

MILKFOOD LIMITED

5th Floor, 91, Bhandari House, Nehru Place, New Delhi-110 019

Ph.: 26460670-4 / 26463773 Fax : 011-26460823

E-mail : milkfoodltd@milkfoodltd.com, Website : www.milkfoodltd.com

CIN : L15201PB1973PLC003746

27th June, 2020

MFL\SCY\2020 - 21
The Manager (Listing)
The BSE Limited
1st Floor, New Trading Ring,
Rotunda Building
P J Towers, Dalal Street,
Fort, Mumbai-400 001

Sub: Audited Financial Results for the Quarter and Financial Year ended 31.03.2020
Scrip Code No.: 507621

Dear Sir/Madam,

In terms of Regulation 30 and 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are enclosing herewith the following documents:

- a) Approved Audited Standalone & Consolidated Financial Results for the quarter and financial year ended on 31st March, 2020.
- b) Auditor's Report on Standalone and Consolidated Audited Financial Results of the Company for the quarter and financial year ended on 31st March, 2020.
- c) Submission of declaration under Regulation 33(3)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Board Meeting commenced at 3.30 p.m. and concluded at 5.00 p.m.

This is for your information and records.

Thanking you,

Yours faithfully,

For MILKFOOD LIMITED



Rakesh Kumar Thakur
Company Secretary & Compliance officer
Encl: As above



Regd. Office : P.O. Bahadurgarh-147021 Distt. Patiala (Punjab)

Phones : 0175-2381404 / 2381415

Fax : 0175-2380248

V.P.JAIN & ASSOCIATES

Chartered Accountants

Ambika Bhawan, F-1, First Floor,
4658-A/21, Ansari Road, Darya Ganj, New Delhi – 110002

Phone: 23276695,30126695

email id-vpjain_ca@rediffmail.com

Independent Auditor's Report on Standalone Annual Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, (as amended)

To

The Board of Directors of Milkfood Limited,
5th Floor, Bhandari House,
91, Nehru Place,
New Delhi-110019

Opinion

We have audited the accompanying standalone annual financial results of **Milkfood Limited** (the "Company") for the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us the Statement:

- (i) is presented in accordance with the requirements of the Listing Regulations in this regard; and
- (ii) gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India of the net profit / (loss) and other comprehensive income / (loss) and other financial information of the Company for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditors Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we



have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note No.10 regarding trees and plantation, Note No.11 regarding advance to supplier and Note No.12 regarding financial liabilities others.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit / (loss) and other comprehensive income/ (loss) of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued there-under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audits report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safe guards.



Other Matters

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us as required under the Listing Regulations.



**For V.P. Jain & Associates
Chartered Accountants
(FRN: 015260N)**

Sarthak
**(CA Sarthak Madaan)
Partner
(Membership No. 547131)**

**Place: New Delhi
Date: June 27, 2020
UDIN:20547131AAAAAG8417**

MILKFOOD LIMITED

CIN: L15201PB1973PLC003746 & E-mail :milkfoodltd@milkfoodltd.com

Ph.011-26420670-74 , Fax: 011-26420823

Regd.Office : P.O.Bahadurgarh -147021 , Distt. Patiala(Punjab)

Statement of audited standalone financial results for the quarter and year ended 31 March 2020

