



## Milkfood Limited

CIN: L15201PB1973PLC003746

with its registered office at Bahadurgarh, District Patiala, Punjab - 147021

Email: [info@milkfoodltd.com](mailto:info@milkfoodltd.com); Website: [www.milkfoodltd.com](http://www.milkfoodltd.com)

Ph.: 0175-2381415

### NOTICE OF THE NCLT CONVENED MEETING OF THE SECURED CREDITORS OF MILKFOOD LIMITED

#### MILKFOOD LIMITED

Registered Office	:	Bahadurgarh, District Patiala, Punjab - 147021
Tel. no.	:	0175-2381415
CIN	:	L15201PB1973PLC003746
Website	:	<a href="http://www.milkfoodltd.com">www.milkfoodltd.com</a>
E-mail	:	<a href="mailto:info@milkfoodltd.com">info@milkfoodltd.com</a>

### MEETING OF THE SECURED CREDITORS OF MILKFOODS LIMITED

*(Convened pursuant to Order dated 13<sup>th</sup> May, 2022 passed by the Hon'ble  
National Company Law Tribunal, Chandigarh Bench)*

#### MEETING:

Day	:	Saturday
Date	:	09 <sup>th</sup> July, 2022
Time	:	10:30 AM (10:30 hours)
Venue	:	Through video conferencing / other audio-visual means ("VC/OAVM")

#### E-VOTING:

Start Date and Time	:	July 06, 2022 at 09.00 A.M. (0900 hours)
End Date and Time	:	July 08, 2022 at 5.00 P.M. (1700 hours)





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The Notice & Explanatory Statement of the meeting issued pursuant to the Order dated 13<sup>th</sup> May, 2022 of the Hon'ble National Company Law Tribunal, Chandigarh and Sections 230 to 232 of the Companies Act read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and **Annexure 1 to Annexure 11** constitute a single and complete set of documents and should be read together as they form an integral part of this document.



FORM NO. CAA. 2

[PURSUANT TO SECTION 230(3) AND RULE 6 AND 7 OF THE COMPANIES  
(COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016]

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL,  
CHANDIGARH BENCH, CHANDIGARH

COMPANY APPLICATION NO. CA (CAA) 44 (CHD)(PB) OF 2021

**IN THE MATTER OF:**

**THE SCHEME OF AMALGAMATION OF:**

**Triputi Infrastructure Private Limited**

with its registered office at

Sood's Niwas Ranbir Marg, Patiala, Punjab - 147001

PAN: AAECT7480N

CIN: U70101PB2011PTC049856

**...TRANSFEROR COMPANY/ APPLICANT COMPANY NO. 1**

**WITH**

**Milkfood Limited**

with its registered office at

Bahadurgarh, District Patiala, Punjab - 147021

PAN: AAACM5913B

CIN: L15201PB1973PLC003746

**...TRANSFeree COMPANY/ APPLICANT COMPANY NO. 2**

**NOTICE CONVENING THE MEETING OF SECURED CREDITORS OF THE TRANSFeree COMPANY**

**To**

**The Secured Creditors of Milkfood Limited**

**NOTICE** is hereby given that by an Order dated 13<sup>th</sup> May 2022 (the "**Order**"), the Hon'ble National Company Law Tribunal, Chandigarh ("**NCLT**") has directed a meeting to be held of the Secured Creditors of Milkfood Limited the "Transferee Company" for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme of Amalgamation of Milkfood Limited ("**Applicant Company 2**" or "**Transferee Company**" or "**Company**") and Triputi Infrastructure Private Limited ("**Applicant Company 1**" or "**Transferor Company**") and their respective Shareholders and creditors ("**Scheme**"). In pursuance of the said Order and as directed therein further notice is hereby given that a meeting of the Secured Creditors of the Transferee Company will be held through video conferencing / other audio-visual means ("**VC/OAVM**") on **Saturday, 9<sup>th</sup> July, 2022 at 10:30 AM (IST)** (10:30 hours) at which time you are requested to attend. At the meeting, the following resolution will be considered and if thought fit, be passed, with or without modification(s):

- 1. To consider and, if thought fit, to pass, the following resolution with specific majority as provided under sections 230 to 232 of the Companies Act, 2013 and other applicable provisions:**

