



October 24, 2019

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: UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019.

The Board of Directors of the Company at their Meeting held on **October 24, 2019** has inter alia, considered and approved the Un-Audited Standalone and Consolidated Financial Results for the Quarter and Half Year ended September 30, 2019

Accordingly, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the following:

- Un-Audited Standalone Financial Results of the Company for quarter and half year ended September 30, 2019; and
- Un-Audited Consolidated Financial Results of the Company for quarter and half year ended September 30, 2019; and
- Limited Review Reports issued by the Statutory Auditors of the Company M/s. Haribhakti & Co. LLP, Chartered Accountants (Firm Registration No. 103523W/W100048).
- Press Release with regard to the Un-Audited Financial Results of the Company for the quarter and half year ended September 30, 2019.

You are requested to kindly take the same on record.

For **PARAG MILK FOODS LIMITED**


Pritam Shah
Managing Director
DIN: 01124247



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

Parag Milk Foods Ltd H1 FY20 Financial Performance

- ✓ Revenue growth of 13% YoY to Rs. 12,698 million
 - ✓ EBITDA stood at Rs. 1,123 million
- ✓ PAT stood at Rs. 560 million with PAT margin of 4.4%

Mumbai, 24th October, 2019: 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 half ended 30th September 2019.

Performance Highlights for Q2 FY20

Consolidated Revenue from Operations for Q2 FY20 stood at Rs. 6,400 million as compared to Rs. 5,735 million for Q2 FY19, representing a growth of 11.6% YoY.

The share of Milk Products for Q2 FY20 is 68% of Total Revenue, while that of Liquid milk stood at 19% and the same for Skimmed Milk Powder stood at 11%.

Gross Profit for Q2 FY20 was Rs. 1,643 million as compared to Rs. 1,768 million in Q2 FY19. Gross margins stood at 25.7% for Q2 FY20 impacted by disruptions in milk availability on account of prolonged monsoons. The Company has seen substantial improvement in milk availability since Dusshera with a slight moderation in milk prices.

EBITDA for Q2 FY20 stood at Rs. 555 million while EBITDA Margins stood at 8.7%.

PAT for Q2 FY20 stood at Rs. 285 million as compared to Rs. 304 million in Q2 FY19. PAT margins were healthy at 4.5% in Q2 FY20.

Performance Highlights for H1 FY20

Consolidated Revenue from Operations for H1 FY20 reported a growth of 13% YoY to Rs. 12,698 million as compared to Rs. 11,229 million in H1 FY19. Growth was driven by a 13% YoY increase in revenue from Milk Products to Rs. 8,570 million.

The share of Milk Products for H1 FY20 is 68% of total revenue, while that of liquid milk was 19% and the same for Skimmed Milk Powder was 12%.



Gross Profit for H1 FY20 stood at Rs. 3,327 million as compared to Rs. 3,435 million in H1 FY19.

EBITDA for H1 FY20 stood at Rs. 1,123 million and EBITDA Margin stood at 8.8%.

PAT for H1 FY20 stood at Rs. 560 million and PAT Margin stood at 4.4% in H1 FY20.

Commenting on the performance, Mr. Devendra Shah, Chairman said *“We have witnessed a revenue growth of 11.6% YoY in Q2FY20. While our brand strength positioned us well to combat milk prices and demand continued to sustain well, our ability to meet the demand was impacted on account of the prolonged monsoons. The excess rain hampered the flow of milk in different areas and led to delays in the feed reaching the market, causing disruptions in milk availability. We have already seen substantial improvement in milk availability from Dusshera and slight moderation in milk pricing has also started. We expect the milk availability situation to improve further going forward on the back of the strong monsoon season and expect milk prices to trend downwards post completion of the Diwali festivities. This makes us confident of delivering a stronger performance in the second half of this year and delivering a 12-13% topline growth with an EBITDA margin in the range of 9-9.5% for FY20.”*



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, Palamaner in Andhra Pradesh and Sonipat in Haryana.