Particulars	STANDALONE				
	Quarter Ended			Year Ended	
	31.03.2020 (Refer note 13)	31.12.2019 (Unaudited)	31.03.2019 (Refer note 13)	31.03.2020 (Audited)	31.03.2019 (Audited)
	1	2	3	4	5
1 Income					
(a) Revenue from operations	10,619	17,370	16,807	55,141	53,059
(b) Other income	38	18	19	61	31
Total income	10,657	17,388	16,826	55,202	53,090
2 Expenses					
(a) Cost of materials consumed	12,050	11,358	16,709	47,205	45,178
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,956)	4,442	(2,280)	745	651
(c) Employee benefits expense	239	598	584	2,085	2,017
(d) Finance cost	252	223	180	840	788
(e) Depreciation and amortisation expense	265	263	188	811	683
(f) Other expenses	1,004	401	933	2,639	2,436
Total expenses	10,854	17,285	16,314	54,325	51,753
3 Profit before tax (1-2)	(197)	103	512	877	1,337
4 Tax expenses					
(a) Current tax	(16)	35	125	213	295
(b) Adjustment of tax related to earlier period	7	-	17	7	17
(c) MAT credit recognition	(515)	-	(322)	(515)	(322)
(d) Deferred Tax charge/(credit)	333	-	323	333	323
Total tax expenses	(191)	35	143	38	313
5 Profit after tax for the period / year (3 + 4)	(6)	68	369	839	1,024
6 Other Comprehensive Income / (Loss)					
Re-measurement gains/ (losses) on defined benefit plans	8	9	(20)	2	(22)
Tax impact on re-measurement gain/ (losses) on defined	(1)	-	7	(1)	7
7 Net Profit / (Loss) after taxes	1	77	356	840	1009
8 Paid-up Equity Share Capital (Face Value of the Share is Rs. 10/- each)	489	489	489	489	489
9 Other equity				10340	9331
10 Earnings per share in Rs. (of Rs. 10/- each)* :					
(a) Basic	-0.11	1.40	7.55	17.15	20.94
(b) Diluted	-0.11	1.40	7.55	17.15	20.94



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Milkfood Limited CIN:L15201PB1973PLC003746 Standalone Statement of Assets and Liabilities as at 31 March 2020			
Particulars		As at 31 Mar , 2020 (Audited)	As at 31 Mar , 2019 (Audited)
A	ASSETS		
1	Non-current assets		
	Property, Plant and Equipment	18,091	16,621
	Capital work in progress	163	173
	Right-of-use-assets	166	-
	Other Intangible Assets		
	Biological Assets	230	219
	Financial assets		
	- Investments	3	2
	- Trade Receivable	18	10
	- Deposits, Loans & Receivables	106	116
	Other non-current assets	962	468
	Total Non - Current Assets	19,739	17,609
2	Current assets		
	Inventories	5,857	6,809
	Financial assets		
	- Trade receivables	3,286	2,199
	- Loans	33	80
	- Cash and cash equivalents	355	461
	- Others	105	14
	Other current assets	600	1,087
	Current tax assets (net)	43	-
	Total Current Assets	10,279	10,650
	TOTAL ASSETS	30,018	28,259
B	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	Equity Share capital	489	489
	Other Equity	11,180	10,340
	Total Equity	11,669	10,829
2	Non-current liabilities		
	Financial liabilities		
	- Borrowings	1,162	933
	- Other financial liabilities	6,108	5,827
	- Lease liabilities	115	-
	Deffered Tax Liabilities	926	594
	Provisions	206	207
	Total Non - Current Liabilities	8,517	7,561
3	Current liabilities		
	Financial liabilities		
	- Borrowings	4,888	4,157
	- Lease liabilities	61	-
	- Trade payables		
	(i) Total outstanding dues to micro and small enterprises	38	-
	(i) Total outstanding dues of creditors other than micro and small enterprises	3,106	4,448
	- Other financial liabilities	1,500	980
	Other current liabilities	109	140
	Provisions	130	94
	Current tax liabilities (net)	-	50
	Total Current Liabilities	9,832	9,869
	TOTAL EQUITY & LIABILITIES	30,018	28,259



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STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020.

(Rs. in Lakhs)

	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
A. Cash flow from operating activities:		
Net profit before taxation	878	1337
Adjustments for :		
Depreciation and amortisation expense	811	683
Finance costs	840	788
Liabilities no longer required written back	22	-
Provision for doubtful debts/ bad debts/ written off	18	26
Loss/ (Gain) on sale of properties , plant & equipment	(12)	17
Interest income	26	(25)
Operating profit before working capital changes	2583	2826
<u>Changes in working capital</u>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	952	646
Trade receivables	(1114)	(1656)
Other current & non current assets	473	(340)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(1325)	1178
Other current & non current liabilities	770	946
Provision	35	17
Cash Generated From Operations	2374	3617
Income tax (paid) /refund (net)	(313)	(226)
Net cash flow from operating activities (A)	2061	3391
B. Cash flow from investing activities:		
Capital expenditure on property , plant and equipments (including CWIP)	(2207)	(1045)
Investment in biological assets	(11)	(24)
Proceeds from sale of properties , plant and equipment	59	30
Interest received	(26)	25
Net cash flow used in investing activities (B)	(2185)	(1014)
C. Cash flow from financing activities:		
Repayment of borrowings	961	(1203)
Repayment of Lease Liabilities	(103)	
Finance costs paid	(840)	(788)
Net cash flow used in financing activities (C)	18	(1991)
Net increase / (decrease) in cash & cash equivalents (A+B+C)	(106)	386
Cash and cash equivalents at the beginning of the year	461	75
Cash and cash equivalents at the end of the year	355	461



