



July 17, 2017

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
Code No:- 539889	Code No. PARAGMILK

Dear Sir(s)/Madam,

Subject: Intimation of 25th Annual General Meeting , E-Voting and Book Closure

1. 25th Annual General Meeting:

This is to inform that pursuant to Section 96 of the Companies Act, 2013, Regulation 30 and other Applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **25th Annual General Meeting (“AGM”)** of **Parag Milk Foods Limited (“The Company”)** is scheduled to be held on **Wednesday, 9th August, 2017 at 12:30 PM** at A-Wing, 5th Floor, MCCA Trade Tower, ICC Complex, 403, Senapati Bapat Road, Maharashtra Chamber of Commerce Industries & Agriculture (MCCIA), Pune- 411016, Maharashtra, to transact the business as detailed in the notice convening the said AGM.

A copy of the notice calling 25th AGM is enclosed, and uploaded on the Company’s website. A copy of the Annual Report for the financial year ended 2016-2017 will be submitted after the same is approved and adopted in the 25th AGM of the Company in term of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the notice shall be published on 18th July, 2017 in Financial Express and Loksatta Pune.

2. E-Voting. Scrutinizer of E-voting and cut –off date:

Notice is further given pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Secretarial Standard on General Meetings (SS-2) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that the Company is providing e-voting facility to all its members to enable them to cast their vote on all matters listed in the said notice by electronic means. The Company has engaged the services of Karvy Computershare Private Limited (Karvy) for the purpose of providing e-voting facility to all its Members. Some of the important details regarding the remote e-voting facility is provided below;

Cut-off date for determining the Members entitled to vote through remote e-voting or at the AGM	Wednesday, August 02, 2017
Commencement of remote e-voting period	Saturday, August 05, 2017 at 09:00AM
End of remote e-voting	Tuesday, August 08, 2017 at 05:00 PM

The Company has appointed M/s. Aabid & Co. Practising Company Secretaries, as the scrutinizer to scrutinise the e-voting process in fair and transparent manner



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

3. Book Closure

We also hereby inform that pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, August 03, 2017 to Wednesday, August 09, 2017 (both days inclusive) for the said AGM of the Company to determine the names of the members who will be entitled to receive final dividend, if approved by the AGM.

Kindly take the same on record.

Thanking You,

For **Parag Milk Foods Limited**



Rachana Sangneria
Company Secretary and Compliance Officer
ACS NO. 10280



Encl:a/a

PARAG MILK FOODS LIMITED

Corporate Identity Number (CIN): L15204PN1992PLC070209

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

Tel. No. (020) 60308811 Visit us at: www.paragmilkfoods.com, Email- investors @paragmilkfoods.com

NOTICE TO SHAREHOLDERS'

NOTICE is hereby given that the **TWENTY FIFTH ANNUAL GENERAL MEETING** of the Members of **PARAG MILK FOODS LIMITED** will be held on **Wednesday, 9th of August 2017 at 12.30 P.M.** at A-Wing, 5th Floor, MCCA Trade Tower, ICC Complex, 403, Senapati Bapat Road, Mahratta Chamber of Commerce Industries & Agriculture (MCCA), Pune-411016-Maharashtra, to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the year ended March 31, 2017, together with the Reports of the Board of Directors and the Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements for the year ended March 31, 2017 together with the Report of the Auditors thereon.
3. To declare dividend on equity shares for the year ended March 31, 2017.
4. To appoint a Director in place of Mr. Devendra Shah (DIN-01127319), who retires by rotation and being eligible, offers himself for re-appointment.
5. To ratify the appointment of Statutory Auditors and fix their remuneration and in this regard, to consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the resolution passed by the members at the Annual General Meeting held on September 29, 2016, the appointment of the M/s Haribhakti & Co., LLP, Chartered Accountants, (Firm Registration No. 103523W/W100048) as the Statutory Auditors of Company to hold office till the conclusion of Annual General Meeting of the Company, to be held in the year 2020, be and is hereby ratified to examine and audit the accounts of the Company for the financial year 2017-18 on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

6. **Approval for Payment of Managerial Remuneration to Mr. Devendra Shah-(DIN 01127319)- Chairman.**

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

"RESOLVED THAT in partial modification of the resolution passed by the members at the Extra Ordinary General Meeting of the Company held on April 03, 2015 and pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made thereunder, as amended from time to time, read with Schedule V to the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) consent of the members of the Company be and is hereby accorded for revision of the remuneration of Mr. Devendra Shah, Chairman and Whole time Director of the Company. The revised remuneration payable to him will be. ₹ 2.4 crores per annum by way of salary, perquisites and allowances, till the remaining term of his tenure i.e. upto March 31, 2018 as recommended by the Nomination and Remuneration Committee and the Board.

