



January 30, 2020

Compliance Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001 Scrip Code: 539889	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 Symbol: PARAGMILK
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Dear Sir/Madam

SUBJECT: UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019.

The Board of Directors of the Company at their Meeting held on **January 30, 2020** has inter alia, considered and approved the Un-Audited Standalone and Consolidated Financial Results for the Quarter and Nine Months ended December 31, 2019

Accordingly, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the following:

- Un-Audited Standalone Financial Results of the Company for quarter and nine months ended December 31, 2019 and
- Un-Audited Consolidated Financial Results of the Company for quarter and nine months ended December 31, 2019 and
- Limited Review Reports issued by the Statutory Auditors of the Company M/s. Haribhakti & Co. LLP, Chartered Accountants (Firm Registration No. 103523W / W100048).
- Press Release with regard to the Un-Audited Financial Results of the Company for the quarter and nine months ended December 31, 2019.

You are requested to kindly take the same on record.

For **PARAG MILK FOODS LIMITED**


Pritam Shah
Managing Director
DIN: 01124247



Encl: As above.

Parag Milk Foods Ltd.,

CIN-L15204PN1992PLC070209

Regd. Office: Flat No.1, Plot No.19, Nav Rajasthan Soc., Behind Ratana Memorial Hospital, S B Road, Shivaji Nagar, Pune. Pin- 411016. Phone: +91 7276470001

Corporate Office: 10th Floor, Nirmal Building, Nariman Point, Mumbai- 400021. Tel.: 022-43005555 Fax: 022-43005580

Manchar Plant : Awasari Phata, Manchar, Dist. Pune. 410 503. Ph. : +91 2133 224761/62/63 Fax : +91 2133 223940.

Website : www.paragmilkfoods.com





Investor Release

For Immediate Release

Parag Milk Foods Ltd 9M FY20 Financial Performance

- ✓ Revenue growth of 10.4% YoY to Rs. 19,027 million
- ✓ EBITDA stood at Rs. 1,711 million with EBITDA margin of 9.0%
- ✓ PAT stood at Rs. 836 million with PAT margin of 4.4%

Mumbai, 30th January 2020: Parag Milk Foods Ltd., a leading manufacturer and marketer of dairy-based branded products in India announced its unaudited financial results for the quarter and nine months ended 31st December 2019.

Performance Highlights for 9M FY20

Consolidated Revenue from Operations for 9M FY20 reported a growth of 10.4% YoY to Rs. 19,027 million as compared to Rs. 17,235 million in 9M FY19. Growth was subdued on account of the shortfall in milk availability during the quarter.

The share of Milk Products for 9M FY20 is 67.5 % of total revenue, while that of liquid milk was 18.5% and the same for Skimmed Milk Powder was 12.3%.

EBITDA for 9M FY20 stood at Rs. 1,711 million and EBITDA Margin stood at 9.0%.

PAT for 9M FY20 stood at Rs. 836 million and PAT Margin stood at 4.4% in 9M FY20.

Performance Highlights for Q3 FY20

Consolidated Revenue from Operations for Q3 FY20 stood at Rs. 6,329 million as compared to Rs. 6,006 million for Q3 FY19, representing a growth of 5.4% YoY. Growth was subdued on account of the shortfall in milk availability during the quarter.

Gross Profit for Q3 FY20 was Rs. 1,612 million as compared to Rs. 1,957 million in Q3 FY19. Gross margins stood at 25.5% for Q3 FY20. Heavy rainfall, non-availability of green fodder and delayed calving affected the flush season, leading to disruptions in availability of milk causing spiralling milk prices which impacted margins.

EBITDA for Q3 FY20 stood at Rs. 588 million while EBITDA Margins stood at 9.3%. Tight operational controls and improved productivity measures have improved the performance.



PAT for Q3 FY20 stood at Rs. 276 million as compared to Rs. 307 million in Q3 FY19. PAT margins stood at 4.4% in Q3 FY20.