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- 1 The audited standalone financial results of the Company for the quarter and year ended 31 March 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 27 June 2020. The statutory auditor has expressed an unmodified audit opinion on these results .
- 2 The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.
- 3 The company is operating under a single segment i.e., "Dairy Products - comprising Ghee, Milk Powder , Casein & Whey Powder " and therefore there are no reportable segments as per IND AS-108 " Operating Segment ".
- 4 Employees benefits expenses are net of recovery of Rs.408 Lakhs from KMP.
- 5 The company has recognised income of Rs. 515 lakhs in respect of MAT credit out of which Rs. Rs. 302 lakhs is for earlier years.
- 6 Contingent Liabilities - Claims against the company not acknowledged as debts - Rs.71 Lakhs.
- 7 Other expenses include obsolete inventory written off for Rs. 36.52 Lakhs.
- 8 Term loan interest of Rs.35.69 Lakhs and salary & consultancy of Rs. 25 Lakhs have been capitalized in Plant & Machinery.
- 9 Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of Rs. 279.06 Lakhs and a corresponding lease liability of Rs.279.06 Lakhs. The effect of this adoption has decreased PAT by Rs. 9.66 Lacs and EPS by INR 0.20 per share. The Company has decided not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.
- 10 Trees and plantation considered biological Assets on the basis of certificate of Agricultural Scientist have attained sufficient growth for sale and its net realisable value is not less than the carrying amount as per Ind AS-41
- 11 Other current Assets include advance to supplier amounting to Rs. 114 Lakhs outstanding for more than one year. The same will be received/adjusted in the financial year 2020-21. Hence no provision is made.
- 12 Financial liabilities – others represent security deposits received from consignee/ suppliers which are not payable within 12 months of the reporting date as certified by the Management.
- 13 The outbreak of Covid-19 pandemic is causing significant disturbance and slowdown of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in further slow down in economic activities and also the business operations of the Company in terms of sales and production. The management has considered the possible effects that may result from the pandemic on the recoverability/carrying value of the assets. Based on the current indicators of future economic conditions and company engaged in dairy business (essential services), the management expects to recover the carrying amount of the assets, however the management will and continue to closely monitor any material changes to future economic conditions. Given the uncertainties, the final impact on Company's assets in future may differ from that estimated as at the date of approval of these financial results.
- 14 The figures of the last quarter ended March 31, 2020 / 2019 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2020 / 2019 and the unaudited published year-to-date figures up to December 31, 2019 being the date of the end of the third quarter of the financial year which were subjected to limited review
- 15 Previous period figures have been recast/regrouped/reclassified wherever necessary to make them comparable with those of current period.



For and on behalf of Board of Directors

Asha Gadi

(Asha Gadi)
Director

Place: New Delhi
Date: 27th June, 2020



V.P.JAIN & ASSOCIATES

Chartered Accountants

Ambika Bhawan, F-1, First Floor,
4658-A/21, Ansari Road, Darya Ganj, New Delhi – 110002

Phone: 23276695,30126695

email id-vpjain_ca@rediffmail.com

Independent Auditor's Report on Consolidated Annual Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, as amended

To

The Board of Directors of Milkfood Limited,
5th Floor, Bhandari House,
91, Nehru Place,
New Delhi-110019

