



April 03, 2021

Compliance Department, BSE Limited, Phiroze Jeejeebhoy Tower, Dalal Street, Fort, Mumbai- 400001	Compliance Department, National Stock Exchange of India Ltd. Exchange Plaza, Plot No. C/1, G-Block, Bandra-Kurla Complex Bandra-(E), Mumbai - 400051
Scrip Code:- 539889	Scrip Symbol :- PARAGMILK

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")- Notice of Extraordinary General Meeting of Members.

Dear Sir/Madam,

This is in continuation to our letter dated April 01, 2021 and pursuant to Regulation 30 and 44 of the SEBI Listing Regulations, we wish to inform you that the Extraordinary General Meeting ('EGM') of the Company will be held on **Monday, April 26, 2021 at 11:30 a.m.** through Video Conferencing (VC) / Other Audio Visual Means (OAVM). We are submitting herewith the Notice of Extraordinary General Meeting of the Company along with explanatory statement, which is being sent through electronic mode to the Members.

The Company has provided the facility to vote by electronic means (remote e-voting as well as e-voting at the EGM) on the shareholders' resolutions as set out in the EGM Notice in compliance with the conditions specified under the Companies (Management and Administration) Rules, 2014.

For the aforesaid purpose the Company has fixed Monday, April 19, 2021 as the cut-off date to determine the entitlement of voting rights of members opting for e-voting. The e-voting shall commence on Friday, April 23, 2021 at 9:00 a.m. and will end on Sunday, April 25, 2021 at 5.00 p.m.

The Company had entered into an arrangement with National Securities Depository Limited (NSDL) for facilitating e-voting through their e-voting platform

The copy of the said EGM Notice is uploaded on the website of the Company i.e. www.paragmilkfoods.com.

Kindly take the same on record.

Thanking you.

For Parag Milk Foods Limited

Rachana Sanganeria
Company Secretary and Compliance Officer
ACS No. 10280

Encl: a/a





PARAG MILK FOODS LIMITED

CIN: L15204PN1992PLC070209

Regd. Office: Flat No.1, Plot No-19, Nav Rajasthan CHS. Shivaji Nagar, Pune-411016

Tel. No. +91 7276470001 Visit us at: paragmilkfoods.com

Email- investors@paragmilkfoods.com

Notice of Extraordinary General Meeting

NOTICE is hereby given that an Extraordinary General Meeting (EGM) of Parag Milk Foods Limited (“the Company”) will be held on **Monday, April 26, 2021 at 11:30 A.M.** (IST) through Video Conference (VC) / Other Audio-Visual Means (OAVM) to seek the consent of the shareholders of the Company (“**Members**”), for the resolutions appended herein below through electronic voting (“**E-voting**”).

In view of the continuing Covid-19 pandemic and pursuant to the guidelines and notification issued by the Ministry of Home Affairs, Government of India and in light of the MCA Circulars and pursuant to applicable provisions of the Companies Act and rules made thereunder, the Company proposes for passing of resolutions as per this EGM notice.

The proceedings of the EGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the EGM.

SPECIAL BUSINESS:

ITEM NO. 1: INCREASE IN AUTHORIZED SHARE CAPITAL AND AMENDMENT IN THE CAPITAL CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE COMPANY.

To consider and if thought fit, to pass, with or without modification, the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 61 read with Section 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, and the Articles of Association, the consent of the members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from existing Rs.100,00,00,000/- (Rupees One Hundred Crores only) divided into 10,00,00,000 (Ten Crores) Equity Shares of Rs.10/- each to Rs.120,00,00,000/- (Rupees One Hundred Twenty Crores only) divided into 12,00,00,000 (Twelve Crores) Equity Shares of Rs.10/- each by creation of additional 2,00,00,000 (Two Crore) Equity Shares of Rs.10/- each ranking pari passu in all respect with the existing Equity Shares of the Company.”

“**RESOLVED THAT** pursuant to Sections 13, 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, each as amended, the first para of Clause V of the Memorandum of Association of the Company be altered by substituting in place thereof the following Clause:



“The Authorized Share Capital of the Company is Rs.120,00,00,000/- (Rupees One Hundred Twenty Crores only) divided into 12,00,00,000 (Twelve Crores) Equity Shares of Rs.10/- (Rupees Ten only) each with the rights, privileges and conditions attaching thereto as are provided by the regulations of the company for the time being with the power to increase or reduce the capital of the company and to divide the share in the capital for the time being into and to divide the several classes and to attach there to respectively such preferential, qualified or special rights, privileges or condition as may be determined or in accordance with the regulation of the company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulation of the company.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company, including filing of necessary forms and returns with the Ministry of Corporate Affairs and other concerned Authorities and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the resolution without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

ITEM NO. 2: APPROVAL FOR ISSUANCE OF CONVERTIBLE WARRANTS TO PROMOTER/ PROMOTER GROUP ON PREFERENTIAL BASIS

To consider and if thought fit, to pass, with or without modification, the following Resolution as a **Special Resolution**:

“**RESOLVED that** pursuant to the provisions of Sections 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (“Companies Act”), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 and other relevant rules made there under, in accordance with the guidelines, rules and regulations of the Securities and Exchange Board of India (‘SEBI’), including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (‘SEBI ICDR Regulations’), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’), SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended (including any statutory modification(s) thereto or re-enactment thereof for the time being in force), the provisions of Memorandum of Association and Articles of Association of the Company, and subject to other applicable rules and regulations and the approvals, consents, permissions and/ or sanctions, as may be required from the Ministry of Corporate Affairs (‘MCA’), SEBI, Stock Exchange(s) and any other relevant statutory authorities, and subject to such terms, conditions, alterations, corrections, changes, variations and/ or, modifications, if any, as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and/ or sanctions and which may be agreed by the Board of Directors of the Company (hereinafter referred to as the

‘Board’ which term shall deem to include any committee which the Board has constituted or may constitute to exercise one or more of its powers, including the powers conferred by this resolution), the consent and approval of the Members be and is hereby accorded to the Board to create, issue, offer and allot 1,00,00,000 convertible share warrants convertible into 1,00,00,000 equity shares of face value of Rs.10/- (Rupees Ten only) each, fully paid up, on a preferential basis, at a price of Rs.111/- (Rupees One Hundred Eleven only) (including premium of Rs.101/-) per share warrant, determined in accordance with the relevant provisions of Chapter V of SEBI ICDR Regulations, in such manner and on such other terms and conditions, as may be approved or finalized by the Board, to the following Proposed Allottees as detailed herein below:

Name of the Proposed Allottees	Category	No. of warrants to be allotted
1. Mr. Devendra Prakash Shah	Promoter – Executive Chairman	50,00,000
2. Mrs. Netra Pritam Shah	Member of Promoter group	50,00,000

RESOLVED FURTHER THAT the ‘Relevant Date’ for determining the price of the share warrants being allotted to the Proposed Allottees in accordance with the SEBI ICDR Regulations, is March 27, 2021, being the date, which is 30 days prior to the date on which the resolution will be deemed to be passed i.e. April 26, 2021.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of share warrants to be allotted in terms of this resolution shall be subject to applicable laws as well as the Memorandum and Articles of Association of the Company and shall be subject to lock-in for such period as may be prescribed under Chapter V of the SEBI ICDR Regulations and any other applicable law for the time being in force.