Commenting on the performance, Mr. Devendra Shah, Chairman said *“We have delivered a steady performance in light of a challenging operating environment recording a revenue growth of 10.4% YoY in 9MFY20. Heavy rainfall washed away fodder-producing crops, creating a shortage of animal feed and affecting livestock farming. The late onset of and extended monsoon, non-availability of green fodder and delayed calving have affected the flush season and curtailed availability of milk.*

We believe that though this maybe a period of short-term pain, our experience and historical trends indicate that a recovery is inevitable. We have been in the dairy business for almost three decades and successfully navigated these situations in the past, a testimony to the inherent strength of our business model. As an integrated FMCG player and the only one in India deriving all our products from 100% cow’s milk, our end-to-end business model, strong brand recall and well-entrenched distribution network positions us uniquely to capitalize on the strong sectoral opportunities.”



About Parag Milk Foods Ltd:

Parag Milk Foods Limited, established in 1992, is the largest private dairy FMCG Company with a pan-India presence. We have our own manufacturing facilities with in-house technology which are strategically located at Manchar in Maharashtra, Palamaner in Andhra Pradesh and Sonipat in Haryana.

We sell 100% cow’s milk products which are healthy and nutritious. Our integrated business model and strong R&D capabilities has helped us emerge as the leader in innovation.

Our dairy farm, Bhagalaxmi Dairy Farm Private Limited house more than 2,500 Holstein Friesian cows, with a mechanized milking process. Under brand “Gowardhan”, we offer traditional products like Ghee, Dahi, Paneer etc. while under brand name “Go” we offer products like cheese, UHT milk, buttermilk, lassi, yoghurt etc.

“Pride of Cows”, the flagship brand of Parag Milk Foods was introduced with a proposition of Farm to Home concept targeted towards customers seeking premium quality cow milk. The Company also forayed into dairy based beverages with the launch of “Topp Up” and “Slurp” - a mango drink with a dash of milk. Recently the Company has also ventured into B2C segment for Whey Protein with the brand Avvatar – India’s 1st 100% vegetarian whey protein, first of its kind manufactured in India.

Our goal is to become the largest dairy FMCG company that emphasizes on health and nutrition to consumers through innovation.

Safe Harbor Statement:

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further details please contact:

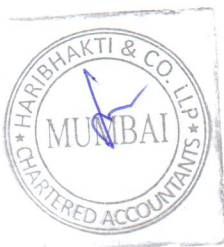
Company	Investor Relations Advisors
<p>Parag Milk Foods Ltd Natasha Kedia Head - Investor Relations Email ID: natasha.kedia@paragmilkfoods.com Tel. No.: +91 22 43005555/ Ext: 631</p>	<p>Strategic Growth Advisors Pvt. Ltd. Vaun Divadkar/ Deven Dhruva Email ID: varun.divadkar@sgapl.net / deven.dhruva@sgapl.net Tel No: +91 9763702204 / +91 9833373300</p>

Independent Auditor's Review Report on quarterly and year to date Unaudited Standalone Financial Results of Parag Milk Foods Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To the Board of Directors

Parag Milk Foods Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **Parag Milk Foods Limited** ("the Company") for the quarter ended December 31, 2019 and for the period from April 1, 2019 to December 31, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

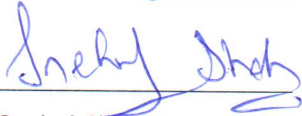


4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Snehal Shah

Partner

Membership No.: 048539

UDIN: 20048539A+AAAE3106



Place: Mumbai

Date: January 30, 2020



Parag Milk Foods Limited

CIN:L15204PN1992PLC070209

Registered Office: Flat No 1, Plot No 19, Nav Rajasthan Housing Society, Behind Ratna Memorial Hospital, Pune, Pin- 411016, Maharashtra, India

