

Prabhat Dairy Limited

October 18, 2020

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| BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai Ref. Scrip Code : 539351 | National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Ref: Symbol - PRABHAT |
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Sub.: Outcome of the Board Meeting.

Ref.: Regulation 30 (2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

Dear Sir/Madam,

This is in continuation to our letter dated October 17, 2020 and pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a meeting of the Board of Directors of the Company was held as scheduled today i.e. October 18, 2020 and the meeting started at 4.45 p.m. and ended on 5.05 p.m., and the Board inter alia has considered and approved Un-audited financial results (standalone and consolidated) of the Company for the quarter ended June 30, 2020.

With reference to the above we are enclosing herewith the following documents:

1. Un- audited Financial Results (Standalone) for the quarter ended June 30, 2020, with Limited Review Report
2. Un-audited Financial Results (Consolidated) for the quarter ended June 30, 2020, with Limited Review Report.

CIN : L01100PN1998PLC013068

Registered Office : Gut No.122, At.Ranjankhol, Po.Tilaknagar, Tal.Rahata, Shrirampur, Dist.Ahmednagar, Maharashtra-413720. Tel.:+91-2422-265995,

Mumbai Office : 10th Floor, Tower-1, Weworks India Management Pvt. Ltd., Seawood Grant Central, Navi Mumbai - 400706. INDIA

Works : Gut No.66/3B, At. Malunje Khurd, Tal. Rahuri, Dist. Ahmednagar - 413721. E-mail : info@prabhat-india.in, web : www.prabhat-inida.in

Prabhat Dairy Limited

The above information is also hosted on website at www.prabhat-india.in.

Kindly take the same on your records and acknowledge.

Thanking you.

Yours faithfully

For Prabhat Dairy Limited



Vivek Nirmal
Joint Managing Director

CIN : L01100PN1998PLC013068

Registered Office : Gut No.122, At.Ranjankhol, Po.Tilaknagar, Tal.Rahata, Shrirampur, Dist.Ahmednagar, Maharashtra-413720. Tel.:+91-2422-265995,

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Notes to the Financial Results

1) The above unaudited standalone financial results have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their respective meetings held on October 18, 2020. These unaudited standalone financial results have been prepared in accordance with the Indian Accounting Standards ("Ind-AS") as specified under Section 133 of the Companies Act, 2013 read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the provisions of the Companies Act, 2013.

2) The Statutory Auditors of the Company have conducted a limited review of the above standalone financial results of the Company for the quarter ended June 30, 2020. An unqualified report has been issued by them thereon.

3) The Company has entered into a Definitive Sale Agreement on January 21, 2019 with Tirumala Milk Products Private Limited ("The Buyer") to sell the entire dairy business of Prabhat Dairy Limited vide a Business Transfer Agreement (BTA) and sale of its subsidiary Sunfresh Agro Industries Private Limited by way of a slump sale on a going concern basis for a total consideration of Rs. 1,70,000 Lakhs (excluding adjustment for net debt outstanding and working capital adjustment as agreed with the buyer). The aforesaid sale was subject to certain conditions precedent viz CCI, Shareholders, Bankers etc.

During the previous year, the Company received all the critical approvals and post completing the conditions precedent to the deal, the transaction was closed on April 2, 2019.

The Company has classified all its assets & liabilities of the dairy business as Held for sale w.e.f. January 21, 2019 as per the requirements of Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations. Similarly, the Company has also re-classified the results from discontinuing operations separately from the results from continuing operations as per the requirements of IND AS 105.

Post completion of necessary formalities, the purchase consideration has been received by the Company in the designated Escrow Account on April 10, 2019. The net debt and transaction costs have been settled from the stated escrow account.

An amount of Rs.1316.79 Crores has been received as during the FY 2019-20 post certain adjustments as per the Business sale agreements. Due to COVID-19, there was a nationwide lockdown, and the company could not complete the working capital adjustments and complete the business transaction with the buyer. The management believes that the same will be completed in a short time during the FY 2020-21. The accounting impact will be given once the transaction is completed.

The company has received Rs. 1,316.79 Crores as disclosed in the Annual report FY 2018-19 post debt repayment.

Other obligations of the company related to the transaction have been calculated as follows:

- a. As per the indemnity clause in the Business Transfer Agreement (BTA) and Share Purchase Agreement (SPA) performance guarantee agreed with the buyer is 12% of the transaction consideration. This indemnity is applicable for periods of 3, 5 and 7 years, respectively, for various purposes – Rs.204.00 Crores
- b. As per management estimate transaction costs and taxes, calculations were verified by Statutory Auditors - Rs. 234.00 Crores



A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke at the end.