**"RESOLVED THAT** pursuant to the provisions of Section 230 read with section 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013, the rules, circulars, and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable and in accordance with the Memorandum of Association of the company, the Securities and Exchange Board of India Circular No CFD/ DIL3/CIR/2017/21 dated 10th March 2017, the observation letters issued by BSE Limited dated 28<sup>th</sup> May, 2021 and subject to approval of the Hon'ble National Company Law Tribunal, Chandigarh Bench ('NCLT') and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary

*and subject to such conditions and modifications as may be prescribed or imposed by the Hon'ble NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution) and subject to consent of the creditors of the Company, the consent of the members of the company be and is hereby accorded for the approval of proposed Scheme of Amalgamation between Triputi Infrastructure Private Limited ("the Transferor Company") with Milkfood Limited ("the Transferee Company") and their Respective Creditors & Shareholders("as per the scheme")*

**RESOLVED FURTHER THAT** the scheme providing for Amalgamation between Triputi Infrastructure Private Limited ("the Transferor Company") with Milkfood Limited ("the Transferee Company") with effect from "Appointed date" as defined in the Scheme and also providing for various other matters connected with and/or consequential to and/or incidental thereof, submitted to this meeting, would be advantageous and beneficial to the Company and all stakeholders and that the terms thereof being fair and reasonable be and hereby approved, subject to such changes / alterations / amendments / modifications as may be required or considered necessary or expedient in pursuance of orders, if any, of NCLT or otherwise."

**TAKE FURTHER NOTICE** that each Secured Creditor can opt for only one mode of voting, i.e., (a) remote e-voting, or (b) e-voting during the Meeting through video conferencing / other audio-visual means ("VC/OAVM") to be held on **Saturday, 9<sup>th</sup> July 2022 at 10:30 AM (IST)** (10:30 hours), as arranged by CDSL on behalf of the Company. If the creditors opt for remote e-voting, they will nevertheless be entitled to attend and participate in the Meeting but will not be entitled to vote again during the Meeting and the e-voting facility at the Meeting will be disabled for creditors who have already cast their votes through remote e-voting, prior to the Meeting.

Facility of remote e-voting will be available during the prescribed time period. Accordingly, Secured Creditors can vote through remote electronic means (without attending the meeting) instead of voting in the Secured Creditors' meeting.

**TAKE FURTHER NOTICE** that since this Meeting will be held through VC/OAVM, physical attendance of the Secured Creditors has been dispensed with. Accordingly, the facility for appointment of proxies by Secured Creditor as prescribed under Section 105 of the Companies Act will not be available for the said Meeting and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

A copy of this notice and the accompanying documents will be placed on the Company's website [www.milkfoodltd.com](http://www.milkfoodltd.com). The Company is required to furnish a copy of the Scheme free of charge on all working days, from the registered office of the Company between 10:00 A.M. to 5:00 P.M. within one day of any requisition of the Scheme being made by the Secured Creditor to the Company by e-mail at [info@milkfoodltd.com](mailto:info@milkfoodltd.com). A recorded transcript of the meeting shall also be made available on the website of the Company as soon as possible. At least one independent director of the Company and/ or the auditor (or his authorized representative who is qualified to be an auditor) of the Company shall be attending the Meeting through VC/OAVM.

**TAKE FURTHER NOTICE** Hon'ble NCLT has appointed Justice Ranjit Singh (Retd.) as Chairman, Mr. Manuj Nagrath, Advocate as Alternate Chairman and Mr. P.D. Sharma, practicing Company Secretary as scrutinizer of the said meeting of Secured Creditors of the Transferee Company.

Further the results of the Meeting shall be announced within two days working days of the conclusion of the Meeting upon receipt of Scrutinizer's report and the same shall be displayed on the website of the Company ([www.milkfoodltd.com](http://www.milkfoodltd.com)) and on the website of CDSL([www.cdslindia.com](http://www.cdslindia.com)), being the agency appointed by the Company to provide the e-voting facility to the creditors, as aforesaid. Further, as per the order dated May 13, 2022, Hon'ble Chairman will submit its report within 7 days of the conclusion of the meeting.

The Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent approval of the Hon'ble Tribunal and such other approvals, permissions, and sanctions of regulatory or other authorities, as may be necessary

**Dated: 6<sup>th</sup> day of June 2022**  
**Place: Patiala**

**Sd/-**  
**(Gita Bawa)**  
**Authorised Representative of Transferee Company**

**NOTES:**

1. Pursuant to the directions of the Hon'ble National Company Law Tribunal, Chandigarh (“**Tribunal**” or “**NCLT**”) vide its Order dated May 13, 2022 (“**Order**”), the meeting of the Secured Creditors of the Company (“**Meeting**”) is being conducted through Video Conferencing/ other audio-visual means (“**VC/OAVM**”) facility to transact the business set out in the Notice convening this Meeting. Accordingly, the facility for appointment of proxies by the Secured Creditors will not be available for the Meeting and hence, the Proxy Form and Attendance Slip are not annexed to this Notice. The proceedings of the Meeting would be deemed to have been conducted at the registered office of the Company.
2. In view of COVID-19 pandemic, the present meeting is proposed to be convened through Video Conferencing including remote e-voting facility in terms of the Order passed by the Hon'ble National Company Law Tribunal, the circulars and guidelines issued by the Ministry of Corporate Affairs and the relevant provisions of the Companies Act, 2013. Facility of remote e-voting will be available during the prescribed time period before the meeting and through e-voting platform which will be available during the meeting.
3. Central Depository Services (India) Limited (“**CDSL**”) is appointed to provide remote e-voting facility before the meeting; and to provide e-voting platform during the meeting, in a secured manner.
4. Secured Creditors, who have not registered their e-mail id, can get the same registered by sending the request to the Company Secretary and the Compliance Officer of the Company at the email ID – [info@milkfoodltd.com](mailto:info@milkfoodltd.com).
5. In case of any difficulty in registering the e-mail id; e-voting or attending the meeting through Video Conferencing, etc., the following persons may be contacted:

Name	Mobile No. and e-mail
<b>Mr. Rakesh Kumar Thakur</b> <b>Company Secretary &amp; Compliance</b> <b>Officer Milkfood Limited</b>	5 <sup>th</sup> Floor, Bhandari House, 91, Nehru Place, New Delhi-110019 Email: <a href="mailto:info@milkfoodltd.com">info@milkfoodltd.com</a> Mobile No. +91-9899792212

6. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the creditors at the registered office of the Transferee Company between 10.00 A.M. to 5.00 P.M. on all working days (Monday to Friday) up to the date of the meeting.
7. The Secured Creditors by 30.06.2021, being the cut-off date as recorded in the Hon'ble NCLT order dated 13<sup>th</sup> May, 2022, which are 3 in number, amount of Rs. 66,03,35,840/- and the list is as filed with Hon'ble NCLT at the time of filing the first motion application, will only be entitled to exercise their right to vote on the above resolution and will be allowed to attend the meeting of Secured Creditors through Video Conferencing and vote through e-voting system.
8. The Institutional/Corporate Secured Creditors (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation, etc., authorising its representative to attend the meeting and vote on its behalf. The said Resolution/Authorization may be sent to the Scrutinizer at: [-info@milkfoodltd.com](mailto:-info@milkfoodltd.com).
9. Instructions for attending the meeting through Video Conferencing; and for voting through remote e-voting process are given at the end of this notice.
10. Voting may be made through remote e-voting (without attending the meeting) which will be available during the prescribed time period before the meeting (as given below); or through e-voting platform which will be available during the meeting:

Commencement of remote e-voting	<b>Wednesday, 6<sup>th</sup> July, 2022 at 9:00 A.M. IST</b>
End of remote e-voting	<b>Friday, 8<sup>th</sup> July, 2022 at 5:00 P.M. IST</b>

11. All the Secured Creditors will be entitled to attend the meeting through Video Conferencing. However, the Secured Creditors who have already voted through the remote e-voting process before the meeting, will not be entitled to vote at the meeting.

12. The notice convening the said meeting will be published through advertisement in (i) Financial Express (All India Edition) in the English language; and (ii) translation thereof in Jansatta (All India Edition) in Hindi language.
13. The quorum of the Meeting of the Secured Creditors of the Company shall be 2 in number or 40% in value of the Secured Creditors debt as standing on 30.06.2021 in the books of Milkfood Ltd. in terms of the list filed with Hon'ble NCLT. The Secured Creditors attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act. In case the above stated quorum is not present at the Meeting, the Meeting shall be adjourned for half an hour, thereafter, the Secured creditors present shall be deemed to constitute the quorum.
14. As directed by Hon'ble NCLT, Mr. P.D. Sharma, Practising Company Secretary, shall act as the Scrutinizer to scrutinize votes cast during the meeting. The scrutinizer shall make a Scrutinizer's Report of the total votes cast in favour and against the resolution and invalid votes, if any, to the Chairman of the meeting, in writing and submit a report within two working days on votes cast in terms of the order of Hon'ble NCLT.
15. The result of the voting shall be reported to the Hon'ble NCLT by the Ld. Chairman of the meeting in writing upon receipt of the Scrutinizer's Report within 7(Seven) days from the conclusion of the meeting, i.e. by 16.07.2022
16. Notice of the meeting, Explanatory Statement and other documents are also being placed on the following website(s):

