

MODERN DAIRIES LTD.

Corporate Office : 98-99, Sub City Centre, Sector 34, Chandigarh -160 022 (INDIA)

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E-mail : info@moderndairies.com, CIN : L74699HR1992PLC032996

Regd. Office & Works : PB No. 2, 136 KM, G.T. Road, Karnal - 132 001 (INDIA)

Ref: MDL/SECT/BSE/

Date: 12th November, 2021

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

SUB: OUTCOME OF THE MEETING OF BOARD OF DIRECTORS

Dear Sirs,

We wish to inform you that the Company in its Board meeting held today, **Friday, 12th November, 2021** at Chandigarh approved the Un-Audited Financial Results for the quarter and half year ended 30th September, 2021 along with Statement of Assets and Liabilities and Cash Flow Statement, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We are enclosing herewith the approved Un-audited Financial Results, Statement of Assets and Liabilities, Cash Flow Statement along with copy of Limited Review Report.

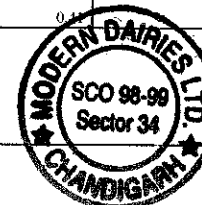
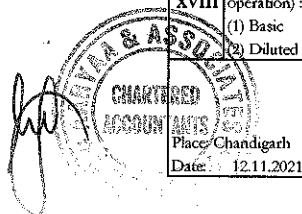
Please note that the Board of Directors meeting commenced at 12:30 p.m. and concluded at 2:30 pm on 12th November, 2021. This is for your information and doing the needful.

Thanking you

Yours truly,
For **MODERN DAIRIES LIMITED**


COMPANY SECRETARY

MODERN DAIRIES LIMITED							
Statement of UnAudited Financial Results for the period ended 30th September, 2021							
(Amount Rs in Lacs)							
Sr. No.	Particulars	3 months ended	Preceding 3 months	Corresponding 3	Year to date figures	Year to date figures	Previous year ended
		30 September 2021	ended	month ended in the	for the current period	for previous period	31 March 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue from operations	5,793.24	7,152.25	19,211.59	12,945.49	35,777.26	61,008.01
II	Other Income	7.37	4.48	5.45	11.85	20.24	35.54
III	Total Income(I+II)	5,800.61	7,156.73	19,217.04	12,957.34	35,797.50	61,043.55
IV	EXPENSES						
	Cost of materials consumed	4,438.38	5,111.63	17,681.02	9,550.01	32,856.66	55,683.91
	Changes in inventories of Finished goods, Stock in trade and Work-in-progress	34.57	736.39	220.25	770.96	484.88	25.83
	Employee benefits expense	284.49	283.74	276.66	568.23	546.20	1,133.38
	Finance costs	0.10	1.10	0.19	1.20	0.59	3.85
	Depreciation/ Impairment Loss and amortization expenses	163.07	159.22	138.30	322.29	268.69	2,244.86
	Other expenses	829.79	820.19	775.49	1,649.98	1,447.52	3,147.25
	Total expenses(IV)	5,750.40	7,112.27	19,091.91	12,862.67	35,604.54	62,239.08
V	Profit/(Loss) before exceptional items and tax (III-IV)	50.21	44.46	125.13	94.67	192.96	(1,195.54)
VI	Exceptional Items	-	-	-	-	-	2,277.94
VII	Profit/(Loss) before tax (V-VI)	50.21	44.46	125.13	94.67	192.96	(3,473.47)
VIII	Tax Expense:						
	(1) Current Tax	-	-	-	-	-	-
	(2) Deferred Tax	-	-	-	-	-	-
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)	50.21	44.46	125.13	94.67	192.96	(3,473.47)
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)	50.21	44.46	125.13	94.67	192.96	(3,473.47)
XIV	Other Comprehensive Income						
	A. (i) Items that will not be reclassified to profit or loss	-	-	-	-	-	(2.59)
	(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	-	-	-	-	-	(2.59)
XV	Total Comprehensive Income for the period (XIII+XIV) comprising Profit/(Loss) and Other comprehensive Income for the period	50.21	44.46	125.13	94.67	192.96	(3,476.07)
XVI	Paid-up equity share capital	2,335.89	2,335.89	2,335.89	2,335.89	2,335.89	2,335.89
XVII	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	(13,646.55)
XVIII	Earnings per equity share (for continuing operation) :						
	(1) Basic	0.22	0.19	0.54	0.41	0.83	(14.89)
	(2) Diluted	0.22	0.19	0.54	0.41	0.83	(14.89)
XVIII	Earnings per equity share (for discontinued operation) :						
	(1) Basic	-	-	-	-	-	-
	(2) Diluted	-	-	-	-	-	-
XVIII	Earnings per equity share (for discontinued & continuing operation) :						
	(1) Basic	0.22	0.19	0.54	0.41	0.83	(14.89)
	(2) Diluted	0.22	0.19	0.54	0.41	0.83	(14.89)