RESOLVED FURTHER THAT the warrants shall be issued and allotted by the Company to the Proposed Allottees in dematerialized form within a period of 15 (Fifteen) days from the date of receipt of Members’ approval, provided that, where the issue and allotment of the said warrants is pending on account of pendency of any approval by any Regulatory Authority (including, but not limited to the National Stock Exchange of India Limited, BSE Limited and/or SEBI), the issue and allotment shall be completed within a period of 15 (Fifteen) days from the date of receipt of last of such approvals.

RESOLVED FURTHER THAT the monies received by the Company from the Proposed Allottees for application of the warrants pursuant to this preferential issue shall be kept by the Company in a separate account opened by the Company for this purpose and shall be utilized by the Company in accordance with the provisions of the Companies Act.

RESOLVED FURTHER THAT the Company be and is hereby authorized to procure the listing and trading approvals for the Equity Shares to be issued and allotted to the Warrant holders upon exercise of the Warrants from the relevant Stock Exchanges in accordance



with the Listing Regulations and all other applicable laws, rules and regulations.

RESOLVED FURTHER THAT without prejudice to the generality of the above resolution, the issue of the warrants shall be subject to the following terms and conditions in addition to the terms and conditions as contained in the Statement under Section 102 of the Companies Act annexed hereto, which shall be deemed to form part hereof:

- a. The Proposed Allottees of warrants shall be required to bring in 25% of the consideration, on or before the date of allotment thereof; and the balance 75% shall be payable by the Warrant holder(s) on the exercise of the Warrant(s).
- b. The consideration for allotment of warrants shall be paid to the Company by the Proposed Allottees from their respective bank accounts;
- c. Allotment of warrants shall only be made in dematerialized form;
- d. The Warrants may be exercised by the Warrant holder, in one or more tranches, at any time on or before the expiry of 18 months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised along with the aggregate amount payable thereon. The Company shall accordingly, without any further approval from the Members, allot the corresponding number of Equity Shares in dematerialized form;
- e. The Equity Shares to be allotted on exercise of the Warrants shall be fully paid up and rank pari passu with the existing Equity Shares bearing ISIN INE883N01014 of the Company in all respects (including with respect to dividend and voting powers) from the date of allotment thereof, and be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company;
- f. In the event the Warrant holder does not exercise the Warrants within 18 months from the date of allotment, the Warrants shall lapse and the amount paid to the Company at the time of subscription of the Warrants shall stand forfeited;
- g. The Equity Shares arising from the exercise of the Warrants will be listed on the Stock Exchanges subject to the receipt of necessary regulatory permissions and approvals as the case may be.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized to take all such actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid warrants and listing thereof with the Stock Exchanges as appropriate, filing of requisite documents with the Registrar of Companies, Depositories and/ or such other authorities as may be necessary for the purpose, to decide and approve the other terms and conditions of the preferential issue, to vary, modify or alter any of the terms and conditions, subject to the provisions of the Companies Act, the SEBI ICDR Regulations

and/ or any other laws and regulations, and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment, utilization of issue proceeds, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

ITEM NO. 3: APPROVAL FOR ISSUANCE OF EQUITY SHARES ON A PREFERENTIAL BASIS TO INVESTORS

To consider and if thought fit, to pass, with or without modification, the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 42 and Section 62(1)(c) of the Companies Act, 2013, (“Companies Act”) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any (including any statutory modifications(s) or re-enactment thereof, for the time being in force), and subject to the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI (ICDR) Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended up to date (“SEBI (LODR) Regulations”), the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (the “Takeover Regulations”) as in force and subject to other applicable rules, regulations and guidelines of Securities and Exchange Board of India (“SEBI”) and/ or the stock exchanges where the shares of the Company are listed and enabling provisions of the memorandum and articles of association of the Company and subject to requisite approvals, consents, permissions and/ or sanctions of regulatory and other appropriate authorities, as may be required and subject to such conditions as may be prescribed by any of them while granting any such approvals, consents, permissions, and/ or sanctions and which may be agreed to, by the board of directors of the Company (“Board”, which term shall be deemed to include any committee constituted by the Board to exercise its powers including the powers conferred hereunder or any person authorised by the Board or its committee for such purpose) and subject to any other alterations, modifications, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent and approval of the members of the Company be and is hereby granted to Board to create, offer, issue and allot on a preferential basis to **1. International Finance Corporation (IFC)** (Investor) 67,56,757 equity shares of face value Rs.10/- each (“Equity Shares”) at a price of Rs.111/- (including a premium of Rs.101/-) per share, for a total consideration of up to Rs.75,00,00,000/- (Rupees Seventy-Five Crore only), and to **2. Sixth Sense India Opportunities II** (Investor) 18,01,802 equity shares of face value Rs.10/- each (“Equity Shares”) at a price of Rs.111/- (including a premium of Rs.101/-) per share, for a total consideration of up to Rs.20,00,00,000/- (Rupees Twenty Crore only) and to **3. Sixth Sense India Opportunities III** (Investor) 27,02,703 equity shares of face value Rs.10/- each (“Equity Shares”) at a price of Rs.111/- (including a premium of Rs.101/-) per share, for a total consideration of up to Rs.30,00,00,000/- (Rupees Thirty Crore only) provided that the minimum price of equity shares so issued shall not be less than the price arrived at, in



accordance with Chapter V of the SEBI (ICDR) Regulations for preferential issue on such terms and conditions, as are stipulated in the explanatory statement attached and as Board may deem fit in its absolute discretion.”

“RESOLVED FURTHER THAT in accordance with the provision of Chapter V of the SEBI (ICDR) Regulations the “Relevant Date” for the purpose of calculating the floor price for the issue of equity shares be and is hereby fixed as March 27, 2021 being the weekday 30 days prior to the date of Extraordinary General Meeting i.e. April 26, 2021.”

“RESOLVED FURTHER THAT all such equity shares to be issued and allotted by the Board shall be subject to provisions of Memorandum of Association and Article of Association of the Company and shall rank pari-passu in all respect including dividend with the existing equity shares of the Company.”

“RESOLVED FURTHER THAT the Company hereby takes note of the certificate from the statutory auditors of the Company certifying that the above issue of the Equity Shares is being made in accordance with the ICDR Regulations.”

“RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, 2013, the names of the Subscribers be recorded for the issue of invitation to subscribe to the Equity Shares and a private placement offer letter in Form No. PAS-4 together with an application form be issued to the Subscribers inviting the Subscribers to subscribe to the Equity Shares, as per the draft tabled at the Meeting and duly initialed by the Chairman for the purpose of identification and consent of the Company is hereby accorded to the issuance of the same to the Subscribers inviting the Subscribers to subscribe to the Equity Shares.”

