



Ideas for a new day

May 8, 2026

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

Dear Sir / Madam,

Sub: Monitoring Agency Report for quarter ended March 31, 2026

Pursuant to Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 162A of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed herewith Monitoring Agency Report for quarter ended March 31, 2026 issued by India Ratings & Research Private Limited in respect of utilisation of funds raised by the Company through preferential issue of convertible share warrants on May 23, 2025.

This intimation along with the Monitoring Agency Report is also being made available on the Company's website i.e. www.paragmilkfoods.com

Kindly take the same on records.

Thanking you.

For **Parag Milk Foods Limited**

Virendra Varma
Company Secretary &
Compliance Officer
FCS No: 10520

Encl: As above

Parag Milk Foods Ltd.

CIN: L15204PN1992PLC070209

Registered Office: Flat No. 1, Plot No. 19, Nav Rajasthan Society, Behind Ratna Memorial Hospital, Senapati Bapat Road, Shivaji Nagar, Pune - 411016, Maharashtra

Corporate Office: 10th Floor, Nirmal Building, Nariman Point, Mumbai - 400021, Maharashtra

Tel.: 022- 43005555 | Website: www.paragmilkfoods.com | Email: investors@parag.com



Date: 08th May 2026

To,

Parag Milk Foods Limited
10th Floor, Nirmal Building,
Nariman Point, Mumbai
400 021, Maharashtra.

Subject: Monitoring Agency Report for the quarter ended 31st March 2026 in relation to Preferential Issue.

Dear Sir,

Pursuant to Regulation 162A (2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”) and Monitoring Agency Agreement dated 10th April 2025, please find enclosed herewith the Monitoring Agency Report, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of Preferential issue for the quarter ended March 31, 2026.

Request you to kindly take the same on records.

Thanking You,

For and on behalf of India Ratings & Research Private Limited

SHRIKANT
GANDHI DEV

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SHRIKANT GANDHI DEV
Date: 2026.05.08 12:23:52
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Name: Shrikant Dev

Designation: Company Secretary

Report of the Monitoring Agency (MA)

Name of the issuer: **Parag Milk Foods Limited**

For quarter ended: **31st March 2026**

Name of the Monitoring Agency: **India Ratings & Research Private Limited**

(a) Deviation from the objects: No deviation from the objects.

Based on the Management undertaking and as per the Statutory Auditor Certificate dated 04th May 2026 issued by Sharp & Tannan., Chartered Accountants (FRN –109982W) having UDIN 26043385HPATLF5603* and other documents provided to us, no deviation from the objects has been observed.

*The reference to the Statutory Auditor Certificate anywhere in the MA report refers to the said Certificate.

(b) *Range of Deviation*: Not Applicable.

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit-related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "*Comments of the Board of Directors*", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Signature:

SHRIKANT
GANDHI DEV

Digitally signed by
SHRIKANT GANDHI DEV
Date: 2026.05.08
12:24:42 +05'30'

Name and designation of the Authorized Signatory: Shrikant Dev (Company Secretary)

Date: 08th May 2026.

1) Issuer Details:

Name of the issuer:	Parag Milk Foods Limited (“the Company”)
Names of the promoter:	<ul style="list-style-type: none"> • Mr. Devendra Prakash Shah • Mr. Pritam Prakash Shah
Industry/sector to which it belongs:	Food Industry

2) Issue Details:

Issue Period:	15 th May 2025 to 23 rd May 2025
Type of issue (public/rights):	Convertible share warrants on preferential basis
Type of specified securities:	90,00,000 Convertible warrants, at price of INR 179.10 (including premium of INR 169.10) per share warrant.
IPO Grading, if any:	Not Applicable
Issue size:	INR 161.19 Crores*

* It is the total issue size. However, the actual subscription of Convertible warrants and the amount received by the Company as on 31st March 2026 is as below:

Issue subscribed				Issue proceeds received as on 31 st Mar’26		
Security	No.	Rate	Value (INR Crores)	No.	Rate	Value (INR Crores)
Convertible Warrants	90,00,000	179.10	161.19	90,00,000	44.78 [^]	40.30
Total			161.19			40.30

[^]The Company has received 25% of the value of the convertible warrants i.e. INR 44.78 per warrant, as upfront consideration/subscription amount. Balance 75% (INR 134.33 per warrant) will be received as and when the conversion option is exercised by the warrant holder to convert warrants into equity shares during the tenure of 18 months of the warrant.

