

## Keventer Agro raises USD 25 million to fuel growth of its Dairy and Agro Food Processing businesses

~ Secures investment from Mandala Capital, a private equity firm having primary investment interests in the food and agri-business sectors in India ~

~ Charts out aggressive growth path to become a USD 500mn organisation from current USD 150mn with a proposal of investing around USD 100 mn in its dairy business within the next five years ~

**Kolkata, September 14, 2017:** Marking a significant development in the agro food processing sector in India and boosting Foreign Direct Investment (FDI) interest into the State of West Bengal, **Rs. 800 Cr Keventer Agro Ltd (KAL)**, the flagship enterprise of **Rs. 1800 Cr Keventer Group** having diverse interests in Food and Beverage, Hospitality, Realty, Infrastructure and Exports, has secured a capital of **USD 25mn (Rs.170 Cr. approximately)** from **Mandala Capital**, a private equity firm, which has primary investment interests in the Food and Agri-business sectors in India.

The capital raised will help Keventer Agro fuel its growth story further and will be utilised for future expansion plans. **Baker Tilly DHC**, the Indian arm of one of the world's leading accountancy and business advisory services company, Baker Tilly International, has been the transaction adviser of this deal while **Fox Mandal** and **DSK Legal** were the legal advisors to Keventer Agro Ltd and Mandala Capital respectively.

Keventer Agro is currently on an aggressive growth path eyeing significant surge in its business scale. The Company has revamped its business strategy and to this effect, the governing board of the Company

The Indian food processing industry accounts for 32 per cent of the country's total food market and is ranked fifth in terms of production, consumption, export and expected growth. According to the data provided by the Department of Industrial Policies and Promotion (DIPP), the food processing sector in India has received around US\$ 7.54 billion worth of Foreign Direct Investment (FDI) during the period April 2000-March 2017. The Confederation of Indian Industry (CII) estimates that the food processing sectors have the potential to attract as much as US\$ 33 billion of investment over the next 10 years. The Government of India also aims to boost growth in the food processing sector by leveraging reforms such as allowing 100 per cent Foreign direct investment (FDI) in food product e-commerce through automatic route and various incentives at central and state government level along with a strong focus on supply chain infrastructure. In Union Budget 2017-18, the Government of India has set up a dairy processing infra fund worth Rs 8,000 crore (US\$ 1.2 billion).

**Source: India Brand Equity Foundation (IBEF), a Trust established by the Department of Commerce, Ministry of Commerce and Industry, Government of India.**

has rearranged the key functions of its top management. With effect from September 13, 2017, Mr. Mayank Jalan has been designated as Chairman and Managing Director of Keventer Agro Ltd and he would also play a pivotal role in taking ahead the growth agenda of Metro Dairy as its Chairman. Mr. Mahendra Kumar Jalan, the Founder of Keventer Agro Ltd would continue to guide the management and provide strategic inputs as the Chairman Emeritus of KAL.

**Mr. Mayank Jalan**, Chairman and Managing Director, Keventer Agro Ltd and Chairman, Metro Dairy Ltd commented, "We have charted out a robust growth plan for each of our businesses, be it dairy, banana or frozen foods. Thus we were looking for an experienced investment partner who would be a part of our journey going

forward and what could be better than Mandala Capital with their proven track record of successful partnerships with some of the finest organisations operating in Indian agro business sector. With this fresh infusion of capital,

we intend to invest about USD 100mn into our dairy business in Bengal and grow our food processing business exponentially - all towards our endeavor of turning into a USD 500mn company by the year 2022.”

Mandala Capital currently holds a portfolio which includes organisations across the spectrum of food related businesses such as Seeds, Biotechnology, Sugar, Biochemical, Irrigation, Food Processing, Solar, Agro-financing, Logistics and Cold Chain, Dairy, Beverages and Fresh produce. **Mr. Uday Garg**, Managing Partner, Mandala Capital stated, “We believe there is significant potential in the food processing sector and Keventer Agro has all the right ingredients to become the leading player in Eastern India. We look forward to working with Mr. Jalan and his team to achieve this.”

#### **About Keventer Agro Ltd**

Keventer Agro Limited (KAL) is a part of the Keventer Group which is one of the fastest growing Food companies in Eastern India with major focus in Dairy, Bananas and Frozen foods. Established in 1986, the Company acquired the Kolkata franchise of Edward Keventer’s operations and now aims to take the 127 years legacy in Food & Dairy to new heights while remaining committed to Edward Keventer's philosophy and beliefs. The company has a robust distribution network of 2300 distributors, 35 super C/F agents and 150,000 retail outlets across the Eastern region. The company has a 200-acre Campus at Barasat, West Bengal with multiple food processing units all of whom possess ISO 22000 quality certifications from International Organizations. The company also possesses a dry warehouse and logistics centre of 400,000 sq. ft for clients and partner companies. Keventer Agro Ltd has also bagged the ‘Significant Achievement’ Award in Cold Chain Management at the CII 6th National Cold Chain Summit at New Delhi - 27th October 2016. KAL has attained 100% ownership of Metro Dairy Limited by winning the bid of buying the shares from the government of West Bengal. This development would usher in a new growth phase for Metro Dairy with a plan of a 4-fold increase in production from the current 2.5 lakh litres a day to 1 million litres a day. With an objective to become one of the leading Dairy company in Eastern India, KAL has attracted a private equity investment of USD 25mn through funding from Mandala Capital.

#### **About Mandala Capital**

Mandala Capital is a private equity firm focused exclusively on long-term investments in the food industries of the Indian sub-continent. The firm seeks to establish partnerships with visionary promoters and management, with a team of financial and operating professionals who provide complete solutions and support to enhance the value of partner companies. Mandala’s current portfolio includes companies across the spectrum of food-related investing, including seeds, biotechnology, sugar, biochemicals, irrigation, food processing, solar, agri-financing, logistics and cold chain, dairy, beverages, and fresh produce. Mandala was founded in 2008 and has an investor base which includes some of the world’s leading endowments, pension funds, and private families. For more information, visit [www.mandala-capital.com](http://www.mandala-capital.com).

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