Opinion

We have audited the accompanying consolidated annual financial results ("Statement") of **Milkfood Limited** (the "Parent") and its subsidiary (the Parent and its subsidiary together refer to as "the group") for the year ended March 31, 2020, attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors on the separate financial statements of the subsidiary as referred in others matter paragraph, the Statement:

- (i) is presented in accordance with the requirements of the Listing Regulations in this regard; and
- (ii) gives a true and fair view in conformity with the applicable Indian accounting standards and other accounting principles generally accepted in India of the consolidated net profit and other comprehensive income and other financial information of the Group for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditors Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the



Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and that obtained by the other auditors in terms of their reports referred to in other paragraph is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note No.10 regarding trees and plantation, Note No.11 regarding advance to supplier and Note No.12 regarding financial liabilities others.

Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Parent's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit and other comprehensive income of the Group and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

The respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.



Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audits report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Parent and such other entity included in the consolidated financial results of which regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safe guards.

We also performed procedure in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019, issued by the SEBI under Regulation 33(8) of the listing Regulations, to the extent applicable.

Other Matters

We did not review the financial results of the wholly owned subsidiary company, namely MFL Trading Pvt. Ltd. included in consolidated financial result, whose annual financial statement reflect total assets Rs. Nil (March 31 2019: Rs. 18,432/-) as on March 31, 2020, and total revenues of Rs. NIL and Rs. NIL, total net loss after tax of Rs. 25,400/- and 25,648/- and total comprehensive loss of Rs. 25,400/- and Rs. 25,648/- for the quarter ended March 31, 2020 and for the year ended March 31, 2020 respectively, as considered in the Statement. The annual financial results and other financial information have been reviewed by other Auditors, whose report has been furnished to us by the management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in the respect of this subsidiary, is based solely on the report of other auditor. Our opinion is not modified in respect of this matter.

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us as required under the Listing Regulations.



**For V.P. Jain & Associates
Chartered Accountants
(FRN: 015260N)**

Sarthak
**(CA Sarthak Madaan)
Partner
(Membership No. 547131)**

**Place: New Delhi
Date: June 27, 2020
UDIN:20547131AAAAAH9764**

MILKFOOD LIMITED

CIN: L15201PB1973PLC003746 & E-mail :milkfoodltd@milkfoodltd.com

Ph.011-26420670-74 , Fax: 011-26420823

Regd.Office : P.O.Bahadurgarh -147021 , Distt. Patiala(Punjab)

Statement of audited consolidated financial results for the quarter and year ended 31 March 2020

Particulars	Rs.in Lakhs				
	Quarter Ended			Year Ended	
	31.03.2020 (Refer note 13)	31.12.2019 (Unaudited)	31.03.2019 (Refer note 13)	31.03.2020 (Audited)	31.03.2019 (Audited)
	1	2	3	4	5
1 Income					
(a) Revenue from operations	10,619	17,370	16,807	55,141	53,059
(b) Other income	38	18	19	61	31
Total income	10,657	17,388	16,826	55,202	53,090
2 Expenses					
(a) Cost of materials consumed	12,050	11,358	16,709	47,205	45,178
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,956)	4,442	(2,280)	745	651
(c) Employee benefits expense	239	598	584	2,085	2,017
(d) Finance cost	252	223	180	840	788
(e) Depreciation and amortisation expense	265	263	188	811	683
(f) Other expenses	1,004	401	933	2,639	2,436
Total expenses	10,854	17,285	16,314	54,325	51,753
3 Profit before tax (1-2)	(197)	103	512	877	1,337
4 Tax expenses					
(a) Current tax	(16)	35	125	213	295
(b) Adjustment of tax related to earlier period	7	-	17	7	17
(c) MAT credit recognition	(515)	-	(322)	(515)	(322)
(d) Deferred Tax charge/(credit)	333	-	323	333	323
Total tax expenses	(191)	35	143	38	313
5 Profit after tax for the period / year (3 + 4)	(6)	68	369	839	1,024
6 Other Comprehensive Income / (Loss)					
Re-measurement gains/ (losses) on defined benefit plans	8	9	(20)	2	(22)
Tax impact on re-measurement gain/ (losses) on defined	(1)	-	7	(1)	7
7 Net Profit / (Loss) after taxes**	1	77	356	840	1009
8 Paid-up Equity Share Capital (Face Value of the Share is Rs. 10/- each)	489	489	489	489	489
9 Other equity				10338	9330
10 Earnings per share in Rs. (of Rs. 10/- each)* :					
(a) Basic	-0.11	1.40	7.55	17.15	20.94
(b) Diluted	-0.11	1.40	7.55	17.15	20.94

