

**MODERN DAIRIES LTD.**

Corporate Office : 10-10, Tuli City Centre, Sector 28, Chandigarh - 160 022 (INDIA)  
Tel. : +91-172-2694001, 2694002, Fax : +91-172-2694000  
E-mail : info@moderndairies.com, CIn : 17489600193191212908

Regd. Office & Works : Pl. No. 1, 136 KM, G.T. Road, Karnal - 132 001 (Haryana)

**Ref: MDL/SECT/BSE****Date: 12<sup>th</sup> May, 2023**

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 Limited, Scrip Code: 519287 & ISIN: INE617B01011**

Dear Sir(s),

Pursuant to Regulation 30 read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Company in its Board meeting held today i.e., **Friday, the 12<sup>th</sup> May, 2023** at Chandigarh, considered and approved the following along with other Agenda Items:

1. Annual Audited Financial Statements of the Company for the financial year ended 31st March, 2023 alongwith Auditors' Report thereon submitted by Statutory Auditors of Company. (Copy enclosed)
2. Audited Financial Results for the quarter and year ended 31<sup>st</sup> March, 2023, Statement of Assets and Liabilities, Cash Flow Statement alongwith Auditors Report thereon issued by Statutory Auditor of the Company and Statement on Impact of Audit Qualification (for audit report with modified opinion) (Copy enclosed).
3. On recommendation of Audit Committee, appointed M/s. Sanger & Associates, Practising Company Secretaries as Secretarial Auditor of the Company to do Secretarial Audit for financial year 2023-24.

4. Approved re-appointment of Mr. Ashwani Kumar Aggarwal as Executive (Whole-Time) Director of the Company w.e.f 1<sup>st</sup> April, 2023 till the conclusion of Annual General Meeting to be held in the year 2026, subject to approval of shareholders.

Please note that the Board of Directors meeting commenced at 12:00 noon and concluded at 2.50 p.m. on 12<sup>th</sup> May, 2023. This is for your information and doing the needful.

Thanking you

Yours truly,  
For **MODERN DAIRIES LIMITED**

  
**COMPANY SECRETARY**



Encl as above:

**MODERN DAIRIES LIMITED**

Statement of Audited Financial Results for the year ended 31st March, 2023

(Amount Rs in Lacs)

Sr. No.	Particulars	3 months ended 31 March 2023	Preceding 3 months ended 31 December 2022	Corresponding 3 months ended in the previous year 31 March 2022	Current year ended 31 March 2023	Previous year ended 31 March 2022
		(Audited)	(Reviewed)	(Audited)	(Audited)	(Audited)
I	Revenue from operations	8,067.80	4,930.62	5,014.78	21,608.13	24,052.16
II	Other Income	60.53	110.83	52.60	267.71	164.53
<b>III</b>	<b>Total Income(I+II)</b>	<b>8,128.33</b>	<b>5,041.45</b>	<b>5,067.38</b>	<b>21,875.84</b>	<b>24,216.69</b>
IV	<b>EXPENSES</b>					
	Cost of materials consumed	7,224.12	3,849.45	3,400.51	16,242.24	17,469.48
	Purchase of Stock in Trade	-	-	-	-	-
	Changes in inventories of Finished goods, Stock in trade and Work-in-progress	(753.21)	(522.50)	(33.82)	(1,100.78)	980.53
	Employee benefits expense	318.16	292.99	317.63	1,216.80	1,179.67
	Finance costs	155.89	101.69	7.13	257.82	8.23
	Depreciation/ Impairment Loss and amortization expenses	86.24	84.89	160.75	335.39	643.88
	Other expenses	834.22	969.56	963.99	3,707.38	3,439.68
	<b>Total expenses(IV)</b>	<b>7,865.42</b>	<b>4,776.08</b>	<b>4,816.19</b>	<b>20,658.85</b>	<b>23,721.47</b>
V	<b>Profit/(Loss) before exceptional items and tax (III-IV)</b>	<b>262.91</b>	<b>265.37</b>	<b>251.19</b>	<b>1,216.99</b>	<b>495.22</b>
VI	Exceptional Items	1.38	-	-	1.38	-
VII	<b>Profit/(Loss) before tax (V-VI)</b>	<b>261.53</b>	<b>265.37</b>	<b>251.19</b>	<b>1,215.60</b>	<b>495.22</b>
VIII	Tax Expense:					
	(1) Current Tax	-	-	-	-	-
	(2) Deferred Tax	-	-	-	-	-
IX	<b>Profit/(Loss) for the period (VII-VIII)</b>	<b>261.53</b>	<b>265.37</b>	<b>251.19</b>	<b>1,215.60</b>	<b>495.22</b>
X	<b>Other Comprehensive Income</b>					
	A. (i) Items that will not be reclassified to profit or loss	(3.01)	-	11.65	(3.01)	11.65
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	<b>Other Comprehensive Income</b>	<b>(3.01)</b>	<b>-</b>	<b>11.65</b>	<b>(3.01)</b>	<b>11.65</b>
XI	<b>Total Comprehensive Income for the period (IX+X) comprising Profit/(Loss) and Other comprehensive Income for the period</b>	<b>258.52</b>	<b>265.37</b>	<b>262.84</b>	<b>1,212.60</b>	<b>506.88</b>
XII	Paid-up equity share capital	2,335.89	2,335.89	2,335.89	2,335.89	2,335.89
XIII	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year				(11,927.58)	(13,140.18)
XIV	Earnings per equity share (for continuing operation) :					
	(1) Basic	1.12	1.14	1.08	5.21	2.12
	(2) Diluted	1.12	1.14	1.08	5.21	2.12