“RESOLVED FURTHER THAT the monies received by the Company from the Investor for application of the Equity Shares pursuant to this private placement shall be kept by the Company in a separate bank account.”

“RESOLVED FURTHER THAT the Equity Shares to be allotted in terms of this resolution shall be made fully paid up at the time of allotment and be issued in dematerialized form only. Further, the same shall be subject to lock-in for such period as may be prescribed under Regulation 167 of the SEBI ICDR Regulations. The equity shares so offered, issued and allotted will be listed on Stock Exchanges where the equity shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals as the case may be.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deemed necessary, desirable and expedient for such purpose, including without limitation, issuing clarification on the offer, issue and allotment of the equity shares and listing of equity shares at the Stock Exchanges as per the terms and conditions of SEBI (LODR) Regulations and other applicable Guidelines, Rules and Regulations, to execute the necessary documents and enter into contracts, arrangements, agreements, documents (including appointment of agencies, intermediaries and advisor for the Preferential Issue),



resolving all questions and doubt that may arise with respect to the offer, issued and allotment of equity shares, and to authorize all such person as may be deemed necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Shareholders of the Company and that the decision of the Board shall be final and conclusive.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the power herein conferred, to any committee or to one or more Directors or executive of the Company including making necessary filings with the Stock Exchanges and Regulatory Authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint Consultants, Professional Advisors and Legal Advisors to give effect to the aforesaid resolution.”

“**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.”

ITEM NO. 4: APPROVAL FOR ISSUANCE OF FOREIGN CURRENCY CONVERTIBLE BONDS (FCCBs) ON PRIVATE PLACEMENT BASIS

To consider and if thought fit, to pass, with or without modification, the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 180 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder including any amendments thereto or re-enactment thereof, for the time being in force, the provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “SEBI ICDR Regulations”), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2015, the provisions of the issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 or the Depository Receipt Scheme, 2014, the provisions of the Foreign Exchange Management Act, 1999, (“FEMA”) and rules and regulations framed there under as amended from time to time and subject to other applicable rules, regulations and guidelines issued by the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), the Government of India (“GoI”), the stock exchanges and / or any other competent governmental or regulatory authorities from time to time to the extent applicable, and subject to such approvals, permissions, consents and sanctions as may be necessary from SEBI, Stock Exchanges, RBI, GoI and any other governmental or regulatory authorities as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and / or sanctions, approval of the members of the Company be and is hereby accorded to issue, create and allot unlisted, unsecured, unrated foreign currency convertible bonds (“FCCBs”) aggregating upto US \$11 million by private placement to **International Finance Corporation.(IFC)**”

“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of the FCCBs or any Securities, the Board be and are hereby authorised to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of the FCCBs or any Securities into any equity shares in accordance with the terms of issue/offering in respect of such FCCBs/Securities. The resultant equity shares shall rank pari passu with the existing equity shares of the Company in all respects and shall be listed on the Stock Exchanges in India where the equity shares of the Company are listed.”

“RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions: (a) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; (b) the Equity Shares that may be issued by the Company shall rank pari passu with the existing Equity Shares of the Company in all respects; and (c) Equity Shares to be issued on conversion of Securities convertible into Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, consolidation of stock, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate re-organisation or restructuring.”

“RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as FCCBs, the relevant date for the purpose of pricing the Securities shall be determined in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through the Depository Receipt Mechanism) Scheme, 1993, as the case may be (including any amendments thereto or re-enactment thereof, for the time being in force) or as may be permitted under applicable law.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any committee of directors or any director(s) of the Company in such manner as they may deem fit in their absolute discretion with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Issue and settle any questions or difficulties that may arise in this regard to the Issue.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the Issue, including the finalization and approval of the draft as well as final offer document(s), determining the form and manner of the Issue, finalization of the dates and timing of the Issue, identification and class of the investors to whom the Securities are to be offered, determining the issue price, face value, premium amount on issue/conversion of the Securities, if any, rate of interest and all other terms and conditions of the Securities, offer and allotment of Securities, execution of various transaction documents, signing of declarations, creation of mortgage/ charge, utilization of the issue proceeds, and to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Issue and resolve and settle all questions or difficulties that may arise in regard to such Issue without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”



By Order of the Board of Directors
For **Parag Milk Foods Limited**

Sd/-

Rachana Sanganeria

Company Secretary & Compliance Officer

Membership No. 10280

Place: Mumbai

Date: April 01, 2021

Registered Office Address:

Flat No.1, Plot No-19,
Nav Rajasthan Co op Hsg Soc.,
Behind Ratna Memorial Hospital,
S.B. Road, Shivaji Nagar,
Pune – 411016, Maharashtra



NOTES:

1. In view of the outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and Ministry of Corporate Affairs (“MCA”) has vide its Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, June 15, 2020, September 28, 2020 and December 31, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Extra Ordinary General Meeting (EGM or the Meeting) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the Shareholders at a common venue. Further, the Securities and Exchange Board of India (‘SEBI’) vide its circular dated May 12, 2020 and January 15, 2021 (‘SEBI Circular’) has also granted certain relaxations. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (‘the Act’) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the EGM of the Company is being held through VC / OAVM. The deemed venue for the EGM shall be the Registered Office of the Company.
2. Accordingly, in compliance with the applicable provisions of the Companies Act, 2013 read with the said Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the EGM of the Company is being held through VC / OAVM. The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith and also available at the Company’s website i.e. www.paragmilkfoods.com.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. As the EGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this EGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the EGM through VC / OAVM and vote on its behalf, to the Scrutinizer by e-mail to bhaskar@nlba.in with a copy marked to evoting@nsdl.co.in.
5. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the EGM is annexed hereto.

ELECTRONIC DISPATCH OF EGM NOTICE AND PROCESS FOR REGISTRATION OF EMAIL ID

In accordance with, the General Circular No. 20/2020 dated May 05, 2020 issued by MCA and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the EGM Notice or other documents required to be attached therewith), the same are being sent in electronic



mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

6. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited at einward.ris@kfintech.com. Members are requested to submit request letter mentioning the Folio No. and Name of Shareholder along with scanned copy of the Share Certificate (front and back) and self-attested copy of PAN card for updation of email address. Members holding shares in dematerialised mode are requested to register / update their email addresses with their Depository Participants.
7. The Notice of EGM, is available on the website of the Company at www.paragmilkfoods.com, on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of NSDL at www.evoting.nsdl.com.
8. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote, provided the votes are not already cast by remote e-voting facility by first holder.

