



Ideas for a new day

February 05, 2022

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| Compliance Department,<br><b>BSE Limited</b> ,<br>Phiroze Jeejeebhoy Tower, Dalal<br>Street, Fort,<br>Mumbai- 400001 | Compliance Department,<br><b>National Stock Exchange of India Ltd.</b><br>Exchange Plaza,<br>Plot No. C/1, G-Block, Bandra-Kurla<br>Complex Bandra-(E), Mumbai- 400051 |
| <b>Scrip Code:- 539889</b>   | <b>Scrip Symbol :- PARAGMILK</b>   |

Dear Sir/Madam,

**SUBJECT: UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021**

The Board of Directors of the Company at their Meeting held on February 05, 2022, has inter alia, considered and approved the Un-Audited Standalone and Consolidated Financial Results for the Quarter and Nine Months ended December 31, 2021.

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 nine months ended December 31, 2021, and
- Un-Audited Consolidated Financial Results of the Company for quarter and nine months ended December 31, 2021, and
- Limited Review Reports issued by the Statutory Auditors of the Company M/s. Sharp & Tannan, Chartered Accountants (Firm Registration No. 109982W).
- Press Release with regard to the Un-Audited Financial Results of the Company for the quarter and nine months ended December 31, 2021.

You are requested to kindly take the same on record.

For **Parag Milk Foods Limited**

  
Pritam Shah  
**Managing Director**  
DIN: 01127247



Encl: As above



**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:** 10<sup>th</sup> floor, Nirmal building, Nariman point, Mumbai - 400021 Tel.: 022-43005555 Fax: 022-43005580

**Website:** [www.paragmilkfoods.com](http://www.paragmilkfoods.com) | **email:** [investors@parag.com](mailto:investors@parag.com)



Investor Release

For Immediate Release

## Parag Milk Foods Q3 & 9MFY22 results Healthy performance across all categories

- ✓ Revenue growth of 14% YoY at INR 5387 million in Q3FY22
- ✓ EBITDA growth of 40% YoY at INR 491 million in Q3FY22
- ✓ EBITDA margin at 9.1% in Q3FY22, an increase of 170 bps YoY
  - ✓ PAT grew 69.5% YoY at INR 190 million in Q3FY22

**Mumbai, 5<sup>th</sup> February 2022** : 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 period from April- December 2021

### Key Consolidated Financial Highlights

| Particulars (Rs. Mn.)   | Q3 FY22 | Q3 FY21 | Y-o-Y | 9M FY22  | 9M FY21  | Y-o-Y |
|-------------------------|---------|---------|-------|----------|----------|-------|
| Total Revenue           | 5,387.1 | 4,735.9 | 13.8% | 15,094.8 | 14,074.2 | 7.3%  |
| Gross profit            | 1507.5  | 1280.8  | 17.7% | 4,377.2  | 3,750.0  | 16.7% |
| Gross profit margin (%) | 28.0%   | 27.0%   |       | 29.0%    | 26.6%    |       |
| EBITDA                  | 490.7   | 351.5   | 39.6% | 1470.1   | 1063.5   | 38.2% |
| EBITDA Margin (%)       | 9.1%    | 7.4%    |       | 9.7%     | 7.6%     |       |
| Profit After Tax        | 190.2   | 112.2   | 69.5% | 592.9    | 303.5    | 95.4% |
| PAT Margin (%)          | 3.5%    | 2.4%    |       | 3.9%     | 2.2%     |       |

### Performance Highlights for Q3FY22

Consolidated Revenue from Operations for Q3FY22 saw a yoy increase of 13.8% to reach INR 5387.1 million as compared to 4735.9 million for Q3FY21. While the 9MFY22 revenue grew by 7.3% yoy to reach INR 15,094.8 million as against INR 14,704.2 million in 9MFY21

The Share of Milk products for Q3FY22 was 74 % of the total revenue, while that of liquid milk was 9% and the same for the skimmed milk was 16%

The company witnessed strong growth across its core product categories i.e. ghee, cheese, paneer & proteins.

Horeca channel which had seen disruption due to series of lockdowns not only witnessed a remarkable come back to pre covid levels but also registered growth over it.



Gross profit for Q3FY22 stood at 1507.5 million up 17.7% yoy as against Q3FY21. Gross margins expanded 94 basis point yoy and stood at 28% in Q3FY22. For 9MFY22 the Gross profit stood at INR 4377.2 million a growth of 16.7% yoy and margins expanded 240 basis point yoy and stood at 29% in 9MFY22

Despite increase in milk prices, the gross margin expansion was led by utilization of low cost inventory coupled with reduction in trade spends and discounts for the quarter. The overall availability of milk remains comfortable, while the milk prices after inching up now are on the stabilizing mode.

