

MADAN & ASSOCIATES

(Formerly known as R.N. BAHL & CO.)
CHARTERED ACCOUNTANTS

Flat No.1003, 10th Floor, Kailash Building,
Kasturba Gandhi Marg, New Delhi-110 001.
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AUDITORS' REPORT

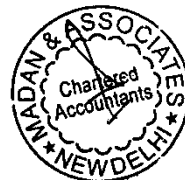
The Board of Directors
Milkfood Limited,
5th Floor, Bhandari House,
91, Nehru Place
New Delhi-110019.

We have examined the attached Consolidated Balance Sheet of Milkfood Limited and its subsidiary as at 31st March, 2013, the Consolidated Statement of Profit & Loss for the year ended 31st March 2013.

The Financial statement is the responsibility of Milkfood Limited's management. Our responsibility is to express an opinion on these financial statements based on our Audit. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with the identified financial reporting framework and are free from material mis-statements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also include assessing the accounting principles used in significant estimates made by management, as well as evaluating the overall financial statements. We believe our audit provides a reasonable basis of our opinion.

We did not audit the financial statement of the subsidiary company included in the consolidated Financial Statements which constitute total assets of Rs.82164.00 as at 31st March, 2013, total revenue of Rs. NIL net loss of Rs.4604.00 for the year then ended. These financial statements and other financial information have been furnished to us and our opinion on the consolidated financial statement to the extent they have been derived from such Financial Statement is based solely on the report of such Auditors.

We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Milkfood Limited and its subsidiary included in the Consolidated Financial Statements.



Based on our audit and to the best of our information and according to explanation given to us read with notes on accounts, we are of the opinion that:

- (a) The Consolidated Balance Sheet gives a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of Milkfood Limited and its subsidiary as at 31st March, 2013.
- (b) The Consolidated Statement of Profit & Loss gives a true and fair view of the consolidated results of operations of Milkfood Limited, and its subsidiary for the year ended on that date;



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

M.K. Madan

Name M.K. Madan
(Proprietor)
Membership Number
FCA 82214

Place: NEW DELHI

Date: 30th May, 2013

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**Auditor's Report on Quarterly Financial Results of the company
Pursuant to the Clause 41 of the Listing Agreement**

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

1. We have audited the quarterly financial results of Milkfood Ltd for the quarter ended 31st March, 2013 and year to date financial results for the period from 1st April 2012 to 31st March 2013 attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the listing agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and promoter Group shareholding' which have been traced from disclosures made by the management and have not been audited by us. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management and have been approved by the board of directors. our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. in our Opinion and to the best of our information and according to explanation given to us these quarterly financial results as well as the year to date results:



(i) Are presented in accordance with the requirement of clause 41 of the Listing Agreement in this regard *subject to Note no 2 regarding Non provision of gratuity and leave encashment and Note no. 4 regarding depreciation.*

(ii) Give a true and fair view of the net profit and other financial information for the quarter ended 31st March 2012 as well as the year to date results for the period from 1st April 2012 to 31st March 2013.

4. Further, we also report that we have, on the basis of the books and accounts and other records and information and explanation given to us by the management, also verified the number of shares as well as percentage of shareholding in respect of aggregate amount of public shareholding, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.



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

M. K. Madan

Name M.K. Madan
(Proprietor)
Membership Number
FCA 82214

Place: NEW DELHI

Date: 30th May, 2013