RESOLVED FURTHER THAT, except for the aforesaid revision in remuneration, all other terms and conditions of his appointment as the Chairman & Whole time Director of the Company, as approved by the resolution passed at Extra Ordinary General Meeting of the Company held on April 03, 2015 shall remain unchanged.

RESOLVED FURTHER THAT, in the event of loss or inadequacy of profits during the tenure of Mr. Devendra Shah, Chairman and Whole Time Director, the above mentioned remuneration be paid to him, as minimum remuneration. However, that such minimum remuneration shall not exceed the limit prescribed under Section II Part II, of Schedule V of the Act and as amended.

RESOLVED FURTHER THAT, the Board, jointly or severally, be and is hereby authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in

regard to the said revision in the remuneration as it may in its sole and absolute discretion deem fit and to delegate all or any of its powers herein conferred to any director(s) and/or officer(s) of the Company, to give effect to this resolution

7. Approval for Payment of Managerial Remuneration to Mr. Pritam Shah (DIN 01127247) Managing Director.

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

"RESOLVED THAT, in partial modification of the resolution passed by the members at the Extra Ordinary General Meeting of the Company held on April 3, 2015 and pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made thereunder, as amended from time to time, read with Schedule V to the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) consent of the members of the Company be and is hereby accorded for revision of the remuneration of Mr. Pritam Shah, Managing Director of the Company. The revised remuneration payable to him will be. ₹ 2.4 crores per annum by way of salary, perquisites and allowances till his remaining term of his tenure i.e. upto March 31, 2018 as recommended by the Nomination and Remuneration Committee and the Board.

RESOLVED FURTHER THAT, except for the aforesaid revision in remuneration, all other terms and conditions of his appointment as the Managing Director of the Company, as approved by the resolution passed at Extra Ordinary General Meeting of the Company held on April 03, 2015 shall remain unchanged.

RESOLVED FURTHER THAT, in the event of loss or inadequacy of profits during the tenure of Mr. Pritam Shah, Managing Director, the above mentioned remuneration be paid to him, as minimum remuneration. However, that such minimum remuneration shall not exceed the limit prescribed under Section II Part II, of Schedule V of the Act and as amended.

RESOLVED FURTHER THAT, the Board, jointly or severally, be and is hereby authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the said revision in the remuneration as it may in its sole and absolute discretion deem fit and to delegate all or any of its powers herein conferred to any director(s) and/or officer(s) of the Company, to give effect to this resolution.

8. Ratification of Cost Auditors' Remuneration.

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 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Harshad S Deshpande & Associate, Pune, Cost Accountants (Firm Registration Number 00378) appointed as the Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018, be paid the remuneration amounting to ₹ 90,000 (Rupees Ninety Thousands Only) plus service tax as applicable and out of pocket expenses, if any be and is hereby ratified.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby jointly or severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**By Order of the Board of Directors
For PARAG MILK FOODS LIMITED**

Sd/-

Rachana Sangneria
Company Secretary and
Compliance Officer

Place: Mumbai
Date: May 29, 2017

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“AGM”/ “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM/ HER AND THAT THE PROXY NEED NOT BE A MEMBER.

The instrument appointing the proxy in order to be effective should be duly stamped, completed and signed and should be deposited at the Registered Office of the company not less than 48 hours before the commencement of the meeting.

2. Pursuant to Section 105 of the Companies Act 2013 and the Rules made thereunder, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other member.
3. Corporate members intending to send their authorized representatives to attend the meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Only members of the Company whose names appear on the Register of Members/Proxy holders as on the record date and in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting.
6. In order to enable the Company to register your attendance at the venue of the Annual General Meeting, we request you to please bring your folio number/demat account number/ DP ID-Client ID to enable the Company to give you a duly filled attendance slip for your signature and participation at the meeting.
7. 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.
8. Members who hold shares in the dematerialized form are requested to direct changes in address, bank mandate and Electronic clearing service (ECS) details to their respective Depository participants. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from

such members for change of address, transposition of names, and deletion of name.

9. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant provisions of Companies (Management and Administration) Rules, 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s Karvy Computershare Private Limited. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email address, are entitled to receive such communication in physical form upon request. For Members who have not registered their e-mail address, hard copy of the Annual Report is being sent in the permitted mode.
10. Final dividend for the financial year ended March 31, 2017, as recommended by the Board, if approved at the Annual General Meeting, will be paid on or after Thursday, August 10, 2017, and will be paid within thirty days from the date of declaration to those Members or their mandates whose names appear: as Members in the Register of Members of the Company as on **Cut-off date Wednesday, August 02, 2017**. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as at the close of business hours on Wednesday, August 02, 2017 as per the details furnished by the Depositories, viz. National Securities Depository Limited (NSDL)/Central Depository services (India)Limited (CDSL) for the purpose as on that date.
11. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday August 03, 2017 to Wednesday, August 09, 2017 (both days inclusive).
12. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in demat form are requested to intimate any change in their respective address/or bank mandate immediately to their Depository Participants.
13. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the special businesses to be transacted at the Annual General Meeting is annexed hereto. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the

Registered Office of the Company during business hours except on holidays, up to and including the date of the Annual General Meeting.

14. Pursuant to Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, details of Directors seeking re-appointment at the Annual General Meeting of the Company to be held on August 9, 2017 are provided in **Annexure A** of this Notice. The Company has received the consent / declarations for his re-appointments under the Companies Act, 2013 and the rules thereunder.
15. The register of Directors and Key Managerial Personnel and their Shareholding, maintained under Sec 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
16. Members desiring any information as regards the financial statements are requested to write to the Company at least seven days before the date of the meeting.
17. Members who are holding shares in more than one folio are requested to intimate to the Registrar and Share Transfer Agent, the details of all folio numbers for consolidation into a single folio.
18. **You are requested to please carry your copy of annual report at the AGM.**
19. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Registrar and Transfer Agent, M/s Karvy Computer share Private Limited.
20. In terms of Section 72 of the Companies Act, 2013 and related rules thereunder a member of the Company may nominate a person on whom the Shares held by him/her shall vest in the event of his/her death. Member(s) desirous of availing this facility may submit nomination in the prescribed Form SH-13 to the Company /Karvy Computershare Private Limited (RTA) in case shares are held in Physical form, and to their respective Depository participants, if held in electronic form.
21. The Annual Report for 2016-17 is also available on the Company's website for download. A route map showing directions to reach the venue of the AGM is given at the end of the notice as per the requirement of secretarial standards (SS-2) on "General Meetings".
22. Members are requested to note that as per Section 124 of the Companies Act, 2013, dividends not encashed/ claimed within seven years from the date of declaration

will be transferred to the Investor Education and Protection Fund (IEPF). No claims in this respect shall lie against the Company.

23. Voting through electronic means:

Information and other Instructions relating to e-voting are as under:

1. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its Members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting ("AGM") by electronic means and the business may be transacted through e-voting services arranged by Karvy Computer share Private Limited ("Karvy"). The Members may cast their votes using an electronic voting system from a place other than the venue of the AGM ("remote e-voting").
2. The facility for voting through electronic voting /ballot paper shall be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM.
3. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
4. The remote e-voting period commences on Saturday, August 05, 2017 (9.00 a.m. IST) and ends Tuesday, August 08, 2017 (5.00p.m. IST). During this period, Members of the Company may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

The process and manner for remote e-voting are as under:

- A. In case a Member receives an e-mail from Karvy (for Members whose e-mail addresses are registered with the Company/ Depository Participants):
 - (i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - (ii) Enter the login credentials (i.e. User ID and Password). Your Folio No./ DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your vote.

- (iii) After entering these details appropriately, Click on "LOGIN".
- (iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (v) You need to login again with the new credentials.
- (vi) On successful login, the system will prompt you to select the "EVENT" i.e., Parag Milk Foods Limited.
- (vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned here in above. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- (viii) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folio / demat account.
- (ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- (x) You may then cast your vote by selecting an appropriate option and click on "Submit".
- (xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

(xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail ID: paragmilkfoodsvoting@karvy.com and with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_ EVENT NO."