Website: www.paragmilkfoods.com, Email id: investors@paragmilkfoods.com

Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2019

Particulars	Quarter ended			Year to date		Year ended
	31-Dec-19	30-Sep-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Mar-19
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from Operations	6,230.94	6,275.27	5,873.35	18,668.05	16,861.79	23,461.31
Other Income	7.61	12.51	6.85	33.24	27.28	40.49
Total Income	6,238.55	6,287.78	5,880.20	18,701.29	16,889.07	23,501.80
Expenses						
Cost of Materials consumed	4,387.47	4,103.38	4,302.35	12,332.94	10,826.94	14,940.41
Purchase of Stock-in-trade	548.64	650.85	282.61	2,048.61	930.79	1,482.79
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(245.60)	(61.00)	(583.56)	(462.65)	(56.88)	(58.25)
Employee benefits expenses	235.44	251.84	247.73	746.57	673.61	925.53
Finance Costs	112.40	86.25	101.49	291.44	278.75	356.68
Depreciation and amortisation expenses	130.12	124.72	133.75	382.61	393.42	481.37
Other expenses	728.19	769.51	1,029.68	2,292.82	2,756.32	3,995.82
Total Expenses	5,896.66	5,925.55	5,514.05	17,632.34	15,802.95	22,124.35
Profit from ordinary activities after finance costs and before exceptional items	341.89	362.23	366.15	1,068.95	1,086.12	1,377.45
Exceptional items	-	-	-	-	-	-
Profit before tax	341.89	362.23	366.15	1,068.95	1,086.12	1,377.45
Tax expense/(credit)						
- Current tax (Net of prior year tax)	83.04	75.18	159.24	257.16	386.52	341.11
- Deferred tax	(9.78)	6.82	(98.88)	(9.27)	(155.18)	(104.19)
Profit after tax	268.63	280.23	305.79	821.06	854.78	1,140.53
Other comprehensive income						
Items that will not be reclassified to profit or loss						
- Remeasurement (loss)/gain on post employee benefit obligation	0.39	0.39	(1.16)	1.17	(3.47)	1.55
- Income tax on remeasurement of post benefit obligation	(0.14)	(0.13)	0.40	(0.41)	1.21	(0.54)
Total comprehensive income	268.88	280.49	305.03	821.82	852.52	1,141.54
Paid-up equity share capital (face value of Rs 10/- each)	839.39	839.39	839.39	839.39	839.39	839.39
Reserve excluding revaluation reserve as per balance sheet of previous accounting year						7,411.63
Earnings per share (not annualised)						
- Basic (in Rs.)	3.20	3.34	3.65	9.78	10.19	13.59
- Diluted (in Rs.)	3.19	3.33	3.64	9.76	10.17	13.56



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Notes to the Parag Milk Foods Limited Unaudited Standalone financial results:

- 1 The Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2019 of Parag Milk Foods Limited ("the Company") have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their meeting held on January 30, 2020 and are available on the Company's website - <https://www.paragmilkfoods.com> and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).
- 2 This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (Ind-AS) as specified under Section 133 of Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3 Based on guiding principles given in Ind-AS 108 on "Operating Segments", the Company's business activity falls within a single Operating Segment namely, "Milk and Milk Related Products" and hence, the disclosure requirements of Ind AS 108 are not applicable.
- 4 Previous quarter/period/year figures have been regrouped/reclassified wherever necessary to correspond with the current quarter/period classification/disclosure.

Place: Mumbai
Date: January 30, 2020



For Parag Milk Foods Limited


Pritam Shah
Managing Director
DIN No. 01127247

Independent Auditor's Review Report on quarterly and year to date Unaudited Consolidated Financial Results of Parag Milk Foods Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To The Board of Directors
Parag Milk Foods Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Parag Milk Foods Limited ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group") for the quarter ended December 31, 2019 and for the period from April 1, 2019 to December 31, 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



HARIBHAKTI & CO. LLP

Chartered Accountants

4. The Statement includes the results of the following entities:

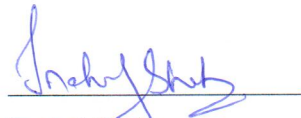
Sr. No.	Name of the Entity	Relationship
1	Parag Milk Foods Limited	Holding Company
2	Bhagalaxmi Dairy Farms Private Limited	Subsidiary Company

