



May 29, 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

Dear Sir/Madam.

Sub: Declaration pursuant to Regulation 33(3)(d) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of the provisions of Regulation 33(3) (d) of the Listing Regulations, we hereby declare that the M/s Haribhakti & Co., LLP Chartered Accountants, (Firm Registration No. 103523W/W100048) Statutory Auditors have issued an Audit Report with Unmodified Opinion on the Audited Standalone and Consolidated Financial Results of the Company for the quarter and financial year ended on March 31, 2017.

The above is for your information and records.

Thanking You.
Yours faithfully,
For Parag Milk Foods Limited

Devendra Shah
Chairman
Din: 01127319



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



Auditor's Report on Annual Consolidated Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Parag Milk Foods Limited

1. We have audited the accompanying Statement of Annual Consolidated Financial Results of Parag Milk Foods Limited (hereinafter referred to as 'the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), for the year then ended March 31, 2017 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. This Statement has been prepared on the basis of the annual consolidated financial statements. Our responsibility is to express an opinion on this Statement based on our audit of such annual consolidated financial statements, which have been prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Account) Rules, 2014 and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Statement. An audit also includes assessing the accounting principles used and significant estimates made by management.
3. We believe that the audit evidences obtained by us is sufficient and appropriate to provide a reasonable basis for our opinion on the Statement.



HARIBHAKTI & CO. LLP

Chartered Accountants

4. In our opinion and to the best of our information and according to the explanations given to us the Statement:

(i) Includes the annual financial results of the following entity

Sl No	Name of the Entity	Relationship
1.	Bhagyalaxmi Dairy Farms Private Limited	Subsidiary

(ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

(iii) gives a true and fair view of the consolidated net profit and other financial information of the Group for the year ended March 31, 2017.

5. The Statement includes the results for the Quarter ended March 31, 2017, being the balancing figure between audited figures in respect of full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Anup Mundhra

Partner

Membership No.: 061083



Place : Pune

Date : May 29, 2017



Ideas for a new day

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 Audited Results for the year ended March 31, 2017

Statement of Assets and Liabilities is as follows:

Amount Rs in Million

S.no	Particulars	As at	As at
		31/03/2017	31/03/2016
		Audited	Audited
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	841.15	704.16
	(b) Reserves and surplus	5,732.96	2,914.63
	Sub-total - Shareholders' funds	6,574.11	3,618.79
2	Non-current liabilities		
	(a) Long-term borrowings	713.27	1,248.44
	(b) Deferred tax liabilities (net)	98.68	109.57
	(c) Other long-term liabilities	165.23	180.78
	(d) Long-term provisions	15.59	6.10
	Sub-total - Non-current liabilities	992.77	1,544.89
3	Current liabilities		
	(a) Short-term borrowings	1,620.88	2,357.01
	(b) Trade payables	3,118.73	1,679.53
	(c) Other current liabilities	977.08	667.62
	(d) Short-term provisions	15.34	41.78
	Sub-total - Current liabilities	5,732.03	4,745.94
	TOTAL - EQUITY AND LIABILITIES	13,298.91	9,909.62
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	3,542.43	3,493.52
	(b) Live stock	251.93	232.01
	(c) Non-current investments	0.06	0.06
	(d) Long-term loans and advances	707.87	157.19
	(e) Other non-current assets	18.74	11.10
	Sub-total - Non-current assets	4,521.03	3,893.88
2	Current assets		
	(a) Inventories	4,285.17	2,724.26
	(b) Trade receivables	2,150.20	2,359.92
	(c) Cash and cash equivalents	1,008.49	76.83
	(d) Short-term loans and advances	877.90	454.58
	(e) Other current assets	456.12	400.15
	Sub-total - Current assets	8,777.88	6,015.74
	TOTAL - ASSETS	13,298.91	9,909.62





Parag Milk Foods Limited

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Punc, Pin- 411016, Maharashtra, India

