

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 GST : 07AAACM5913B1ZY

November 07, 2023

MFL\SCY\2023 - 24
The Manager (Listing)
The BSE Limited
1st Floor, New Trading Ring,
Rotunda Building
P J Towers, Dalal Street,
Fort, Mumbai-400 001

Sub: Outcome of Board Meeting held on November 07, 2023
Scrip Code No.: 507621

Dear Sir/Madam,

In terms of Regulation 30 and 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we have enclosed Unaudited Standalone and Consolidated Financial Results of the Company along with Limited Review Report thereon for the quarter and period ended September 30, 2023 approved by the Board of Directors of the Company at its Meeting held on November 07, 2023 in terms of Regulation 33 of the Regulations.

The Board Meeting commenced at 3.00 p.m. and concluded at 4.15 p.m.

This is for your information and records.

Thanking you,

Yours faithfully,

For MILKFOOD LIMITED

Rakesh

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



milkfood

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

Phones : 0175-2381404 / 2381415

Fax : 0175-2380248



MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Flat No.1003, 10th Floor
Kailash Building, K.G. Marg
New Delhi-110001
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PAN: AAAPM5122B
E-mail: mk_madaan@yahoo.com

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

To

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

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results along with the notes thereon, of Milkfood Limited, ("the Company") for the quarter and half yearended September 2023 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared substantially in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report 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. 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 of interim financial information consists of making inquiries, primarily of company's personnel 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 Standard on Auditing specified under section 143(10) of the companies Act, 2013 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.

4. Based on our review conducted as stated in paragraph 3 above and read with the notes accompanying the Statement, nothing has come to our attention that causes us to believe that the accompanying Statement prepared substantially in accordance with the aforesaid Indian Accounting Standard ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder 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) Regulation 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

- (i) The Closing stock has been certified by the management in terms of quantity and value

5. Emphasis of Matter

We draw attention to note no.7 regarding accounting for deferred tax, note no 8 regarding other income, note no 10 regarding Security deposits, note no 11 regarding Trade Receivables, note no 12 regarding Advance to suppliers, and note no 13 regarding GST.

Our opinion is not modified in respect of aforesaid matters.

for Madan and Associates
Chartered Accountants
Firm's registration number: 000185N

M.K. Madan

MK. Madan
proprietor

Membership number: 082214



Place: New Delhi

Date: 07.11.2023

UDIN: 23082214BGWUUM1044

MILKFOOD LIMITED

CIN: L15201PB1973PLC003746 & E-mail : milkfoodtd@milkfoodtd.com
Ph.011-26420670-74, Fax: 011-26420823



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

**UNAUDITED STANDALONE FINANCIAL RESULTS
FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2023**

Rs. in Lakhs

S.No	Particulars	Quarter Ended			Half Year ended		Year Ended
		30.09.2023 (Unaudited)	30.06.2023 (Unaudited)	30.09.2022 (Unaudited)	30.09.2023 (Unaudited)	30.09.2022 (Unaudited)	31.03.2023 (Audited)
1	Income						
	(a) Revenue from operations	10,580	9,446	10,340	20,026	18,355	46,740
	(b) Other income	257	374	324	631	332	347
	Total Income	10,837	9,820	10,664	20,657	18,687	47,087
2	Expenses						
	(a) Cost of materials consumed	7,795	7,010	8,108	14,805	15,837	42,859
	(b) Changes in inventories of finished goods, work-in-progress	1,065	1,168	551	2,233	(203)	(4,374)
	(c) Employee benefits expense	669	684	536	1,353	1,101	2,526
	(d) Finance cost	337	347	208	684	363	878
	(e) Depreciation and amortisation expense	172	172	164	344	303	636
	(f) Other expenses	467	620	473	1,087	874	3,349
	Total expenses	10,505	10,001	10,028	20,506	18,296	46,974
3	Profit before Taxes (1-2) (after ESOP expenses of Rs. 253 lakhs in the current half year)	332	(181)	636	151	391	1,113
4	Exceptional Items	-	-	-	-	-	36
5	Profit before Taxes (3+4)	332	(181)	636	151	391	1,149
6	Tax expense						
	a) Current Tax	39	-	67	39	67	256
	b) Adjustment of tax related to earlier period	(100)	-	6	(100)	8	5
	c) MAT credit recognition	5	-	(67)	5	(67)	14
	d) Deferred Tax Charges / (credit)	43	(43)	137	-	77	(101)
	Total tax expenses	(13)	(43)	143	(56)	83	174
7	Net Profit / (Loss) for the period (5 ± 6)	345	(138)	493	207	308	975
8	Other Comprehensive Income / (Loss)						
	Items that will not be reclassified to profit or (loss)	-	5	(9)	5	(34)	(67)
9	Total Comprehensive Income for period (7 ± 8)	345	(133)	484	212	274	908
10	Paid-up Equity Share Capital (Face Value of the Share is Rs 10/- each)	489	489	489	489	489	489
	Other Equity						12,817
11	Earnings per share						
	(of Rs. 10/- each) (not annualised):						
	(a) Basic	7.06	(2.81)	10.08	4.24	6.30	19.92
	(b) Diluted	6.73	(2.88)	10.08	4.04	6.30	19.01