PROCEDURE FOR JOINING THE EGM THROUGH VC / OAVM:

9. Members will be provided with a facility to attend the EGM through VC / OAVM through the NSDL e-voting system. Members may access the same at <https://www.evoting.nsdl.com> under Shareholders / Members login by using the remote e-voting credentials. The link for VC / OAVM will be available in Member's login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
10. For convenience of the Members and proper conduct of EGM, Members can login and join at least 15 (Fifteen) minutes before the time scheduled for the EGM and it shall be kept open throughout the proceedings of EGM. The facility of participation at the EGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM through VC / OAVM without restriction on account of first come first served basis.
11. Members are encouraged to join the Meeting through Laptops for better experience.



12. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
13. Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
14. Members attending the EGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO EGM NOTICE:

15. As the EGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the EGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email ID, PAN, mobile number at cs@paragmilkfoods.com. Questions / queries received by the Company from 9.00 a.m. on Tuesday, April 20, 2021 till 5.00 p.m. on Thursday, April 22, 2021 shall only be considered and responded during the EGM.
16. Members who would like to express their views or ask questions during the EGM may register themselves as a speaker by visiting the link <https://www.evoting.nsdl.com> or email at cs@paragmilkfoods.com from 9.00 a.m. on Tuesday, April 20, 2021 till 5.00 p.m. on Thursday, April 22, 2021.
17. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the EGM.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT THE EGM:

18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Secretarial Standard on General Meetings issued by the Institute of Companies Secretaries of India and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is pleased to provide the facility of remote e-voting to its Members in respect of the business to be transacted at the EGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the EGM will be provided by NSDL.
19. The Members, whose names appear in the Register of Members/ list of Beneficial

Owners as on Monday, April 19, 2021, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice of EGM for information purpose only.

20. Members may cast their votes on electronic voting system from any place (remote e-voting). The remote e-voting period will commence at 9.00 a.m. on Friday, April 23, 2021 and will end at 5.00 p.m. on Sunday, April 25, 2021. In addition, the facility for voting through electronic voting system shall also be made available during the EGM. Members attending the EGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the EGM. Members who have voted through remote e-voting shall be eligible to attend the EGM, however, they shall not be eligible to vote at the meeting. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>.
21. The facility for voting through electronic voting system shall also be made available during the EGM. Members attending the EGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the EGM. Members who have voted through remote e-voting shall be eligible to attend the EGM, however, they shall not be eligible to vote at the meeting. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>.
22. **The details of the process and manner for remote e-voting are explained herein below:**

The way to vote electronically on NSDL e-voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com/>

How to Log-in to NSDL e-voting website?

- (a) Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- (b) Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
- (c) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.



(d) Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example: if your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID for example: if your Beneficiary ID is 12***** then your User ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

(e) Your password details are given below:

- i. If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- ii. If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- iii. How to retrieve your 'initial password'?

If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a pdf file. Open the PDF file. The password to open the PDF file is your 8 digits' client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The PDF file contains your 'User ID' and your 'initial password'.

If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

- (f) If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:
 - i. Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

- ii. Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - iii. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - iv. Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL
- (g) After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 - (h) Now, you will have to click on “Login” button.
 - (i) After you click on the “Login” button, Home page of e-voting will open.

Step 2: Cast your vote electronically on NSDL e-voting system.

How to cast your vote electronically on NSDL e-voting system?

- (a) After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
- (b) After click on Active Voting Cycles, you will be able to see all the companies ‘EVEN’ in which you are holding shares and whose voting cycle is in active status.
- (c) Select ‘EVEN’ of Company for which you wish to cast your vote.
- (d) Now you are ready for e-voting as the voting page opens.
- (e) Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on ‘Submit’ and also ‘Confirm’ when prompted.
- (f) Upon confirmation, the message ‘Vote cast successfully’ will be displayed.
- (g) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (h) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

The instructions for Members for e-voting on the day of the EGM are as under:

- (a) The procedure for e-voting on the day of the EGM is same as the instructions mentioned above for remote e-voting.
- (b) Only those Members, who will be present in the EGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the EGM.
- (c) Members who have voted through remote e-voting will be eligible to attend the EGM. However, they will not be eligible to vote at the EGM.



GENERAL INFORMATION:

23. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bhaskar@nlb.in with a copy marked to evoting@nsdl.co.in.
24. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **'Forgot User Details/Password?'** or **'Physical User Reset Password?'** option available on www.evoting.nsdl.com to reset the password.
25. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:
 1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to einward.ris@kfintech.com
 2. In case shares are held in demat mode, please provide DPID-CLID (16 digits DPID+CLID or 16 digits beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to evoting@nsdl.co.in
26. The voting rights shall be as per the number of equity shares held by the Member(s) as on Monday, April 19, 2021, being the cut-off date. Members are eligible to cast vote electronically only if they are holding shares as on that date.
27. The Company has appointed Mr. Bhaskar Upadhyay from N.L.Bhatia & Associates, Practising Company Secretaries (FCS 8663 and CP No.9625), to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.
28. The results of the electronic voting shall be declared to the Stock Exchanges within 48 hours after the conclusion of EGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company at www.paragmilkfoods.com.
29. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Amit Vishal, Senior Manager, NSDL at the designated e-mail "evoting@nsdl.co.in" .



PROCEDURE FOR INSPECTION OF DOCUMENTS:

30. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members during the EGM. All the documents referred to in the accompanying Notice and Explanatory Statement, shall be available for inspection through electronic mode without any fee by the Members from the date of circulation of this Notice up to the date of EGM. Members seeking to inspect such documents can send an e-mail to cs@paragmilkfoods.com.

OTHER INFORMATION

31. To prevent fraudulent transactions, members are advised to exercise due diligence and notify any change in information to Registrar and Share Transfer Agent or Company as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
32. Members who hold shares under more than one folio in name(s) in the same order, are requested to send the relative Share Certificate(s) to the Company's Registrar and Transfer Agent for consolidating the holdings into one account. The Share Certificate(s) will be returned after consolidation.
33. The Securities and Exchange Board of India (SEBI) vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details at einward.ris@kfintech.com sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque through email. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.
34. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filling form SH-13. Members holding shares in the dematerialized form may contact their Depository Participant for recording the nomination in respect of their holdings.
35. Pursuant to provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is maintaining an E-mail ID: investors@paragmilkfoods.com exclusively for quick



redressal of members/ investors grievances.

As per Regulation 40 of SEBI Listing Regulations, amended, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

By Order of the Board of Directors
For **Parag Milk Foods Limited**

Sd/-

Rachana Sanganeria

Company Secretary & Compliance Officer

ACS No. 10280

Place: Mumbai

Date: April 01, 2021

Registered Office Address:

Flat No.1, Plot No-19,
Nav Rajasthan Co op Hsg Soc.,
Behind Ratna Memorial Hospital,
S.B. Road, Shivaji Nagar,
Pune – 411016, Maharashtra



Explanatory Statement in respect of the Special Business pursuant to Section 102 of the Companies Act, 2013

The following Explanatory Statements set out all material facts relating to the Special business mentioned under all items of the accompanying Notice dated April 01, 2021.