**Includes profit of non controlling interest which is insignificant (due to wholly owned subsidiary)



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Milkfood Limited CIN:L15201PB1973PLC003746 Consolidated Statement of Assets and Liabilities as at 31 March 2020		Rs.In Lakhs	
Particulars		As at 31 Mar , 2020 (Audited)	As at 31 Mar , 2019 (Audited)
A	ASSETS		
1	Non-current assets		
	Property, Plant and Equipment	18,091	16,621
	Capital work in progress	163	173
	Right -of -use -assets	166	-
	Biological Assets	230	219
	Financial assets		
	- Investments	2	1
	- Trade Receivable	18	10
	- Deposits, Loans & Receivables	106	116
	Other non-current assets	962	468
	Total Non - Current Assets	19,738	17,608
2	Current assets		
	Inventories	5,857	6,809
	Financial assets		
	- Trade receivables	3,286	2,199
	- Loans	33	79
	- Cash and cash equivalents	355	461
	- Others	105	14
	Other current assets	600	1,087
	Current tax assets (net)	43	-
	Total Current Assets	10,279	10,649
	TOTAL ASSETS	30,017	28,257
B	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	Equity Share capital	489	489
	Other Equity	11,178	10,338
	Total Equity	11,667	10,827
2	Non-current liabilities		
	Financial liabilities		
	- Borrowings	1,162	933
	- Other financial liabilities	6,108	5,827
	- Lease liabilities	115	-
	Deffered Tax Liabilities	926	594
	Provisions	206	207
	Total Non - Current Liabilities	8,517	7,561
3	Current liabilities		
	Financial liabilities		
	- Borrowings	4,888	4,157
	- Lease liabilities	61	-
	- Trade payables		
	(i) Total outstanding dues to micro and small enterprises	38	-
	(i) Total outstanding dues of creditors other than micro and small enterprises	3,106	4,448
	- Other financial liabilities	1,500	980
	Other current liabilities	110	140
	Provisions	130	94
	Current tax liabilities (net)	-	50
	Total Current Liabilities	9,833	9,869
	TOTAL EQUITY & LIABILITIES	30,017	28,257



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CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020.

(Rs. in Lakhs)

	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
A. Cash flow from operating activities:		
Net profit before taxation	878	1337
Adjustments for :		
Depreciation and amortisation expense	811	683
Finance costs	840	788
Liabilities no longer required written back	22	-
Provision for doubtful debts/ bad debts/ written off	18	26
Loss/ (Gain) on sale of properties , plant & equipment	(12)	17
Interest income	26	(25)
Operating profit before working capital changes	2583	2826
<u>Changes in working capital</u>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	952	646
Trade receivables	(1114)	(1656)
Other current & non current assets	473	(340)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(1325)	1178
Other current & non current liabilities	770	946
Provision	35	17
Cash Generated From Operations	2374	3617
Income tax (paid) /refund (net)	(313)	(226)
Net cash flow from operating activities (A)	2061	3391
B. Cash flow from investing activities:		
Capital expenditure on property , plant and equipments (including CWIP)	(2207)	(1045)
Investment in biological assets	(11)	(24)
Proceeds from sale of properties , plant and equipment	59	30
Interest received	(26)	25
Net cash flow used in investing activities (B)	(2185)	(1014)
C. Cash flow from financing activities:		
Repayment of borrowings	961	(1203)
Repayment of Lease Liabilities	(103)	
Finance costs paid	(840)	(788)
Net cash flow used in financing activities (C)	18	(1991)
Net increase / (decrease) in cash & cash equivalents (A+B+C)	(106)	386
Cash and cash equivalents at the beginning of the year	461	75
Cash and cash equivalents at the end of the year	355	461