For and on behalf of Board of Directors



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

Place: Chandigarh  
Date : 12-05-2023

**MODERN DAIRIES LIMITED**

Statement of Audited Assets & Liabilities as on 31st March, 2023

		(Amount Rs in Lacs)	
Particulars		As at 31 Mar 2023	As at 31 Mar 2022
<b>ASSETS</b>			
1)	<b>Non-current assets</b>		
	Property, Plant and Equipment	2,856.34	2,972.33
	Capital work-in-progress	87.40	-
	Other Intangible assets	2.21	3.06
	Investments	1.33	1.33
	Loans and advances	461.67	347.66
		<b>3,408.95</b>	<b>3,324.38</b>
2)	<b>Current assets</b>		
	Inventories	2,715.78	1,413.72
	Financial Assets	2.76	-
	Trade receivables	1,892.83	321.47
	Cash and cash equivalents	23.57	696.21
	Current Tax Assets(Net)	237.15	146.85
	Other current assets	228.71	269.51
	Asset Held for Disposal	1.60	1.60
		<b>5,102.40</b>	<b>2,849.36</b>
	<b>Total Assets</b>	<b>8,511.35</b>	<b>6,173.74</b>
<b>EQUITY AND LIABILITIES</b>			
1)	<b>EQUITY</b>		
	Equity Share capital	2,335.89	2,335.89
	Other Equity	(11,927.58)	(13,140.18)
		<b>(9,591.69)</b>	<b>(10,804.29)</b>
2)	<b>LIABILITIES</b>		
	<b>Non-Current liabilities</b>		
	Provisions	126.70	117.50
		<b>126.70</b>	<b>117.50</b>
3)	<b>Current liabilities</b>		
	Financial Liabilities		
	Short term borrowings	77.33	25.00
	Trade payables	3,291.06	490.36
	Other financial liabilities	12,740.75	14,422.86
	Other current liabilities	403.23	499.73
	Provisions	1,463.97	1,422.58
		<b>17,976.34</b>	<b>16,860.53</b>
	<b>Total Equity and Liabilities</b>	<b>8,511.35</b>	<b>6,173.74</b>

Place : Chandigarh

Date : 12-05-2023

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



Modern Dairies Limited  
Cash flow statement for the Year ended 31st March 2023  
(All amounts in ₹ Lacs, unless stated otherwise)