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 Private Limited house more than 2,500 Holstein Friesian cows, with a mechanized milking process. Under brand “Gowardhan”, we offer traditional products like Ghee, Dahi, Paneer etc. while under 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 cow milk. 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.

For further information please contact:

Company	Investor Relations Advisors
<p>Parag Milk Foods Ltd Natasha Kedia Head - Investor Relations Email ID: natasha.kedia@paragmilkfoods.com Tel. No.: +91 22 43005555/ Ext: 631</p>	<p>Strategic Growth Advisors Pvt. Ltd. Rohan Adhiya / Vaun Divadkar Email ID: rohan.adhiya@sgapl.net / varun.divadkar@sgapl.net Tel No: +91 9833219522 / +91 9763702204</p>

Independent Auditor's Review Report on quarterly and year to date Unaudited Standalone Financial Results of Parag Milk Foods Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To the Board of Directors

Parag Milk Foods Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **Parag Milk Foods Limited** ("the Company") for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 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 Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (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.



HARIBHAKTI & CO. LLP

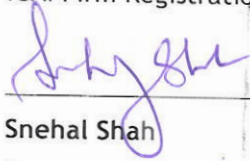
Chartered Accountants

4. 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 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.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048



Snehal Shah

Partner

Membership No.: 048539

UDIN: 19048539AAAABY2053



Place: Mumbai

Date: October 24, 2019



Parag Milk Foods Limited

CIN:L15204PN1992PLC070209

Registered Office: Flat No 1, Plot No 19, Nav Rajasthan Housing Society, Behind Ratna Memorial Hospital, Pune, Pin- 411016, Maharashtra, India
Website: www.paragmilkfoods.com, Email id: investors@paragmilkfoods.com

Statement of Standalone Unaudited Financial Results for the quarter and half year ended September 30, 2019

Particulars	Amounts in Millions					
	Quarter ended			Year to date		Year ended
	30-Sep-19	30-Jun-19	30-Sep-18	30-Sep-19	30-Sep-18	31-Mar-19
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from Operations	6,275.27	6,161.84	5,608.29	12,437.11	10,988.44	23,461.31
Other Income	12.51	13.12	7.99	25.63	20.43	40.49
Total Income	6,287.78	6,174.96	5,616.28	12,462.74	11,008.87	23,501.80
Expenses						
Cost of Materials consumed	4,103.38	3,842.09	3,243.65	7,945.47	6,524.59	14,940.41
Purchase of Stock-in-trade	650.85	849.12	583.64	1,499.97	648.18	1,482.79
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(61.00)	(156.05)	87.02	(217.05)	526.68	(58.25)
Employee benefits expenses	251.84	259.29	227.31	511.13	425.88	925.53
Finance Costs	86.25	92.79	75.95	179.04	177.26	356.68
Depreciation and amortisation expenses	124.72	127.77	128.87	252.49	259.67	481.37
Other expenses	769.51	795.12	905.45	1,564.63	1,726.64	3,995.82
Total Expenses	5,925.55	5,810.13	5,251.89	11,735.68	10,288.90	22,124.35
Profit from ordinary activities after finance costs and before exceptional items	362.23	364.83	364.39	727.06	719.97	1,377.45
Exceptional items	-	-	-	-	-	-
Profit before tax	362.23	364.83	364.39	727.06	719.97	1,377.45
Tax expense/(credit)						
- Current tax (Net of prior year tax)	75.18	98.94	117.21	174.12	227.28	341.11
- Deferred tax	6.82	(6.31)	(36.87)	0.51	(56.30)	(104.19)
Profit after tax	280.23	272.20	284.05	552.43	548.99	1,140.53
Other comprehensive income						
Items that will not be reclassified to profit or loss						
- Remeasurement (loss)/gain on post employee benefit obligation	0.39	0.39	(1.15)	0.78	(2.31)	1.55
- Income tax on remeasurement of post benefit obligation	(0.13)	(0.14)	0.41	(0.27)	0.81	(0.54)
Total comprehensive income	280.49	272.45	283.31	552.94	547.49	1,141.54
Paid-up equity share capital (face value of Rs 10/- each)	839.39	839.39	839.39	839.39	839.39	839.39
Reserve excluding revaluation reserve as per balance sheet of previous accounting year						7,411.63
Earnings per share (not annualised)						
- Basic (in Rs.)	3.34	3.24	3.38	6.58	6.54	13.59
- Diluted (in Rs.)	3.33	3.24	3.38	6.57	6.53	13.56

