



Ideas for a new day

January 24, 2023

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
Scrip Code:- 539889	Scrip Symbol :- PARAGMILK

Dear Sir/Madam,

Sub: Outcome of the Board Meeting held on January 24, 2023

We wish to inform you about the outcome of the Board Meeting held on **January 24, 2023** pursuant to Regulation 30 and Regulation 33 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Board has, *inter-alia*, approved and taken note of the Unaudited Standalone and Unaudited Consolidated Financial Results of the Company for the quarter and Nine Months ended December 31, 2022 alongwith Limited Review Reports issued thereon by the Statutory Auditors of the Company, M/s. Sharp & Tannan, Chartered Accountants.

A copy of the said results along with the Limited Review Reports and Press Release with respect to the Quarter and Nine Months ended December 31, 2022 are attached herewith and will also be uploaded on the Company website i.e. www.paragmilkfoods.com and will be published in the newspapers, in the format prescribed under Regulation 47 of the Listing Regulations.

The meeting of the Board of Directors commenced at 6.30 p.m. (IST) and concluded at 10.30 p.m. (IST).

Requesting you to kindly take the same on record.

Thanking you.

For **Parag Milk Foods Limited**

Virendra Varma
Company Secretary and Compliance Officer
FCS No. 10520

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.: +91 72764 70001

Corporate Office: 10th floor, Nirmal building, Nariman point, Mumbai - 40021 Tel.: 022-43005555 Fax: 022-43005580

Website: www.paragmilkfoods.com | **email:** investors@paragmilkfoods.com



Parag Milk Foods registered the highest quarterly revenue at INR 7358.9 million recording a robust growth of 36.6% YoY

Mumbai, 24th January 2023: Parag Milk Foods Limited, a leading manufacturer and marketer of dairy-based branded products in India announced its unaudited financial results for the quarter and nine-month year ended December 31, 2022

Key Highlights Consolidated Q3 FY23:

- Revenue stood at INR. 7,358.9 million; a growth of 36.6% YoY
- EBITDA stood at INR 335.1 million; a decline of 31.7% YoY
- Profit After Tax stood at INR 92.6 million; a decline of 51.3% YoY

Key Highlights Consolidated 9M FY23:

- Revenue stood at INR. 20,916.6 million; a growth of 39.8% YoY
- EBITDA stood at INR 955.8 million, a decline of 35.4% YoY
- Profit After Tax stood at INR 309.02 million, a decline of 47.5% YoY

Business Update:

The festive buoyancy was felt across all product categories, resulting in healthy demand growth. The Company reported a consolidated total income from operations of INR 7,358.9 million registering a growth of 36.6% YOY and 10.7% QoQ. The Company reported very healthy volume growth in core product categories of ghee, cheese and proteins. Our Ghee volume posted the highest quarterly run rate, surpassing our internal estimates. The growth was broad-based with all our distribution channels of General Trade, Modern Trade, Ecommerce and HoRECA contributing to the growth.

Core categories: Core categories of Ghee and Cheese have seen continuous traction throughout the year and have posted a growth of 45.7% Y-o-Y and 14.1% QoQ for Q3FY23.

New age business: Sports Nutrition Business: Brand - Avvatar has posted strong 81% growth on a YoY basis and 29.6% growth on a QoQ basis. We undertook our brand activation drive in IHH (International Health, Sports & Fitness) festival associating with the health and fitness icon - The Great Khali. The brand has evolved with the evolving consumer and we continue to excite the market with innovative offerings in this high-potential segment.

Premium Dairy Business: The Pride of Cows brand is witnessing healthy growth across the recently introduced categories, with Ghee growing more than 5x growth for the quarter. The commercial success of the Pride of Cows brand has inspired the company to further expand and grow, along with widening its product portfolio.

Ecommerce: E-commerce business has grown by ~3X on a YOY basis. It is one of the crucial pillars of our distribution strategy as it helps the company to achieve higher visibility to capture market share.



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Procurement: Milk inflation continued to persist; the milk and fat prices remained elevated for the quarter. Our milk procurement cost has increased by 32% on a YOY basis and 5.8% on QoQ basis.

Financial Performance for Q3FY23

- Consolidated Revenue from Operations stood at INR 7358.9 mn reporting a growth of 36.6% YoY as compared to INR 5387.1 mn in Q3FY22, driven by robust volume and value growth across categories.
- The share of our new age business is 3.8%, while for liquid milk is 8.1% and value-added Products is 74.8% of total revenue, while that for Skimmed Milk Powder was 12.5% respectively.
- Gross Profit stood at INR 1556.1 million as compared to INR. 1507.5 million in Q3 FY22.
- EBITDA stood at INR 335.1 million as compared to INR 490.7 million in Q3 FY22.
- Profit After Tax stood at INR 92.6 million as compared to INR. 190.2 million in Q3 FY22.