B. In case a Member receives physical copy of the Notice of AGM (for Members whose email IDs are not registered with the Company/ Depository Participant or requesting physical copy):

1. Initial Password is provided, as below, at the bottom of the Attendance Slip for the AGM.

User ID	Password/PIN
-	-

2. Please follow all steps from Sr. No. (i) to Sr. No. (xii) above in (A), to cast your vote.

C. Other Instructions:

I. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.

II. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Wednesday, August 2, 2017.

III. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. Wednesday, August 2, 2017, May obtain the User ID and Password in the manner as mentioned below:

a. If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS: MYEPWD<SPACE>E-voting Event Number + Folio No. or DP ID Client ID to +91 99 12993399

Example for NSDL :MYEPWD< SPACE> XXXXIN12345612345678

Example for CDSL :MYEPWD<SPACE>
XXXX1402345612345678

Example for Physical : MYEPWD <SPACE>
XXXX1234567890

- b. If e-mail address of the Member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the Member may click "Forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - c. Members may call Karvy's toll free number 1-800-3454-001.
 - d. Members may send an e-mail request to: evoting@karvy.com. If the Member is already registered with Karvy e-voting platform, then such Member can use his/her existing User ID and password for casting the vote through remote e-voting.
- IV. The Board of Directors has appointed Mr. Aabid & Co., Company Secretaries to act as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner.
- V. At the AGM, at the end of discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, order voting for all those Members who are present but have not cast their vote electronically using the remote e-voting facility.
- VI. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes at the meeting, thereafter unblock the votes cast through remote

e-voting in the presence of atleast two witnesses, not in employment of the Company, and make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.

- VII. The results declared along with the Scrutinizer's report shall be placed on the Company website www.Paragmilkfoods.com and on the website of Karvy www.evoting.karvy.com immediately after the result is declared by the Chairman or any other person authorised by the Chairman and the same shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
- VIII. In case of any queries, please visit Help and Frequently Asked Questions (FAQs) section available at Karvy's website www.evoting.karvy.com.

By order of the Board of Directors
For **PARAG MILK FOODS LIMITED**

Sd/-

Rachana Sanganeria
Company Secretary and
Compliance Officer

Place: Mumbai
Date: May 29, 2017

Registered Office:
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 PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NOS. 6 and 7

Approval for Payment of Managerial Remuneration to Mr. Devendra Shah- Chairman and Mr. Pritam Shah – Managing Director (MD).

Section 197 (1) of the Act provides that the total managerial remuneration payable by a public company, to its directors, including managing director and whole-time director, and its manager in respect of any financial year shall not exceed 10% of the net profits of that company for that financial year. The computation of the same shall be done in the manner laid down in Section 198, except that the remuneration of the directors shall not be deducted from the gross profits.

Section 197 (3) further provides that if, in any financial year, a company has no profits or its profits are inadequate, the company shall pay to its directors, including any managing or whole-time director or manager, by way of remuneration any sum in accordance with the provisions of Schedule V as amended and if it is not able to comply with such provisions, with the previous approval of the Central Government.

At the Board meeting held on November 09, 2016, based on recommendation of Nomination and Remuneration committee the Board had approved the revision of remuneration payable to Mr. Devendra Shah Executive Chairman and Mr. Pritam Shah Managing Director (MD) (from ₹ 1.20 crores per annum to ₹ 3 crores p.a. each with effect from October 01, 2016), which was well within the limits of Sections 196 and 197 of the Act thereunder, however as per the audited financials for the financial year ended March 31, 2017, there are inadequate profits under the provisions of the Act, hence approval of members at the Annual General Meeting is sought as per Schedule V of the Companies Act, 2013. Pursuant to amended Schedule V of the Companies Act, 2013, Mr. Devendra Shah and Mr. Pritam Shah are eligible to receive a remuneration of ₹ 2.4 crores each by taking approval of the shareholders by way of a Special Resolution.

In view of the Company, the shareholders' approval by way of a special resolution has already been obtained through the Extra Ordinary General Meeting dated April 03, 2015, The Company had in the shareholders meeting held on April 03, 2015 passed a special resolution for a period of 3 years (w.e.f April 01, 2015) to pay ₹ 1.20 Cr each to the Chairman and MD in pursuance to schedule V and section 197 and 198 of the Companies Act 2013. Further empowering the Board to revise the above remuneration subject to the limits u/s 197 & schedule V and any amendment passed thereto as per Companies Act 2013, and the same would cover any revision in the managerial remuneration paid during the current financial year, However, as a matter of good governance, the company seeks to place the resolution for ratification of the remuneration paid to the Chairman and the Managing Director in the ensuing Annual General Meeting.