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Statement of Consolidated Audited Financial Results for the quarter and year ended March 31, 2017

Amount Rs in Million (except per share data)

Particulars	Quarter ended			Year ended	
	31-Mar-17	31-Dec-16	31-Mar-16	31-Mar-17	31-Mar-16
	Audited	Unaudited	Audited	Audited	Audited
1. Income from Operations					
(a) Revenue from Operations	4,282.98	4,460.91	4,142.63	17,307.39	16,452.01
(b) Other Operating Income	-	-	-	-	-
Total income from Operations (net)	4,282.98	4,460.91	4,142.63	17,307.39	16,452.01
2. Expenses					
(a) Cost of Materials consumed	2,954.35	4,230.37	2,929.83	13,405.90	11,268.40
(b) Purchase of stock-in-trade	210.89	29.67	449.24	734.41	1,382.97
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-271.92	-688.15	-483.17	-1,552.04	-621.69
(d) Employee benefits expense	224.00	199.01	183.39	794.45	671.30
(e) Depreciation and amortisation expense	168.02	108.61	97.36	489.63	333.88
(f) Other expenses	647.12	834.36	663.32	2,843.03	2,269.02
Total Expenses	3,932.46	4,713.87	3,839.97	16,715.38	15,303.88
3. Profit from operations before other income, finance costs and exceptional items (1-2)	350.52	-252.96	302.66	592.01	1,148.13
4. Other Income	59.14	20.00	4.00	109.87	15.48
5. Profit from ordinary activities before finance costs and exceptional items (3 + 4)	409.66	-232.96	306.66	701.88	1,163.61
6. Finance Costs	87.70	88.81	120.93	332.76	495.72
7. Profit from ordinary activities after finance costs but before exceptional items (5 + 6)	321.96	-321.77	185.73	369.12	667.89
8. Exceptional Items (Refer Note 5)	28.90	-164.94	-	193.84	-
9. Profit from ordinary activities before tax (7+8)	293.06	-486.71	185.73	175.28	667.89
10. Tax expense/(credit)	-6.49	-106.98	24.81	4.02	194.71
11. Net Profit from ordinary activities after tax (9-10)	299.55	-379.73	160.92	171.26	473.18
12. Extraordinary items (net of tax expenses)	-	-	-	-	-
13. Net Profit for the period (11 + 12)	299.55	-379.73	160.92	171.26	473.18
14. Paid-up equity share capital (Face Value of Rs 10 each)	841.15	841.15	704.16	841.15	704.16
15. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	5,732.96	2,914.63
16. Earnings Per Share (of Rs 10/- each)					
(a) Basic (Rs)	3.65	-4.69	2.35	2.08	7.22
(b) Diluted (Rs)	3.65	-4.69	2.65	2.08	7.22



h/c



Notes :

1 The above Consolidated audited Financial Results of Parag Milk Foods Limited ("Company") and its subsidiary, Bhagyalaxmi Dairy Farms Private Limited, together referred to as "Group", for the quarter and year ended March 31, 2017 have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their meeting held on May 29, 2017.

2 Statement of IPO proceeds:**Amount Rs in Million**

Particulars	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**Amount Rs in Million**

Particulars	Amount to be utilised	Amount utilised up 31 March 2017	Pending utilisation
Expansion and modernisation of Plant	1,477.01	730.48	746.53
Investment in subsidiary for financing the capital expenditure requirements in relation to expansion and modernisation of the Bhagyalaxmi Dairy Farm	22.99	4.56	18.43
Partial repayment of working capital consortium loan	1,000.00	1,000.00	-
General corporate purposes	284.06	284.06	-
Total	2,784.06	2,019.09	764.97

