



February 8, 2018

Compliance Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001	Compliance Department National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051
Scrip Code: 539889	Scrip Symbol: PARAGMILK

Dear Sir / Madam,

Subject: PRESS RELEASE / INVESTOR RELEASE

We are enclosing herewith the Press Release with regard to the Un-audited Financial Results of the Company for the Quarter and Nine Months ended December 31, 2017.

Thanking you,

For **PARAG MILK FOODS LIMITED**

Rachana Sangneria
Company Secretary and Compliance Officer
ACS No.: 10280



Encl: As above.

Parag Milk Foods Ltd.,

CIN-L15204PN1992PLC070209

Redg. Office : Flat No.1, Ground Floor, Pratibha Apartment, Nav Rajasthan CHS, Senapati Bapat Road, Behind Ratana Hospital, Pune Pin-411016. Phone: (020) 60308811

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

Website: www.paragmilkfoods.com





Investor Release

For Immediate Release

Robust Performance continues in this Quarter

Consolidated Financial Results for Q3FY18 are as follows:

- **Revenue of Rs. 5,192.8 million**
 - **Gross Profit of Rs. 1,596.0 million with a Gross Margin of 30.7%**
 - **EBITDA of Rs. 588.1 million with an EBITDA Margin of 11.3%**
 - **PAT of Rs. 254.8 million, with a PAT Margin of 4.9%**
-

Mumbai, February 8, 2018: Parag Milk Foods Ltd., a leading manufacturer and marketer of dairy-based branded products in India announced its Unaudited Financial Results for the quarter and nine month ended December 31st, 2017. The Financial Results are as per Ind-AS.

Performance highlights for the quarter ended 31st December 2017

Consolidated Revenue for Q3 FY18 stood at Rs. 5,192.8 million as compared to Rs. 4,460.7 million for Q3 FY17, representing a growth of 16% YoY. Growth is driven by continued focus to drive Value Added product segment.

Gross Profit for Q3 FY18 was Rs. 1,596.0 million as compared to Rs. 901.1 million in Q3 FY17, signifying a growth of 77% YoY. Better realization and favourable input costs resulted in Gross Profit Margin improvement to 30.7% as compared to 20.2% in Q3FY17.

EBITDA for Q3 FY18 stood at Rs. 588.1 million as compared to a loss of Rs. 183.2 million in Q3 FY17. The EBITDA Margin stood at 11.3% for Q3FY18 driven by improved Gross Margins and operating cost line efficiencies.

PAT for Q3 FY18 stood at Rs. 254.8 million as compared to a loss of Rs. 410.8 million in Q3FY17. The PAT Margin stood at 4.9% for Q3FY18.

Performance highlights for nine months ended 31st December 2017

Consolidated Revenue for 9M FY18 stood at Rs. 14,366.7 million as compared to Rs. 13,023.8 million for 9M FY17, representing a growth of 10% YoY.

Gross Profit for 9M FY18 was Rs. 4,210.7 million as compared to Rs. 3,337.4 million in 9M FY17, signifying a growth of 26% YoY. The Gross Profit Margin came in at 29.3% for 9M FY18.

EBITDA for 9M FY18 stood at Rs. 1,381.8 million as compared to Rs. 470.8 million in 9M FY17, signifying a growth of 194% YoY. The EBITDA Margin stood at 9.6% for 9M FY18.

PAT for 9M FY18 stood at Rs. 609 million as compared to a loss of Rs. 185.5 million in 9M FY17. The PAT Margin stood at 4.2% for 9M FY18.

Update on Avvatar Campaigns: Various Campaigns initiated during the Quarter

- Participated in International Health, Sports & Fitness Festival (IHFF) in Mumbai in October 2017 to improve the awareness and visibility of the brand. Some of the renowned dealers, distributors and retailers from the sports, fitness and wellness Industry were present at the event. The event attracted India's top health & wellness personalities, experts, and enthusiasts along with Fitness clubs, gyms & wellness institutes.
- Participated in the "The Fit Expo 2017" in Kolkata in November 2017
- Brand Promotion campaigns on Avvatar ran regularly on Outdoor and Print Media - Hindustan Times, Economic Times and Mint



The Fit Expo 2017



The IHFF 2017

Update on Ghee Campaign: Gowardhan Ghee Campaign

- Gowardhan Ghee Vasu Baras Print Campaign was run across various leading newspapers like Hindustan Times, Delhi Times, Bangalore Times, Bombay Times, Dainik Bhaskar, The Indian Express and Loksatta.



Update on New Launch: Launched Gowardhan Curd made of 100% cow's milk in the Northern Region

- Gowardhan Curd is available in tubs of 400 gm, 200 gm, 80 gm
- Marketing Initiatives used to support this launch –
 - Media Campaign – “The goodness of Cow’s milk now packed in Dahi”
 - Print campaigns in Hindustan Times, Outdoor media and Radio helped us reach out to more than 40 lakh households

Front Page Print Ad on HT in Delhi:



Outdoor Media Ads:





Commenting on the Q3 FY18 performance, Mr. Devendra Shah, Chairman said “We have continued our robust performance for the third quarter of financial year 2017-18 with Revenues growing by 16% YoY to Rs. 5,192.8 Million with an EBITDA Margin of 11.3% and a PAT Margin of 4.9%. Various initiatives taken during the quarter ensured that momentum towards increasing Value Added Products’ growth continues. Going forward, we will continue to focus on innovation to drive incremental growth & profitability for the coming years”.

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 and Palamaner in Andhra Pradesh.

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 Pvt Ltd houses more than 2,000 Holstein Friesian cows, with a mechanized milking process. “Pride of Cows”, the flagship brand of Parag Milk Foods uses milk from these cows and was introduced with a Farm to Home concept targeted towards customers seeking premium quality cow milk.

Under brand “Gowardhan”, we offer traditional products like Ghee, Dahi, Paneer etc. while under brand name “Go” we offer products like cheese, UHT milk, chaas, lassi, yoghurt etc. The Company also forayed into dairy based beverages with the launch of “Topp Up” and “Slurp” - a mango drink with a dash of milk. Recently 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.

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.



SGA Strategic Growth Advisors

Company :

Parag Milk Foods Limited

CIN: L15204PN1992PLC070209

Ms. Natasha Kedia

natasha.kedia@paragmilkfoods.com

+91 22 4300 5555/ Ext: 631

www.paragmilkfoods.com

Investor Relations Advisors :

Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285

Mr. Jigar Kaviaiya - jigar.kaviaiya@sgapl.net

+91-9920602034

Mr. Rohan Adhiya - rohan.adhiya@sgapl.net

+91-9833219522

www.sgapl.net