Item No. 1: Approval for Increase in the Authorized Share Capital of the Company and Amendment in the Memorandum of Association of the Company for Increase in Authorised Share Capital

The Board of Directors at its Meeting held on 1st April, 2021 has approved the offer and issuance of fully paid-up Equity Shares of the Company on preferential basis to the investors, and issue and allotment of convertible share warrants to the promoter & promoter group and Issue of unlisted, unsecured, unrated foreign currency convertible bonds (“FCCBs”) by way of a private placement , in accordance with the Companies Act 2013 , Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, SEBI (Listing Obligations Disclosure Requirements). Regulations, 2015 and other applicable laws, regulations and guidelines issued by the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), the Government of India (“GoI”), the stock exchanges and / or any other competent governmental or regulatory authorities from time to time to the extent applicable .

Accordingly, it is proposed to increase the existing Authorised Share Capital of the Company from Rs.100,00,00,000 (Rupees One Hundred Crores only) to Rs.120,00,00,000 (Rupees One Hundred Twenty Crores only) divided into 12,00,00,000 (Twelve Crores) Equity Shares of Rs.10 (Rupees Ten only) each of the Company. The provisions of the Companies Act, 2013, and the rules made thereunder, as amended, require the Company to seek the approval of the Members for increase in the Authorised Share Capital and the Alteration of Capital Clause of the Memorandum of Association of the Company. The increase in Authorised Share Capital as aforesaid would require consequential amendments to the first para of existing Clause V of the Memorandum of Association of the Company.

The approval of the Members is sought in terms of Sections 13, 61 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made thereunder to increase the Authorised Share Capital as well as to alter the Capital Clause of the Memorandum of Association of the Company.

A draft copy of the duly altered Memorandum of Association of the Company is available to the Members on the website of the Company at www.paragmilkfoods.com to facilitate **online** inspection.

In view of complying with the aforesaid requirements of the Companies Act, 2013 and the Rules made thereunder, the increase in Authorised Share Capital and subsequent amendments to the Memorandum of Association of the Company.

The Board recommends the Special Resolutions set out at Item No. 1 of the accompanying Notice for approval of the Members of the Company.



None of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions set out at Item Nos.1 of the Notice except to the extent of their shareholding interest, if any, in the Company.

Item No. 2: Approval for Issuance of Convertible Warrants to Promoter/Promoter Group on Preferential Allotment Basis

The Board, at its meeting held on April 01, 2021 had, subject to the approval of the Members and such other approvals as may be required, approved the preferential issue, involving the issue and allotment of 1,00,00,000 (One Crore) convertible share warrants, at the price of Rs.111/- (including premium of Rs.101/-) per share warrant aggregating to Rs.111,00,00,000/- (Rupees One Hundred Eleven Crores only) on a preferential basis to the Promoter / Promoter Group in accordance with the provisions of Chapter V of the SEBI ICDR Regulations.

1. Object of the preferential issue:

To fund long term capital requirements for future growth of the Company, to meet its working capital requirements, other general corporate purposes and to reduce its debts.

2. Maximum number of specified securities to be issued:

The resolutions set out in this Notice authorize the Board to issue 1,00,00,000 (One crore) warrants convertible into 1,00,00,000 (One crore) equity shares of face value of Rs.10/- (Rupees Ten only) each fully paid up, on preferential basis, at a price of Rs.111/- (Rupees One Hundred Eleven only) (including premium of Rs.101/-) per share warrant to the following 'Proposed Allottees' as detailed herein below:

Name of the Proposed Allottees	Category	No. of warrants to be allotted
1. Mr. Devendra Prakash Shah	Promoter – Executive Chairman	50,00,000
2. Mrs. Netra Pritam Shah	Member of Promoter group	50,00,000

3. Intention of the Promoters, Directors or Key Managerial Personnel to subscribe to the proposed preferential issue:

All the proposed allottees are Promoter/ Member of Promoter Group of the Company. Mr. Devendra P. Shah, Executive Chairman and whole time Director of the Company and Mrs Netra P. Shah, is Member of the Promoter Group of the Company. The proposed allottees are intending to participate / subscribe to the proposed issue of warrants to increase the Promoters/Promoter Group stake from current 46.20% to 46.37%. No other Director(s) or Key Managerial Personnel(s) or their respective relatives are subscribing to this offer.

4. Basis on which the price has been arrived:

- i) The equity shares of Company are listed on Stock Exchanges at BSE Limited and National Stock Exchange of India Limited (NSE) and are frequently traded in accordance with SEBI (ICDR) Regulations.

For the purpose of computation of the price for each warrant convertible into each equity share, National Stock Exchange of India Limited is the Stock Exchange that has higher trading volume for the said period and has been accordingly considered.

- (a) Average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the Stock Exchange, during the Twenty Six (26) weeks preceding the Relevant Date; or
- (b) Average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the Stock Exchange, during the Two (2) weeks preceding the Relevant Date.
- ii) The pricing of the Equity Warrants to be allotted on preferential basis is Rs.111/- per Warrant convertible into equivalent number of Equity Shares of face value of Rs.10/- each of the Company, which price is not lower than the price determined in accordance with applicable provisions of SEBI (ICDR) Regulations.

5. Relevant Date and Issue Price:

The Relevant Date for determining the Price of warrants for the purpose of the preferential issue in accordance with the SEBI ICDR Regulations would be March 27, 2021, i.e. the date 30 days prior to the date on which the resolution is deemed to be passed i.e. April 26, 2021, the last date for E-voting. It is proposed to issue 1,00,00,000 (One crore) warrants convertible into 1,00,00,000 (One crore) equity shares of face value of Rs.10/- (Rupees Ten only) each fully paid up, on preferential basis, at a price of Rs.111/- (Rupees One Hundred Eleven only) (including premium of Rs.101/-) each per share warrant.

6. Shareholding Pattern of the Company before and after the preferential issue of warrants:

The shareholding pattern of the Company giving the position as on the latest available BENPOS dated March 26, 2021 being the latest practicable date prior to the approval of Board of Directors of the Company and issuance of notice to the Members of the Company and after assuming the proposed preferential issue of warrants is provided in “**Annexure 1**”.

The table mentioned in Annexure 1 shows the expected shareholding pattern of the Company consequent to issue of Equity Shares upon conversion of the Warrants as per resolutions at Item No. 2 to this notice and assuming conversion of all the Warrants (Convertible within a period of 18 (eighteen) months from the date of allotment) proposed to be allotted to the promoter / member of the promoter group of the Company as per the resolution.

7. Proposed time within which the preferential issue shall be completed:

The warrants shall be issued and allotted by the Company to the Proposed Allottees in dematerialized form within a period of 15 (Fifteen) days from the date of receipt of Members' approval, provided that, where the issue and allotment of the said warrants is pending on account of pendency of any approval by Stock Exchanges and/or SEBI, the issue and allotment shall be completed within a period of 15 (Fifteen) days from the date of receipt of last of such approvals.