Milkfood Limited	BSE Ltd
<a href="http://www.milkfoodltd.com">www.milkfoodltd.com</a>	<a href="http://www.bseindia.com">www.bseindia.com</a>

17. The Scheme shall be considered approved by the Secured Creditors of the Company if the resolution mentioned in the Notice has been approved by majority of persons representing three-fourth in value of the Secured Creditors voting at the Meeting through VC/OAVM, in terms of the provisions of Sections 230 to 232 of the Companies Act.

**Encl.: As above**

#### **PROCEDURE FOR E-VOTING:**

#### **REMOTE E-VOTING INSTRUCTIONS FOR SECURED CREDITORS**

1. In view of COVID-19 pandemic, the present meeting is proposed to be convened through Video Conferencing in terms of the Order passed by the Hon'ble National Company Law Tribunal, the Guidelines issued by the Ministry of Corporate Affairs and the relevant provisions of the Companies Act, 2013, if any. Facility of remote e-voting will be available during the prescribed time period before the meeting and through e-voting platform which will be available during the meeting.
2. Central Depository Services (India) Limited (CDSL) is appointed to provide remote e-voting facility before the meeting; and to provide e-voting platform during the meeting, in a secured manner.
3. Only Secured Creditors of the Company may attend the meeting of Secured Creditors through Video Conferencing and vote through e-voting system.
4. Please take note that since the meeting is proposed to be held through Video Conferencing, option of attending the meeting through proxy is not applicable/available.
5. Instructions for attending the meeting through Video Conferencing; and for voting through remote e-voting process are given at the end of this notice.
6. All the Secured Creditors will be entitled to attend the meeting through Video Conferencing. However, the Secured Creditors who have already voted through the remote e-voting process before the meeting, will not be entitled to vote at the meeting.
7. Secured Creditors attending the meeting through video conferencing shall be counted for the purposes of reckoning the quorum

**Kindly follow the instructions for Secured Creditors' Remote voting electronically provided as under.**

- i. The voting period begins on **Wednesday, 6<sup>th</sup> July, 2022** from 9 A.M and ends on **Friday, 8<sup>th</sup> July, 2022** at 5 P.M. The remote e-voting module shall be disabled for voting thereafter.
- ii. Voters should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- iii. Click on Members.
- iv. Enter your User ID as **XXXXXXXXXX**
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. Enter your password as **XXXXXXXX**
- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Select the EVSN of **<<Company name as registered in the e-Voting system (www.evotingindia.com)>>** on which you choose to vote.
- ix. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- x. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xi. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

**INSTRUCTIONS FOR SECURED CREDITORS ATTENDING THE MEETING THROUGH VC/OAVM ARE AS UNDER:**

1. Creditors will be provided with a facility to attend the Meeting through VC/OAVM through the CDSL e-Voting system. Creditors may access the same using Remote voting credential & process mentioned above. The link for VC/OAVM will be available after successful login where the EVSN of Company will be displayed.
2. Creditors are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further Creditors will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

**INSTRUCTIONS FOR SECURED CREDITORS FOR E-VOTING DURING THE MEETING ARE AS UNDER: -**

1. The procedure for e-Voting on the day of the meeting is same as the instructions mentioned above for Remote e-voting.
2. Only those Creditors, who are present in the meeting through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the meeting.
3. If any Votes are cast by the Creditors through the e-voting available during the meeting and if the same Creditors have not participated in the meeting through VC/ OAVM facility, then the votes cast by such Creditors shall be

considered invalid as the facility of e-voting during the meeting is available only to the Creditors attending the meeting.