Commenting on the Quarter results, Mr. Devendra Shah, Chairman said, “We are delighted to report a robust performance for the quarter with the highest revenue of INR 7358.9 million on the back of healthy volume growth of 18.6% across our key categories of Ghee and Cheese. The performance demonstrates the strength of our execution capabilities by effectively leveraging our strong market position, robust distribution network, and favorable market conditions. Our protein business has registered 4x growth in the last 12 months which is in line with our long-term vision to provide complete nutrition to consumers across the globe. The persistently high inflation had an impact on our margins. Going forward, we stay confident of the medium to the long-term potential of our business to deliver consistent, and responsible growth by driving penetration and gaining market share across our portfolios aided by distribution expansion, strategic investment in market development, and brand building.”

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 manufacturing facilities with in-house technology which are strategically located at Manchar in Maharashtra, Palamaner in Andhra Pradesh, and Sonipat in Haryana. We sell 100% cow’s milk products that are healthy and nutritious. Our integrated business model and strong R&D capabilities have helped us emerge as the leader in innovation. Our dairy farm, Bhagalaxmi Dairy Farm Limited house more than 2,500 cows, with a mechanized milking process. Under brand “Gowardhan”, we offer traditional products like Ghee, Dahi, Paneer, etc. Under the brand name “Go” we offer products like Cheese, UHT Milk, Buttermilk, Lassi, Yoghurt etc.

“Pride of Cows”, the flagship brand of Parag Milk Foods was introduced with a proposition of Farm to Home concept targeted towards customers seeking premium quality dairy



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products. The Company has also ventured into the 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 health and nutrition to consumers through innovation

Safe Harbor

Any forward-looking statements about expected future events, financial and operating results of the Company are based on certain assumptions which the Company does not guarantee the fulfilment of. These statements are subject to risks and uncertainties. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company’s operations include a downtrend in the industry, global or domestic or both, significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, technological changes, investment and business income, cash flow projections, interest, and other costs. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

For more information please contact Ms. Sangeeta Tripathi, investors@parag.com, 02243005555



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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2022

Particulars	Quarter ended		Year to date		Year ended	
	31-Dec-22	30-Sep-22	31-Dec-21	31-Dec-22	31-Dec-21	31-Mar-22
	Unaudited (Refer Note 9)	Unaudited	Unaudited (Refer Note 9)	Unaudited	Unaudited	Audited
1. Revenue from operations	7,226.37	6,538.29	5,273.32	20,572.70	14,731.57	20,256.07
2. Other income	45.08	2.47	12.85	183.72	32.72	89.61
3. Total Income	7,271.45	6,540.76	5,286.17	20,756.42	14,764.29	20,345.68
4. Expenses						
(a) Cost of materials consumed	6,245.83	3,846.65	3,857.97	14,787.70	12,347.37	18,279.65
(b) Purchase of Stock-in-trade	-	1,767.60	-	2,735.90	82.40	82.40
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(493.73)	(390.16)	(38.40)	(734.70)	(1,904.60)	2,223.37
(d) Employee benefits expense	236.94	218.77	190.47	652.65	578.66	773.40
(e) Finance costs	135.23	124.90	127.10	391.75	347.93	470.36
(f) Depreciation and amortisation expense	114.31	131.54	128.30	371.86	375.67	509.31
(g) Other expenses	883.88	690.07	735.25	2,105.82	2,090.66	3,184.51
Total Expenses	7,122.46	6,389.37	5,000.69	20,310.98	13,918.09	25,523.00
5. Profit / (Loss) before tax (3-4)	148.99	151.39	285.48	445.44	846.20	(5,177.32)
6. Tax expense						
(i) Current tax (Refer Note 6)	-	-	80.91	-	168.09	-
(ii) Deferred tax charge / (credit)	12.97	(8.49)	(8.69)	39.38	53.53	79.16
(iii) Tax adjustment in respect of earlier years	-	-	-	-	-	35.07
7. Profit / (Loss) for the period / year after tax (5-6)	136.02	159.88	213.26	406.06	624.58	(5,291.55)
8. Other Comprehensive Income						
Items that will not be reclassified to profit or loss						
(i) Re-measurements (loss) / gain of the defined benefit plans	-	-	1.91	-	5.72	6.72
(ii) Income tax on above	-	-	(0.48)	-	(1.44)	(1.69)
9. Total Comprehensive Income for the period / year (7+8) Comprising Profit and Other Comprehensive Income for the period / year	136.02	159.88	214.69	406.06	628.86	(5,286.52)
Paid-up equity share capital (Face Value of Rs. 10 each)	1,172.00	1,072.00	952.00	1,172.00	952.00	952.00
Other Equity						4,538.93
10. Earnings Per Equity Share (of Rs 10 each) (not annualised)						
(a) Basic (Rs)	1.26	1.62	2.24	4.02	6.68	(56.56)
(b) Diluted (Rs)	1.24	1.58	2.18	3.93	6.51	(55.19)