EBITDA for Q3FY22 stood at INR 490.7 million up 29% yoy as against Q3FY21. EBITDA margins expanded 170 bps yoy and stood at 9.1% for Q3FY22. This was led by Gross margin expansion coupled with improvement and focus on cost rationalization and productivity enhancement measures. EBITDA for 9MFY22 stood at INR 1407.1 million up 38.2% yoy as against 9MFY21. EBITDA margin expanded 210 bps yoy and stood at 9.7% for 9MFY22

PAT for Q3FY22 stood at INR 190.1 million up 69.5% yoy as against Q3FY21. PAT margin expanded 110 basis point yoy and stood at 3.5% for Q3FY22. PAT for 9MFY22 grew by 95.4% yoy as against 9MFY21 and stood at INR 592.9 million for 9MFY22. PAT margin expanded 170 basis point yoy and stood at 3.9% for 9MFY22.

### **Commenting on the performance, Mr. Devendra Shah, Chairman said**

"We are pleased to report healthy performance for the quarter with strong sales momentum continuing across categories. The HoreCa segment which had borne the brunt earlier has seen a stellar come back and is now clocking sales much higher than its precovid levels. On the raw materials pricing front, after witnessing inflationary pressure in the quarter, the same is on the stabilizing mode with upward trajectory. Further, the availability of milk also remains buoyant.

We continue our thrust on the stated 6 C initiatives and are marching towards achieving the same. During the quarter, we continued to strengthen our brand building efforts via increased market activation drive. Our brand investment for the quarter increased 136% yoy. Our focus on improving our working capital and balance sheet continues to remain strong.

We are committed to our long-term goals and we are confident of achieving robust operational and financial performance ahead"



### **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, Bhagalaxmi 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. The Company also forayed into dairy based beverages with the launch of "Go milkshakes".

"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 is also present in the B2C segment for Whey Protein with the brand Avvatar – India's 1<sup>st</sup> 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.

### **Contact Details**

| Company: Parag Milk Foods   | Investor Relations: Orient Capital   |
|---|--|
|  |  |
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| Tel : +91 22 43005555   | Tel : +91 95944 57518  |
| <a href="http://www.paragmilkfoods.com">www.paragmilkfoods.com</a>                  | <a href="http://www.orientcap.com">www.orientcap.com</a>                             |

### **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.



# SHARP & TANNAN

Chartered Accountants

Firm's Registration No. 109982W

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

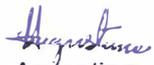
**To the Board of Directors of Parag Milk Foods Limited**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results (the 'Statement') of **Parag Milk Foods Limited** (the 'Company') for the period ended 31st December, 2021, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors on 5th February, 2022. Our responsibility is to issue a report on the Statement based on our review.
2. 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 standalone financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards and other recognised accounting practices and policies 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.
4. We draw attention to Note 3 to the accompanying Statement which explains the uncertainties and the management's evaluation of the financial impact on the operations of the Company due to lockdown and other restrictions on account of covid-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon the circumstances as they evolve in the subsequent period. Our conclusion is not modified in respect of this matter.



Mumbai, 5th February, 2022

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

  
Edwin P. Augustine  
Partner

Membership No. 043385  
UDIN: 22043385AAOCKS1892

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Shreedhar T. Kunte      Ramnath D. Kare      Edwin P. Augustine      Raghunath P. Acharya  
Firdosh D. Buchia      Tirtharaj A. Khot      Pavan K. Aggarwal

Also at Pune. Associate Offices : New Delhi, Chennai, Bangalore, Baroda, Goa & Ahmedabad



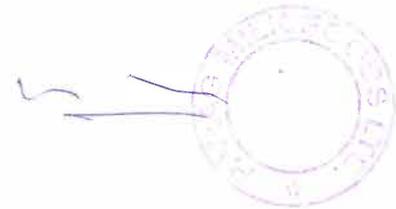
**Parag Milk Foods Limited**

Registered Office: Flat No 1, Plot No 19, Nav Rajasthan Housing Society (Behind Ratna Memorial Hospital), Shivaji Nagar, Pune - 411 016, Maharashtra, India

CIN: L15204PN1992PLC070209, Website: www.paragmilkfoods.com, Email id: investors@parag.com

