



14th February, 2017

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

Sub:-Outcome of the Board Meeting held on February 14, 2017
Meeting commenced at 1.00 pm. and concluded at 5.45 p.m.

We wish to inform you about the outcome of the Board Meeting held on February 14, 2017, pursuant to Regulation 30 and Regulation 33 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR). The Board has approved the following at this meeting:

1. i. Approval of Unaudited Standalone and Unaudited Consolidated Financial Results of the Company for the nine months /quarter ended December 31, 2017.
- ii. Limited Review Reports issued thereon by the Statutory Auditors of the Company M/s. Haribhakti & Co. LLP, Chartered Accountants.
- iii. A copy of the said results along with the Limited Review Reports will be uploaded on the Company website www.paragmilkfoods.com and will also be published in the newspapers, in the format prescribed under Regulation 47 of the LODR.

Kindly take the same on record.

Thanking You.

Yours Faithfully
For Parag Milk Foods Limited

Rachana Sangneria
Company Secretary & Compliance Officer
ACS No:- 10280



Encl:a/a

Parag Milk Foods Ltd.,
CIN - L15204PN1992PLC070209

Regd. Office: Flat No. 1 Plot No. 19, Nav Rajasthan Co-Op Housing Society, Behind Ratna Memorial Hospital, Senapati Bapat Road, Shivaji Nagar, Pune - 411016. Ph.:(020) 25674761/62/63.

Corporate Office: 20th floor, Nirmal building, Nariman point, Mumbai - 400021 Tel.: 022-43005555 Fax: 022-43005580

Website: www.paragmilkfoods.com



Limited Review Report**Review Report to****The Board of Directors****Parag Milk Foods Limited**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Parag Milk Foods Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group') for the quarter ended December 31, 2016 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/CMD/15/2015 dated November 30, 2015. 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 Accounting Standard 25 "Interim Financial Reporting" as prescribed under Sec 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.
2. We conducted our review 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 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.
3. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with aforesaid accounting standards and other recognised accounting practices and policies have not disclosed the

information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/CMD/15/2015 dated November 30, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. We draw attention to Note No 4 to the Statement with regard to recording of impairment loss of Rs. Nil (Quarter ended September 30, 2016: Rs.7.38 Million, Quarter ended Dec 31, 2015: Nil, Nine months ended Dec 31, 2016: Rs 31.61 Million, Nine months ended Dec 31, 2015: Nil, Year ended March 31, 2016: Rs 42 Million) on cows and assessment of recoverable amount based on net realisable value as estimated by management.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Anup Mundhra

Partner

Membership No.: 061083

Place: Pune

Date: February 14, 2017





Parag Milk Foods Limited

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

CIN:L15204PN1992PLC070209. Website: www.paragmilkfoods.com, Email id: investors@paragmilkfoods.com

Statement of Consolidated Unaudited Financial Results for the quarter and nine months ended December 31, 2016

Amount Rs in Million (except per share data)

Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-16	30-Sep-16	31-Dec-15	31-Dec-16	31-Dec-15	31-Mar-16
	Unaudited	Unaudited	Audited	Unaudited	Audited	Audited
1. Income from Operations						
(a) Revenue from Operations	4,460.74	4,728.40	3,875.09	13,023.81	12,308.93	16,451.31
(b) Other Operating Income	-	-	-	-	-	-
Total income from Operations (net)	4,460.74	4,728.40	3,875.09	13,023.81	12,308.93	16,451.31
2. Expenses						
(a) Cost of Materials consumed	4,132.35	3,124.00	3,193.10	10,202.59	8,140.69	11,014.30
(b) Purchase of stock-in-trade	29.67	479.26	132.24	523.52	933.73	1,382.97
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-688.15	-319.22	-605.94	-1,280.12	-138.52	-621.69
(d) Employee benefits expense	210.41	206.61	181.13	595.21	507.76	701.09
(e) Depreciation and amortisation expense	108.61	114.98	81.96	321.61	236.52	333.89
(f) Other expenses	920.98	860.38	591.80	2,420.11	1,783.72	2,498.63
Total Expenses	4,713.87	4,466.01	3,574.29	12,782.92	11,463.90	15,309.19
3. Profit from operations before other income, finance costs and exceptional items (1-2)	-253.13	262.39	300.80	240.89	845.03	1,142.12
4. Other Income	20.17	23.13	9.62	51.32	11.93	16.18
5. Profit from ordinary activities before finance costs and exceptional items (3 + 4)	-232.96	285.52	310.42	292.21	856.96	1,158.30
6. Finance Costs	88.81	63.79	116.80	245.06	374.79	490.41
7. Profit from ordinary activities after finance costs but before exceptional items (5 + 6)	-321.77	221.73	193.62	47.15	482.17	667.89
8. Exceptional Items	164.94	-	-	164.94	-	-
9. Profit from ordinary activities before tax (7+8)	-486.71	221.73	193.62	-117.79	482.17	667.89
10. Tax expense/(credit)	-106.98	78.45	48.55	10.51	169.90	194.71
11. Net Profit from ordinary activities after tax (9-10)	-379.73	143.28	145.07	-128.30	312.27	473.18
12. Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13. Net Profit for the period (11 + 12)	-379.73	143.28	145.07	-128.30	312.27	473.18
14. Paid-up equity share capital (Face Value of Rs 10 each)	841.15	841.15	661.60	841.15	661.60	704.16
15. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	2,914.63
16. Earnings Per Share (of Rs 10/- each)						
(a) Basic (Rs)	-4.69	1.72	2.22	-1.57	4.87	7.22
(b) Diluted (Rs)	-4.69	1.72	2.09	-1.57	4.57	7.22