8. Identity of the natural persons who are ultimate beneficial owners of the shares proposed to be allotted and / or who ultimately control the proposed allottees and identity of the Proposed Allottees and the percentage of post preferential issue capital that may be held by them .

The warrants are proposed to be allotted to persons belonging to the promoters / promoter group of the Company. The details of the proposed allottees are as per the following table. No change in control or management of the Company is contemplated consequent to the proposed preferential issue of warrants and resultant Equity Shares being allotted. However, voting rights will change in accordance with the shareholding pattern. The pre and post issue holding of the proposed allottees are as under:

Name of the Proposed Allottees	Ultimate Beneficial owners of the allottee (s)	Category	Pre-Issue		Issue of Warrants	Post Issue [#]	
			Shares	%		Shares	%
Mr. Devendra Prakash Shah	Mr. Devendra Prakash Shah	Promoter-Executive Chairman	152,06,400	18.08	50,00,000	202,06,400	19.18
Mrs. Netra Pritam Shah	Mrs. Netra Pritam Shah	Member of Promoter Group	88,67,027	10.54	50,00,000	138,67,027	13.16
GRAND TOTAL			240,73,427	28.62	100,00,000	340,73,427	32.34

assuming full conversion of warrants

9. Consequential Changes in the Voting Rights and Change in Management or Control:

As a result of the proposed preferential issue of warrants, there will be no change in the control or management of the Company. However, voting rights will change in tandem with the shareholding pattern.

None of the Directors except above nor any Key Managerial Personnel of the Company have any shareholding interest to any of the Proposed Allottees.

10. Lock-in Period:

Warrants and Equity Shares to be allotted to the proposed allottees upon conversion of the



Warrants, including the pre-preferential allotment shareholding of the proposed allottees will be subject to applicable lock-in and transfer restrictions stipulated under Regulations 167 and 168 of the SEBI ICDR Regulations.

11. **Undertaking:**

The Company hereby undertakes that:

- (a) It would re-compute the price of the securities specified above in terms of the Provisions of the SEBI (ICDR) Regulations, where it is required to do so.
- (b) If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, the above specified securities shall continue to be locked in till the time such amount is paid by allottees.

12. **Valuation for consideration other than cash and the justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

This is not applicable in the present case as the proposed allotment is made for consideration in cash.

13. **Other Disclosures:**

- i. It is confirmed that neither the Company nor any of its promoters and directors is a willful defaulter or a fugitive economic offender.
- ii. A copy of the certificate from M/s. Sharp & Tanan, Chartered Accountants, Statutory Auditors of the Company, certifying that the above preferential issue of Warrants is made in accordance with the applicable provisions of the SEBI (ICDR) Regulations, will be available electronically for inspection by the Members during the EGM and also upto the date of this EGM. Members seeking to inspect the same can send an e-mail to cs@paragmilkfoods.com. The Warrants proposed to be allotted under this resolution are subject to the terms and conditions as specified under the Chapter V of SEBI (ICDR) Regulations, 2018.
- iii. The Proposed Allottees have not sold equity shares of the Company in the 6 (Six) months preceding the Relevant Date. As per Regulation 158 of the SEBI ICDR Regulations.
- iv. No person belonging to the promoters / promoter group has previously subscribed to any warrants of the Company but failed to exercise them.
- v. The Company is in compliance with the conditions of continuous listing of equity shares as specified in the listing agreement with the Stock Exchange(s) where the equity shares of the Company are listed.
- vi. The issue of warrants and resultant Equity Shares shall be made in accordance with the provisions of the Memorandum and Articles of Association of the Company and shall be made in a dematerialized format only.



- vii. The raising of capital pursuant to the proposed resolution is subject to force majeure circumstances and conditions conducive capital market environment.

Section 62 of the Companies Act, 2013 provides inter-alia, that when it is proposed to increase the issued capital of the Company by allotment of further shares, etc., such further shares shall be offered to the existing Members of the Company in the manner laid down in the Section unless the Members in general meeting decide otherwise by passing a Special Resolution. Therefore, consent of the Members by way of Special Resolution is being sought pursuant to the provisions of Sections 42 and 62 and all other applicable provisions of the Companies Act, 2013 read with its Rules and SEBI ICDR Regulations.

The Members are, therefore, requested to accord their approval authorizing the Board of Directors for proceeding with the proposed preferential issue as set out in the resolution.

Except Mr. Devendra P. Shah, Executive Chairman, Mrs. Netra P. Shah, being proposed allottees of warrants and Mr. Pritam P. Shah, Managing Director who are Promoters / Member of Promoter Group of the Company and their relatives, none of the other directors or any key managerial personnel or any relative of any of the other directors' / key managerial personnel of the Company are, in any way concerned or interested, financially or otherwise, in passing of this resolution.

The Board of Directors recommend passing of the Special Resolution as set out in Item No. 2 of this Notice, for the approval of the Members of the Company.

Item No. 3: Approval for Issuance of Equity Shares on a Preferential Basis to investors

The Board, at its meeting held on April 01, 2021 had subject to the approval of the Members and such other approvals as may be required, approved the preferential issue, involving the issue and allotment of 1,12,61,262 (One Crore Twelve Lakh Sixty-One Thousand Two Hundred and Sixty Two only) equity shares of face value of Rs.10/- (Rupees Ten only) each fully paid up, on preferential basis, at a price of Rs.111/- (Rupees One Hundred and eleven only) (including premium of Rs.101/-) per equity share on a preferential basis to the Investors at such price being not less than the minimum price as on the 'Relevant Date' determined in accordance with the provisions of Chapter V of the SEBI ICDR Regulations.

1. Particulars of the Preferential Issue including date of passing of Board Resolution

The Board of Directors in its meeting held on 1st April, 2021, had approved the issue of Equity Shares and accordingly proposes to issue and allot 67,56,757 equity shares of face value Rs.10/- each ("Equity Shares") at a price of Rs.111/- (including a premium of Rs.101/- per Equity Share), to **International Finance Corporation (IFC)** (Investor) for a total consideration of up to Rs.75,00,00,000/- (Rupees Seventy Five Crore only) and to **2. Sixth Sense India Opportunities II** (Investor) 18,01,802 equity shares of face value Rs.10/- each ("Equity Shares") at a price of Rs.111/- (including a premium of Rs.101/-) per share, for a total consideration of up to Rs.20,00,00,000/- (Rupees Twenty Crore only) and to **3. Sixth Sense India Opportunities III** (Investor) 27,02,703 equity shares of face value Rs.10/- each



("Equity Shares") at a price of Rs.111/- (including a premium of Rs.101/-) per share, for a total consideration of up to Rs.30,00,00,000/- (Rupees Thirty Crore only) to the entities belonging to institutional / Non-Promoter Group, on a preferential basis in compliance with applicable provisions of SEBI (ICDR) Regulations.