The information required to be given along with the Notice of Annual General Meeting as per point (iv) of second proviso of

section II of part II of schedule V of the Companies Act, 2013 is given as attachment to the Notice and this Explanatory Statement.

Additional Information as required under Schedule V of the Companies Act, 2013 is given below:

I. General Information:

1. Nature of Industry:

The Company is engaged in the business of procurement of cow milk and undertakes processing of milk and manufactures various value added products namely Cheese, Butter, Ghee, Fresh Cream, Milk Powder, Flavoured milk, Lassi, Curd etc. which are marketed under its registered brand name "Gowardhan", "Go", "Topp up" and "Milkrich".

2. Date or expected date of commencement of commercial production:

The Company was incorporated in December 1992. The Company had since then commenced business.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable

4. Financial performance based on given indicators:

As per published audited financial results for the year ended March 31, 2017.

Particulars	Stand Alone (₹ in Million)
Turnover & Other Income	17,078.09
Profit /(Loss) after tax	100.19
Net Worth (share capital + reserves other than revaluation reserve)	6,661.12

5. Foreign investments or collaborations, if any:

The Company has no foreign collaborations and hence no foreign investments or collaborations.

II. Information about the appointee:

1. Background details:

(a) Devendra Shah: Devendra Shah aged 52 years is currently the Executive Chairman of the Company. He was appointed on the Board on December 29, 1992. He has an experience of over 24 years in the industry in which our Company operates.. Apart from serving as the Chairman of Parag Milk Foods, he is also the Chairman of Sharad Sahakari Bank which has gained reputation in the banking sector in a short span of time. He was also an ex- secretary of NDRI.

(b) Mr. Pritam Shah is the Managing Director of Parag Milk Foods Limited. He also serves as Director of Bhagyaxmi Dairy Farms Private Limited. As the

Managing Director of the Company he is involved in business, management and the operational activities of the Company and its Subsidiary. He holds a bachelor's degree in commerce from Pune University.

2. Past Remuneration:

During the financial year ended March 31, 2016, Rs 1.20 cr. and Rs 1.14 cr. was paid as remuneration to Mr. Devendra Shah and Mr. Pritam Shah respectively.

3. Recognition or Awards:

(a) Mr. Devendra Shah-For his good work, Maharashtra Government had honored him with **Maharashtra Udyog Bhushan award**

(b) Mr. Pritam Shah: None

4. Job Profile and suitability:

(a). Mr. Devendra Shah- He is at the helm of affairs, guiding the group to its present status in the industry and also setting high performance standards. He is an innovator, entrepreneur, Indian industrialist. The Company owes its success today to the focused efforts, perseverance and vision of Mr. Shah. He is actively involved in agricultural activities and elevation of farming community. Apart from promoting one of India's largest cow farm called Bhagyalaxmi Dairy Farms. He is well known for his visionary and innovative abilities.

(b). Mr. Pritam Shah- Mr. Shah is responsible for the growth strategy of the company and consolidating the market presence. He brought in the best manufacturing technology for the company so as to compete globally and his strong understanding in procurement and production has helped Parag Milk Foods to enhance its overall performance. He has an experience of over 24 years in the industry in which our Company operates.

5. The revised remuneration payable to them will be. ₹ 2.4 crores per annum each by way of salary, perquisites and allowances, to Mr. Devendra Shah and Mr. Pritam Shah till their remaining term of their tenure i.e. upto March 31, 2018 as recommended by the Nomination and Remuneration Committee and the Board

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Devendra Shah and Mr. Pritam Shah, the remuneration paid/ proposed to be paid is commensurate with the remuneration packages paid to their similar counterparts in other companies.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Besides the remuneration proposed to be paid to Mr. Devendra Shah and Mr. Pritam Shah, they do not have any other pecuniary relationship with the Company or relationships with any other managerial personnel and Directors except that Mr. Devendra Shah is the father of Miss. Akshali Shah and Mr. Pritam Shah is her uncle.

III. Other Information:

1. Reasons for absence or in adequate profits:

Increase in the milk procurement price by more than 20% resulted in increased cost of production of milk and milk products which could not be offset by partial increase in prices due to demonetization and subdued demand.