Notes :

1 The above Consolidated Unaudited Financial Results for the quarter and nine months ended December 31, 2016 have been reviewed by the Audit Committee on February 13, 2017 and thereafter approved and taken on record by the Board of Directors in their meeting held on February 14, 2017. The results for the quarter and nine months ended Dec 31, 2016 have been subjected to limited review by the statutory auditors of the Company.

2 Statement of IPO proceeds:

Particulars	Amount Rs in Million	
	Amount as per prospectus	Amount to be utilised
Gross proceeds of the fresh issue	3,000.00	3,000.00
Less: Fresh issue expenses	212.00	215.94
Net proceeds of the fresh issue	2,788.00	2,784.06

Utilisation of IPO proceeds

Particulars	Amount Rs in Million		
	Amount to be utilised	Amount utilised up to 31 Dec 2016	Pending utilisation
Expansion and modernisation of Plant	1,477.01	245.26	1,231.75
Investment in subsidiary for financing the capital expenditure requirements in relation to	22.99	3.72	19.27
Partial repayment of working capital consortium loan	1,000.00	1,000.00	-
General corporate purposes	284.06	284.06	-
Total	2,784.06	1,533.04	1,251.02

3 The Company has identified manufacturing and processing of Milk & Milk products as its sole business operating segment and hence no disclosures have been provided for Segment Reporting under Accounting Standard 17.

4 Due to drought situation in Maharashtra, the realizable value of cows has fallen significantly. Hence, the subsidiary company has accounted for impairment loss as per table below, being the difference between the carrying value and the recoverable amount. Recoverable amount is assessed as the net realizable value on sale based on quotes obtained by management from local farmers.

Impairment of cows	Amount Rs in Million					
	Quarter ended			Nine months ended		Year ended
	31-Dec-16	30-Sep-16	31-Dec-15	31-Dec-16	31-Dec-15	31-Mar-16
	-	7.38	-	31.61	-	42.00

5 Exceptional items represent VAT tax liability for previous years and interest thereon in respect of inspection conducted by VAT authorities during the quarter, wherein certain transactions were identified which were to be considered as local sales instead of interstate transfer.

6 Previous period/year's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification / disclosure.

For Parag Milk Foods Limited

Pritam Shah
Managing Director



Place: Mumbai
Date: February 14, 2017



Limited Review Report

Review Report to

The Board of Directors

Parag Milk Foods Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Parag Milk Foods Limited ('the Company') for the quarter ended December 31, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/CMD/15/2015 dated November 30, 2015. 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 Accounting Standard 25 "Interim Financial Reporting" as prescribed under Sec 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.
2. We conducted our review 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 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.
3. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with aforesaid accounting standards and other recognised accounting practices and policies have not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/CMD/15/2015

dated November 30, 2015, 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



Anup Mundhra

Partner

Membership No.: 061083



Place: Pune

Date: February 14, 2017



Parag Milk Foods Limited

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

CIN:L15204PN1992PLC070209, Website: www.paragmilkfoods.com, Email id: investors@paragmilkfoods.com

Statement of Standalone Unaudited Financial Results for the quarter and nine months ended December 31, 2016

Amount Rs in Million (except per share data)

Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-16	30-Sep-16	31-Dec-15	31-Dec-16	31-Dec-15	31-Mar-16
	Unaudited	Unaudited	Audited	Unaudited	Audited	Audited
1. Income from Operations						
(a) Revenue from Operations	4,381.88	4,646.90	3,817.15	12,801.86	12,146.87	16,229.52
(b) Other Operating Income	-	-	-	-	-	-
Total income from Operations (net)	4,381.88	4,646.90	3,817.15	12,801.86	12,146.87	16,229.52
2. Expenses						
(a) Cost of Materials consumed	4,122.28	3,098.53	3,186.01	10,160.68	8,112.95	11,040.96
(b) Purchase of stock-in-trade	29.67	479.26	132.24	523.52	933.73	1,317.48
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-688.15	-319.22	-605.94	-1,280.12	-138.52	-621.69
(d) Employee benefits expense	198.29	195.00	172.03	560.58	484.21	660.27
(e) Depreciation and amortisation expense	104.40	110.79	77.78	308.99	224.10	317.25
(f) Other expenses	873.04	820.96	558.37	2,281.22	1,695.70	2,348.27
Total Expenses	4,639.53	4,385.32	3,520.49	12,554.87	11,312.17	15,062.54
3. Profit from operations before other income, finance costs and exceptional items (1-2)	-257.65	261.58	296.66	246.99	834.70	1,166.98
4. Other Income	19.70	22.83	9.28	50.21	10.99	14.33
5. Profit from ordinary activities before finance costs and exceptional items (3 + 4)	-237.95	284.41	305.94	297.20	845.69	1,181.31
6. Finance Costs	87.60	62.69	116.35	241.38	367.93	481.84
7. Profit from ordinary activities after finance costs but before exceptional items (5 + 6)	-325.55	221.72	189.59	55.82	477.76	699.47
8. Exceptional Items	164.94	-	-	164.94	-	-
9. Profit from ordinary activities before tax (7+8)	-490.49	221.72	189.59	-109.12	477.76	699.47
10. Tax expense/(credit)	-111.05	67.74	48.25	-2.60	149.65	174.38
11. Net Profit from ordinary activities after tax (9-10)	-379.44	153.98	141.34	-106.52	328.11	525.09
12. Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13. Net Profit for the period (11 + 12)	-379.44	153.98	141.34	-106.52	328.11	525.09
14. Paid-up equity share capital (Face Value of Rs 10 each)	841.15	841.15	661.60	841.15	661.60	704.16
15. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						3,072.71
16. Earnings Per Share (of Rs 10/- each)						
(a) Basic (Rs)	-4.68	1.84	2.16	-1.30	5.12	8.01
(b) Diluted (Rs)	-4.68	1.84	2.03	-1.30	4.80	8.01



Notes :

1 The above standalone unaudited financial results for the quarter ended December 31, 2016 have been reviewed by the Audit Committee on February 13, 2017 and thereafter approved and taken on record by the Board of Directors in their meeting held on February 14, 2017. The results for the quarter and nine months ended Dec 31, 2016 have been subjected to limited review by the statutory auditors of the Company.

2 Statement of IPO proceeds:

Particulars	Amount Rs in Million	
	Amount as per prospectus	Amount to be utilised
Gross proceeds of the fresh issue	3,000.00	3,000.00
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Net proceeds of the fresh issue	2,788.00	2,784.06

Utilisation of IPO proceeds:

Particulars	Amount Rs in Million		
	Amount to be utilised	Amount utilised up 31 Dec 2016	Pending utilisation
Expansion and modernisation of Plant	1,477.01	245.26	1,231.75
Investment in subsidiary for financing the capital expenditure requirements in relation to expansion and modernisation of the Bhagyalaxmi Dairy Farm	22.99	3.72	19.27
Partial repayment of working capital consortium loan	1,000.00	1,000.00	-
General corporate purposes	284.06	284.06	-
Total	2,784.06	1,533.04	1,251.02

3 The Company has identified manufacturing and processing of milk & milk products as its sole business operating segment and hence no disclosures have been provided for Segment Reporting under Accounting Standard 17.

4 Exceptional items represent VAT tax liability for previous years and interest thereon in respect of inspection conducted by VAT authorities during the quarter, wherein certain transactions were identified which were to be considered as local sales instead of interstate transfer.

5 Previous period/year's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification / disclosure.

For Parag Milk Foods Limited

Place: Mumbai
Date: February 14, 2017

Pritam Shah
Managing Director