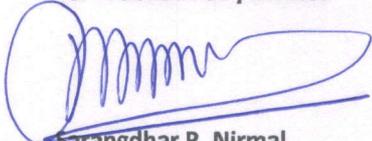
4) The Company with Cheese Land Agro (India) Private Limited, a wholly owned subsidiary had filed an application for merger under Section 233 of Companies Act, 2013. However, scheme of Amalgamation and Arrangement involving merger of Cheese Land Agro (India) Private Limited with Prabhat Dairy Limited in accordance with the Section 233 of the Companies Act, 2013 was not approved by Hon'ble Regional Director of Western Zone and had advised to file a fresh application with National Company Law Tribunal (NCLT). The Board of directors of Prabhat Dairy Limited at its meeting held on 14th February, 2020 had considered and approved the Scheme of Amalgamation (Merger by Absorption) ('Scheme') of Cheese Land Agro (India) Private Limited ('Cheese Land' or 'Transferor Company') with Prabhat Dairy Limited ('PDL' or 'Transferee Company') and their respective shareholders under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules framed there under. There after the company had filed application/ petition with NCLT and the said petition was scheduled for hearing on 12th August 2020 by NCLT, Mumbai. However, the NCLT bench did not take up the matter for hearing.

5) There is no multiple operating segment in the company. The Company has reported the single operating segment i.e. animal feeds and nutrition.

6) Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification/ disclosure.

Place: Shrirampur
Date : October 18, 2020



For Prabhat Dairy Limited


Sarangdhar R. Nirmal
Chairman & Managing Director
DIN: 00035234

PRABHAT DAIRY LIMITED

Registered office: 122, At Post Ranjankhol, Tal - Rahata, Dist Ahmednagar, Pin - 413720, Maharashtra, India, Tel No. 02422-265995

CIN: L01100PN1998PLC013068, Website : www.prabhat-india.in,

E-mail ID: investor@prabhat-india.in

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 30 JUNE 2020

Amount Rupees in Lakhs (except per share data)

| Sr. No. | Particulars | Quarter ended | | | Year Ended |
|---------|---|-----------------|-------------------|-----------------|-------------------|
| | | 30 Jun 2020 | 31 Mar 2020 | 30 Jun 2019 | 31 Mar 2020 |
| | | (Unaudited) | (Audited) | (Unaudited) | (Audited) |
| 1 | Revenue from operations | 8,261.38 | 19,472.65 | 7,340.21 | 53,308.91 |
| 2 | Other income | 1,042.51 | 823.65 | 1,680.47 | 5,988.06 |
| 3 | Total income | 9,303.89 | 20,296.31 | 9,020.68 | 59,296.97 |
| 4 | Expenses | | | | |
| | (a) Cost of materials consumed | 7,944.83 | 22,205.48 | 7,081.33 | 55,499.49 |
| | (b) Changes in inventories of finished goods, stock-in-trade and work-in-progress | -188.05 | -5.51 | -5.94 | -132.95 |
| | (c) Employee benefits expenses | 159.41 | 230.00 | 72.50 | 631.01 |
| | (d) Finance cost | - | - | 29.88 | 29.88 |
| | (e) Other expenses | 157.94 | 1,248.00 | 174.90 | 1,852.42 |
| | (f) Calf nutrition project | 1.16 | 10,077.38 | - | 10,077.38 |
| | (g) Depreciation | 6.00 | 6.30 | 0.28 | 20.12 |
| 5 | Total expenses | 8,081.30 | 33,761.65 | 7,352.96 | 67,977.35 |
| 6 | Profit before tax (3 - 5) | 1,222.59 | -13,465.34 | 1,667.72 | -8,680.38 |
| 7 | Tax expense/ (credit) | | | | |
| | Current tax | 305.65 | - | 510.00 | 1,640.00 |
| | Deferred tax | - | 574.36 | - | 574.36 |
| | Excess/(short) MAT credit relating to prior years | - | - | - | - |
| | Short provision for tax relating to prior years | - | 23.47 | - | 23.47 |
| | Less: MAT credit entitlement | - | - | - | - |
| 8 | Total tax expense | 305.65 | 597.83 | 510.00 | 2,237.83 |
| 9 | Profit for the year (6 - 8) | 916.94 | -14,063.16 | 1,157.72 | -10,918.20 |
| 10 | Discontinue operations (Refer notes) | | | | |
| | Profit/ (Loss) before tax from discontinued operations | - | - | - | - |
| | Tax expenses of discontinued operations | - | - | - | - |
| | Profit/ (Loss) for the year from discontinued operations | - | - | - | - |
| 11 | Net Profit/ (Loss) for the year | 916.94 | -14,063.16 | 1,157.72 | -10,918.20 |
| 12 | Total other comprehensive income (net of tax) from discontinued operations | - | - | - | - |
| 13 | Total comprehensive income (9 + 10) | 916.94 | -14,063.16 | 1,157.72 | -10,918.20 |
| 14 | Paid-up equity share capital (Face value Rs. 10 each) | 9,767.61 | 9,767.61 | 9,767.61 | 9,767.61 |
| 15 | Other Equity | | | | |
| 16 | Earnings per share (of Rs 10 each) (not annualised): | | | | |
| | (a) From continuing operations & discontinuing operations (Rs) | 0.94 | -14.40 | 1.19 | -11.18 |
| | (b) From continuing operations (Rs) | 0.94 | -14.40 | 1.19 | -11.18 |
| | (c) From discontinuing operations (Rs) | - | - | - | - |

Date- 18th Oct-2020

Place- Shrirampur



For Prabhat Dairy Limited

 Chairman & Managing Director

Notes to the Financial Results

1) The above unaudited consolidated financial results have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their respective meetings held on October 18, 2020. These unaudited consolidated financial results have been prepared in accordance with the Indian Accounting Standards ("Ind-AS") as specified under Section 133 of the Companies Act, 2013 read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the provisions of the Companies Act, 2013.