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MILKFOOD LIMITED

CIN:L15201PB1973PLC003746

STANDALONE BALANCE SHEET AS AT 30TH SEPTEMBER 2023



('Rs. In Lakhs)

	Particulars	As at 30.09.2023 (Unaudited)	As at 31.03.2023 (Audited)
A	ASSETS		
1	Non-current assets		
	Property, plant and equipment	18,510	18,635
	Capital work in progress	21	17
	Right-of-use-assets	130	167
	Biological assets other than bearer plant	214	210
	Financial assets		
	- Investments	3	3
	- Trade receivable	57	57
	- Other financial assets	83	116
	Other non-current assets	1,157	1,058
	Total non-current assets	20,175	20,263
2	Current assets		
	Inventories	4,117	6,440
	Financial assets		
	- Trade receivables	5,321	3,192
	- Cash and cash equivalents	13	44
	- Others financial assets	47	162
	Other current assets	2,249	2,502
	Assets classified as held for sale	259	259
	Current tax assets (net)	20	23
	Total current assets	12,026	12,622
	TOTAL ASSETS	32,201	32,885
B	EQUITY AND LIABILITIES		
1	EQUITY		
	Equity share capital	489	489
	Other equity	13,282	12,817
	Total equity	13,771	13,306
2	LIABILITIES		
	Non-current liabilities		
	Financial liabilities		
	- Borrowings	7,051	7,090
	- Lease Liabilities	72	103
	- Other financial liabilities	1,388	1,839
	Deferred tax liabilities (net)	750	750
	Provisions	220	206
	Total non-current liabilities	9,481	9,988
	Current liabilities		
	Financial liabilities		
	- Borrowings	5,184	4,909
	- Lease Liabilities	68	71
	- Trade payable		
	Total outstanding dues of micro enterprises and small enterprises	30	75
	Total outstanding dues of creditors other than above	3,257	3,941
	- Other financial liabilities	167	166
	Other current liabilities	82	263
	Provisions	161	166
	Total current liabilities	8,949	9,591
	TOTAL EQUITY AND LIABILITIES	32,201	32,885



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Notes:

- 1 The unaudited standalone financial results of the Company for the quarter and half year ended 30th Sept 2023 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 7th November 2023. The statutory auditors have 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 Contingent Liabilities - Claims against the company not acknowledged as debts - Rs 78 Lakhs as certified by the management
- 5 Pursuant to the approval of the Board of Directors of the company in their meeting held on 04.07.2022 and consequent approval of the shareholders of the company in the 49th Annual General Meeting held on 28.09.2022, the Nomination and Remuneration Committee of the Board of Directors of the company has granted options numbering 2,44,000 (Fair value Rs 506 Lakhs) as Stock Incentive Plan on 21.10.2022 to the Eligible Employees/Director of the company under the "Milkfood Ltd Stock Incentive Plan 2022" complying the Companies Act read with Securities and Exchange Board of India (share based employee benefits and sweat equity regulations) 2021. The vesting period is till 31.10.2023. As per Ind AS 102 , "Share based Payments" an amount of Rs. 253 Lakhs pertaining to the half year ended 30.09.2023 has been accounted for as employee benefit expenses with a corresponding credit to ESOP Reserve.
- 6 Trade receivables/payable/advance to suppliers & security deposits(received & made) balances are confirmed at the year end. The classification of these balances as current/non-current are certified by the management
- 7 Accounting for deferred tax assets / liability and provision for non/slow moving inventories will be done/recognised at the year end.
- 8 Other Income includes
(i) Forfeiture of advance received of Rs 165 Lakhs against sale of Caesin Plant due to non fulfillment of the obligations by the purchaser
(ii) Rs 451 Lakhs as security deposits, Rs.14 Lakh as Creditors written back considered no longer payable as certified by the management.
- 9 Trade receivables/payable/advance to suppliers & security deposits(received & made) balances are confirmed at the year end.
- 10 Company has treated security deposit received of Rs 1387 lakhs as non current liability as per trade practice followed consistently in the past .
- 11 Trade receivables include Rs 52 Lakhs (net of write off/ provisions of Rs 17 Lakhs) from an entity facing an insolvency petition before the NCLT. The claim of Rs 78 Lakhs including interest of Rs 9 lakhs has been filed before the Resolution Professional. An application filed before the NCLT for directing the Resolution Professional to take the claim on record of the company has been accepted. The Company has a good chance to recover the amount. However, as a matter of abundant caution the amount as stated above has been written off/ provided in the books.
- 12 Other Non current assets include an advance of Rs. 74 Lakhs to supplier recoverable from earlier years. The same will be received/adjusted in the subsequent financial year. However as a matter of abundant caution a provision of Rs 8 Lakhs has already been made in the books.
- 13 Goods and Service Tax Department has generally verified the transaction of the dealers vis input tax credit. In this regard, the Department has also carried out the verification of ITC of our Four Dealers. The company has been cooperating in the investigation proceedings and has voluntarily deposited a sum of Rs 16.27 Crores as Tax under protest which has been shown as GST recoverable in the financials of the company. However, Company has received a show cause notice for Rs.25 Crores from Moradabad Range and has filed its reply. The matter has been further explained in the personal hearing held on 26.09.2023 and the order is expected shortly. Legally, the company has been advised of its success. Till date the Company has not received any further show cause notice/demand.
- 14 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



Place : New Delhi
Date: 07th November , 2023


(Sudhir Avasthi)
Managing Director
DIN:00152375





STANDALONE CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2023

	Half Year ended 30 Sept, 2023 (Rs. In Lakhs)	Year ended 31 March, 2023 (Rs. In Lakhs)
A. Cash flow from operating activities:		
Net profit before taxation	151	1149
Adjustments for :		
Depreciation and amortisation expense	344	636
Finance costs	684	978
Liabilities no longer required written back	(629)	(327)
Provision for doubtful debts/ bad debts/ balance written off	-	18
Loss/ (Gain) on sale of properties , plant & equipment	4	(36)
Interest income	(1)	(11)
Cash generated from operations before working capital changes	553	2407
Changes in working capital		
Adjustments for (increase) / decrease in operating assets:		
Inventories	2323	(4464)
Trade receivables	(2130)	2558
Other current & non current assets	407	(419)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(716)	2458
Other current & non current liabilities	(16)	(5356)
Provision	2	126
Cash flow Generated From Operations	423	(2690)
Income tax (paid) /refund (net)	219	(279)
Net cash flow from operating activities (A)	642	(2970)
B. Cash flow from investing activities:		
Purchase of on property , plant and equipments (including CWIP)	(208)	(796)
(Increase)/decrease in biological assets	(4)	(5)
Proceeds from sale of properties , plant and equipment	18	77
Interest received	1	11
Net cash flow used In Investing activities (B)	(193)	(713)
C. Cash flow from financing activities:		
Increase/ (decrease) in borrowings	237	4743
Repayment of lease liabilities	(34)	(57)
Finance costs paid	(684)	(978)
Dividend Paid	-	(122)
Net cash flow from/ (used) financing activities (C)	(481)	3586
Net increase / (decrease) In cash & cash equivalents (A+B+C)	(31)	(96)
Cash and cash equivalents at the beginning of the year	44	140
Cash and cash equivalents at the end of the year	13	44