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Notes to Unaudited Standalone Financials Results:

- 1 The Unaudited Standalone Financial Results (the 'Statement') for the quarter ended 31st December, 2022 of Parag Milk Foods Limited (the 'Company') have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their meetings held on 24th January, 2023 and are available on the Company's website - <https://www.paragmilkfoods.com> and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com). Review under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been carried out by the statutory auditors of the Company and have issued a unmodified conclusion on the above results.
- 2 The above Unaudited Standalone Financial Results have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- 3 Based on guiding principles given in Ind AS 108, *Operating Segments*, the Company's business activity falls within a single operating segment namely, 'Milk and Milk Related Products' and hence, the disclosure requirements of Ind AS 108 are not applicable.
- 4 The Company has taken into account both the external and internal information for assessing possible impact of Covid-19 on various element of its financial results, including recoverability of its assets.
- 5 During the quarter, the Company has issued and allotted, 50,00,000 Equity Shares each, of face value Rs. 10 each fully paid up to Mr. Devendra P. Shah and Mrs. Netra P. Shah ('warrant holders') individually, consequent to the warrant holders having exercised their right for conversion of warrants into equity shares.

The allotment has been made for cash, upon the receipt of the remaining exercise price of Rs. 83.25 per Share warrant (being an amount equivalent to the 75% of the warrant exercise price of Rs. 111 per warrant), aggregating to Rs. 83,25,00,000.
- 6 No provision for current tax is required to be made for the quarter and nine months period ended 31st December, 2022, in view of certain allowances and deductions available under the Income Tax Act, 1961.
- 7 The Income Tax Department (the 'Department') conducted a search under Section 132 of the Income Tax Act, 1961 (the 'Act') on the Company and its associated persons on 25th November, 2021. The Company has now received the Assessment Order for the assessment year 2021-22 (relevant to previous year 2020-21) dated 31st December, 2022 and a notice of demand vide dated 31st December, 2022 under Section 156 of the Act for a sum of Rs. 41.92 crore. The Company, as against the aforesaid Assessment Order and the notice of demand, preferred for an appeal, which is pending to be filed.
- 8 The Code on Social Security, 2020 (the 'Code') relating to employee benefits during employment and post-employment benefits received the President's assent on 28th September, 2020. The Code has been published in the Gazette of India. The Ministry of Labour and Employment has released the draft Rules for the Code on 13th November, 2020 and has invited suggestions from the stakeholders. However, the date on which the Code/Rules will come to effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
- 9 The figures for the current quarter ended 31st December, 2022 and quarter ended 31st December, 2021 are the balancing figures between the published year to date figures in respect of the period ended 31st December, 2022 and 31st December, 2021, respectively and published figures upto the quarter ended 30th September, 2022 and 30th September, 2021 respectively which were subjected to limited review.
- 10 Figures for the previous periods / year have been regrouped wherever necessary.

Place: Mumbai
Date: 24th January, 2023

Akshali Shah
Executive Director
DIN No. 06575079



Independent Auditor's Review Report on Quarterly and Year-to-Date Financial Results of Parag Milk Foods Limited pursuant to the Regulation 33 read with Regulation 63 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended

To the Board of Directors of Parag Milk Foods Limited

1. We have reviewed the accompanying **Statement of Unaudited Standalone Financial Results** (the 'Statement') of **Parag Milk Foods Limited** (the 'Company') for the quarter ended 31st December, 2022 and for the period from 1st April, 2022 to 31st December, 2022, being submitted by the Company pursuant to the requirements of Regulation 33 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors on 24th January, 2023, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34, *Interim Financial Reporting* prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 the 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.
4. **Emphasis of Matter**

We draw attention to Note 7 to the accompanying Statement relating to the search and seizure carried out under Section 132 of the Income tax Act, 1961 on 25th November, 2021 concerning the Company and its associated persons. Post the receipt of the '*Panchanama*' dated 27th November, 2021, the Company has now received the Assessment Order for the assessment year 2021-22 with a demand of Rs. 41.92 crore. The Company, based on the advice preferred for an appeal. Further, the Company represents that the demand made does not warrant provision in the books of account.