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Management undertaking, Statutory Auditor Certificate, Notice to Shareholders for EGM along with Corrigendum, Relevant Bank Statements.	Nil utilization during the quarter	No Comments
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA	Management undertaking, Statutory Auditor Certificate	NA	No Comments
Whether the means of finance for the disclosed objects of the issue has changed?	No	Management undertaking, Statutory Auditor Certificate	No Comments	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	NA	NA	No Comments	No Comments
Whether all Government/Statutory approvals related to the object(s) have been obtained?	NA	Management undertaking, Statutory Auditor Certificate	No Comments	No Comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA	Management undertaking, Statutory Auditor Certificate	No Comments	No Comments
Are there any favorable events improving the viability of these object(s)?	No	Management undertaking, Statutory Auditor Certificate	No Comments	No Comments
Are there any unfavorable events affecting the viability of the object(s)?	No	Management undertaking, Statutory Auditor Certificate	No Comments	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	No	Management undertaking, Statutory Auditor Certificate	No Comments	No Comments

4) Details of object(s) to be monitored:

i. Cost of object(s)-

Sr. No.	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) (INR in Crores)	Revised Cost (INR in Crores)	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Debt Reduction	Management undertaking, Statutory Auditor certificate, Notice to Shareholders for EGM along with Corrigendum.	70.00	NA	NA	NA	NA	NA
2	Working Capital		31.19	NA	NA	NA	NA	NA
3	Capital Expenditure		20.00	NA	NA	NA	NA	NA
4	General Corporate Purpose		40.00	NA	NA	NA	NA	NA
	TOTAL (A+B)		161.19					

ii. Progress in the object(s) –

Sr. No.	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (INR in Crores)	Amount raised till 31 st Mar 2026 (INR in Crores)	Amount Utilized (INR in Crores)			Total Unutilized Amount out of the amount raised (INR in Crores)	Comments of the Monitoring Agency	Comments of the Board of Directors	
					As at beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	Debt Reduction	Management undertaking, Statutory Auditor Certificate, Notice to Shareholders for EGM along with Corrigendum, Relevant Bank Statement	70.00	40.30	17.50	-	17.50	0.30	No Comments	No Comments	No Comments
2	Working Capital		31.19		7.80	-	7.80		No Comments	No Comments	No Comments
3	Capital Expenditure		20.00		5.00	-	5.00		No Comments	No Comments	No Comments
4	General Corporate Purpose		40.00		9.70	-	9.70		No Comments	No Comments	No Comments
	TOTAL		161.19	40.30	40.00	-	40.00	0.30			

Below is the brief description of the objects as mentioned in the Corrigendum to the Notice of Extraordinary General Meeting:

“Details of the Objects

Debt Reduction: For repayment and/or reduction of debt including interest, in part or full (without reducing / cancelling the credit lines).

Working Capital: For usage towards working capital needs as part of maintaining or running the operating activity of the Company.

Capital Expenditure: For undertaking Capital Expenditure to acquire, upgrade and expand Plant & Machinery, Equipment which are in nature of capital expenditure.

General Corporate Purpose: For utilizing towards General Corporate Purposes [upto 25% (twenty five percent) of the issue proceeds].

iii. Deployment of unutilized issue proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (INR in Crores)	Maturity date	Earnings (INR in Crores)	Return on Investment (%)	Market Value as at the end of the quarter (INR in Crores)
1	Balance lying in Union Bank of India (a/c no. – 792701010000012)	0.30	-	-	-	-
	Total	0.30				

iv. Delay in implementation of the object(s)

Object(s)	Completion Date		Delay (no. of days/m onths)	Comments of the Board of Directors	
	As per the Offer Document*	Actual		Reason of Delay	Proposed Course of action
Debt Reduction	withing 12 months	On-going	NA	NA	NA
Working Capital	withing 12 months	On-going	NA	NA	NA
Capital Expenditure	withing 12 months	On-going	NA	NA	NA
General Corporate Purpose	withing 12 months	On-going	NA	NA	NA

*Completion date/time is tentative timelines for utilization of issue proceeds from the date of receipts of funds.

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No.	Item Head	Amount (INR in Crores)	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Nil					

Disclaimers:

The MA Report is prepared by India Ratings. India Ratings has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable.

India Ratings declare that the MA Report is based on the format prescribed by the SEBI (ICDR) Regulations, 2018. This declaration forms part of and applies to each MA Report that is issued by India Ratings. The MA Report does not constitute an offer of services. Access or use of any MA Report does not create a client relationship between India Ratings and the Applicant or between India Ratings and User of the report.

This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments.

Please note that the information presented in the MA Report is based solely on the review of the requisite information, documents, papers, statements received from the Company with regard to the use of the Issue Proceeds including the status of implementation of the activities proposed to be funded out of the Issue proceeds as stated in the Prospectus. India Ratings has not verified any source of information such as invoices, ledgers or payment receipts and other documents either in normal course or in case of deviations from the objects, as the same is the duty of the management and the statutory auditors. India Ratings has relied in good faith and without any liability, upon the contents thereof. The user of the MA Report should understand that India Ratings does not perform an audit and undertakes no independent verification of any information/certifications/statements it receives from auditors, lawyers, chartered engineers or other experts, and relies on in its reports. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings. In issuing the MA Report, India Ratings may rely on the representations and certifications from the issuer and experts, including statutory auditors with respect to financial statements, attorneys with respect to legal and tax matters and other entities considered reliable by India Ratings. The Company shall be solely responsible and liable for any omission, commission, errors and misrepresentations in the contents of the Information provided to India Ratings. India Ratings disclaims any liability arising out of the contents of the information provided by the Company and in no event shall be held liable to anyone for any damages or claims arising out of such information.

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