



April 05, 2021

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

Dear Sir(s)/Madam,

**Subject: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Parag Milk Foods Limited Parag Milk Foods Limited to raise Rs. 316 crore**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform that the Company plans to raise Rs. 316 crores by preferential allotment of equity shares, FCCBs and other instruments. IFC and Sixth Sense Venture Advisors LLP, will invest Rs. 155 crores and Rs. 50 crores respectively. Promoter and family further to invest Rs. 111 crores, maintaining the promoter stake at 46%

We are enclosing herewith the Press Release in regard to the same.

We request you to kindly take the same on record.

For **Parag Milk Foods Limited**

Rachana Sanganeria  
Company Secretary and Compliance Officer  
ACS No. 10280

Encl: a/a



Parag Milk Foods Ltd.,  
CIN-L15204PN1992PLC070209

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Press Release

## Parag Milk Foods Limited to raise Rs. 316 crore

### Key Highlights

- ✓ Company plans to raise Rs. 316 crores by preferential allotment of equity shares, FCCBs and other instruments
- ✓ IFC and Sixth Sense Venture Advisors LLP, will invest Rs. 155 crores and Rs. 50 crores respectively
- ✓ Promoter and family further to invest Rs. 111 crores, maintaining the promoter stake at 46%

**India, 5<sup>th</sup> April 2021: Parag Milk Foods Limited**, a leading dairy-FMCG Company in India announced its plans to raise a total of Rs. 316 crores by way of preferential issue of equity shares, Foreign Currency Convertible Bonds (FCCB) and the issue of convertible warrants. This is subject to Shareholder's approval in ensuing Extra-ordinary General Meeting (EGM) scheduled on 26<sup>th</sup> April 2021 as well as regulatory approvals.

Reinforcing its trust in Parag Milk Foods, International Finance Corporation (IFC) is proposing an investment of up to Rs. 155 crores by way of subscription to preferential issue of equity shares and subscription of FCCBs in addition to proposed subscription to NCDs of Rs.150 crores committed in December. The proposed investment includes a preferential allotment of 67,56,757 equity shares of face value Rs. 10 each at a price of Rs. 111 (including a premium of Rs. 101 per Equity Share) for a total consideration of Rs. 75 crores. Additionally, as part of the proposed investment, IFC would be offered to subscribe Foreign Currency Convertible Bonds (FCCBs) aggregating up to US\$ 11 million by private placement to be converted at, subject to applicable laws, a conversion price of Rs. 145 per equity share with a 5 year maturity to redemption.

Sixth Sense Venture Advisors LLP, which is India's first domestic, consumer-centric venture fund, also showed confidence in the company and has proposed an investment of Rs.50 crores by way of preferential allotment of 45,04,505 equity shares of face value Rs. 10 each at a price of Rs. 111 each (including a premium of Rs. 101 per Equity Share).

The promoters will further invest Rs. 111 crores that includes preferential allotment of 50,00,000 convertible share warrants in the name of Mr. Devendra Prakash Shah along with 50,00,000 to Mrs. Netra Pritam Shah, convertible into equity shares with a face value of Rs. 10 each fully paid up, on a preferential basis, at a price of Rs. 111 (including premium of Rs. 101) per share warrant. With this, the promoter holding in the company would be maintained at 46%.

**Commenting on the same, Mr. Devendra Shah, Chairman said,** "We would like to thank our existing shareholders for their continued trust and support during the pandemic. We are pleased to welcome on board marquee investors like IFC & Sixth Sense Ventures who strongly believe in the growth potential of the Company. At Parag Milk Foods, we have leapfrogged during these times by focussing on key consumer categories and have focussed to enhance the long-term performance of the company."

*He further added, “We are looking at replacing our short-term working capital limits by NCDs, where there is a two-year moratorium, as well as reduce the overall debt burden. The funds that will be raised through FCCB will be utilised for meeting our capex requirements over the next 2 years and would free-up our cash flows during that period. Additionally, the proceeds of preferential shares and warrants would be utilised to reduce short-term debt limits and enhance working capital for future growth. This would provide enough firepower to bolster the balance sheet and propel the company for future growth.*

*These investments reaffirm the faith that the market has in our capability to deliver steady revenues, execute outlined strategy, and deliver profitable growth over the long term. We as promoters are fully committed to the long-term vision and goal to provide the highest level of customer satisfaction with our host of well-established brands and innovative range of products. We would like to assure all our shareholders of achieving robust operational and financial performance with the full-fledged revival in demand across product categories.”*

#### **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, Bhagyalaxmi 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 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.