2) The Statutory Auditors of the Company have conducted a limited review of the above consolidated financial results of the Company for the quarter ended June 30, 2020. An unqualified report has been issued by them thereon.

3) Key Standalone Financial Information

| Sr. No. | Particulars | Quarter ended | | | Year Ended |
|---------|-------------------------|---------------|-------------|-------------|-------------|
| | | 30 Jun 2020 | 31 Mar 2020 | 30 Jun 2019 | 31 Mar 2020 |
| | | (Unaudited) | (Audited) | (Unaudited) | (Audited) |
| 1 | Revenue from operations | 8,234.01 | 18,675.34 | 5,781.38 | 49,160.11 |
| 2 | Net profit before Tax | 858.94 | -13,340.20 | 688.97 | -11,219.73 |
| 3 | Net profit after Tax | 644.20 | -13,341.75 | 478.97 | -12,011.27 |

Note: The above unaudited results of Prabhat Dairy Ltd on a standalone basis for the above mentioned periods are available on Company's website www.prabhat-india.in and on the Stock exchange website www.nseindia.com and www.bseindia.com

4) The Company has entered into a Definitive Sale Agreement on January 21, 2019 with Tirumala Milk Products Private Limited ("The Buyer") to sell the entire dairy business of Prabhat Dairy Limited vide a Business Transfer Agreement (BTA) and sale of its subsidiary Sunfresh Agro Industries Private Limited by way of a slump sale on a going concern basis for a total consideration of Rs. 1,70,000 Lakhs (excluding adjustment for net debt outstanding and working capital adjustment as agreed with the buyer). The aforesaid sale was subject to certain conditions precedent viz CCI, Shareholders, Bankers etc.

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7) Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification/ disclosure.

Place: Shrirampur

Date : October 18, 2020



For Prabhat Dairy Limited

A blue ink handwritten signature of Sarangdhar R. Nirmal.

Sarangdhar R. Nirmal

Chairman & Managing Director

DIN: 00035234



Limited Review Report

Review Report to
The Board of Directors
Prabhat Dairy Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results for the quarter ended June 30, 2020 and year to-date results for the period from April 1, 2020 to June 30, 2020 ('the Statement') of Prabhat Dairy Limited ('the Company'), being submitted by the Company pursuant to requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 (Listing Regulations).

These Statements, which are the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with Ind AS 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other recognized accounting practices and policies generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review 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 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.



3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results which are prepared in accordance with Ind-AS 34, prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

For KSS & COMPANY
Chartered Accountants
ICAI Firm Registration No 126322W



Shashank K Suvarnapathaki
Partner
Membership No.: 118070



UDIN : 20118070AAAAFH5824
Place: Ahmednagar
Date: 18/10/2020

K S S & COMPANY

CHARTERED ACCOUNTANTS



Independent Auditor's Review Report on consolidated unaudited quarterly and year to date financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Review report to
The Board of Directors
Prabhat Dairy Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results and Statement of Cash Flow of **Prabhat Dairy Limited** ("the Parent") and its subsidiary (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended **June 30, 2020** (i.e. for the period from **April 01, 2020 to June 30, 2020**) ("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. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended **June 30, 2020** (i.e. period from **April 01, 2019 to June 30, 2020**) as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.

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" ("Ind AS 34"), 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

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

| Name of the entity | Relationship |
|---|--------------|
| Cheese Land Agro (Industries) Private Limited | Subsidiary |
| Shrirampur Agri Solutions Private Limited | Subsidiary |



5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the branch auditors and other auditors referred to in paragraph 7 below, 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.

6. The consolidated unaudited financial results includes the interim financial statements/ financial information/ financial results of 2 subsidiary (**Cheese Land Agro (India) Private Limited and Shirampur Agri Solutions Private Limited**) which have not been reviewed, whose interim financial statements/ financial information/ financial results reflect total revenue Rs. 8,261.38 Lakhs and net profit Rs. 1,222.59 Lakhs, for the three quarter ended **June 30, 2020** (i.e. for the period from **April 01, 2020 to June 30, 2020**)

7. The consolidated Ind AS financial statements of the Group for the quarter ended June 30, 2020 included in these unaudited consolidated financial results were audited by predecessor auditor who expressed an unmodified opinion on those consolidated Ind AS financial statements on June 30, 2020.

For KSS & COMPANY
Chartered Accountants
ICAI Firm Registration No. 126322W



Shashank K Suvarnapathaki
Partner

Membership No.: 118070
UDIN: 20118070AAAAFG1692
Place: Ahmednagar
Date: 18/10/2020