2. Steps taken or proposed to be taken for improvement:

The Company has initiated certain steps such as better product mix, cost control, borrowing at cheaper rates, and improving efficiency etc. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins.

3. Expected increase in productivity and profits in measurable terms:

The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.

IV Disclosures:

The required disclosures have been made in the Directors Report under Corporate Governance chapter attached thereto.

Mr Devendra Shah and Mr. Pritam Shah and their relatives are interested in the resolutions set out at Item Nos. 6 and 7 of the Notice.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends resolutions set forth in Item Nos. 6 and 7 for the approval of the members as Special Resolution

ITEM NO. 8

Ratification of Cost Auditors Remuneration.

The Board in its meeting held on May 29, 2017, on the recommendation of the Audit Committee, has approved the appointment of M/s Harshad S Deshpande & Associates, Cost Accountants as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2017-2018 at a

remuneration of ₹ 90,000/-per annum (Rupees Ninety Thousand Only) plus service tax as applicable and out of pocket expenses, if any M/s. Harshad S Deshpande & Associates, Cost Accountants, have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company and confirmed that they are not disqualified under the provisions of Sections 148(5).

In accordance with the provisions of Sec 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

The Board recommends resolution set forth in Item No. 8 for the approval of the members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the Resolution.

By order of the Board of Directors
For **PARAG MILK FOODS LIMITED**

Sd/-

Rachana Sanganeria
Company Secretary and
Compliance Officer

Place: Mumbai
Date: May 29, 2017

Registered Office:

Flat No.1, Plot No.19, Nav Rajasthan CHs,
Behind Ratna Memorial Hospital, S.B. Road, Shivijai
Nagar, Pune-411016- Maharashtra

Annexure A

Details of Directors seeking appointment/re-appointment at the Annual General Meeting scheduled to be held on August 9, 2017 (pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and Clause 1.2.5 of Secretarial Standard on General Meetings (SS- 2) issued by the ICSI.

Name of the Director	Devendra Shah	Pritam Shah
Director Identification Number (DIN)	01127319	01127247
Age	52 years	46 years
Date of Appointment	29/12/1992	29/12/1992
Relationship with Directors and Key Managerial Personnel	Brother of Mr. Pritam Shah, Managing Director of the Company.	Brother of Mr. Devendra Shah, Chairman
Expertise in specific functional area	Entrepreneur, visionary who has conceptualised, launched, an established the Company Parag Milk Foods Ltd and promoted it to new heights. He is actively involved in agricultural activities and elevation of farming community.	Entrepreneur, promoter of Parag Milk Foods Ltd He is actively involved in business management and the operational activities of the Company.
Experience	More than 24 year of rich experience in Dairy Industry	More than 24 year of rich experience in Dairy Industry
Board Membership of other listed companies on March 31, 2017	N.A	N.A.
Number of Board Meetings of the Company attended	4/4	4/4
List of Directorship/ Membership/ Chairmanship of Committees of other Board	<p>Directorship</p> <p>Private Companies</p> <p>Bhagyalaxmi Dairy Farms Pvt. Ltd.</p> <p>Stavan Exim Pvt. Ltd.</p> <p>Public Companies</p> <p>Sharad Sahakari Bank Limited -Chairman</p>	<p>Directorship</p> <p>Private Companies</p> <p>Bhagyalaxmi Dairy Farms Pvt. Ltd.</p> <p>Stavan Exim Pvt. Ltd.</p>
Number of shares held in the Company as on March 31, 2017	145,70,832 equity shares	91,59,888 equity shares
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person	As per Nomination and Remuneration Policy of the Company as displayed on the Company's website at paragmilkfoods.com. Is an Executive Director liable to retire by rotation.	As per Nomination and Remuneration Policy of the Company as displayed on the Company's website at paragmilkfoods.com. Is an Executive Director liable to retire by rotation.

PARAG MILK FOODS LIMITED

Corporate Identity Number (CIN): L15204PN1992PLC070209

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

Tel. No. (020) 60308811 Visit us at: www.paragmilkfoods.com, Email- investors @paragmilkfoods.com

FORM NO. MGT 11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and
Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Venue of the meeting : A-Wing, 5th Floor, MCCA Trade Tower, ICC Complex, 403, Senapati Bapat Road, Pune-411016-Maharashtra
Day, Date & Time : Wednesday, August 9, 2017, at 12.30 P.M.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name of the member(s) _____
Registered Address _____
E-mail ID _____
DP ID* _____
Client ID _____
Folio No. _____

* Applicable for investors holding shares in Electronic form.