Particulars		For the Year ended 31 Mar 2023	For the Year ended 31 Mar 2022
A	<b>Cash flow from operating activities:</b>		
	Profit/(Loss) before tax		
	<b>Adjustments for:</b>	1,212.60	506.88
	Depreciation and amortisation		
	Depreciation as Intangible Items	333.30	641.88
	Provision for milk cost		
	Bad debts	30.06	50.06
	Balance written off		
	Losses written back	4.15	8.63
	Interest expense	(7.28)	(10.28)
	Interest income	257.82	8.23
	Employee benefits	(5.97)	(6.16)
	Change in Accounting policy/Debit Period Items	27.08	25.77
	Profit or loss of Property, Plant and Equipment		(0.51)
	<b>Operating loss before working capital changes</b>	<b>1,880.10</b>	<b>1,235.32</b>
	<b>Adjustments for movement in:</b>		
	Increase/Decrease in long-term loans and advances	(25.71)	(131.06)
	Increase/Decrease in investments	(1,302.66)	962.82
	Increase/Decrease in Financial Assets	(2.76)	\$7.02
	Increase/Decrease in trade receivables	(3,571.36)	917.31
Increase/Decrease in other current assets	36.67	79.21	
Increase/Decrease in Asset held for Disposal			
Increase/Decrease in Short-term loans and advances			
Increase/Decrease in Current Tax Assets	(80.30)	(81.73)	
Increase/Decrease in long-term provisions	0.20	8.30	
Increase/Decrease in trade payables	2,807.59	(1,022.75)	
Increase/Decrease in other current liabilities	(96.50)	43.79	
Increase/Decrease in short-term provisions	(84.73)	(28.92)	
<b>Net cash generated from operations</b>	<b>1,612.55</b>	<b>1,759.95</b>	
Taxes paid	(61.30)	43.73	
<b>Net cash generated from operating activities</b>	<b>1,551.25</b>	<b>1,803.68</b>	
B	<b>Cash flow from investing activities:</b>		
	Purchase of fixed assets (including capital work in progress and movement in conditions for capital goods)	(917.04)	(133.39)
	Proceeds from sale of fixed assets	3.81	
	Interest received	3.57	6.16
<b>Net cash used in investing activities</b>	<b>(297.26)</b>	<b>(189.43)</b>	
C	<b>Cash flow from financing activities:</b>		
	Repayment of long-term borrowings		
	Increase/Decrease in Other financial liabilities	(10.14)	(71.46)
	Interest/Principal paid	(1,929.83)	(869.62)
	<b>Net Cash used in financing activities</b>	<b>(1,940.00)</b>	<b>(909.86)</b>
	<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(672.64)</b>	<b>587.73</b>
	Cash and cash equivalents at the beginning of the year	696.21	108.48
	<b>Cash and cash equivalents at the end of the period</b>	<b>23.57</b>	<b>696.21</b>
	<b>Components of cash and cash equivalents:</b>		
	Cash at hand	6.85	0.60
Cheques at hand		490.30	
Balance with Scheduled Banks			
in current accounts	16.72	195.47	
<b>Cash and cash equivalents in cash flow statement:</b>	<b>23.57</b>	<b>696.21</b>	

Place: Chandigarh  
Date: 12-05-2023

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



## Notes to the Financial Results as on 31.03.23

1. The financial results of Modern Dairies Limited ('MDL', 'the Company') for the quarter and year ended 31<sup>st</sup> March, 2023 have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors held on 12th of May, 2023.
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. 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.
4. The company's lender Punjab National Bank has revived the old OTS and has extended the time period for repayment of dues. The debt of Edelweiss ARC Ltd. (earlier State Bank of India) has been restructured. The OTS and Restructuring Scheme is under implementation and interest due thereon, as per OTS, has been accounted for. The benefits of OTS shall be accounted for at the time of closure of OTS.
5. The company has paid managerial remuneration to directors amounting to Rs. 35,81,520/- for the twelve-month ended on 31.03.2023 without prior approval from the lenders. 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.
6. Regarding Milk Cess liability to Govt. of Haryana under Haryana Murrah Buffalo and other Milch Animal Breed Act, 2001 Act. The company has filed a Special Leave Petition before the Hon'ble Supreme Court against the decision dated 28th May, 2010 of Punjab & Haryana High Court regarding levy of Milk Cess under the above act. The SLP was admitted in the Hon'ble Supreme Court and it had granted interim stay in September, 2012. The matter is pending before the Hon'ble Supreme Court. The Govt. of Haryana demand notice is for Rs. 455.07 Crores for Milk Cess along with compounded Interest as on 31st March, 2023. The company as an abundant caution is providing for the Milk Cess in the accounts. As on 31st Mar., 23, the total Milk Cess provision amount is Rs. 20.12 Crore, out of which Rs. 5.91 Crore has been already deposited as per Hon'ble Supreme Court's order.



7. Due to uncertainty mentioned in note no. 4 & 6 above, deferred tax asset has not been recognized due to absence of virtual certainty supported by convincing evidence to the effect that sufficient future taxable income would be available against which deferred tax assets can be realized.
8. Previous year figures have been rearranged and regrouped where ever necessary.
9. The Statutory auditors of the company have carried out an audit of the financial results for the year ended 31st of March, 2023 and have issued modified report. The audit report is available on the company's website at [www.moderndairies.com](http://www.moderndairies.com).



