



## **MADAN & ASSOCIATES**

**(FORMERLY KNOWN AS R.N. BAHL & CO.)**  
CHARTERED ACCOUNTANTS

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### **AUDITOR'S REPORT**

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

1. We have reviewed the accompanying Statement of Unaudited Financial Results alongwith the notes thereon, of M/s Milkfood Limited for the quarter ended September 30, 2013 (column No. 2). This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review (SRE) 2400, engagements to Review Financial Statements 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 financial statements are free of material misstatement. A review is limited primarily to enquiries 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, subject to paragraphs (a) and (b) below and subject to note no. 2, 5 & 6, nothing has come to our notice that causes us to believe that the accompanying statement of Unaudited Financial Results for the quarter ended September 30, 2013 (column no. 2) prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not disclosed the



information required to be disclosed in terms of clause 41 of Listing Agreement including the manner in which it is to be disclosed, of that it contains any material misstatement:

- a. Balances of trade receivables, trade payables and loans and advances, stock on consignment are subject to confirmation.
- b. Inventory is certified by the management in respect of quantity and value.



Place: New Delhi  
Date: 14.11.2013.

For Madan & Associates,  
Chartered Accountants  
Reg. No. 000185N

*M.K. Madan*

M.K. Madan  
(Proprietor)  
Membership No. FCA 082214

**MILKFOOD LIMITED**  
 Regd. Office : P.O. Bahadurgarh , Patiala -147021( Punjab)  
 UNAUDITED FINANCIAL RESULTS ( STANDALONE )  
 FOR THE QUARTER ENDED 30TH SEPTEMBER , 2013

**milkfood**

PART I (Rs. in Lakhs)

Particulars	3 Months Ended	Preceding 3 Months Ended	Corresponding 3 Months Ended in the previous year	Six months ended for current year	Six months ended for previous year	Previous year ended
	30.09.2013 (Unaudited)	30.06.2013 (Unaudited)	30.09.2012 (Unaudited)	30.09.2013 (Unaudited)	30.09.2012 (Unaudited)	31.03.2013 (Audited)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>1 Income from operations</b>						
(a) Net Sales/Income from Operations (Net of excise duty)	6,972	8,769	5,370	15,741	13,445	33,285
(b) Other operating income	204	115	39	319	39	221
<b>Total income from operations (net)</b>	<b>7,176</b>	<b>8,884</b>	<b>5,409</b>	<b>16,060</b>	<b>13,484</b>	<b>33,506</b>
<b>2 Expenses</b>						
(a) Cost of materials consumed	1,845	2,197	2,261	4,042	7,659	17,415
(b) Purchases of stock-in-trade	3,004	2,632	-	5,636	-	9,041
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,671	3,017	2,452	4,688	4,435	991
(d) Employee benefits expense	222	288	213	510	441	1,082
(e) Depreciation and amortisation expense	116	124	116	240	240	427
(f) Other expenses	205	697	570	902	708	3,354
<b>Total expenses</b>	<b>7,063</b>	<b>8,956</b>	<b>5,612</b>	<b>16,018</b>	<b>13,483</b>	<b>32,310</b>
<b>3 Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>113</b>	<b>(71)</b>	<b>(203)</b>	<b>42</b>	<b>1</b>	<b>1,196</b>
4 Other income	-	1	34	1	37	73
<b>5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)</b>	<b>113</b>	<b>(70)</b>	<b>(169)</b>	<b>43</b>	<b>38</b>	<b>1,269</b>
6 Finance costs	269	282	231	551	532	1,165
<b>7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)</b>	<b>(156)</b>	<b>(352)</b>	<b>(400)</b>	<b>(508)</b>	<b>(494)</b>	<b>104</b>
8 Exceptional items	220	-	-	220	-	2
<b>9 Profit / (Loss) from ordinary activities before tax (7 ± 8)</b>	<b>(376)</b>	<b>(352)</b>	<b>(400)</b>	<b>(728)</b>	<b>(494)</b>	<b>106</b>
10 Tax expense	-	-	-	-	-	31
<b>11 Not Profit / (Loss) from ordinary activities after tax (9 ± 10)</b>	<b>(376)</b>	<b>(352)</b>	<b>(400)</b>	<b>(728)</b>	<b>(494)</b>	<b>74</b>
12 Extraordinary items	250	-	-	250	-	-
13 Discounting operation Expenses	-	-	-	-	-	(7)
<b>14 Net Profit / (Loss) for the period (11 ± 12 ± 13)</b>	<b>(126)</b>	<b>(352)</b>	<b>(400)</b>	<b>(478)</b>	<b>(494)</b>	<b>67</b>
15 Share of profit / (loss) of associates	-	-	-	-	-	-
16 Minority interest	-	-	-	-	-	-
<b>17 Not Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (14 ± 15 ± 16)</b>	<b>(126)</b>	<b>(352)</b>	<b>(400)</b>	<b>(478)</b>	<b>(494)</b>	<b>67</b>
18 Paid-up Equity Share Capital (Face Value of the Share shall be indicated)	489	489	489	489	489	489
19 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	2758	2,758	2,690	2,758	2,690	2,758
20.i Earnings per share (before extraordinary items) of Rs.10/- each (Not annualized)						
(a) Basic	(2.58)	(7.19)	(8.18)	(9.80)	(10.10)	1.18
(b) Diluted	(2.58)	(7.19)	(8.18)	(9.80)	(10.10)	1.18
20.ii Earnings per share (after extraordinary items) of Rs.10/- each (Not annualized)						
(a) Basic	(2.58)	(7.19)	(8.18)	(9.80)	(10.10)	1.18
(b) Diluted	(2.58)	(7.19)	(8.18)	(9.80)	(10.10)	1.18