2. Object of the preferential issue:

The proceeds of preferential issue will be utilized by the company for meeting the long term working capital requirements and general corporate purposes.

3. Maximum number of specified securities to be issued:

The resolutions set out in this Notice authorize the Board to issue 1,12,61,262 (One Crore Twelve Lakh Sixty One Thousand Two Hundred and Sixty Two) equity shares of-face value of Rs.10/- (Rupees Ten only) each fully paid up, on preferential basis, at a price of Rs.111/- (Rupees One Hundred and Eleven only) (including premium of Rs.101 /-) per equity share to the following 'Proposed Allottees' as detailed herein below:

Name of Allottee	Type	Number of Shares to be allotted
1. International Finance Corporation	Non Promoter	6756757
2. Sixth Sense India Opportunities II	Non Promoter	18,01,802
3. Sixth Sense India Opportunities III	Non Promoter	27,02,703

4. Class or classes of persons to whom the allotment is proposed to be made

The allotment is proposed to be made the Investor(s), being Non-Promoter Category.

5. The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price: None

6. Intent of the Promoters, Directors or Key Managerial Personnel to subscribe to the proposed preferential issue:

None of the Promoters, Directors or Key Managerial Personnel intends to subscribe to the Preferential Issue. The Preferential Issue is being made to Investor(s), as detailed in the resolutions set at out at item No 3 of this Notice.

7. Basis on which the price has been arrived:

The equity shares of Company are listed on Stock Exchanges at BSE Limited and National Stock Exchange of India Limited (NSE) and are frequently traded in accordance with SEBI (ICDR) Regulations.

In terms of the applicable provisions of the SEBI ICDR Regulations, the minimum price at which the Equity Shares may be issued computes to Rs.111/- (Rupees One Hundred and Eleven only) per Equity Share, being higher of the following:

- (a) Average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the Stock Exchange, during the Twenty-Six (26) weeks preceding the Relevant Date; or
- (b) Average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the Stock Exchange, during the Two (2) weeks preceding the Relevant Date.

The pricing of the Equity Shares to be allotted on preferential basis is Rs.111/- (Rupees One Hundred and Eleven only) per Equity Share, which is higher than above mentioned price.

8. Relevant Date and Issue Price:

The Relevant Date for determining the Price for the purpose of the preferential issue in accordance with the SEBI ICDR Regulations would be March 27, 2021, i.e. the date 30 days prior to the date on which the resolution is deemed to be passed i.e. April 26, 2021 the last date for E-voting. to issue and allot 67,56,757 equity shares of face value Rs.10/- each ("Equity Shares") at a price of Rs.111/- (including a premium of Rs.101/- per Equity Share), to **International Finance Corporation (IFC)** (Investor), for a total consideration of up to Rs.75,00,00,000/- (Rupees Seventy Five Crore only), and to **2. Sixth Sense India Opportunities II** (Investor) 18,01,802 equity shares of face value Rs.10/- each ("Equity Shares") at a price of Rs.111/- (including a premium of Rs.101/-) per share, for a total consideration of up to Rs.20,00,00,000/- (Rupees Twenty Crore only) and to **3. Sixth Sense India Opportunities III** (Investor) 27,02,703 equity shares of face value Rs.10/- each ("Equity Shares") at a price of Rs.111/- (including a premium of Rs.101/-) per share, for a total consideration of up to Rs.30,00,00,000/- (Rupees Thirty Crore only)

9. Shareholding Pattern of the Company before and after the preferential issue of Equity Shares:

The shareholding pattern of the Company giving the position as on the latest available BENPOS dated March 26, 2021 being the latest practicable date prior to the approval of Board of Directors of the Company and issuance of notice to the Members of the Company and after assuming the proposed preferential issue of shares as provided in **Annexure 1**

10. Proposed time within which the preferential issue shall be completed:

In terms of the SEBI ICDR Regulations the shares shall be issued and allotted by the Company to the Proposed Allottees in dematerialized form within a period of 15 (Fifteen) s from the date of passing of resolutions as set out at Item No. 3.

Provided further that where the allotment to any of the proposed allottee(s) is pending on account of pendency of any application for approval or permission by any statutory or regulatory authority, the allotment for all proposed allottee(s) would be completed within 15 (fifteen) days from the date of last of such approvals or within such further period as may be prescribed or allowed by the SEBI, the Stock Exchange(s) or other concerned authorities.

11. Identity of the Proposed Allottees and the percentage of post preferential issue capital that may be held by them:

The shares are proposed to be allotted to persons belonging to the non-promoters / Investors group of the Company. The details of the proposed allottees are as per the following table. No change in control or management of the Company is contemplated consequent to the proposed preferential issue of Equity Shares being allotted. However, voting rights will change in accordance with the shareholding pattern. The pre and post issue holding of the proposed allottees are as under:

Name of Proposed Allottee	Category	Pre issue Shareholding Structure		No. of equity shares to be allotted	Post issue Shareholding Structure	
		Number	% of shares		Number	% of shares
International Finance Corporation	Non Promoter	-	-	67,56,757	67,56,757	6.41
Sixth Sense India Opportunities II	Non Promoter	-	-	18,01,802	18,01,802	1.71
Sixth Sense India Opportunities III	Non Promoter	-	-	27,02,703	27,02,703	2.56
GRAND TOTAL				1,12,61,262	1,12,61,262	10.68

12. Identity of the natural persons who are ultimate beneficial owners of the shares proposed to be allotted and / or who ultimately control the proposed allottees:

Name of the Investor(s)	Details of Ultimate Beneficial Owners
International Finance Corporation	None as it is a Multilateral Financial Institution
1. Sixth Sense India Opportunities II 2. Sixth Sense India Opportunities III	None as it is a SEBI registered Alternative Investment Fund (AIF) of Category II

Consequential Changes in the Voting Rights and Change in Management or Control:

As a result of the proposed preferential issue of Equity Shares, there will be no change in the control or management of the Company. However, voting rights will change in tandem with the shareholding pattern.

None of the Directors nor any Key Managerial Personnel of the Company have any shareholding interest to any of the Proposed Allottees.

13. Lock-in Period:

The Equity Shares to be allotted pursuant to Preferential Issue shall be subject to 'lock-in' for such period(s), as may be applicable to each of the Investor(s), in accordance with the provisions of Chapter V of the SEBI ICDR Regulations (i.e., for a period of one year from the date of receipt of trading approval from the Stock Exchanges) and any other applicable law for the time being in force.

Further, the entire pre-preferential allotment shareholding, if any, of the Investor(s) shall be locked-in from the Relevant Date up to a period of six months from the date of trading approval as per Regulation 167(6) of the SEBI ICDR Regulations. However, this lock-in will not be applicable to Investor(s) who are exempted from this requirement under the applicable provisions of the SEBI ICDR Regulations.

14. Undertaking:

The Company hereby undertakes that:

- a) It would re-compute the price of the securities specified above in terms of the Provisions of the SEBI (ICDR) Regulations, where it is required to do so.
- b) If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, the above specified securities shall continue to be locked in till the time such amount is paid by allottees.