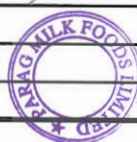


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Notes to the Parag Milk Foods Limited Standalone unaudited financial results:

1 Statement of Standalone Assets and Liabilities

Particulars	Amounts in Millions	
	As at September 30, 2019 Unaudited	As at March 31, 2019 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	3,910.47	3,757.26
Capital work-in-progress	51.12	231.11
Other intangible assets	43.12	34.17
Investment in subsidiary	622.64	622.64
Financial assets		
Investments	6.52	5.30
Other financial assets	123.82	129.87
Deferred tax assets (net)	177.01	176.69
Other non-current assets	101.54	173.11
Total	5,036.24	5,130.15
Current assets		
Inventories	4,742.97	4,477.45
Financial assets		
Trade receivables	3,054.73	2,716.74
Cash and cash equivalents	90.24	67.69
Other bank balances	187.30	46.83
Other current assets	1,656.34	1,710.96
Total	9,731.58	9,019.67
Total assets	14,767.82	14,149.82
EQUITY AND LIABILITIES		
Equity		
Equity share capital	839.39	839.39
Other equity	7,867.02	7,411.63
Total	8,706.41	8,251.02
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Borrowings	583.01	646.21
Other non-current liabilities	9.09	-
Provisions	46.75	43.08
Total	638.85	689.29
Current liabilities		
Financial liabilities		
Borrowings	1,478.54	1,443.82
Trade payables		
Payable to Micro and Small Enterprises	25.03	23.63
Payable to others	2,732.95	2,838.76
Other financial liabilities	734.73	692.52
Other current liabilities	138.95	65.98
Provisions	111.23	9.82
Current tax liabilities (net)	201.13	33.98
Total	5,422.56	5,209.51
Total liabilities	6,061.41	5,898.80
Total equity and liabilities	14,767.82	14,149.82



2 Statement of Standalone Cash Flow Statement

Amounts in Millions

Particulars	Year to date		Year ended
	30-Sep-19	30-Sep-18	31-Mar-19
	Unaudited	Unaudited	Audited
A. Cash flow from operating activities			
Net Profit before taxation	727.06	719.97	1,377.45
Add :			
Depreciation/amortisation	252.49	259.67	481.37
Bad debts	-	-	187.26
Customer advances written back	(1.80)	-	-
Provision for doubtful advance	2.10	13.52	26.90
Provision for doubtful debts	43.00	105.00	247.99
Unrealised forex (gain)/loss	2.87	(2.11)	4.27
Fair valuation loss - investment	(1.21)	-	0.75
Fair value changes of borrowing			
ESOP expense	5.92	-	4.89
Finance cost	179.04	177.26	356.68
Advances written-off (PSI)	-	66.52	66.52
Less :			
Profit on sale of Property, Plant and Equipment (net)	-	-	(0.25)
Interest income	(17.94)	(15.89)	(20.35)
Operating profit before working capital changes	1,191.53	1,323.94	2,733.48
Adjustments for :			
(Increase) / decrease in inventories	(265.52)	461.08	(177.50)
(Increase) / decrease in trade receivables	(381.21)	(274.16)	(690.49)
(Increase) / decrease in non-current and current financial assets	(1.03)	(7.47)	(24.77)
(Increase) / decrease other non-current and current assets	52.52	(324.29)	(152.20)
Increase / (decrease) in non-current and current financial liabilities	20.86	83.62	105.33
Increase / (decrease) in other non-current and current liabilities	(27.26)	(101.13)	0.96
Increase / (decrease) in trade payables	(11.92)	(122.75)	(143.70)
Increase / (decrease) in provisions	4.45	5.83	6.75
Cash generated from operations	582.42	1,044.67	1,657.86
Direct taxes paid (net of refunds)	(107.97)	(74.76)	(247.97)
Net cash flow from operating activities	474.45	969.91	1,409.89
B. Cash Flow from Investing Activities			
Purchase of Property, plant and equipment	(126.25)	(624.14)	(769.19)
Purchase of intangible assets	(10.95)	(4.94)	(5.68)
Sale of Property, plant and equipment	-	-	0.64
Investment in fixed deposits	(128.96)	77.21	129.40
Investment in mutual funds	-	(1.00)	(1.00)
Proceeds from sale of mutual fund			
Interest received	13.51	12.10	20.40
Net cash used in investing activities	(252.65)	(540.77)	(625.43)
C. Cash Flow from Financing Activities			
Proceeds from long term borrowings	78.70	155.08	236.64
Proceeds from issue of shares (net of issue expenses)	-	12.75	12.75
Proceeds / (repayment) short term borrowings (net)	34.72	(383.24)	(557.66)
Repayment of long term borrowings	(126.17)	(70.48)	(277.46)
Payment of dividend including dividend distribution tax	-	(63.09)	(76.06)
Interest paid	(186.50)	(171.42)	(354.81)
Net cash flow from/ (used in) financing activities	(199.25)	(520.40)	(1,016.60)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	22.55	(91.26)	(232.14)
Cash and cash equivalents at the beginning of the year	67.69	299.83	299.83
Cash and cash equivalents at the end of the year	90.24	208.57	69.69