PART II							
A PARTICULARS OF SHAREHOLDING							
1	Public shareholding						
	- Number of shares	2,438,106	2,438,106	2,438,106	2,438,106	2,438,106	2,438,106
	- Percentage of shareholding	49.90	49.90	49.90	49.90	49.90	49.90
2	Promoters and Promoter Group Shareholding	2,448,334	2,448,334	2,448,334	2,448,334	2,448,334	2,448,334
	a) Pledged / Encumbered						
	- Number of shares	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL	NIL	NIL
	b) Non - encumbered						
	- Number of shares	2,448,334	2,448,334	2,448,334	2,448,334	2,448,334	2,448,334
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	100	100	100	100	100	100
	- Percentage of shares (as a % of the total share capital of the company)	50.10	50.10	50.10	50.10	50.10	50.10

Particulars	3 months ended 30.09.2013
<b>B INVESTOR COMPLAINTS</b>	
Pending at the beginning of the quarter	NIL
Received during the quarter	2
Disposed of during the quarter	2
Remaining unresolved at the end of the quarter	NIL

Statement of Assets and Liabilities as on 30.09.2013

(Rs.in Lakhs)

Particulars	As at 30.09.2013 ( Unaudited)	As at 31.03.2013 ( Audited)
	<b>A EQUITY AND LIABILITIES</b>	
1 Shareholders' funds		
(a) Share capital	489	489
(b) Reserves and surplus	2,279	2,758
(c) Money received against share warrants	-	-
Sub-total - Shareholders' funds	2,768	3,247
2 Share application money pending allotment	-	-
3 Non-current liabilities		
(a) Long-term borrowings	3,414	2,315
(b) Deferred tax liabilities (net)	220	220
(c) Other long-term liabilities	3,224	5,040
(d) Long-term provisions	-	-
Sub-total - Non-current liabilities	6,858	7,575
4 Current liabilities		
(a) Short-term borrowings	4,075	4,873
(b) Trade payables	2,354	2,669
(c) Other current liabilities	4,167	2,079
(d) Short-term provisions	2	2
Sub-total - Current liabilities	10,598	9,623
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>20,224</b>	<b>20,445</b>
<b>B ASSETS</b>		
1 Non-current assets		
(a) Fixed assets	9,896	9,364
(b) Goodwill on consolidation *	-	-
(c) Non-current investments	202	427
(d) Deferred tax assets (net)	-	-
(e) Long-term loans and advances	186	315
(f) Other non-current assets	40	67
Sub-total - Non-current assets	10,324	10,173
2 Current assets		
(a) Current investments	-	-
(b) Inventories	6,764	7,513
(c) Trade receivables	1,292	1,036
(d) Cash and cash equivalents	116	89
(e) Short-term loans and advances	1,728	1,634
(f) Other current assets	-	-
Sub-total - Current assets	9,900	10,272
<b>TOTAL - ASSETS</b>	<b>20,224</b>	<b>20,445</b>



**NOTES:**

1. The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 14.11.2013 and have undergone limited review by the statutory auditors.
2. No provision for Gratuity liability & Leave Encashment has been made . Actuarial valuation has not been done as on 30th September ,2013 .The company has been accounting the same on payment basis as per the Income Tax Act 1961 consistently over the Years.
3. Other Operating income includes write back of depreciation of Rs.168 Lakhs excess charged in earlier years in terms of section 205 2(b) read with schedule XIV of Companies Act 1956.
4. Exceptional items represent provision of diminution in the value of carbon credits.
5. Extraordinary income represent sale of company brand of Rs. 7 crore accounted for on receipts basis of total consideration of Rs.14 crore and is net of provision for diminution in the value of investment of Rs. 225 Lacs and charge of litigation claim of Rs. 225 lacs
6. Depreciation has been computed on adhoc basis consistently followed by the company in presenting the quarterly results.
7. 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 AS-17 " Segment Reporting " issued by the Institute of Chartered Accountants of India.
8. Contingent Liabilities - Claims against the company not acknowledged as debts - Rs. 183.04 Lacs
9. Deferred Tax asset / liability is recognized at the year end.
10. Previous period figures have been recast / regrouped / reclassified wherever necessary to make them comparable with those of current period.

Place: New Delhi

Date: 14<sup>th</sup> November, 2013



For MILKFOOD LIMITED

  
(Amarjeet Kapoor)  
Director