

**MODERN DAIRIES LTD.**

Corporate Office : 98-99, Sub City Centre, Sector 34, Chandigarh -160 022 (INDIA)
Tel. : +91-172-2609001, 2609002, Fax : +91-172-2609000
E-mail : info@moderndairies.com, CIN : L74899HR1992PLC032998

Regd. Office & Works : PB No. 3, 136 KM, G.T. Road, Karnal - 132 001 (Haryana)

Ref: MDL/SECT/BSE/
Date: 13th August, 2019

M/s. BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai-400001

SUB: OUTCOME OF THE MEETING OF BOARD OF DIRECTORS**REF.: SCRIP NAME: MODERN DAIRIES LTD., SCRIP CODE: 519287 & ISIN: INE617B01011**

Dear Sirs,

We wish to inform you that the Company in its Board meeting held today i.e. Tuesday, 13th August, 2019 commenced at 12:00 noon and concluded at 03:10 p.m. at Corporate Office: Chandigarh, along with other agenda items inter alia the following were considered and approved by the Board of Directors of the Company;

1. Approved the Un-Audited Financial Results for the quarter ended 30th June, 2019, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. Approved the Notice of the 27th Annual General Meeting of the members of the Company and decided to convene the same on Saturday, the 28th September, 2019 at 11:30 a.m. at the Registered Office of the Company at 136 K.M., G.T. Road, Karnal- 132001(Haryana).
3. Fixed the date of closure of Register of Members and Share Transfer books from 21st September, 2019 to 28th September, 2019.
4. To appoint NSDL, an electronic securities depository for the e-voting process.
5. Approved the Director's Report, Corporate Governance Report and Report on Management Discussion and Analysis for the financial year 2018-19.

We are enclosing herewith the approved "Un-audited Financial Results" for the quarter ended 30th June, 2019 along with copy of Limited Review Report.

This is for your information to exchange and member thereof.

Kindly take the same on record and oblige.

Thanking you

Yours truly,
for **Modern Dairies Limited**

Mansi
Mansi Gupta
Authorised Signatory




MODERN DAIRIES LIMITED

Statement of UnAudited financial results for the Quarter Ended 30th June, 2019

(Amount Rs in Lacs)

Sr. No.	Particulars	Current Quarter ended 30 June 2019	Preceeding 3 months ended 31 March 2019	Corresponding 3 months ended in the previous year 30 June 2018	Previous year ended 31 March 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue from operations	16,045.91	14,714.06	12,556.80	56,042.51
II	Other Income	13.81	10.24	5.39	26.92
III	Total Income(I+II)	16,059.72	14,724.30	12,562.19	56,069.43
IV	EXPENSES				
	Cost of materials consumed	15,191.93	13,054.51	11,100.99	50,179.16
	Purchase of Stock in Trade	-	-	-	-
	Changes in inventories of Finished goods, Stock in trade and Work-in-progress	(438.27)	71.41	468.84	466.66
	Excise Duty on Sales	-	-	-	-
	Employee benefits expense	244.95	257.91	220.11	938.45
	Finance costs	1.13	6.07	4.83	20.15
	Depreciation and amortization expenses	140.26	145.96	120.84	526.55
	Other expenses	749.90	935.50	640.26	3,332.48
	Total expenses(IV)	15,889.90	14,471.36	12,555.87	55,463.45
V	Profit/(Loss) before exceptional items and tax (III-IV)	169.82	252.94	6.32	605.98
VI	Exceptional Items	-	-	-	-
VII	Profit/(Loss) before tax (V-VI)	169.82	252.94	6.32	605.98
VIII	Tax Expense:				
	(1) Current Tax	-	-	-	-
	(2) Deferred Tax	-	-	-	-
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)	169.82	252.94	6.32	605.98
X	Profit/(Loss) from discontinued operations	-	-	-	-
XI	Tax expenses of discontinued operations	-	-	-	-
XII	Profit/(Loss) from discontinued operations(after tax)(X-XI)	-	-	-	-
XIII	Profit/(Loss) for the period (IX+XII)	169.82	252.94	6.32	605.98
XIV	Other Comprehensive Income				
	A. (i) Items that will not be reclassified to profit or loss	-	1.39	-	1.39
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
	B. (i) Items that will be reclassified to profit or loss	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
XIV	Other Comprehensive Income	-	1.39	-	1.39
XV	Total Comprehensive Income for the period (XIII+XIV) comprising Profit/(Loss) and Other comprehensive Income for the period	169.82	254.33	6.32	607.36
XVI	Earnings per equity share (for continuing operation) :				
	(1) Basic	0.73	1.08	0.03	2.60
	(2) Diluted	0.73	1.08	0.03	2.60
XVI	Earnings per equity share (for discontinued operation) :				
	(1) Basic	-	-	-	-
	(2) Diluted	-	-	-	-
XVI	Earnings per equity share (for discontinued & continuing operation) :				
	(1) Basic	0.73	1.08	0.03	2.60
	(2) Diluted	0.73	1.08	0.03	2.60

 Place: Chandigarh
 Date: 13.08.2019


 A.K. Aggarwal
 (Executive Director)
 (DIN: 00486430)

Notes to the Financial Results :