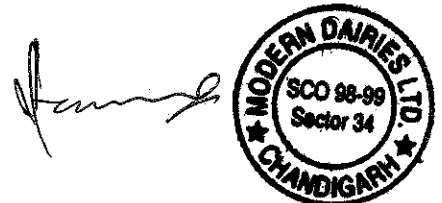
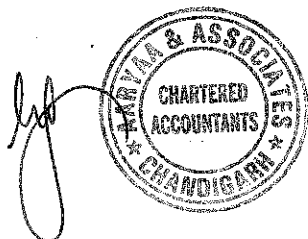
A.K. Aggarwal
(Executive Director)
(DIN: 00486430)

Notes to the Financial Results :

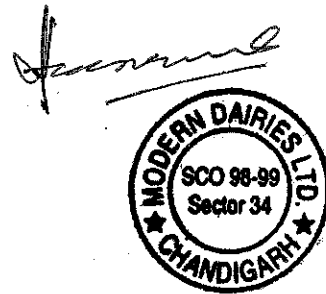
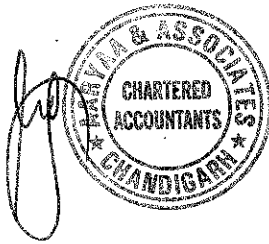
1. The financial results of Modern Dairies Limited ('MDL', 'the Company') were reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on 12th November, 2021. The Statutory Auditors of the Company have carried out a limited review of the above financial results.
2. The Company is primarily engaged in the business of Manufacturing of milk & milk products which is a single primary reportable segment in accordance with the requirements of Indian Accounting Standards (IndAS) – 108 on operating segments as prescribed under the Companies (Accounting Standards) rules 2006.
3. During the year 2018-19, 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 favorable impact thereof the company has prepared the financial results on the basis of going concern assumptions.

4. The Company has adopted Indian Accounting Standards (Ind AS) from 1 April 2017 (transition date being 1 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.
5. The Company's accounts with lenders have become non- performing assets (NPA) hence interest amounting to Rs.939.31Lakhs for current quarter (including interest on debentures) has not been provided in the quarter under review. The Financial Results shall be affected to the same extent respectively.
6. The company has paid managerial remuneration to directors amounting to Rs. 17,90,760 for the half year ended 30.09.2021 without prior approval from the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor. The directors undertake that in case the approval is not received, the remuneration received by the Director shall be refunded. The financial Results are affected to that extent.
7. Asset held for disposal are valued at lower of cost or net realizable in accordance with IND AS-105.
8. The company has offered to transfer the balance due against sales / job work from Mother Dairy amounting to Rs. 2crores as security deposit in lieu of the stock lying of Mother Dairy in the premises of the company to cover any risk thereto.



9. The Statutory auditors of the company have carried out a review of the financial results for the quarter ended 30th September, 2021 and have issued modified report. The limited review report is available on the company's website at www.moderndairies.com.



MODERN DAIRIES LIMITED

Statement of UnAudited Assets & Liabilities as on 30th September, 2021

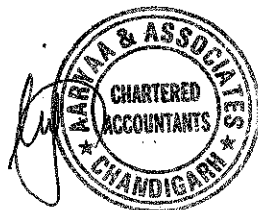
(Amount Rs in Lacs)