**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2021**

| Particulars   | Quarter ended   |                 |                 | Year to date     |                  | Year ended       |
|---|-----------------|-----------------|-----------------|------------------|------------------|------------------|
|   | 31-Dec-21       | 30-Sep-21       | 31-Dec-20       | 31-Dec-21        | 31-Dec-20        | 31-Mar-21        |
|   | Unaudited       | Unaudited       | Unaudited       | Unaudited        | Unaudited        | Audited          |
| <b>1. Revenue from operations</b>   | 5,273.32        | 5,202.27        | 4,620.04        | 14,731.57        | 13,695.12        | 17,917.35        |
| <b>2. Other income</b>  | 12.85           | 8.93            | 6.88            | 32.72            | 24.55            | 68.24            |
| <b>3. Total Income</b>  | <b>5,286.17</b> | <b>5,211.20</b> | <b>4,626.92</b> | <b>14,764.29</b> | <b>13,719.67</b> | <b>17,985.59</b> |
| <b>4. Expenses</b>  |                 |                 |                 |                  |                  |                  |
| (a) Cost of materials consumed  | 3,857.97        | 3,995.26        | 2,771.30        | 12,347.37        | 9,627.81         | 13,006.14        |
| (b) Purchase of Stock-in-trade  | -               | -               | 575.60          | 82.40            | 681.36           | 975.31           |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade   | (38.40)         | (231.21)        | 71.21           | (1,904.60)       | (150.91)         | (580.76)         |
| (d) Employee benefits expense   | 190.47          | 194.26          | 186.83          | 578.66           | 567.72           | 753.27           |
| (e) Finance costs   | 127.10          | 112.51          | 114.13          | 347.93           | 334.72           | 455.18           |
| (f) Depreciation and amortisation expense   | 128.30          | 121.94          | 120.98          | 375.67           | 375.63           | 493.76           |
| (g) Other expenses  | 735.25          | 694.19          | 655.87          | 2,090.66         | 1,894.40         | 2,496.02         |
| <b>Total Expenses</b>   | <b>5,000.69</b> | <b>4,886.95</b> | <b>4,495.92</b> | <b>13,918.09</b> | <b>13,330.73</b> | <b>17,598.92</b> |
| <b>5. Profit before tax (3-4)</b>   | <b>285.48</b>   | <b>324.25</b>   | <b>131.00</b>   | <b>846.20</b>    | <b>388.94</b>    | <b>386.67</b>    |
| <b>6. Tax expense</b>   |                 |                 |                 |                  |                  |                  |
| (i) Current tax   | 80.91           | 51.41           | 34.76           | 168.09           | 103.84           | 61.12            |
| (ii) Deferred tax charge / (credit)   | (8.69)          | 32.45           | (12.87)         | 53.53            | (10.48)          | 70.41            |
| (iii) Tax adjustment in respect of earlier years  | -               | -               | -               | -                | -                | 80.60            |
| <b>7. Profit for the period/year after tax (5-6)</b>  | <b>213.26</b>   | <b>240.39</b>   | <b>109.11</b>   | <b>624.58</b>    | <b>295.58</b>    | <b>174.54</b>    |
| <b>8. Other Comprehensive Income</b>  |                 |                 |                 |                  |                  |                  |
| Items that will not be reclassified to profit or loss   |                 |                 |                 |                  |                  |                  |
| (i) Re-measurements (loss)/gain of the defined benefit plans  | 1.91            | 1.90            | (0.27)          | 5.72             | (0.81)           | 7.63             |
| (ii) Income tax on above  | (0.48)          | (0.48)          | 0.09            | (1.44)           | (0.28)           | (1.92)           |
| <b>9. Total Comprehensive Income for the period/year (7+8) Comprising Profit and Other Comprehensive Income for the period/year</b> | <b>214.69</b>   | <b>241.81</b>   | <b>108.93</b>   | <b>628.86</b>    | <b>295.05</b>    | <b>180.25</b>    |
| Paid-up equity share capital (Face Value of Rs. 10 each)  | 952.00          | 952.00          | 839.39          | 952.00           | 839.39           | 839.39           |
| Other Equity  |                 |                 |                 |                  |                  | 8,358.74         |
| <b>10. Earnings Per Equity Share (of Rs 10 each) (not annualised)</b>   |                 |                 |                 |                  |                  |                  |
| (a) Basic (Rs)  | 2.24            | 2.53            | 1.30            | 6.68             | 3.52             | 2.08             |
| (b) Diluted (Rs)  | 2.18            | 2.46            | 1.30            | 6.51             | 3.51             | 2.08             |



