

## DISCLAIMER AND CAUTION TO PUBLIC

This disclaimer and caution notice is hereby issued by Prabhat Dairy Limited to all its stakeholders and the general public to inform the following:

1. That SMERA Ratings Limited ('SMERA') has vide its two Press Releases both dated January 15, 2018 has assigned long term rating of 'SMERA A+' (read as SMERA A Plus) on the bank facilities of Sunrise Dairy Pvt. Ltd. ('Sunrise') with a Stable Outlook. And has assigned long term rating of 'SMERA A+' (read as SMERA A Plus) on the bank facilities of Kausalya Milk Products Pvt. Ltd. ('Kausalya') with a Stable Outlook. For issuing such rating to Sunrise and Kausalya, SMERA has consolidated the business and financial risk profiles of Prabhat Dairy Limited and its subsidiaries viz. Cheese Land Agro (India) Pvt. Ltd. and Sunfresh agro Industries Pvt. Ltd. considering Sunrise and Kausalya as the companies belonging to Prabhat group.
2. Immediately upon coming to know about the release of the aforesaid release, both sunrise and Kausalya have submitted their respective letters dated January 24, 2018 to SMERA for requesting for withdrawal of ratings.
3. Yes Bank Ltd. ('the Bank') which has sanctioned credit facilities to Sunrise and Kausalya has also given its no objection certificate dated February 5, 2018 for withdrawal of ratings issued by SMERA on the bank facilities of Sunrise and Kausalya.
4. Sunrise and Kausalya are only the milk suppliers of Prabhat Dairy Ltd. and its subsidiary viz. Sunfresh Agro Industries Pvt. Ltd.
5. Except for having the relationship of the Purchaser and the Supplier, Prabhat Dairy Ltd. and its subsidiaries viz. Cheese Land Agro (India) Pvt. Ltd. and Sunfresh Agro Industries Pvt. Ltd. do not have any direct or indirect, relationship with nor do the Company and its aforesaid two subsidiaries have given any corporate guarantee to Sunrise Dairy Pvt. Ltd. and Kausalya Milk Products Pvt. Ltd.
6. Sunrise and Kausalya are not the group companies of Prabhat Dairy Ltd. and its Subsidiaries viz. Cheese Land Agro (India) Pvt. Ltd. and Sunfresh Agro Industries Pvt. Ltd.
7. SMERA has consolidated the business and financial risk profiles of Prabhat Dairy Ltd. and its subsidiaries viz. Cheese Land Agro (India) Pvt. Ltd. and Sunfresh Agro Industries Pvt. Ltd. and issued credit rating on Sunrise and Kausalya without obtaining any prior written consent or approval.
8. Prabhat Dairy Ltd. and its aforesaid subsidiaries and Sunrise and Kausalya have already submitted a written request to SMERA to withdraw the aforesaid ratings with due public notice and other appropriate action.

All the stakeholders and the general public is hereby cautioned not to rely and act upon the aforesaid ratings inadvertently issued by SMERA and is any person relies or act upon such ratings, Prabhat Dairy Ltd. and its aforesaid subsidiaries would not be responsible and liable in any manner.

Issued in the general public interest.

For Prabhat Dairy Ltd.

Sd/-

Vivek S. Nirmal

Joint Managing Director