I/We, _____ of _____ being the member/members of Parag Milk Foods Limited hereby appoint the following as my /our Proxy to attend and vote on a poll (for me/us and on my/our behalf at the **25th Annual General Meeting** of the Company, to be held on **Wednesday, August 9, 2017** at 12.30 P.M. and at any adjournment thereof) in respect of such resolutions as are indicated below _____ equity shares of ₹ 10/- each of Parag Milk Foods Limited, hereby appoint:

1.	Name _____	Registered address _____	_____
	Email ID _____	Signature _____	_____
	Or failing him/her _____	_____	_____
2.	Name _____	Registered address _____	_____
	Email ID _____	Signature _____	_____
	Or failing him/her _____	_____	_____
3.	Name _____	Registered address _____	_____
	Email ID _____	Signature _____	_____
	Or failing him/her _____	_____	_____

** I/WE direct my/our Proxy to vote on the Resolutions in the manner as included below:

Sl.No.	Resolution	Number of Shares held	For	Against
Ordinary Business				
1.	Consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2017, together with the Reports of the Directors and Auditors thereon			
2.	Consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2017, together with the Report of the Auditors thereon			
3.	Re-appointment of Mr. Devendra Shah (DIN:01127319) Director who retires by rotation			
4.	Ratification of appointment of M/s. Haribhakti & Co., LLP, Chartered Accountants, (Firm Registration No. 103523W/0W100048) as Statutory Auditors of the Company for the financial year 2017-18.			
Special Business				
5.	Approval for Payment of Managerial Remuneration to Mr. Devendra Shah-Chairman			
6.	Approval for Payment of Managerial Remuneration to Mr. Pritam Shah-Managing Director			
7.	Ratification of Remuneration of Harshad S Deshpande & Associate, Pune, Cost Accountants (Firm Registration Number 00378) for the financial year 2017-18.			

This is optional. Please put a tick mark (✓) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

Signature (s) of Member(s)

1. _____ 2. _____

Signed this ----- day of ----- 2017.

Affix one
Rupee
Revenue
Stamp

Notes:

- The Proxy to be effective should be deposited at the Registered office of the company not less than FORTY-EIGHT HOURS before the commencement of the Meeting.
- A Proxy need not be a member of the Company.
- In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.

ROAD MAP TO THE AGM VENUE

VENUE: A-Wing, 5th Floor, MCCA Trade Tower, ICC Complex, 403, Senapati Bapat Road, Maharashtra Chamber of Commerce Industries & Agriculture (MCCA), Pune-411016-Maharashtra,



Landmark:

Distance from Pune Railway Station: around 7 Km

PARAG MILK FOODS LIMITED

Corporate Identity Number (CIN): L15204PN1992PLC070209

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

Tel.No. (020) 60308811 Visit us at: www.paragmilkfoods.com,Email- investors @paragmilkfoods.com

ATTENDANCE SLIP

Venue of the meeting : A-Wing, 5th Floor, MCCIA Trade Tower, ICC Complex, 403, Senapati Bapat Road, Pune-411016-Maharashtra
Day, Date & Time : Wednesday, August 9, 2017, at 12.30 P.M.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name _____
Address _____
DP ID* _____
Client ID _____
Folio No. _____
No. of shares held _____

* Applicable for investors holding shares in Electronic form.

I certify that I am the registered shareholders/proxy for the shareholder of the Company.

I hereby record my presence at the: A-Wing, 5th Floor, MCCIA Trade Tower, ICC Complex, 403, Senapati Bapat Road, Pune-411016.

Signature of Member/Proxy

Notes:

1. Electronic copy of the Annual Report for 2016-2017 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/Depository Participant unless any member has requested for a hard copy of the same. Shareholders receiving electronic copy and attending the Annual General Meeting can print copy of this Attendance Slip.
2. Physical copy of the Annual Report for 2017 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email ids are not registered with the Company or have requested for a hard copy.
3. The electronic voting particulars are set out below:

ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	User ID	Password
_____	_____	_____
_____	_____	_____

Please refer the attached AGM Notice for instructions on E -Voting.

E- Voting facility is available during the following voting period:

Commencement of E-Voting	End of E-Voting
August 5, 2017 from 9.00 am	August 8, 2017 till 5.00 pm.