- 3 The Standalone Unaudited Financial Results for the quarter and half year ended September 30, 2019 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 meeting held on October 24, 2019 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).
- 4 This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (Ind-AS) as specified under Section 133 of Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 5 Based on guiding principles given in Ind-AS 108 on "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.
- 6 Previous quarter / period./ year figures have been regrouped/reclassified wherever necessary to correspond with the current quarter / period/ year classification / disclosure.

For Parag Milk Foods Limited



Pritam Shah
Managing Director
DIN No. 01127247

Place: Mumbai
Date: October 24, 2019



Independent Auditor's Review Report on quarterly and year to date Unaudited Consolidated Financial Results of Parag Milk Foods Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To The Board of Directors
Parag Milk Foods Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results 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 September 30, 2019 and for the period from April 1, 2019 to September 30, 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (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, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (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 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.

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



HARIBHAKTI & CO. LLP

Chartered Accountants

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

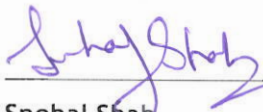
Sr. No.	Name of the Entity	Relationship
1	Parag Milk Foods Limited	Holding Company
2	Bhagyalaxmi Dairy Farms Private Limited	Subsidiary Company

5. 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 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.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Snehal Shah

Partner

Membership No.: 048538

UDIN: 19048539AAAABZ4894



Place: Mumbai

Date: September 24, 2019



Parag Milk Foods Limited

CIN:L15204PN1992PLC070209

Registered Office: Flat No 1, Plot No 19, Nav Rajasthan Housing Society, Behind Ratna Memorial Hospital, Pune, Pin- 411016, Maharashtra, India
Website: www.paragmilkfoods.com, Email id: investors@paragmilkfoods.com

Statement of Consolidated Unaudited Financial Results for the quarter and half year ended September 30, 2019