For and on behalf of Board of Directors



Place : New Delhi
Date: 07th November , 2023

(Sudhir Avasthi)
Managing Director
DIN:00152375





MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Flat No.1003, 10th Floor
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E-mail: mk_madaan@yahoo.com

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

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

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results along with the notes thereon, of **Milkfood Limited**, ("the Parent") and its subsidiary ("the Parent and its subsidiary together refer to as the Group") for the quarter and half year ended September 2023 ("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.
2. This statement which is the responsibility of the Parents Management and approved by the Parents Board of Directors, has been prepared substantially in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report 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. 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 of interim financial information consists of making inquiries, primarily of Parents personnel 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 Standard on Auditing specified under section 143(10) of the companies Act, 2013 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.

4. Based on our review conducted as stated in paragraph 3 above, matter described in paragraph 5 and read with the notes accompanying the Statement, nothing has come to our attention that causes us to believe that the accompanying Statement prepared substantially in accordance with the aforesaid Indian Accounting Standard ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder 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) Regulation 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

(i) The Closing stock has been certified by the management in terms of quantity and value.

5. Emphasis of Matter

Attention is drawn to the note no 7 regarding accounting for deferred tax, note no 8 regarding Other income, Note no 10 regarding security deposits, Note no 11 regarding trade receivables, note no 12 regarding Advance to suppliers and note no 13 regarding GST.

Our opinion is not qualified in respect of aforesaid matters.

6. We did not review the financial results of the only one wholly subsidiary company, namely MFL Trading Pvt Ltd included in consolidated financial results, whose interim financial results reflect total assets of Rs NIL, Total Revenues of Rs NIL, Total Net Loss after tax of Rs NIL and Total Comprehensive Loss of Rs NIL for the quarter and half year ended 30.09.2023, as considered in the statement. The Interim 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 statements, 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 conclusion on the Statement in respect of matter stated above is not modified with respect to our reliance on the work done and the report of the other auditors.

Place: New Delhi

Date: 07.11.2023

UDIN: 23082214BGWUUN5786



for Madan & Associates

Chartered Accountants

FRN: 000185N

M.K. Madan

MK Madan

Proprietor

Membership number: 082214

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)

**UNAUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2023**

Rs. In Lakhs

S.No	Particulars	Quarter Ended			Half Year ended		Year Ended
		30.09.2023 (Unaudited)	30.06.2023 (Unaudited)	30.09.2022 (Unaudited)	30.09.2023 (Unaudited)	30.09.2022 (Unaudited)	31.03.2023 (Audited)
1	Income						
	(a) Revenue from operations	10,580	9,446	10,340	20,026	18,355	46,740
	(b) Other income	257	374	324	631	332	347
	Total income	10,837	9,820	10,664	20,657	18,687	47,087
2	Expenses						
	(a) Cost of materials consumed	7,795	7,010	8,108	14,805	15,837	42,859
	(b) Changes in inventories of finished goods, work-in-progress	1,065	1,168	551	2,233	(203)	(4,374)
	(c) Employee benefits expense	669	684	536	1,353	1,101	2,526
	(d) Finance cost	337	347	208	684	383	978
	(e) Depreciation and amortisation expense	172	172	154	344	303	636
	(f) Other expenses	467	620	473	1,087	874	3,349
	Total expenses	10,606	10,001	10,028	20,506	18,298	45,974
3	Profit before Taxes (1-2) (after ESOP expenses of Rs. 253 lakhs in the current half year)	332	(181)	636	151	391	1,113
4	Exceptional Items	-	-	-	-	-	38
5	Profit before Taxes (3+4)	332	(181)	636	151	391	1,149
6	Tax expense						
	a) Current Tax	39	-	67	39	67	256
	b) Adjustment of tax related to earlier period	(100)	-	6	(100)	6	6
	c) MAT credit recognition	5	-	(67)	5	(67)	14
	d) Deferred Tax Charges / (credit)	43	(43)	137	-	77	(101)
	Total tax expenses	(13)	(43)	143	(56)	83	174
7	Net Profit / (Loss) for the period (5 + 6)	345	(138)	493	207	308	975
8	Other Comprehensive Income / (Loss)						
	Items that will not be reclassified to profit or (loss)	2	3	(9)	5	(34)	(67)
9	Total Comprehensive Income for period (7 + 8)	347	(135)	484	212	274	908
10	Paid-up Equity Share Capital (Face Value of the Share is Rs 10/- each)	489	489	489	489	489	489
	Other Equity						12,814
11	Earnings per share						
	(of Rs. 10/- each) (not annualised):						
	(a) Basic	7.06	(2.61)	10.08	4.24	6.30	19.92
	(b) Diluted	6.73	(2.68)	10.08	4.04	6.30	19.01