- 3 The Group 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 The Subsidiary Company had accounted for an impairment loss on cows of Rs 42.00 Million in the previous year and Rs 31.61 Million in the quarter ended Jun 30, 2016, due to significant fall in market price of cows because of drought situation in Maharashtra. However, it has now identified new sources of revenue generation using by-products available from cows and been able to successfully produce and market compost manure and agri-feed using cow manure. These initiatives have improved the recoverable value based on discounted cash flow projection made as at the balance sheet date for value in use of cows. Consequently, as the recoverable value based on value in use is higher than the carrying value, the entire impairment provision of Rs 73.61 Million has been reversed during the quarter.
- 5 Exceptional items represent VAT tax liability for previous year and interest thereon in respect of inspection conducted by VAT authorities on the Company during the year, wherein certain transactions were identified which were to be considered as local sales instead of interstate transfer.
- 6 The Board of Directors has recommended dividend at the rate of Re 0.50 per equity shares of face value of Rs 10, for the year ended March 31, 2017. The said dividend is payable subject to its declaration by the Company in the ensuing Annual General Meeting for the Company.
- 7 The Statement includes the results for the Quarter ended March 31, 2017, being the balancing figure between audited figures in respect of full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by the auditors.
- 8 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: May 29, 2017



Devendra Shah
Devendra Shah
Chairman

**Auditor's Report on Annual Standalone Financial Results of the Company Pursuant to
Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,
2015**

To

The Board of Directors

Parag Milk Foods Limited

1. We have audited the accompanying Statement of Annual Standalone Financial Results of Parag Milk Foods Limited ('the Company') for the year ended March 31, 2017 ('the Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. This Statement has been prepared on the basis of the annual financial statements. Our responsibility is to express an opinion on this Statement, based on our audit of such annual financial statements, which have been prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Account) Rules, 2014 and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Statement. An audit also includes assessing the accounting principles used and significant estimates made by management.
3. We believe that the audit evidences obtained by us is sufficient and appropriate to provide a reasonable basis for our opinion on the Statement.



HARIBHAKTI & CO. LLP

Chartered Accountants

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - (ii) gives a true and fair view of the net profit and other financial information of the Company for the year ended March 31, 2017.
5. The Statement includes the results for the Quarter ended March 31, 2017, being the balancing figure between audited figures in respect of full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Anup Mundhra

Partner

Membership No.: 061083



Place: Pune

Date: May 29, 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 Audited Results for the year ended March 31, 2017

Statement of Assets and Liabilities is as follows:

Amount Rs in Million

S.no	Particulars	As at	As at
		31/03/2017	31/03/2016
		Audited	Audited
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	841.15	704.16
	(b) Reserves and surplus	5,819.98	3,072.71
	Sub-total - Shareholders' funds	6,661.13	3,776.87
2	Non-current liabilities		
	(a) Long-term borrowings	713.27	1,242.73
	(b) Deferred tax liabilities (net)	105.97	137.34
	(c) Other long-term liabilities	165.23	180.78
	(d) Long-term provisions	14.58	5.71
	Sub-total - Non-current liabilities	999.05	1,566.56
3	Current liabilities		
	(a) Short-term borrowings	1,620.88	2,357.01
	(b) Trade payables	3,058.25	1,622.40
	(c) Other current liabilities	967.63	625.35
	(d) Short-term provisions	15.10	41.72
	Sub-total - Current liabilities	5,661.86	4,646.48
	TOTAL - EQUITY AND LIABILITIES	13,322.05	9,989.91
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	3,273.64	3,230.65
	(b) Non-current investments	577.70	577.70
	(c) Long-term loans and advances	703.00	149.83
	(d) Other non-current assets	18.14	11.00
	Sub-total - Non-current assets	4,572.48	3,969.18
2	Current assets		
	(a) Inventories	4,267.21	2,710.51
	(b) Trade receivables	2,113.25	2,330.65
	(c) Cash and cash equivalents	1,000.13	70.58
	(d) Short-term loans and advances	912.86	508.84
	(e) Other current assets	456.12	400.15
	Sub-total - Current assets	8,749.57	6,020.73
	TOTAL - ASSETS	13,322.05	9,989.91





