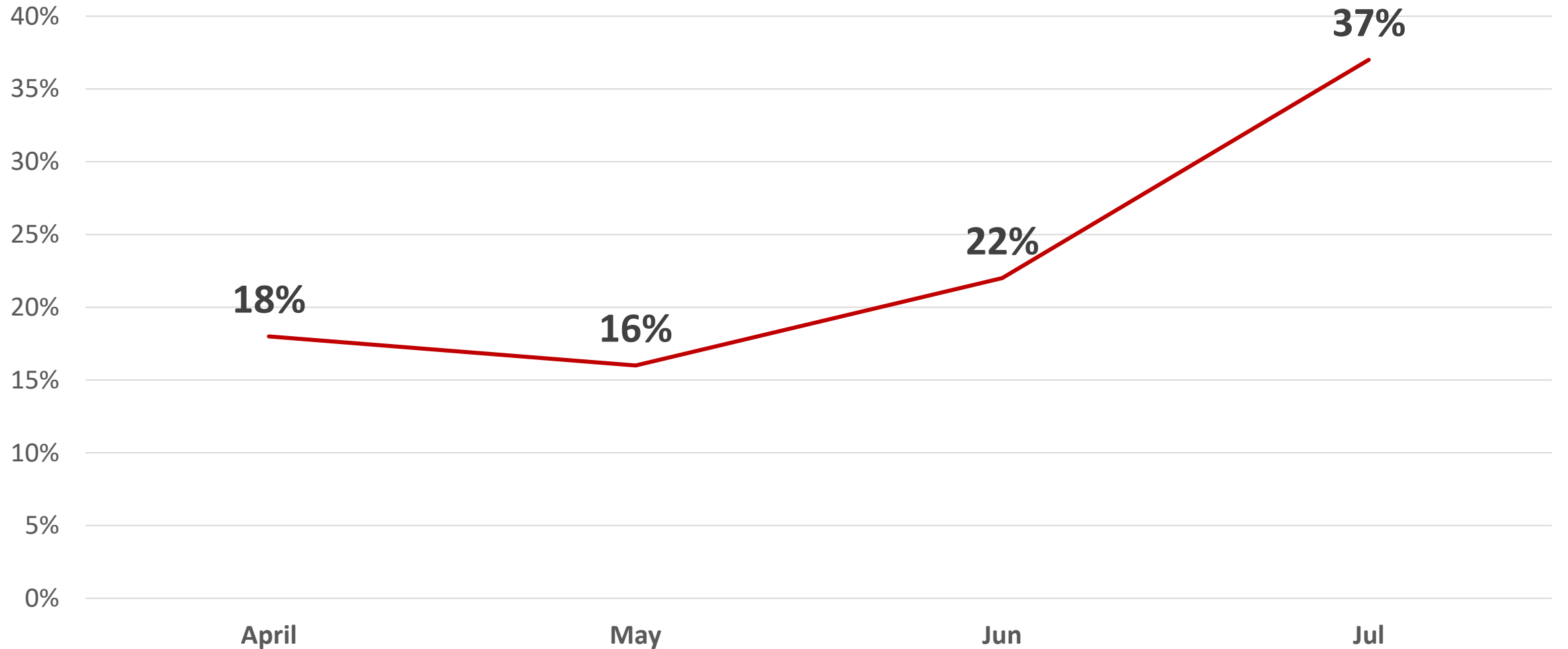
New way of working : Increased Fill Rate



96% availability at all Locations:

- High availability at Depots and Distributors by auto replenishment based on consumption (Not forecast)
- Production planning basis consumption and not on monthly forecast