Particulars		Note	As at 30 Sept 2021	As at 31 Mar 2021
ASSETS				
1)	Non-current assets			
	Property, Plant and Equipment	3	3,111.26	3,394.94
	Capital work-inprogress		81.51	23.87
	Other Intangible assets	3	3.97	4.87
	Investments	4	1.33	1.33
	Long-term loans and advances	5	441.09	199.99
			3,639.16	3,625.00
2)	Current assets			
	Inventories	7	1,577.36	2,376.54
	Financial Assets	8	0.66	57.05
	Trade receivables	9	737.45	918.77
	Cash and cash equivalents	10	67.44	108.48
	Short-term loans and advances	11	4.91	0.38
	Other current assets	12	269.91	357.37
	Asset Held for Disposal	13	1.60	1.60
			2,659.33	3,820.19
	Total Assets		6,298.49	7,445.19
EQUITY AND LIABILITIES				
1)	EQUITY			
	Equity Share capital	14	2,335.89	2,335.89
	Other Equity	15	(13,552.09)	(13,646.55)
			(11,216.20)	(11,310.66)
2)	LIABILITIES			
	Non-Current liabilities			
	Financial Liabilities			
	Long Term Borrowings	16	-	-
	Provisions	17	114.41	109.12
			114.41	109.12
3)	Current liabilities			
	Financial Liabilities			
	Short term borrowings	19	25.00	25.00
	Trade payables	20	579.48	1,555.08
	Other financial liabilities	21	15,053.59	15,315.67
	Other current liabilities	22	344.85	384.26
	Provisions	23	1,397.36	1,366.72
			17,400.28	18,646.73
	Total Equity and Liabilities		6,298.49	7,445.19

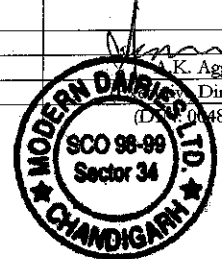
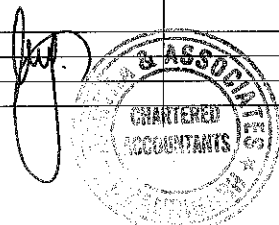
Place : Chandigarh

Date : 12.11.2021

A.K. Aggarwal
A.K. Aggarwal
(Executive Director)
(DIN: 00480000)



Modern Dairies Limited		
Cash flow statement for the period ended 30th September 2021		
(All amounts in ₹ lacs, unless stated otherwise)		
Particulars	For the period ended	For the Year ended
	30 Sept 2021	31 Mar 2021
A Cash flow from operating activities:		
Profit/(Loss) before tax	94.67	(3,476.07)
Adjustments for:		
Depreciation and amortisation	322.29	2,244.86
Depreciation as Exceptional Items	-	2,277.94
Provision for milk cess	27.56	59.06
Bad debts	-	17.04
Balances written off	0.08	0.02
Liabilities written back	-	(7.04)
Interest expense	1.20	3.85
Interest income	(2.80)	(11.63)
Employee benefits	9.21	24.69
Changes in Accounting policy/Prior Period Errors	(0.21)	(1.77)
Operating loss before working capital changes	451.99	1,130.95
Adjustments for movement in:		
Increase/Decrease in long-term loans and advances	(200.51)	(34.30)
Increase/Decrease in inventories	799.18	184.23
Increase/Decrease in Financial Assets	56.39	(3.14)
Increase/Decrease in trade receivables	181.32	1,370.64
Increase/Decrease in other current assets	87.38	(114.96)
Increase/Decrease in Asset Held for Disposal	-	3.40
Increase/Decrease in short term loans and advances	(4.53)	(0.13)
Increase/Decrease in long-term provisions	5.29	19.50
Increase/Decrease in trade payables	(975.60)	(1,879.42)
Increase/Decrease in other current liabilities	(39.41)	14.85
Increase/Decrease in short-term provisions	(6.12)	(24.44)
Net cash generated from operations	355.39	667.18
Taxes paid	40.59	(2.24)
Net cash generated from operating activities	314.80	669.42
B Cash flow from investing activities :		
Purchase of fixed assets (including capital work in progress and movement in creditors for capital goods)	(95.36)	(352.74)
Sale of non-current investments	-	-
Proceeds from sale of fixed assets	-	5.04
Interest received	2.80	11.63
Net cash used in investing activities	(92.56)	(336.07)
C Cash flow from financing activities		
Repayment of long-term borrowings	(237.32)	(299.99)
Increase/Decrease in Other financial liabilities	(262.08)	(310.44)
Interest/Principal paid	236.12	296.14
Net Cash used in financing activities	(263.28)	(314.29)
Net increase/(decrease) in cash and cash equivalents	(41.04)	19.06
Cash and cash equivalents at the beginning of the year	108.48	89.42
Cash and cash equivalents at the end of the period	67.44	108.48
Components of cash and cash equivalents :-		
Cash in hand	15.41	11.28
Cheques in hand	-	-
Balances with Scheduled Banks		
In current accounts	52.03	97.20
Cash and cash equivalents in cash flow statement:	67.44	108.48
Note:		
The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 (AS-3) on "Cash flow statements" as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).		
Place : Chandigarh		
Date : 12.11.2021		
		K. Aggarwal (Director) (D) 0486430





