



Ideas for a new day

April 29, 2023

Compliance Department, BSE Limited , Phiroze Jeejeebhoy Tower, Dalal Street, Fort, Mumbai – 400 001	Compliance Department, National Stock Exchange of India Ltd. 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,

Sub: Press Release on Audited Financials Results for quarter & year ended March 31, 2023

In continuation of our letter of today's date on Standalone and Consolidated Audited Financial Results for the quarter & year ended March 31, 2023, pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of Press Release being issued by the Company in this regard.

The above documents are also being made available on the Company's website www.paragmilkfoods.com.

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: As above.



Parag Milk Foods Ltd.,

CIN-L15204PN1992PLC070209

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Parag Milk Foods hits all-time high revenue in FY23; with strong margin growth

Mumbai, 29th April 2023: Parag Milk Foods Limited, a leading manufacturer and marketer of dairy-based branded products in India announced its audited financial results for the financial year ended March 31, 2023.

Key Highlights Consolidated Q4 FY23:

- Revenue stood at INR. 8,009.6 million; a growth of 42.4% YoY
- EBITDA stood at INR 464.2 million; with an EBITDA margin of 5.8%
Profit After Tax stood at INR 223.5 million

Key Highlights Consolidated FY23:

- Revenue stood at INR. 28,926.2 million; a growth of 39.6% YoY
- EBITDA stood at INR 1,634.9 million; with an EBITDA margin of 5.7%
- Profit After Tax stood at INR 532.5 million

Business Update:

FY23 has witnessed record performance across business verticals and the company has posted highest ever revenue of INR 28,926.2 million; led by volume, value, and product mix. The superlative performance was driven by extensive distribution reach and outlet coverage, coupled with impact led marketing and branding campaigns and premium pricing in flagship products.

Core categories: Core categories of Ghee and Cheese have seen continuous traction throughout the year and have posted a growth of 43.5% Y-o-Y, led by volume growth of 21.5% YoY.

New age business- Brand Avvatar: The protein portfolio continued its momentum and recorded robust 123% growth YoY, led by 69% volume growth YoY. The protein portfolio continued to record market share gains.

Premium Dairy Business: In line with the company's premiumization agenda- the brand Pride of Cows continues to witness healthy traction. The brand is aggressively expanding its product portfolio as well as distribution footprint and now is present across five cities. The company is expanding its Bhagyalakshmi Dairy Farm (100% subsidiary), which supplies exclusively under "Pride of Cows" brand to over 15,000 cows by 2026.

Distribution reach: The overall business growth was broad-based with all the distribution channels contributing to the performance. For FY23, the General Trade, Modern Retail and HoRECA verticals posted a growth of 37% YoY, 42% YoY, and 35% YoY respectively. The overall retail presence expanded by 30% YoY to reach 4.6 lac retail touchpoints.





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Brand building initiatives - The company has strengthened its brand equity reach by adopting unique content led impact marketing and branding activities. Some of the recent activities include participation in “Kaun Banega Crorepati (KBC)” – this impact campaign has enabled it to widen its reach in tier 2 and tier 3 towns and cities through strong brand messaging ‘*Garv Se Gowardhan*’. In keeping with the core theme “Make it amazing” the brand Go Cheese has participated in the most popular show “Anupama”, which has enabled the company to gain strong consumer connect.

Ecommerce: E-commerce business has grown by ~2.2x on a YOY basis. It is one of the crucial pillars of the distribution strategy as it helps the company to achieve higher visibility to capture market share.

Procurement: Milk inflation continued to persist; the milk and fat prices remained elevated for almost 18 months. The milk procurement cost has increased by 17.5% on a YOY basis

Financial Performance for FY23

- Consolidated Revenue from Operations stood at INR 28,926.2 mn reporting a growth of 39.6% YoY as compared to 20,717.5 mn in FY22, driven by robust volume and value growth across categories.
- The share of new age business is 3.3% while liquid milk is 9.4% and value-added Products are 69.3% of total revenue, and Skimmed Milk Powder was 18% YoY.
- Gross Profit stood at INR 5694.3 million.
- EBITDA stood at INR 1634.9 million, while the margins stood at 5.6%.
- Profit After Tax stood at INR 532.5 million.

Mr. Devendra Shah, Chairman said, *“Our company has recorded a remarkable growth of ~40% YoY in FY23 to INR 28,926.2 million, led by healthy volume growth, superior product mix, and pricing growth. Our Portfolio optimization efforts coupled with strong brand equity strength and responsible pricing actions aided in offsetting the ongoing pressure from consistent inflation. We have witnessed 610 basis point (bps) margin expansions over the last three quarters. We continue to enhance our industry-leading R&D capabilities and infrastructure to better support our innovation agenda and would continue to delight our consumers with our quality offerings. Going forward, we have embarked on an extensive distribution drive and aim to reach 13-15 lac retail touchpoints in the next three years. This distribution drive would be supported by our robust impact-led marketing and branding campaigns.*

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





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integrated business model and strong R&D capabilities have helped us emerge as the leader in innovation. Our dairy farm, Bhagyalaxmi 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 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

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

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.