4. Creditors who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the meeting.

If you have any queries or issues regarding attending meeting & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on toll free no. 1800 22 55 33

Or

For any other queries, contact company official:

Name	Mobile No. and e-mail
<b>Mr. Rakesh Kumar Thakur</b> <b>Company Secretary &amp; Compliance</b> <b>Officer Milkfood Limited</b>	5 <sup>th</sup> Floor, Bhandari House, 91, Nehru Place, New Delhi-110019 Email: <a href="mailto:info@milkfoodltd.com">info@milkfoodltd.com</a> Mobile No. +91-9899792212



**BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL,  
CHANDIGARH BENCH, CHANDIGARH**

**COMPANY APPLICATION NO. CA (CAA) 44 (CHD)(PB) OF 2021**

**IN THE MATTER OF:**

**THE SCHEME OF AMALGAMATION OF:**

**Tripti Infrastructure Private Limited**

with its registered office at

Sood's Niwas Ranbir Marg, Patiala, Punjab - 147001

PAN: AAECT7480N

CIN: U70101PB2011PTC049856

**...TRANSFEROR COMPANY/ APPLICANT COMPANY NO. 1**

**WITH**

**Milkfood Limited**

with its registered office at

Bahadurgarh, District Patiala, Punjab - 147021

PAN: AAACM5913B

CIN: L15201PB1973PLC003746

**...TRANSFeree COMPANY/ APPLICANT COMPANY NO. 2**

**EXPLANATORY STATEMENT UNDER SECTIONS 230 - 232 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 READ WITH RULE 11 OF THE NCLT RULES, 2016**

1. Pursuant to the Order passed by the Hon'ble Chandigarh Bench of the National Company Law Tribunal at Chandigarh, (the "**NCLT**") in the Company Application No. CA(CAA) 44 PB) of 2021 and CA 43 of 2022 dated 13<sup>th</sup> May 2022 ("**Order**") a meeting of the Secured Creditors of the Milkfood Limited (hereinafter referred to as the "**Transferee Company**" or "**Applicant Company No. 2**" as the context may admit), is being convened and held through video conferencing / other audio-visual means ("**VC/OAVM**") on **Saturday, 9<sup>th</sup> July, 2022 at 10:30 AM (10:30 hours)** for the purpose of considering and, if thought fit, approving with or without modification(s), the proposed Scheme of Amalgamation between Milkfood Limited ("**Applicant Company 2**" or "**Transferee Company**" or "**Company**") and Tripti Infrastructure Private Limited ("**Applicant Company 1**" or "**Transferor Company**") and their respective shareholders and Creditors ("**Scheme**") under Sections 230 to 232 of the Companies Act, 2013 (the "**Act**") (including any statutory modification or re-enactment or amendment thereof) read with the rules issued thereunder. The Transferor Company and the Transferee Company are together referred to as the "Companies".
2. In terms of the said Order, NCLT has appointed Justice Ranjit Singh (Retd.) as Chairman, Mr. Manuj Nagrath, Advocate as Alternate Chairman and Mr. P.D. Sharma, Practicing Company Secretary as scrutinizer of the said meeting of Secured Creditors of the Transferee Company.
3. This statement is being furnished as required under Sections 230 and 232 of the Companies Compromises, Arrangements and Amalgamations) Rules, 2016 read with Rule 11 of the NCLT Rules, 2016 (the "**Rules**").
4. NCLT, by its Order, has, inter alia, held that since the Transferee Company is directed to convene a meeting of its Secured Creditors.
5. The scrutinizer appointed for scrutinizing the e-voting process will however submit his report to the Chairman of the Transferee Company after completion of the scrutiny of e-voting submitted/cast by the Secured Creditors so as to announce the results of the e-voting exercised by the Secured Creditors of the Transferee Company.
6. A copy of the Scheme setting out in detail the terms and conditions of the arrangement, inter alia, providing for the proposed Scheme of Amalgamation between of Milkfood Limited ("**Transferee Company**" or "**Applicant**

**Company 2”)** and Triputi Infrastructure Private Limited(“**Transferor Company”** or “**Applicant Company 1”**) and their respective shareholders and creditors, which has been approved by the Board of Directors of the Transferee Company at its meeting held on, 05<sup>th</sup> day of October, 2020 is attached to this Notice and forms part of this explanatory statement.