**Auditor's Report on Annual Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To Board of Directors of Modern Dairies Limited**

1. We have audited the accompanying statement of quarterly standalone financial results of Modern Dairies Limited (the company) for the year ended 31st March, 2023 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI circular no. CIR/CFD/FAC/62/2016 dated July 05, 2016. The quarterly standalone financial results for the quarter ended March 31, 2023 and year ended March 31, 2023 have been prepared on the basis of the standalone financial results for the 9 months period ended December 31, 2022, the audited annual standalone financial statement as at and for the year ended March 31, 2023 and the relevant requirements of regulation 33 of the SEBI (listing obligation and disclosure requirement) Regulations, 2015 read with SEBI circular no. CIR/CFD/FAC/62/2016 dated July 05, 2016, which are the responsibility of the company's management and have been approved by the board of directors of the company. Our responsibility is to express an opinion on these standalone financial results based on our review of these standalone financial results for the nine months period ended December 31, 2022 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS 34) Interim Financial Reporting, specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; and our audit of the annual financial statements as at and for the year ended March 31, 2023; and the relevant requirements of regulation 33 of the SEBI (listing obligation and disclosure requirement) Regulations, 2015 read with SEBI circular no. CIR/CFD/FAC/62/2016 dated July 05, 2016.

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(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant 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 the explanations given to us, **except** for the effects of the matter described in the **Basis for Qualified Opinion** section of our report and **Emphasis of Matters**, these quarterly financial results as well as the year to end results are presented in accordance with requirements of Regulation 33 of the SEBI (listing obligation and disclosure requirement) Regulations, 2015 in this regard and give a true and fair view of total





comprehensive income comprising of net profit and other comprehensive income and financial information for the quarter ended 31<sup>st</sup> March, 2023 and for the year ended March 31<sup>st</sup>, 2023.

#### 4. Basis for Qualified Opinion

*1. 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. During the year, the company has given the director remuneration to Mr. Ashwani Kumar Aggarwal (Executive Director) amounting to Rs. 35,81,520 (for current quarter Rs.8,95,380).*

Apart from the managerial remuneration for quarter ended 31<sup>st</sup> March, 2023, as mentioned above the company has paid director remuneration of Rs. 2,50,01,962 till date without complying the provisions of Schedule V of the companies Act, 2013.

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

#### 5. EMPHASIS OF MATTER

##### One Time Settlement (OTS)/ Restructuring Scheme with the Lenders

The Company's lender Punjab National Bank has revived the old OTS and has extended the time period for repayment of dues. The debt of Edelweiss ARC Ltd. (earlier State Bank of India) has been restructured. The OTS and Restructuring Scheme is under implementation and interest due thereon has been accounted for.

Our Opinion is not qualified in respect of Para 5.

For APT & CO LLP  
Chartered Accountants

  
  
CA Amrit Pal Singh  
Partner

Membership No. 508134

(Firm Registration No. 014621C/N500088)

UDIN : 23508134BGYDZE7987

Place: Chandigarh

Date : 12/05/2023

## ANNEXURE I

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone and Consolidated separately)**

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023.**

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	21,875.84	21,875.84
	2.	Total Expenditure	20658.85	20623.03
	3.	Profit/(loss) before exceptional items.	1216.99	1252.81
	4.	Exceptional Items	1.38	1.38
	5.	Net Profit/(Loss)	1215.60	1251.43
	5.	Earnings Per Share	5.21	5.37
	6.	Total Assets	8,511.35	8544.18
	7.	Total Liabilities	18103.04	18100.06
	8.	Net Worth	(9,591.69)	(9555.88)
	9.	Any other financial item(s) (as felt appropriate by the management)		
II.	<b>Audit Qualification (each audit qualification separately):</b>			
	<b>a. Details of Audit Qualification:</b>			
	<i>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.</i>			
	<i>The Company is not eligible to pay director remuneration for non-compliance of conditions prescribed in schedule V of the companies Act, 2013. During the year, the company has given the director remuneration to Mr. Ashwani Kumar Aggarwal (Executive Director) amounting to Rs. 35,81,520 (for current quarter Rs. 8,95,380).</i>			
	<i>Apart from the managerial remuneration for quarter ended 31st March, 2023, as mentioned above the company has paid director remuneration of Rs. 2,50,01,962 till date without complying the provisions of Schedule V of the companies Act, 2013.</i>			
	<b>b. Type of Audit Qualification: Qualified Opinion</b>			
	<b>c. Frequency of qualification: Repetitive</b>			
	<b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The company has paid Managerial Remuneration amounting to Rs. 35,81,520 /-, to directors for which the company is yet to receive approval from the competent authority/agency. Management undertakes that in case the approval is not received from the competent</b>			



authority/agency, they shall refund the remuneration paid to them by the company. Profitability of the company shall affect to the same extent.

e. For Audit Qualification(s) where the impact is not quantified by the auditor: Not applicable.

(i) Management's estimation on the impact of audit qualification:

(ii) If management is unable to estimate the impact, reasons for the same:

(iii) Auditors' Comments on (i) or (ii) above:

III. Signatories:

• CEO/Managing Director

• CFO

• Audit Committee Chairman

• Statutory Auditor

Place: Chandigarh

Date: 12/05/2023