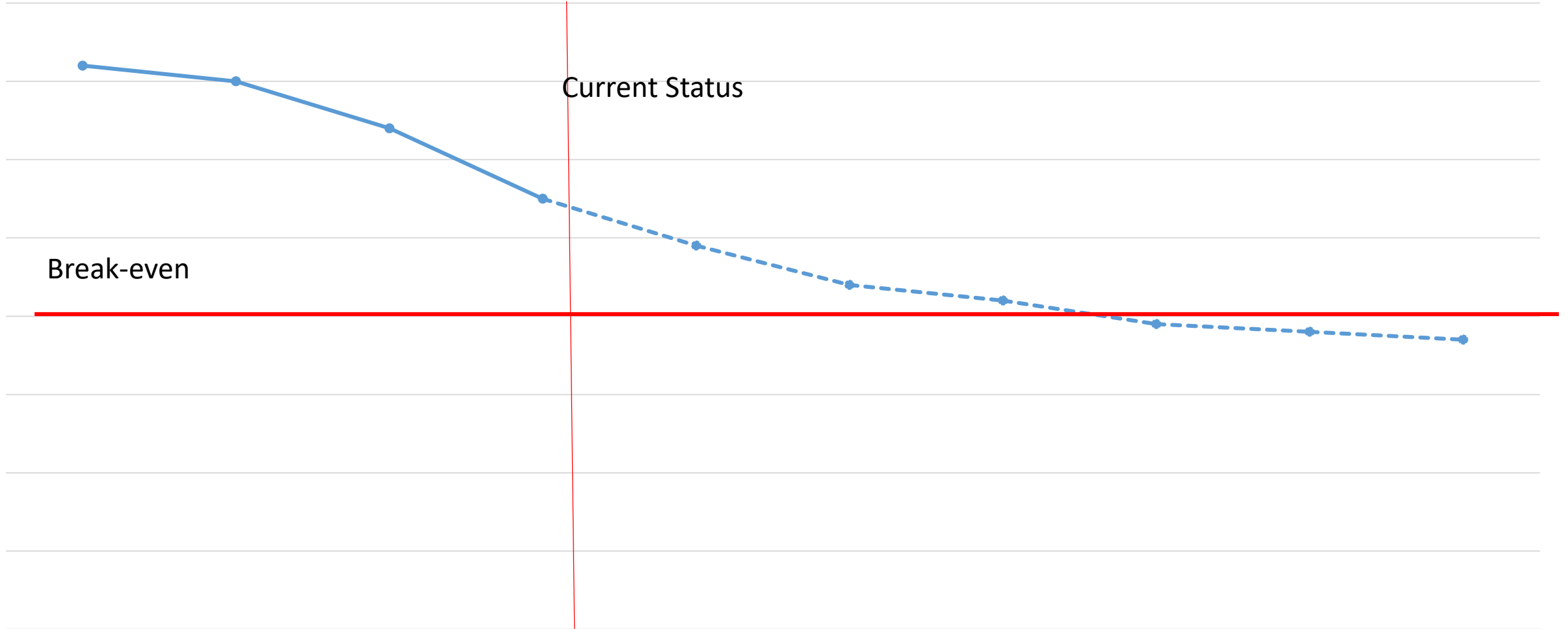
Sales Trend Mumbai – Implemented Areas (vs LY)



SCALE UP

Scale Up Plan		
Phase	Area of Implementation	Covered Outlets
Phase 1	Mumbai & Delhi	150,000
Phase 2	Other metros	300,000
Phase 3	Tier 1	500,000
Phase 4	Tier 2	800,000

PRiSM: DISTRIBUTION COSTS AS % OF SALES



Supply Chain Optimisation:

Availability at the entire value chain

Maintaining Correct Inventory Level

Demand Forecasting to predict future demand of Products

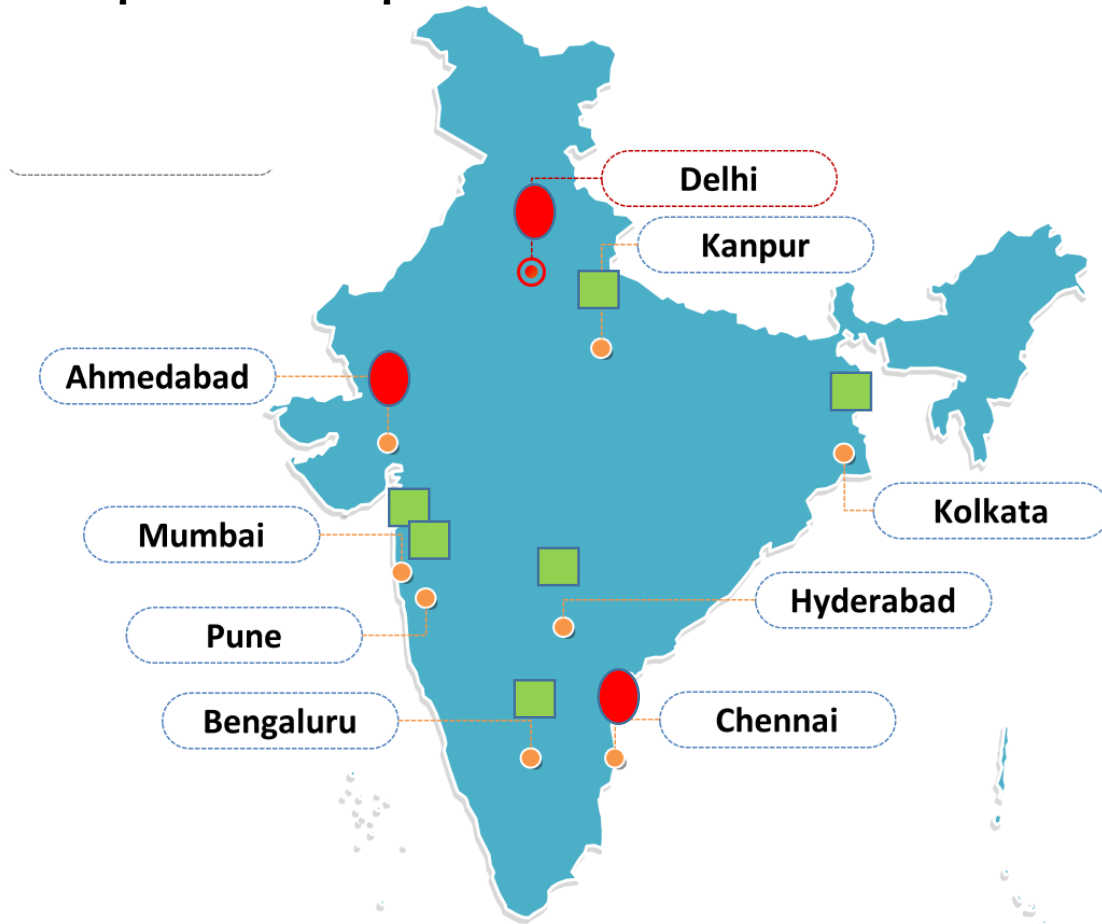


Forecast Model:

- Forecasting model has limited accuracy
- This leads to surplus and shortages of stocks
- Freshness of the stock is also getting impacted

STOCK AVAILABILITY

Sample of Pre-Implementation



Forecast Based model

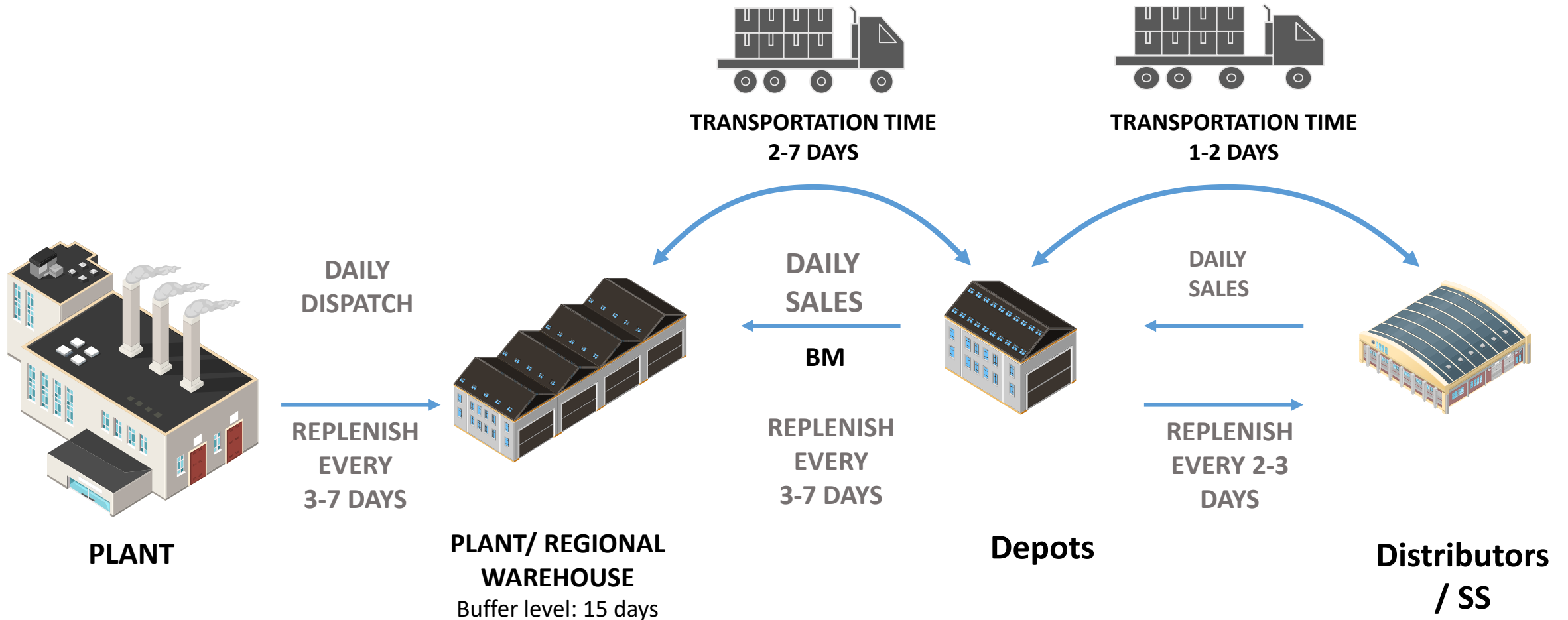
TO

Replenishment Based model

- Same SKU same time different location
- Same SKU same location different time
- Ensure High availability at all location at lower inventory

Replenishment Based model

Supply only what is consumed and no more to the next node



Replenishment: Order = Target level – Stock in Hand

Push to Pull



Thank You

Open for Q& A