1. The financial results of Modern Dairies Limited ('MDL', 'the Company') were reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on 13th August, 2019. The Statutory Auditors of the Company have carried out a limited review of the above financial results.
2. The Company is primarily engaged in the business of Manufacturing milk & milk products which is a single primary reportable segment in accordance with the requirements of Indian Accounting Standards (Ind AS) – 108 on operating segments as prescribed under the Companies (Accounting Standards) rules 2006.
3. The figures of the preceding quarter ending 31st March, 2019 are the balancing figure between audited figures in respect of full previous financial year and the published year to date (Y2D) figures upto 31st December, 2018. Also the figures upto the end of the third quarter of preceding year were only reviewed and were not subject to audit.
4. During the previous year, the lenders to the company viz. State Bank of India has assigned their exposure in the Company to Edelweiss Asset Reconstruction Company Ltd. (ARC). Considering the above developments and favourable impact thereof the company has prepared the financial results on the basis of going concern assumptions.
5. The Company has adopted Indian Accounting Standards (Ind AS) from 1st April, 2017 (transition date being 1st April, 2016) and accordingly, these financial results have been prepared in accordance with Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting generally accepted in India.
6. The Company's accounts with lenders have become non- performing assets (NPA) hence interest amounting to Rs.6.66 Crores has not been provided in the quarter under review. The Financial Results shall be affected to the same extent.
7. The company has paid managerial remuneration of Rs.14.17 lakhs for the quarter ended 30th June, 2019. As per revised guidelines, the company is yet to take the approval of AGM and Lenders.

The directors undertake that in case the approval from AGM / Lenders is not received, remuneration received by the directors shall be refunded. The financial results are affected to the same extent.

8. The figures of the previous period have been reclassified / recasted / regrouped wherever necessary to conform to current period's figures.



A handwritten signature in blue ink, appearing to be a stylized name.



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AARYAA & ASSOCIATES

CHARTERED ACCOUNTANTS

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LIMITED REVIEW REPORT

To,
The Board of Directors
Modern Dairies Limited

1. We have reviewed the accompanying statement of un-audited financial results of **Modern Dairies Limited** for the quarter ended 30th June 2019 prepared as per the applicable Indian Accounting Standards (Ind AS) being submitted by the company pursuant to the requirements of regulation 33 of the SEBI (Listing Obligation a Disclosure Requirements) Regulation, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016. This statement is the responsibility of the company's Management and has been approved by Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 is limited primarily to inquiries of Company personnel and analytical procedure, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We refer to the following Qualifications:

As prescribed in section 197 and schedule V of companies act 2013, if there are no profits or profits are inadequate and where the company has defaulted in payments of dues to any bank or public financial institution then the prior approval of bank or public financial institution concerned shall be obtained by the company before approving the same by special resolution at general meeting.

Neither the required resolution has been passed nor the prior approval has been obtained from the bankers, since having defaulted in paying their dues, therefore the company is not eligible to pay director's remuneration due to non compliance of condition prescribed in schedule V of companies act 2013.

The following Remuneration has been paid during the current quarter-

S. No.	Name	Designation	Remuneration (for Quarter ended 30 th June, 2019)
1.	Mr. Krishan Kumar Goyal	Chairman & Managing Director	7,50,000
2	Mr. Ashwani Kumar Aggarwal	Executive Director	6,67,485

*Above figures of director's remuneration are inclusive of perks.

4. Based on our review conducted as above, except for the effects of qualification stated in para 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to the following matters:

(A) Assignment of SBI debt to ARC

A lender bank of the company viz. State Bank of India (SBI) has assigned its loans and other facilities along with underlying financial documents together with all the rights, title and interest to Edelweiss Asset Reconstruction Company Limited, acting in its capacity as trustee of the EARC Trust- SC 306 for the benefits of the holders of the Security Receipts issued by the trustee there under.

During the reporting period there has been no written agreement between the Company and Edelweiss Asset Reconstruction Company Limited to crystallise the amount payable and interest thereon to them.



(B) One Time Settlement (OTS) with PNB

The company had proposed their OTS offer to Punjab National Bank (PNB). The bank has approved the same. The company has, however, requested to the bank for extension of the period of repayment of OTS amount.

(C) Interest provisioning on facilities from Consortium banks & Optionally Convertible Debentures:

The Company's various credit facilities, including Optionally Convertible Debentures have been declared "Non-Performing Assets"/ Recalled by its respective banks. There is a usual practice that banks discontinue to account for as "income" in respect to the accrued interest on such assets, subsequent to the declaration of these as "Non-performing assets". The bankers of the company too have not accounted as "income" in respect to the interest subsequent to NPA declaration date. In order to achieve the desired congruency on this issue & uncertainty of the amount liable to be paid, the management of the company has not provided for such interest i.e. interest on credit facilities subsequent to the date of declaration of these credit facilities as non-performing. Such interest amounts to Rs. 6.66 Crores which has resulted in the understatement of current liabilities and overstated profits by Rs. 6.66 Crores for current quarter. Even though the debts of SBI have been assigned to Edelweiss Asset Reconstruction Company Limited, in absence of any express agreement between the company and Edelweiss Asset Reconstruction Company Limited, no interest has been accounted for in this respect.

Our Opinion is not qualified in respect of matters specified in Para 5.

**FOR AARYAA & ASSOCIATES
CHARTERED ACCOUNTANT**


CA KRISHAN JOSHI
(Partner)
M No. 094478



Place: Chandigarh
Dated: 13th August, 2019