Our conclusion is not modified in respect of the above matter.



5. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Place: Mumbai
Date: 24th January, 2023

SHARP & TANNAN
Chartered Accountants
Firm's Registration No.109982W
by the hand of


Edwin Paul Augustine
Partner
Membership No.: 043385
UDIN: 23043385BGPJPQ9062



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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2022

Particulars	Quarter ended			Year to date		Year ended
	31-Dec-22	30-Sep-22	31-Dec-21	31-Dec-22	31-Dec-21	31-Mar-22
	Unaudited (Refer Note 10)	Unaudited	Unaudited (Refer Note 10)	Unaudited	Unaudited	Audited
1. Revenue from operations	7,358.90	6,648.40	5,387.11	20,916.64	15,094.80	20,717.54
2. Other income	45.28	3.25	35.16	214.89	105.60	210.40
3. Total Income	7,404.18	6,651.65	5,422.27	21,131.53	15,200.40	20,927.94
4. Expenses						
(a) Cost of materials consumed	6,297.67	3,892.32	3,916.78	14,927.90	12,538.50	18,498.75
(b) Purchase of Stock-in-trade	-	1,767.60	-	2,735.90	82.40	82.40
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(494.91)	(390.01)	(37.21)	(734.29)	(1,903.30)	2,223.95
(d) Employee benefits expense	265.11	242.88	208.59	725.02	621.22	836.63
(e) Finance costs	151.37	141.45	137.12	429.66	376.26	509.59
(f) Depreciation and amortisation expense	122.62	137.86	135.29	395.34	396.13	537.44
(g) Other expenses	955.92	756.24	808.25	2,306.28	2,285.86	3,459.72
Total Expenses	7,297.78	6,548.34	5,168.82	20,785.81	14,397.07	26,148.48
5. Profit / (Loss) before tax (3-4)	106.40	103.31	253.45	345.72	803.33	(5,220.54)
6. Tax expense						
(i) Current tax (Refer Note 7)	-	-	80.91	-	168.09	-
(ii) Deferred tax charge / (credit)	13.76	(10.61)	(17.61)	36.70	42.32	69.34
(iii) Tax adjustment in respect of earlier years	-	-	-	-	-	35.07
7. Profit / (Loss) for the period / year after tax (5-6)	92.64	113.92	190.15	309.02	592.92	(5,324.95)
8. Other Comprehensive Income						
Items that will not be reclassified to profit or loss						
(i) Re-measurements (loss) / gain of the defined benefit plans	-	-	1.94	-	5.81	6.00
(ii) Income tax on above	-	-	(0.48)	-	(1.46)	(1.49)
9. Total Comprehensive Income for the period / year (7+8) Comprising Profit and Other Comprehensive Income for the period / year	92.64	113.92	191.61	309.02	597.27	(5,320.44)
Paid-up equity share capital (Face Value of Rs. 10 each)	1,172.00	1,072.00	952.00	1,172.00	952.00	952.00
Other Equity						4,588.29
10. Earnings Per Equity Share (of Rs 10 each) (not annualised)						
(a) Basic (Rs)	0.86	1.20	2.00	3.06	6.34	(56.91)
(b) Diluted (Rs)	0.86	1.16	1.94	3.02	6.18	(55.54)





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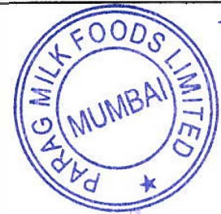
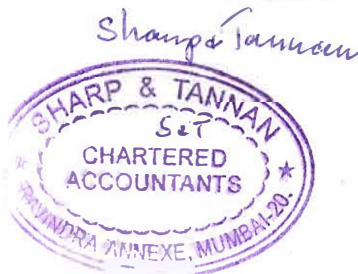
Notes to Unaudited Consolidated Financials Results :