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MILKFOOD LIMITED

CIN:L15201PB1973PLC003746

CONSOLIDATED BALANCE SHEET AS AT 30TH SEPTEMBER 2023



('Rs. in Lakhs)

	Particulars	As at 30.09.2023 (Unaudited)	As at 31.03.2023 (Audited)
A	ASSETS		
1	Non-current assets		
	Property, plant and equipment	18,510	18,635
	Capital work in progress	21	17
	Right-of-use-assets	130	167
	Biological assets other than bearer plant	214	210
	Financial assets		
	- Investments	2	2
	- Trade receivable	67	57
	- Other financial assets	83	116
	Other non-current assets	1,157	1,058
	Total non-current assets	20,174	20,262
2	Current assets		
	Inventories	4,117	6,440
	Financial assets		
	- Trade receivables	5,321	3,192
	- Cash and cash equivalents	13	44
	- Others financial assets	47	162
	Other current assets	2,249	2,502
	Assets classified as held for sale	259	259
	Current tax assets (net)	20	23
	Total current assets	12,028	12,622
	TOTAL ASSETS	32,200	32,884
B	EQUITY AND LIABILITIES		
1	EQUITY		
	Equity share capital	489	489
	Other equity	13,279	12,814
	Total equity	13,768	13,303
2	LIABILITIES		
	Non-current liabilities		
	Financial liabilities		
	- Borrowings	7,051	7,090
	- Lease Liabilities	72	103
	- Other financial liabilities	1,388	1,839
	Deferred tax liabilities (net)	750	750
	Provisions	220	206
	Total non-current liabilities	9,481	9,988
	Current liabilities		
	Financial liabilities		
	- Borrowings	5,184	4,909
	- Lease Liabilities	68	71
	- Trade payable		
	Total outstanding dues of micro enterprises and small enterprises	30	75
	Total outstanding dues of creditors other than above	3,257	3,941
	- Other financial liabilities	167	166
	Other current liabilities	84	265
	Provisions	161	168
	Total current liabilities	8,951	9,593
	TOTAL EQUITY AND LIABILITIES	32,200	32,884



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Notes:

- 1 The unaudited consolidated financial results of the Group for the quarter and half year ended 30th Sept 2023 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 7th November 2023. The statutory auditors have expressed an unmodified audit opinion on these results .
- 2 The financial results of the Group 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 Group 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 Contingent Liabilities - Claims against the Group not acknowledged as debts - Rs. 78 Lakhs as certified by the management
- 6 Pursuant to the approval of the Board of Directors of the Group in their meeting held on 04.07.2022 and consequent approval of the shareholders of the Group in the 49th Annual General Meeting held on 28.09.2022, the Nomination and Remuneration Committee of the Board of Directors of the Group has granted options numbering 2,44,000 (Fair value Rs 506 Lakhs) as Stock Incentive Plan on 21.10.2022 to the Eligible Employees/Director of the Group under the "Milkfood Ltd Stock Incentive Plan 2022" complying the Companies Act read with Securities and Exchange Board of India (share based employee benefits and sweat equity regulations) 2021. The vesting period is till 31.10.2023. As per Ind AS 102, "Share based Payments" an amount of Rs. 253 Lakhs pertaining to the half year ended 30.09.2023 has been accounted for as employee benefit expenses with a corresponding credit to ESOP Reserve.
- 6 Trade receivables/payable/advance to suppliers & security deposits(received & made) balances are confirmed at the year end. The classification of these balances as current/non-current are certified by the management.
- 7 Accounting for deferred tax assets / liability and provision for non/slow moving inventories will be done/recognised at the year end.
- 8 Other Income includes
(i) Forfeiture of advance received of Rs 165 Lakhs against sale of Caesin Plant due to non fulfilment of the obligations by the purchaser .
(ii) Rs 451 Lakhs as security deposits, Rs.14 Lakh as Creditors written back considered no longer payable as certified by the management.
- 9 Trade receivables/payable/advance to suppliers & security deposits(received & made) balances are confirmed at the year end.
- 10 Group has treated security deposit received of Rs 1387 lakhs as non current liability as per trade practice followed consistently in the past .
- 11 Trade receivables include Rs 52 Lakhs (net of write off/ provisions of Rs 17 Lakhs) from an entity facing an Insolvency petition before the NCLT. The claim of Rs 78 Lakhs including interest of Rs 9 lakhs has been filed before the Resolution Professional. An application filed before the NCLT for directing the Resolution Professional to take the claim on record of the Group has been accepted. The Group has a good chance to recover the amount. However, as a matter of abundant caution the amount as stated above has been written off/ provided in the books.
- 12 Other Non current assets include an advance of Rs. 74 Lakhs to supplier recoverable from earlier years. The same will be received/adjusted in the subsequent financial year. However as a matter of abundant caution a provision of Rs 8 Lakhs has already been made in the books.
- 13 Goods and Service Tax Department has generally verified the transaction of the dealers vis input tax credit. In this regard, the Department has also carried out the verification of ITC of our Four Dealers. The Group has been cooperating in the investigation proceedings and has voluntarily deposited a sum of Rs 16.27 Crores as Tax under protest which has been shown as GST recoverable in the financials of the Group. However, Group has received a show cause notice for Rs.25 Crores from Moradabad Range and has filed its reply. The matter has been further explained in the personal hearing held on 28.09.2023 and the order is expected shortly. Legally, the Group has been advised of its success. Till date the Group has not received any further show cause notice/demand.
- 14 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


(Sudhir Avasthi)
Managing Director
DIN:00152375

Place : New Delhi

Date: 07th November, 2023

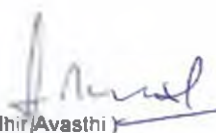




CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2023

	Half Year ended 30 Sept , 2023 (Rs. In Lakhs)	Year ended 31 March, 2023 (Rs. In Lakhs)
A. Cash flow from operating activities:		
Net profit before taxation	151	1149
Adjustments for :		
Depreciation and amortisation expense	344	636
Finance costs	684	978
Liabilities no longer required written back	(629)	(327)
Provision for doubtful debts/ bad debts/ balance written off	-	18
Loss/ (Gain) on sale of properties , plant & equipment	4	(36)
Interest income	(1)	(11)
Cash generated from operations before working capital changes	553	2407
<u>Changes in working capital</u>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	2323	(4464)
Trade receivables	(2130)	2558
Other current & non current assets	407	(419)
Adjustments for increase / (decrease) In operating liabilities:		
Trade payables	(718)	2458
Other current & non current liabilities	(16)	(5356)
Provision	2	126
Cash flow Generated From Operations	423	(2690)
Income tax (paid) /refund (net)	219	(279)
Net cash flow from operating activities (A)	642	(2970)
B. Cash flow from investing activities:		
Purchase of on property , plant and equipments (including CWIP)	(208)	(796)
(Increase)/decrease In biological assets	(4)	(5)
Proceeds from sale of properties , plant and equipment	18	77
Interest received	1	11
Net cash flow used In investing activities (B)	(193)	(713)
C. Cash flow from financing activities:		
Increase/ (decrease) in borrowings	237	4743
Repayment of lease liabilities	(34)	(57)
Finance costs paid	(684)	(978)
Dividend Paid	-	(122)
Net cash flow from/ (used) financing activities (C)	(481)	3586
Net increase / (decrease) in cash & cash equivalents (A+B+C)	(31)	(96)
Cash and cash equivalents at the beginning of the year	44	140
Cash and cash equivalents at the end of the year	13	44

For and on behalf of Board of Directors


(Sudhir Avasthi)

Managing Director

DIN:00152375

Place : New Delhi

Date: 07th November , 2023