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- 1 The audited consolidated financial results of the Company for the quarter and year ended 31 March 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 27 June 2020. The statutory auditor has expressed an unmodified audit opinion on these results .
- 2 The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.
- 3 The company is operating under a single segment i.e., "Dairy Products - comprising Ghee, Milk Powder , Casein & Whey Powder " and therefore there are no reportable segments as per IND AS-108 " Operating Segment ".
- 4 Employees benefits expenses are net of recovery of Rs.408 Lakhs from KMP.
- 5 The company has recognised income of Rs. 515 lakhs in respect of MAT credit out of which Rs. Rs. 302 lakhs is for earlier years.
- 6 Contingent Liabilities - Claims against the company not acknowledged as debts - Rs.71 Lakhs.
- 7 Other expenses include obsolete inventory written off for Rs. 36.52 Lakhs.
- 8 Term loan interest of Rs.35.69 Lakhs and salary & consultancy of Rs. 25 Lakhs have been capitalized in Plant & Machinery.
- 9 Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of Rs. 279.06 Lakhs and a corresponding lease liability of Rs.279.06 Lakhs. The effect of this adoption has decreased PAT by Rs. 9.66 Lacs and EPS by INR 0.20 per share. The Company has decided not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognized as an expense on a straight line basis over the lease term.
- 10 Trees and plantation considered biological Assets on the basis of certificate of Agricultural Scientist have attained sufficient growth for sale and its net realisable value is not less than the carrying amount as per Ind AS-41
- 11 Other current Assets include advance to supplier amounting to Rs. 114 Lakhs outstanding for more than one year. The same will be received/adjusted in the financial year 2020-21. Hence no provision is made.
- 12 Financial liabilities – others represent security deposits received from consignee/ suppliers which are not payable within 12 months of the reporting date as certified by the Management.
- 13 The outbreak of Covid-19 pandemic is causing significant disturbance and slowdown of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in further slow down in economic activities and also the business operations of the Company in terms of sales and production. The management has considered the possible effects that may result from the pandemic on the recoverability/carrying value of the assets. Based on the current indicators of future economic conditions and company engaged in dairy business (essential services), the management expects to recover the carrying amount of the assets, however the management will and continue to closely monitor any material changes to future economic conditions. Given the uncertainties, the final impact on Company's assets in future may differ from that estimated as at the date of approval of these financial results.
- 14 The figures of the last quarter ended March 31, 2020 / 2019 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2020 / 2019 and the unaudited published year-to-date figures up to December 31, 2019 being the date of the end of the third quarter of the financial year which were subjected to limited review
- 15 Previous period figures have been recast/regrouped/reclassified wherever necessary to make them comparable with those of current period.



For and on behalf of Board of Directors

Asha Gadi
(Asha Gadi)
Director

Place: New Delhi
Date: 27th June , 2020



MILKFOOD LIMITED

5th Floor, 91, Bhandari House, Nehru Place, New Delhi-110 019
Ph.: 26460670-4 / 26463773 Fax : 011-26460823
E-mail : milkfoodltd@milkfoodltd.com, Website : www.milkfoodltd.com
CIN : L15201PB1973PLC003746

27th June, 2020

MFL\SCY\2020 - 21
The Manager (Listing)
The BSE Limited
1st Floor, New Trading Ring,
Rotunda Building
P J Towers, Dalal Street,
Fort, Mumbai-400 001

Sub: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements (Amendment) Regulations, 2016 w.r.t Audit Report with Unmodified Opinion.

Scrip Code No.: 507621

Dear Sir(s),

I, Sanjeev Kothiala, Chief Financial Officer of the Company, hereby declare that, the Statutory Auditors of the Company, M/s V. P. Jain & Associates, Chartered Accountants, have issued an Audit Report with unmodified opinion on the Audited Standalone and Consolidated Financial Results for the quarter and financial year ended on March 31, 2020.

This declaration is given pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016 vide Circular no. CIR/CFD/CMD/56/2016 dated May 27, 2016.

This is for your information and records, please.

Thanking you,

Yours faithfully,

For MILKFOOD LIMITED


Sanjeev Kothiala
Chief Financial Officer