- 1 The Unaudited Consolidated Financial Results (the 'Statement') for the quarter ended 31st December, 2022 of Parag Milk Foods Limited (the 'Company') and its subsidiary, Bhagyalaxmi Dairy Farms Private Limited (together referred to as Group), have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their meetings held on 24th January, 2023 and are available on the Company's website - <https://www.paragmilkfoods.com> and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com). Review under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been carried out by the statutory auditors of the Company and have issued a unmodified conclusion on the above results.
- 2 The above results comprise the results of Parag Milk Foods Limited (the 'Parent Company') and one subsidiary company, Bhagyalaxmi Dairy Farms Private Limited.
- 3 The above Unaudited Consolidated Financial Results have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- 4 Based on guiding principles given in Ind AS 108, *Operating Segments*, the Group's business activity falls within a single operating segment namely, 'Milk and Milk Related Products' and hence, the disclosure requirements of Ind AS 108 are not applicable.
- 5 The Group has taken into account both the external and internal information for assessing possible impact of Covid-19 on various element of its financial results, including recoverability of its assets.
- 6 During the quarter, the Parent Company has issued and allotted, 50,00,000 Equity Shares each, of face value Rs. 10 each fully paid up to Mr. Devendra P. Shah and Mrs. Netra P. Shah ('warrant holders') individually, consequent to the warrant holders having exercised their right for conversion of warrants into equity shares.

The allotment has been made for cash, upon the receipt of the remaining exercise price of Rs. 83.25 per Share warrant (being an amount equivalent to the 75% of the warrant exercise price of Rs. 111 per warrant), aggregating to Rs. 83,25,00,000.
- 7 No provision for current tax is required to be made for the quarter and nine months period ended 31st December, 2022, in view of certain allowances and deductions available under the Income Tax Act, 1961.
- 8 The Income Tax Department (the 'Department') conducted a search under Section 132 of the Income Tax Act, 1961 (the 'Act') on the Parent Company and its associated persons on 25th November, 2021. The Parent Company has now received the Assessment Order for the assessment year 2021-22 (relevant to previous year 2020-21) dated 31st December, 2022 and a notice of demand vide dated 31st December, 2022 under Section 156 of the Act for a sum of Rs. 41.92 crore. The Parent Company, as against the aforesaid Assessment Order and the notice of demand, preferred for an appeal, which is pending to be filed.
- 9 The Code on Social Security, 2020 (the 'Code') relating to employee benefits during employment and post-employment benefits received the President's assent on 28th September, 2020. The Code has been published in the Gazette of India. The Ministry of Labour and Employment has released the draft Rules for the Code on 13th November, 2020 and has invited suggestions from the stakeholders. However, the date on which the Code/Rules will come to effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
- 10 The figures for the current quarter ended 31st December, 2022 and quarter ended 31st December, 2021 are the balancing figures between the published year to date figures in respect of the period ended 31st December, 2022 and 31st December, 2021, respectively and published figures upto the quarter ended 30th September, 2022 and 30th September, 2021 respectively which were subjected to limited review.
- 11 Figures for the previous periods / year have been regrouped wherever necessary.

Place: Mumbai
Date: 24th January, 2023

Akshali Shah
Executive Director
DIN No. 06575079



Firm's Registration No. 109982W

Independent Auditor's Review Report on Quarterly and Year-to-Date Financial Results of Parag Milk Foods Limited pursuant to the Regulation 33 read with Regulation 63 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended.

To the Board of Directors of Parag Milk Foods Limited

1. We have reviewed the accompanying **Statement of Unaudited Consolidated Financial Results** (the 'Statement') of **Parag Milk Foods Limited** (the 'Parent') and its subsidiary (the Parent and its subsidiary together referred to as the 'Group') for the quarter ended 31st December, 2022 and for the period from 1st April, 2022 to 31st December, 2022, being submitted by the Parent pursuant to the requirements of Regulation 33 read with Regulation 63 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors on 24th January, 2023, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34, *Interim Financial Reporting* prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular issued by the SEBI under Regulation 33(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Sr. No.	Name of the Entity	Relationship
1	Parag Milk Foods Limited	Parent
2	Bhagyalaxmi Dairy Farms Private Limited	Subsidiary Company



5. Emphasis of Matter

We draw attention to Note 8 to the accompanying Statement relating to the search and seizure carried out under Section 132 of the Income tax Act, 1961 on 25th November, 2021 concerning the Company and its associated persons. Post the receipt of the 'Panchanama' dated 27th November, 2021, the Company has now received the Assessment Order for the assessment year 2021-22 with a demand of Rs. 41.92 crore. The Company, based on the advice preferred for an appeal. Further, the Company represents that the demand made does not warrant provision in the books of account.

Our conclusion is not modified in respect of the above matter.

6. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 read with Regulation 63 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Place: Mumbai
Date: 24th January, 2023

SHARP & TANNAN
Chartered Accountants
Firm's Registration No.109982W
by the hand of


Edwin Paul Augustine
Partner
Membership No.: 043385
UDIN: 23043385BGPJPR2818