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Snehal Shah

Partner

Membership No.: 048539

UDIN: 20048539AAAAF9794



Place: Mumbai

Date: January 30, 2020



Parag Milk Foods Limited

CIN:L15204PN1992PLC070209

Registered Office: Flat No 1, Plot No 19, Nav Rajasthan Housing Society, Behind Ratna Memorial Hospital, Pune, Pin- 411016, Maharashtra, India
Website: www.paragmilkfoods.com, Email id: investors@paragmilkfoods.com

Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2019

Particulars	Amounts in Millions					
	Quarter ended			Year to date		Year ended
	31-Dec-19	30-Sep-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Mar-19
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from Operations	6,329.26	6,400.26	6,006.04	19,026.91	17,235.11	23,956.64
Other Income	7.69	30.79	6.85	66.61	39.30	102.63
Total Income	6,336.95	6,431.05	6,012.89	19,093.52	17,274.41	24,059.27
Expenses						
Cost of Materials consumed	4,329.83	4,168.82	4,356.89	12,418.52	11,009.48	15,210.70
Purchase of Stock-in-trade	548.64	650.85	282.61	2,048.61	930.79	1,482.79
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(160.91)	(62.39)	(590.72)	(379.35)	(97.81)	(119.87)
Employee benefits expenses	242.82	259.32	254.26	769.26	691.08	949.94
Finance Costs	112.59	86.32	102.08	292.06	279.83	357.88
Depreciation and amortisation expenses	136.00	130.22	138.54	399.12	407.68	501.85
Other expenses	781.27	828.87	1,082.65	2,458.95	2,903.87	4,198.12
Total Expenses	5,990.24	6,062.01	5,626.31	18,007.17	16,124.92	22,581.41
Profit from ordinary activities after finance costs and before exceptional items	346.71	369.04	386.58	1,086.35	1,149.49	1,477.86
Exceptional items	-	-	-	-	-	-
Profit before tax	346.71	369.04	386.58	1,086.35	1,149.49	1,477.86
Tax expense/(credit)						
- Current tax (Net of prior year tax)	84.31	76.87	163.37	261.45	399.79	362.67
- Deferred tax	(13.40)	7.24	(84.15)	(10.92)	(144.63)	(92.00)
Profit after tax	275.80	284.93	307.36	835.82	894.33	1,207.19
Other comprehensive income						
Items that will not be reclassified to profit or loss						
- Remeasurement (loss)/gain on post employee benefit obligation	0.37	0.38	(1.17)	1.12	(3.49)	1.49
- Income tax on remeasurement of post benefit obligation	(0.13)	(0.13)	0.41	(0.39)	1.22	(0.52)
Total comprehensive income	276.04	285.18	306.60	836.55	892.06	1,208.16
Paid-up equity share capital (face value of Rs 10/- each)	839.39	839.39	839.39	839.39	839.39	839.39
Reserve excluding revaluation reserve as per Balance Sheet of previous accounting year						7,431.98
Earnings per share (not annualised)						
- Basic (in Rs.)	3.29	3.39	3.66	9.96	10.66	14.39
- Diluted (in Rs.)	3.28	3.39	3.66	9.94	10.64	14.36



Notes to the Parag Milk Foods Limited Unaudited Consolidated financial results:

- 1 The Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2019 of Parag Milk Foods Limited ("the Company") and its subsidiary (Bhagyalaxmi Dairy Farms Private Limited), hereinafter together known as Group, have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their meeting held on January 30, 2020 and are available on the Company's website - <https://www.paragmilkfoods.com> and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).
- 2 This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (Ind-AS) as specified under Section 133 of Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3 Based on guiding principles given in Ind-AS 108 on "Operating Segments", the Group business activity falls within a single Operating Segment namely, "Milk and Milk Related Products" and hence, the disclosure requirements of Ind AS 108 are not applicable.
- 4 Previous quarter/period/year figures have been regrouped/reclassified wherever necessary to correspond with the current quarter/period classification/disclosure.

Place: Mumbai
Date: January 30, 2020



For Parag Milk Foods Limited

Pritam Shah
Managing Director
DIN No. 01127247