15. Valuation for consideration other than cash and the justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

This is not applicable in the present case as the proposed allotment is made for consideration in cash.

16. Auditor's Certificate:

A copy of the certificate from M/s. Sharp & Tanan, Chartered Accountants, Statutory Auditors of the Company, certifying that the above preferential issue of Warrants is made in accordance with the applicable provisions of the SEBI (ICDR) Regulations, will be available electronically for inspection by the Members during the EGM and also upto the date of this EGM. Members seeking to inspect the same can send an e-mail to cs@paragmilkfoods.com. The equity shares proposed to be allotted under this resolution are subject to the terms and conditions as specified under the Chapter V of SEBI (ICDR) Regulations, 2018.

17. Other Disclosures:

- i. It is confirmed that neither the Company nor any of its promoters and directors is a wilful



defaulter or a fugitive economic offender.

- ii. The Proposed Allottees have not sold equity shares of the Company in the 6 (Six) months preceding the Relevant Date as per Regulation 159 of the SEBI ICDR Regulations.
- iii. No person belonging to the promoters / promoter group has previously subscribed to any warrants of the Company but failed to exercise them.
- iv. The Company is in compliance with the conditions of continuous listing of equity shares as specified in the listing agreement with the Stock Exchange(s) where the equity shares of the Company are listed.
- v. The issue of Equity Shares shall be made in accordance with the provisions of the Memorandum and Articles of Association of the Company and shall be made in a dematerialized format only.
- vi. The raising of capital pursuant to the proposed resolution is subject to force majeure circumstances and conditions conducive capital market environment.

Section 62 of the Companies Act, 2013 provides inter-alia, that when it is proposed to increase the issued capital of the Company by allotment of further shares, etc., such further shares shall be offered to the existing Members of the Company in the manner laid down in the Section unless the Members in general meeting decide otherwise by passing a Special Resolution. Therefore, consent of the Members by way of Special Resolution is being sought pursuant to the provisions of Sections 42 and 62 and all other applicable provisions of the Companies Act, 2013 read with its Rules and SEBI ICDR Regulations.

The Members are, therefore, requested to accord their approval authorizing the Board of Directors for proceeding with the proposed preferential issue as set out in the resolution.

None of the Promoters, Directors and Key Managerial Persons (KMPs) of the Company or any relatives of such Promoters, Directors or KMPs, are in any way concerned or interested, financially or otherwise, in the Resolution(s) set out at Item No(s). 4 to 8 of this Notice.

The Board of Directors recommend passing of the Special Resolution as set out in Item No. 3 of this Notice, for the approval of the Members of the Company.

Item No. 4: Approval for Issuance of Foreign Currency Convertible Bonds (FCCBs) on Private Placement Basis

The Board of Directors at its meeting held on April 01, 2021, has approved Issue of unlisted, unsecured, unrated foreign currency convertible bonds ("FCCBs") aggregating upto USD \$11 million by private placement to **International Finance Corporation** to be converted at a conversion price of Rs.145 per equity share as per below details:

Instruments	Unlisted, unsecured, unrated FCCBs issued on a private placement basis, convertible into equity shares of the issuer.
Amount	Up to US\$ 11 million
Mode of Issuance	Private Placement
Ranking	The FCCBs will rank pari passu with unsecured creditors of the company.
Tranches	One
Redemption Date	FCCBs shall be redeemed if not fully converted on the date that is 5 years plus one day from the date of Disbursement.
Coupon Rate	2.50% per annum payable in US\$ semi-annually on each interest payment date till such time as the 3-months volume weighted average Price ("VWAP") is below Rs.175/share.
	1.50% per annum payable in US\$ semi-annually on each interest payment date till such time as the 3-months volume weighted average Price ("VWAP") is below Rs.200/share.
	Nil if price exceeds Rs.200/Share
Yield to maturity	5.0% per annum, YTM accruals will stop on the date on which 3 months VWAP Share price reaches Rs.200/- per share.

The Equity Shares allotted or arising out of conversion of any Securities would be listed. The issue / allotment / conversion would be subject to the availability of regulatory approvals, if any. The conversion of Securities held by foreign investors into Equity Shares would be subject to the applicable foreign investment cap.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are deemed to be concerned or interested, financially or otherwise in the said resolutions except to the extent of their shareholding, if any.

The consent of the shareholders is being sought pursuant to the provisions of section 42 and section 62(1)(c and other applicable provisions, if any, of the Companies Act, 2013 and in terms of the provisions of the Listing Agreement executed by the Company with the Stock Exchanges where the equity shares of the Company are listed.

The Board of Directors recommend passing of the Special Resolution as set out in Item No. 4 of this Notice, for the approval of the Members of the Company.



By Order of the Board of Directors
For **Parag Milk Foods Limited**

Sd/-

Rachana Sanganeria

Company Secretary & Compliance Officer

ACS No. 10280

Place: Mumbai

Date: April 01, 2021

Registered Office Address:

Flat No.1, Plot No-19,
Nav Rajasthan Co op Hsg Soc.,
Behind Ratna Memorial Hospital,
S.B. Road, Shivaji Nagar,
Pune – 411016, Maharashtra



ANNEXURE 1

Shareholding Pattern of the Company before and after the preferential issue of warrants:

Sr. No.	Category	Pre-issue		Issue of Warrants	Post-issue #	
		No of shares held	% of share holding		No of shares held	% of share holding
A	Promoters' holding:					
1	Indian					
	Individual	3,88,61,435	46.20	100,00,000	4,88,61,435	46.37%
	Bodies corporate	-	-			
	Sub-total	3,88,61,435	46.20		4,88,61,435	46.37%
2	Foreign	-	-	-	-	-
	Sub-total (A)	3,88,61,435	46.20		4,88,61,435	46.37%
B	Non-promoters' holding:			*Issue of Equity shares		
1	Institutional investors	1,01,72,700	12.09	112,61,262	*214,33,962	20.34
2	Non-institution					
	Body Corporates	67,24,941	7.99	-	67,24,941	6.38
	Directors and relatives	4500	0.00	-	4500	
	Indian public	2,42,66,167	28.85	-	2,42,66,167	23.03
	others (including NRIs)	40,84,839	4.86	-	40,84,839	3.88
	Sub-total (B)	452,53,147	53.80	-	565,14,409	53.63
	GRAND TOTAL (A+B)	8,41,14,582	100		10,53,75,844	100

#assuming full conversion of the Warrant

**Issue of Equity shares on preferential basis to the investors*

Notes:

1. Pre-issue shareholding pattern has been prepared based on shareholding of the Company as on March 26, 2021.
2. Post-issue holding of all the other shareholders apart from the preferential issue as given in this notice is assumed to remain the same, as it was on the date, on which the pre-issue shareholding pattern was prepared.
3. The conversion of FCCBs is not considered in the above Shareholding Pattern