**Notes on Standalone Financials Results:**

- 1 The Standalone Unaudited Financial Results (the 'Statement') for the quarter ended 31st December, 2021 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 5th February, 2022 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). Audit under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been carried out by the statutory auditors. Auditor's report does not contain any observation which would have an impact on the above results.
- 2 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.
- 3 Based on its initial assessment, the Management does not expect any significant medium to long-term impact on the business of the Company due to the COVID-19 pandemic. The Company has evaluated the possible effects of COVID-19 on the carrying amounts of property, plant and equipment, inventory and trade receivables basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to the above, and the Company's operating efficiency and gradually improving liquidity position, there is no material uncertainty in meeting the financial obligations over the foreseeable future.
- 4 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.
- 5 The figures for the current quarter ended 31st December 2021 and quarter ended 31st December 2020 are the balancing figures between the published year to date figures in respect of the period ended 31st December 2021 and 31st December 2020, respectively and published figures upto the quarter ended 30th September 2021 and 30th September 2020 respectively which were subjected to limited review.
- 6 Figures for the previous period / year have been regrouped wherever necessary.

Place: Mumbai  
Date: 5th February, 2022

  
**Pritam Shah**  
Managing Director  
DIN No. 01127247





# SHARP & TANNAN

Chartered Accountants

Firm's Registration No. 109982W

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

To the Board of Directors of Parag Milk Foods Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited 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, 2021 and for the period from 1st April, 2021 to 31st December, 2021, 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 on 5th February, 2021 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
4. The Statement includes the results of one subsidiary, Bhagyalaxmi Dairy Farms Private Limited - a wholly-owned subsidiary.
  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.



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Shreedhar T. Kunte      Ramnath D. Kare      Edwin P. Augustine      Raghunath P. Acharya  
Firdosh D. Buchia      Tirtharaj A. Khot      Pavan K. Aggarwal

Also at Pune. Associate Offices : New Delhi, Chennai, Bangalore, Baroda, Goa & Ahmedabad

6. We draw attention to Note 4 to the accompanying Statement which explains the uncertainties and the management's evaluation of the financial impact on the operations of the Group due to lockdown and other restrictions on account of covid-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon the circumstances as they evolve in the subsequent period. Our conclusion is not modified in respect of this matter.



Mumbai, 5th February, 2022

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

Edwin P. Augustine

Partner

Membership No. 043385  
UDIN: 22043385AAOCXL7263



**Parag Milk Foods Limited**

Registered Office: Flat No 1, Plot No 19, Nav Rajasthan Housing Society (Behind Ratna Memorial Hospital), Shivaji Nagar, Pune - 411 016, Maharashtra, India

CIN L15204PN1992PLC070209. Website: www.paragmilkfoods.com. Email id: investors@parag.com