Particulars	Amounts in Millions					
	Quarter ended			Year to date		Year ended
	30-Sep-19 Unaudited	30-Jun-19 Unaudited	30-Sep-18 Unaudited	30-Sep-19 Unaudited	30-Sep-18 Unaudited	31-Mar-19 Audited
Revenue from Operations	6,400.26	6,297.39	5,734.83	12,697.65	11,229.07	23,956.64
Other Income	30.79	28.13	14.66	58.92	32.45	102.63
Total Income	6,431.05	6,325.52	5,749.49	12,756.57	11,261.52	24,059.27
Expenses						
Cost of Materials consumed	4,168.82	3,919.87	3,297.75	8,088.69	6,652.59	15,210.70
Purchase of Stock-in-trade	650.85	849.12	583.64	1,499.97	648.18	1,482.79
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(62.39)	(156.05)	85.73	(218.44)	492.91	(119.87)
Employee benefits expenses	259.32	267.12	232.59	526.44	436.82	949.94
Finance Costs	86.32	93.15	76.33	179.47	177.75	357.88
Depreciation and amortisation expenses	130.22	132.90	133.64	263.12	269.14	501.85
Other expenses	828.87	848.81	954.00	1,677.68	1,821.22	4,198.12
Total Expenses	6,062.01	5,954.92	5,363.68	12,016.93	10,498.61	22,581.41
Profit from ordinary activities after finance costs and before exceptional items	369.04	370.60	385.81	739.64	762.91	1,477.86
Exceptional items	-	-	-	-	-	-
Profit before tax	369.04	370.60	385.81	739.64	762.91	1,477.86
Tax expense/(credit)						
- Current tax (Net of prior year tax)	76.87	100.27	122.19	177.14	236.42	362.67
- Deferred tax	7.24	(4.76)	(40.66)	2.48	(60.48)	(92.00)
Profit after tax	284.93	275.09	304.28	560.02	586.97	1,207.19
Other comprehensive income						
Items that will not be reclassified to profit or loss						
- Remeasurement (loss)/gain on post employee benefit obligation	0.38	0.37	(1.66)	0.75	(2.32)	1.49
- Income tax on remeasurement of post benefit obligation	(0.13)	(0.13)	0.58	(0.26)	0.81	(0.52)
Total comprehensive income	285.18	275.33	303.20	560.51	585.46	1,208.16
Paid-up equity share capital (face value of Rs 10/- each)	839.39	839.39	839.39	839.39	839.39	839.39
Reserve excluding revaluation reserve as per Balance Sheet of previous accounting year						7,431.98
Earnings per share (not annualised)						
- Basic (in Rs.)	3.39	3.28	3.63	6.67	7.00	14.39
- Diluted (in Rs.)	3.39	3.27	3.62	6.66	6.98	14.36



Notes to the Parag Milk Foods Limited Consolidated unaudited financial results:

1 Statement of Consolidated Assets and Liabilities

Amounts in Millions

Particulars	As at September 30, 2019 Unaudited	As at March 31, 2019 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	4,223.21	4,023.38
Capital work-in-progress	54.48	290.26
Other intangible assets	46.00	34.46
Biological Assets other than bearer plants	362.87	337.62
Financial assets		
Investments	6.52	5.30
Loans	3.76	3.51
Other financial assets	123.93	129.98
Deferred tax assets (net)	165.12	166.70
Other non-current assets	158.54	219.22
Total	5,144.43	5,210.43
Current assets		
Inventories	4,890.46	4,628.79
Financial assets		
Trade receivables	3,127.30	2,786.49
Cash and cash equivalents	100.19	73.46
Other bank balances	187.40	46.93
Other current assets	1,584.30	1,674.26
Total	9,889.65	9,209.93
Total assets	15,034.08	14,420.36
EQUITY AND LIABILITIES		
Equity		
Equity share capital	839.39	839.39
Other equity	7,894.83	7,431.98
Total	8,734.22	8,271.37
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Borrowings	583.01	646.21
Provisions	48.16	44.49
Other non current liabilities	12.02	0.00
Total	643.19	690.70
Current liabilities		
Financial liabilities		
Borrowings	1,528.04	1,488.82
Trade payables		
Payable to Micro and Small Enterprises	25.41	23.63
Payable to others	2,850.16	2,947.33
Other financial liabilities	745.22	725.66
Other current liabilities	147.20	84.30
Provisions	111.78	10.20
Current tax liabilities (net)	248.86	178.35
Total	5,656.67	5,458.29
Total liabilities	6,299.86	6,148.99
Total equity and liabilities	15,034.08	14,420.36



