



Ideas for a new day

February 7, 2024

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

Dear Sir / Madam,

**Sub: Press Release on Unaudited Financial Results for quarter and nine months ended December 31, 2023**

In continuation to our letter of today's date on Unaudited Standalone and Consolidated Financial Results for the quarter and nine months ended December 31, 2023 pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of Press Release in this regard. The copy of the same is also being made available on the Company's website [www.paragmilkfoods.com](http://www.paragmilkfoods.com).

Date and time of occurrence of event: February 7, 2024, 2:25 P.M. (IST)

Requesting you to kindly take the same on records.

Thanking you.

Yours Faithfully,  
**For Parag Milk Foods Limited**

**Virendra Varma**  
**Company Secretary and Compliance Officer**  
**FCS No. 10520**



Parag Milk Foods Ltd.,

CIN-L15204PN1992PLC070209

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**Parag Milk Foods Q3FY24: Consolidated revenue up 8.8% YoY at INR 8008.4 million; while Profit after Tax (PAT) jumps 268.8 % YoY to INR 341.6 million.**

**Mumbai, February 7<sup>th</sup> 2024:** Parag Milk Foods Limited (PMFL), a leading manufacturer and marketer of dairy-based branded products in India announced its unaudited financial result for Quarter and Nine Months ended 31<sup>st</sup> December 2023.

**Key Consolidated Highlights: Q3 FY24**

- Revenue stood at INR. 8,008.4 million; a growth of 8.8 % YoY
- Gross profit stood at INR 2,107.5 million; with a Gross profit margin of 26.3 %
- EBITDA stood at INR 686.5 million; with an EBITDA margin of 8.6%
- Profit After Tax stood at INR 341.6 million; a growth of 268.8% YoY.

**Key Consolidated Highlights: 9MFY24**

- Revenue stood at INR. 23,485.9 million; a growth of 12.3% YoY
- Gross profit stood at INR 5,545.4 million; with a Gross profit margin of 23.6 %
- EBITDA stood at INR 1782.1million; with an EBITDA margin of 7.6%
- Profit After Tax stood at INR 807.7 million; a growth of 161.4% YoY.

For Q3FY24, the consolidated revenue from operations grew by 8.8% on a yoy basis, at INR 8008.4 million. The growth came on the back of healthy growth in the ghee and the protein category. The softness in the milk prices coupled with improving product mix resulted in sharp expansion in the gross profit margin for the company. The gross profit margin expanded by 520 bps on a yoy basis from 21.1% in Q3FY23 to 26.5% in Q3FY24. The EBITDA grew by 80.5% yoy; with an EBITDA margin of 8.6% for Q3FY24 as against 5.2% in Q3FY23.

For 9MFY24, the consolidated revenue from operations grew by 12.3% on a yoy basis at INR 23,485.9 million. The gross profit margin expanded by 450 basis point yoy at 23.6% in 9MFY24 as against 19.1% in 9MFY23. Driven by operational excellence, the EBITDA grew by 52.2% yoy, with an EBITDA margin of 7.6% for 9MFY24 as against EBITDA margin of 5.6% in 9MFY23.

PMFL is consistently investing towards enhancing its brand strength by employing innovative blend of marketing activities. The company has undertaken a series of efforts towards expanding the overall distribution reach, wherein it aims to triple its reach to more than 15 lac retail outlets.

*Commenting on the results Mr. Devendra Shah, Chairman, PMFL said, "It gives me immense pleasure to state that our consolidated revenues for the quarter has grown by 8.8% yoy; whilst our margins and profitability have witnessed strong improvement. The Gross and EBITDA margins have expanded by 520 basis point and 340 basis points to reach 26.3% and 8.6% respectively.*

*Over the last two quarters, the milk procurement prices have been benign and we expect it to remain stable ahead. Improving consumer sentiments coupled with our continuous focus on the value-added products and the health and nutrition segment is expected to drive healthy performance in future.*





*We are in the midst of a transformation journey aimed to drive efficiency across the value chain. With an ensuing expansion and acceleration of the distribution footprint, we are confident to show robust growth in our revenues and profitability”*

### **Key developments in Q3FY24**

**Brand building initiatives-** The company has strengthened its brand equity reach by adopting unique content-led impact marketing and branding campaigns. Continuing the momentum on the marketing innovation; the company continued its effective collaboration with Kaun Banega Crorepati (KBC) for the second time. The association has enabled the company to increase its consumer connect and strengthened the brand equity.

**Procurement:** For the quarter, the average milk procurement stood at **17 lac litres** per day; aided by stable global market coupled with good flush season; the milk prices have stabilized. For the quarter the average milk price stood at INR **32.2** per litre.

**Distribution reach:** The overall business growth was largely broad-based with all channels posting good growth. In line with the targeted initiative of expanding the retail reach and presence; PMFL continues to invest in the sales and distribution (S&D) infrastructure

### **9MFY24 business performance**

**Core categories:** The core categories of Ghee and Cheese have seen continuous traction throughout the period and have posted a growth of 11.1% **Y-o-Y**.

**New age business- Brand Avvatar:** The Direct to Consumer (D2C) brand Avvatar continued its momentum and recorded robust 62.0% growth YoY, led by 45% volume growth YoY. The overall protein portfolio has continued to record market share gains.

**Premium Dairy Business- Pride of Cows (PoC):** In line with the company's premiumization agenda- the brand Pride of Cows continues to witness healthy traction. The brand is expanding its product portfolio as well as distribution footprint. During the quarter, the brand was extended into Vadodara market, which makes it a seven-city brand. Pride of Cows is posting profitable and Sustainable growth.

### **About Parag Milk Foods Ltd:**

Parag Milk Foods Limited, founded in 1992, is the largest private dairy FMCG company in India. Our manufacturing plants are ideally positioned in Manchar, Maharashtra, Palamaner, Andhra Pradesh, and Sonipat, Haryana. We sell healthful and nutritious 100% cow's milk products. Our integrated business approach and strong R&D capabilities have helped us establish ourselves as the innovation leader. Our Bhagalaxmi Dairy Farm is distinguished by its pedigree, perfect cows, state-of-the-art milking, feeding, breeding, and packaging technology.

We pioneered the way with innovation and a robust distribution strategy, and we now have over 5 lakh retail touch points, 29 depots, and 500+ super stockists. We work with over 5 lakh farmers and are growing progressively to strengthen our distribution and procurement networks.





We have renowned brands- Gowardhan, Go, Pride of Cows and Avvatar. Our flagship brand, Gowardhan Ghee has more than 20% market share in the cow ghee category and our young and fun-loving brand- Go cheese has more than 35% market share. We are a leading player in the institutional and HORECA cheese business and are moving very fast into the consumer cheese segment.

“Pride of Cows” 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.

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**For more information please contact Ms. Sangeeta Tripathi, [investors@parag.com](mailto: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.