**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2021**

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| Particulars   | Quarter ended   |                 |                 | Year to date     |                  | Year ended       |
|---|-----------------|-----------------|-----------------|------------------|------------------|------------------|
|   | 31-Dec-21       | 30-Sep-21       | 31-Dec-20       | 31-Dec-21        | 31-Dec-20        | 31-Mar-21        |
|   | Unaudited       | Unaudited       | Unaudited       | Unaudited        | Unaudited        | Audited          |
| <b>1. Revenue from operations</b>   | 5,387.11        | 5,323.20        | 4,735.91        | 15,094.80        | 14,074.17        | 18,417.63        |
| <b>2. Other income</b>  | 35.16           | 39.39           | 29.84           | 105.60           | 66.89            | 135.09           |
| <b>3. Total Income</b>  | <b>5,422.27</b> | <b>5,362.59</b> | <b>4,765.75</b> | <b>15,200.40</b> | <b>14,141.06</b> | <b>18,552.72</b> |
| <b>4. Expenses</b>  |                 |                 |                 |                  |                  |                  |
| (a) Cost of materials consumed  | 3,916.78        | 4,063.64        | 2,822.32        | 12,538.50        | 9,803.98         | 13,235.23        |
| (b) Purchase of Stock-in-trade  | -               | -               | 575.60          | 82.40            | 681.36           | 975.31           |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade   | (37.21)         | (232.70)        | 57.21           | (1,903.30)       | (161.19)         | (591.43)         |
| (d) Employee benefits expense   | 208.59          | 210.83          | 195.31          | 621.22           | 590.01           | 781.97           |
| (e) Finance costs   | 137.12          | 126.23          | 115.61          | 376.26           | 336.36           | 457.74           |
| (f) Depreciation and amortisation expense   | 135.29          | 128.84          | 127.17          | 396.13           | 393.52           | 517.98           |
| (g) Other expenses  | 808.25          | 751.22          | 733.98          | 2,285.86         | 2,096.49         | 2,768.68         |
| <b>Total Expenses</b>   | <b>5,168.82</b> | <b>5,048.06</b> | <b>4,627.20</b> | <b>14,397.07</b> | <b>13,740.53</b> | <b>18,145.48</b> |
| <b>5. Profit before tax (3-4)</b>   | <b>253.45</b>   | <b>314.53</b>   | <b>138.55</b>   | <b>803.33</b>    | <b>400.53</b>    | <b>407.24</b>    |
| <b>6. Tax expense</b>   |                 |                 |                 |                  |                  |                  |
| (i) Current tax   | 80.91           | 51.41           | 37.12           | 168.09           | 108.88           | 61.12            |
| (ii) Deferred tax charge / (credit)   | (17.61)         | 35.38           | (10.73)         | 42.32            | (11.82)          | 63.50            |
| (iii) Tax adjustment in respect of earlier years  | -               | -               | -               | -                | -                | 75.57            |
| <b>7. Profit for the period/year after tax (5-6)</b>  | <b>190.15</b>   | <b>227.74</b>   | <b>112.16</b>   | <b>592.92</b>    | <b>303.47</b>    | <b>207.05</b>    |
| <b>8. Other Comprehensive Income</b>  |                 |                 |                 |                  |                  |                  |
| Items that will not be reclassified to profit or loss   |                 |                 |                 |                  |                  |                  |
| (i) Re-measurements (loss)/gain of the defined benefit plans  | 1.94            | 1.93            | (0.28)          | 5.81             | (0.84)           | 7.75             |
| (ii) Income tax on above  | (0.48)          | (0.49)          | 0.10            | (1.46)           | 0.29             | (1.95)           |
| <b>9. Total Comprehensive Income for the period/year (7+8) Comprising Profit and Other Comprehensive Income for the period/year</b> | <b>191.61</b>   | <b>229.18</b>   | <b>111.98</b>   | <b>597.27</b>    | <b>302.92</b>    | <b>212.85</b>    |
| Paid-up equity share capital (Face Value of Rs. 10 each)  | 952.00          | 952.00          | 839.39          | 952.00           | 839.39           | 839.39           |
| Other Equity  |                 |                 |                 |                  |                  | 8,442.03         |
| <b>10. Earnings Per Equity Share (of Rs 10 each) (not annualised)</b>   |                 |                 |                 |                  |                  |                  |
| (a) Basic (Rs)  | 2.00            | 2.39            | 1.34            | 6.34             | 3.62             | 2.47             |
| (b) Diluted (Rs)  | 1.94            | 2.33            | 1.33            | 6.18             | 3.61             | 2.46             |



**Notes on Consolidated Financial Results :**

- 1 The Consolidated Unaudited Financial Results (the 'Statement') for the quarter ended 31st December, 2021 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 5th February, 2022 and are available on the Company's website - <https://www.paragmilkfoods.com> and on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)). Audit under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been carried out by the statutory auditors. Auditor's report does not contain any observation which would have an impact on the above results.
- 2 The above results comprise the results of Parag Milk Foods Limited (Parent Company) and one subsidiary company, Bhagyalaxmi Dairy Farms Private Limited.
- 3 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.
- 4 Based on its initial assessment, the Management does not expect any significant medium to long-term impact on the business of the Group due to the COVID-19 pandemic. The Group has evaluated the possible effects of COVID-19 on the carrying amounts of property, plant and equipment, biological assets, inventory and trade receivables basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to the above, and the Group's operating efficiency and gradually improving liquidity position, there is no material uncertainty in meeting the financial obligations over the foreseeable future.
- 5 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.
- 6 The figures for the current quarter ended 31st December 2021 and quarter ended 31st December 2020 are the balancing figures between the published year to date figures in respect of the period ended 31st December 2021 and 31st December 2020, respectively and published figures upto the quarter ended 30th September 2021 and 30th September 2020 respectively which were subjected to limited review.
- 7 Figures for the previous period / year have been regrouped wherever necessary.

Place: Mumbai  
Date: 5th February, 2022

  
**Pritam Shah**  
Managing Director  
DIN No. 01127247