2 Statement of Consolidated Cash Flow Statement

Particulars	Amounts in Millions		
	Year to date		Year ended
	30-Sep-19	30-Sep-18	31-Mar-19
	Unaudited	Unaudited	Audited
A. Cash flow from operating activities			
Net Profit before taxation	739.64	762.91	1,477.86
Add :			
Depreciation/amortisation	263.12	269.14	501.85
Bad debts	-	-	187.26
Customer advances written back	(1.80)	-	-
Provision for doubtful advance	2.80	-	27.10
Provision for doubtful debts	44.00	106.00	250.93
Unrealised forex (gain)/loss	2.87	-	4.27
Fair valuation loss - investment	(1.21)	(2.11)	0.75
Fair value changes of borrowing			
ESOP expense	5.92	-	4.89
Finance cost	179.47	177.75	357.88
Advances written-off (PSI)	-	66.52	66.52
Loss on death of live stock	5.72	6.99	11.11
Less :			
Fair value change of livestock	(30.00)	(12.00)	(61.83)
Profit on sale of Property, Plant and Equipment (net)	-	-	(0.25)
Interest income	(17.94)	(15.90)	(20.46)
Operating profit before working capital changes	1,192.59	1,359.30	2,807.88
Adjustments for :			
(Increase) / decrease in inventories	(261.67)	421.70	(249.45)
(Increase) / decrease in trade receivables	(385.03)	(295.69)	(704.69)
(Increase) / decrease in non-current and current financial assets	(1.28)	(7.25)	(24.78)
(Increase) / decrease other non-current and current assets	87.16	(274.93)	(109.17)
Increase / (decrease) in non-current and current financial liabilities	21.15	84.22	106.21
Increase / (decrease) in other non-current and current liabilities	54.16	(83.76)	(86.92)
Increase / (decrease) in trade payables	(95.49)	(136.27)	(62.54)
Increase / (decrease) in provisions	4.33	6.00	6.44
Cash generated from operations	615.92	1,073.32	1,682.98
Direct taxes paid (net of refunds)	(106.37)	(96.32)	(272.57)
Net cash flow from operating activities	509.55	977.00	1,410.41
B. Cash Flow from Investing Activities			
Purchase of Property, plant and equipment	(161.84)	(633.15)	(849.25)
Purchase of intangible assets	(10.95)	(4.94)	(5.68)
Sale of live stock	-	2.50	3.97
Sale of Property, plant and equipment	0.60	-	0.65
Investment in fixed deposits	(128.96)	77.21	129.38
Investment in mutual funds	-	(1.00)	(1.00)
Proceeds from sale of mutual fund			
Interest received	13.50	11.77	20.51
Net cash used in investing activities	(287.65)	(547.61)	(701.42)
C. Cash Flow from Financing Activities			
Proceeds from long term borrowings	25.65	155.08	236.64
Proceeds from issue of shares (net of issue expenses)	-	12.75	12.75
Proceeds / (repayment) short term borrowings (net)	39.22	(383.24)	(512.66)
Repayment of long term borrowings	(73.11)	(70.48)	(277.46)
Payment of dividend including dividend distribution tax	-	(63.09)	(76.05)
Interest paid	(186.93)	(171.91)	(328.76)
Net cash flow from/ (used in) financing activities	(195.17)	(520.89)	(945.54)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	26.73	(91.50)	(236.55)
Cash and cash equivalents at the beginning of the year	73.46	310.01	310.01
Cash and cash equivalents at the end of the year	100.19	218.51	73.46



- 3 The Consolidated unaudited Financial Results for the quarter and half year ended September 30, 2019 of Parag Milk Foods Limited ("the Company") and its subsidiary (Bhagyalaxmi Dairy Farms Private Limited), hereinafter together known as Group, have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their meeting held on October 24, 2019 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).
- 4 This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (Ind-AS) as specified under Section 133 of Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 5 Based on guiding principles given in Ind-AS 108 on "Operating Segments", the Group 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.
- 6 Previous quarter / period/ year figures have been regrouped/reclassified wherever necessary to correspond with the current quarter / period/ year classification / disclosure.

For Parag Milk Foods Limited



Pritam Shah
Managing Director
DIN No. 01127247



Place: Mumbai
Date: October 24, 2019

