

Transcript of the Interview given by Mr. R G Chandramogan, Chairman of the Company to ET Now TV on 26th August, 2022:

Duration	ET Now TV	Mr. R G Chandramogan
Slot 1	Thank you so much for joining us and speaking with ET Now if you can hear me properly this time around wanted to begin by asking you how the overall prices when it comes to the milk prices and the trend going forward because of late we have seen the likes of Amul as well as Mother Dairy increase their prices and what sort of price increase you have taken in the last six seven months and what's the expectation going forward?	See. Price increase is almost about 14 percent compared to last year. But the inflation has been heavy and twice we have taken the increase and now prices are settled and we don't expect any further price increase added.
Slot 2	Right uh good afternoon Mr. Chandramogan, This is Shardu's joining in the conversation and that's about the price hikes that you've taken but the Company has also approved a QIP of about 700 crore rupees and along with that an investment in Huoban Energy so could you tell us how much of the QIP proceeds will be used for this investment and as well as uh where else do you uh intend to utilize the QIP proceeds?	See we have different requirements for QIP one is actually we have about 3000 outlets distributing milk and ice cream and retail also we deal and all these outlets we pay the rent and we are likely to increase another 600 outlets in the coming year number one. Number two, this is also going to help us in spending on advertisement as we are expanding the market. Other than milk and other than long shelf life products that is short shelf life products like curd, ice cream, paneer, yogurt and all these products we are most likely to cross a turnover of about 3000 crores next year. This is only short shelf life. Non-milk no long life products like SMP and ... based on that we believe that we may have to give little more better inputs in the market and that is the purpose for which the QIP has been planned.
Slot 3	You'll increase the exposure when it comes to the short shelf life products as well but value added products is also something that you have been	No. This is value added product is a myth that is being propagated. If I am going to supply cheese to a pizza manufacturer I don't believe that this is

	<p>quite bullish on infact I remember it right um the Arun ice cream brand you had been focusing on and there was an expectation that export of uh it is also expected to rise. Could you talk to us about uh what the entire portfolio value added product is looking like?</p>	<p>a value added product. If I am going to supply curd only to the hotels in buckets, it is also not a value added product. I believe if it is sold to the consumer directly, I believe this is a value added product. As far as we are concerned, we don't look at wholesale market we look at retail market direct to the consumer. My sales whatever I am saying is for the retail consumers. Compared to the Industry, our EBITDA has always been higher as a first time and focusing on this, we believe that we can just increase it better.</p> <p>Even milk is a value added item for me because it is sold as a brand and we don't focus on institutions or hotels or tea shops. So everything that is branded going to the consumer is a value added product.</p>
<p>Slot 4</p>	<p>Right uh let's talk about what's exactly happening with regards to the dairy industry right now we are seeing the lumpy skin disease threat actually growing in India any is it a major worry for the Company by any chance and what's the current ground situation are you all impacted by it by any chance?</p>	<p>No. So far there is no impact and probably this disease has been spotted in north so far it has not come to cows we have to just see it but actually the vaccinations are also available within the country. We don't expect a major issue and right now probably the rains have been heavy in Tamilnadu and all the southern states including Maharashtra. This is preventing the milk arrivals hope next 10 days milk arrival should start improving. By the time the north milk arrivals will also start the festival season may not have much of a problem either on supplies or on the price. I expect prices have already stabilized.</p>
<p>Slot 5</p>	<p>Okay Mr. Chandramogan we will let you go on that note. Thank you so much for joining us today and talking to us about how the trend of the entire industry is looking like.</p>	