www.aaryaa.net

AARYAA & ASSOCIATES CHARTERED ACCOUNTANTS

Plot No. 1632, 3rd Floor, JLPL Industrial Park,
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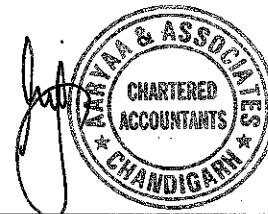
LIMITED REVIEW REPORT

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 September 2021 prepared as per the applicable Indian Accounting Standards (IndAS) 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:

Director's remuneration is not admissible as prescribed in Sec-197 of companies Act, 2013 except in accordance with the provision of Schedule V and if it is not able to comply with such provisions, the prior approval of lenders is required.

The Company is not eligible to pay director remuneration for non-compliance of conditions prescribed in schedule V of the companies Act, 2013. The company has given the director remuneration to Mr. Ashwani Kumar Aggarwal (Executive Director) amounting to Rs. 8,95,380 for current quarter ended 30th September 2021 and Rs.17,90,760 for half year ended 30th September, 2021.



Apart from the managerial remuneration for quarter ended 30th September, 2021 as mentioned above the company has paid total director remuneration of Rs. 1,96,29,682 till date without complying the provisions of Schedule V of the companies Act, 2013.

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 (IndAS) 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

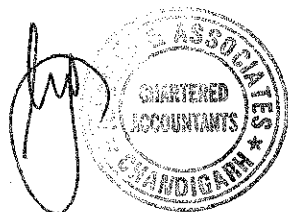
A lender bank of the company viz. State Bank of India (SBI) has assigned its loans and other facilities along with underlying financial documents together with all the rights, title and interest to Edelweiss Asset Reconstruction Company Limited, acting in its capacity as trustee of the EARC Trust- SC 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. The Company is paying Rs 25 Lakh per month as adhoc Payments to Edelweiss. In absence of any agreement in this regard, the components of such payment can not be ascertained, hence any liability for deduction of TDS, if may arising on such future ascertainment has not been provided.

(B) One Time Settlement (OTS) with PNB

The Company's accounts with lenders have been NPA for quite some time and State Bank of India has already show cased its portion of loan in April, 2018 and the said loan has been taken over by Edelweiss Asset Reconstruction Company.

Punjab National Bank vide its letter dated 26.02.2019 had sanctioned an One Time Settlement (OTS) to the company for an amount of Rs.45.84 Crores for Fund Based and Rs.15.76 Lacs for Non-Fund based. Against the dues towards PNB, Rs. 6 Crore was paid by the Company and has



submitted its proposal for extension of the repayment period of the remaining amount. The matter is pending before the Hon'ble High Court. Further the company is also taking up the issue with Canara Bank to find out a resolution in the account.

(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 amounting to Rs.906.36 Lakh for the current quarter and Rs.1,770.92Lakh for half year ended 30th September 2021 (including on the assigned debts of SBI) and Rs. 16.57 Lakh for the current quarter and Rs 32.95 Lakh for half year ended 30th September 2021 in respect to optionally converted debentures which has resulted in the understatement of current liabilities and overstatement of profits by same amount. 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. This interest is not recorded in Profit & Loss Statement.

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

**FOR AARYAA & ASSOCIATES
CHARTERED ACCOUNTANTS**


**CA Harsharanjit Singh Chahal
(Partner)**

M No. 091689

Place: Chandigarh

Dated: 12.11.2021

UDIN:21091689AAAARY7854