Parag Milk Foods Limited

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Statement of Standalone audited Financial Results for the quarter and year ended March 31, 2017

Amount Rs in Million (except per share data)

Particulars	Quarter ended			Year ended	
	31-Mar-17	31-Dec-16	31-Mar-16	31-Mar-17	31-Mar-16
	Audited	Unaudited	Audited	Audited	Audited
1. Income from Operations					
(a) Revenue from Operations	4,208.99	4,381.88	4,082.65	17,010.85	16,229.52
(b) Other Operating Income	-	-	-	-	-
Total income from Operations (net)	4,208.99	4,381.88	4,082.65	17,010.85	16,229.52
2. Expenses					
(a) Cost of Materials consumed	2,952.84	4,219.11	2,980.38	13,353.91	11,280.65
(b) Purchase of stock-in-trade	210.89	29.67	383.75	734.41	1,317.48
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-271.11	-688.15	-483.17	-1,551.23	-621.69
(d) Employee benefits expense	219.20	198.29	176.06	779.78	660.27
(e) Depreciation and amortisation expense	163.64	104.40	93.15	472.63	317.25
(f) Other expenses	642.13	776.21	594.89	2,682.96	2,103.27
Total Expenses	3,917.59	4,639.53	3,745.06	16,472.46	15,057.23
3. Profit from operations before other income, finance costs and exceptional items (1-2)	291.40	-257.65	337.59	538.39	1,172.29
4. Other Income	17.03	19.70	3.34	67.24	14.33
5. Profit from ordinary activities before finance costs and exceptional items (3 + 4)	308.43	-237.95	340.93	605.63	1,186.62
6. Finance Costs	86.68	87.60	119.22	328.06	487.15
7. Profit from ordinary activities after finance costs but before exceptional items (5 + 6)	221.75	-325.55	221.71	277.57	699.47
8. Exceptional Items (Refer Note 4)	28.90	164.94	-	193.84	-
9. Profit from ordinary activities before tax (7+8)	192.85	-490.49	221.71	83.73	699.47
10. Tax expense/(credit)	-13.85	-111.05	24.73	-16.46	174.38
11. Net Profit from ordinary activities after tax (9-10)	206.70	-379.44	196.98	100.19	525.09
12. Extraordinary items (net of tax expenses)	-	-	-	-	-
13. Net Profit for the period (11 + 12)	206.70	-379.44	196.98	100.19	525.09
14. Paid-up equity share capital (Face Value of Rs 10 each)	841.15	841.15	704.16	841.15	704.16
15. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting	-	-	-	5,819.98	3,072.71
16. Earnings Per Share (of Rs 10/- each)					
(a) Basic (Rs)	2.52	-4.68	2.89	1.22	8.01
(b) Diluted (Rs)	2.52	-4.68	3.21	1.22	8.01



Notes :

1 The above standalone audited financial results for the quarter ended March 31, 2017 have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their meeting held on May 29, 2017.

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 31 March 2017	Pending utilisation
Expansion and modernisation of Plant	1,477.01	730.48	746.53
Investment in subsidiary for financing the capital expenditure requirements in relation to expansion and modernisation of the Bhagyalaxmi Dairy Farm	22.99	4.56	18.43
Partial repayment of working capital consortium loan	1,000.00	1,000.00	-
General corporate purposes	284.06	284.06	-
Total	2,784.06	2,019.09	764.97

- 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 year, wherein certain transactions were identified which were to be considered as local sales instead of interstate transfer.
- 5 The Board of Directors has recommended dividend at the rate of Re 0.50 per equity shares of face value of Rs 10, for the year ended March 31, 2017. The said dividend is payable subject to its declaration by the Company in the ensuing Annual General Meeting for the Company.
- 6 The Statement includes the results for the Quarter ended March 31, 2017, being the balancing figure between audited figures in respect of full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by the auditors.
- 7 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



Devendra Shah
Chairman



Place: Mumbai
Date: May 29, 2017