## BACKGROUND OF THE COMPANIES

**Background of Milkfood Limited (“Transferee Company”) is as under:**

7. **Milkfood Limited** (“Transferee Company”) is presently engaged in the business as manufacturers and/or processors and dealers in and importers and exporters of all varieties of milk, whole milk powder, skimmed milk powder, condensed milk, evaporated milk and dried milk etc. There has been no change in the name of Transferee Company during the last 5 years.

The registered office of the Transferee Company is situated at Bahadurgarh, District Patiala, Punjab - 147021 PAN: AAACM5913B CIN: L15201PB1973PLC003746. The email address of Transferee Company is [info@milkfoodltd.com](mailto:info@milkfoodltd.com). The Company has received the certificate of Incorporation dated 31<sup>st</sup> March 1973 from Registrar of Companies, Delhi.

8. The Capital Structure of Transferee Company as on 31.03.2022 and immediately before the implementation of the Scheme is as under:

Particulars	Amount (Rs.)
<b>Authorized Share Capital</b>	
75,00,000 Equity Shares of Rs. 10/- each and	Rs.7,50,00,000/-
50,000 Preference Shares of Rs. 100 each.	Rs.50,00,000/-
<b>TOTAL</b>	<b>Rs.8,00,00,000</b>
<b>Issued, Subscribed and Paid-Up Share Capital</b>	
48,86,440 Equity Shares of Rs. 10 /- each	Rs.4,88,64,400
Less: Call in Arrear	Rs.19,000
Add: Amount Paid on Forfeited Shares	Rs.7,000
<b>TOTAL</b>	<b>Rs.4,88,52,400</b>

9. The Transferee Company is widely held listed Company having its equity shares listed on BSE Limited. The objects for which Milkfood Limited has been incorporated are set out in its Memorandum of Association. Some of the main objects of the Transferee Company as set out in its Memorandum of Association are as follows:

That Transferee Company is engaged in business of manufacturers and / or processors and dealers in and importers and exporters of all varieties of Milk, Whole Milk Powder, Skimmed Milk Powder, Condensed Milk, Evaporated Milk and Dried Milk, Butter, Butter Milk, Cream, Curds, Ghee, Cheese, Margarine, Ice-Cream, Ice-Cream Powder, Creamery, Baby food and Invalid Foods and Tonics, Biscuits, Toffees, Sweets, Lactose, Lactose Powder, Chocolates and Candies, Cocoa and Cocoa Butter products, Dairy Chemicals and all varieties of natural or processed articles and produce of Dairy industry and their products, bye-products, and formulations and wastes and residue resulting from the manufacture and processing of and/ or trading in any or all of the articles mentioned aforesaid.

10. Object Clause No. 31 of Memorandum of Association permits Transferee Company;

*“to acquire and undertake all or any part of the business, property and liabilities of any person or Company carrying on any business which this Company is authorized to carry on or to take possession of property suitable for the purpose of the Company or to amalgamate with any other Company.”*



**Background of Triputi Infrastructure Private Limited (“Transferor Company”) is as under:**

11. **Triputi Infrastructure Private Limited** (“Transferor Company”) bearing CIN: U70101PB2011PTC049856 is a private Limited company incorporated under the provisions of the Companies Act, 1956. Company is presently engaged in the business to acquire by purchase, exchange, lease, hire or otherwise any estate, lands, buildings, plots or immovable property of any nature or any interest therein etc. and PAN of the company is AAECT7480N.

The registered office of Transferor Company is situated at Sood’s Niwas Ranbir Marg, Patiala, Punjab – 147001. The registered office of the company was shifted from New Delhi to Punjab vide an order of Regional Director bearing the date 22<sup>nd</sup> May 2019 and vide ROC Order dated 8<sup>th</sup> August 2019. The email address of Transferor Company is [triputiinfrastructure@gmail.com](mailto:triputiinfrastructure@gmail.com). The Company has at its inception had received the certificate dated 29<sup>th</sup> September 2011 from Registrar of Companies, Delhi.

12. The Capital Structure of Transferor Company as on 31.03.2022 and immediately before the implementation of the Scheme is as under:

Particulars	Amount (Rs.)
<b>Authorized Share Capital</b>	
1,45,00,000 Equity Shares of Rs 10 /- each	Rs.14,50,00,000/-
<b>TOTAL</b>	<b>Rs. 14,50,00,000/-</b>
<b>Issued, Subscribed and Paid-Up Share Capital</b>	
1,40,10,000 Equity Shares of Rs 10 /- each	Rs.14,01,00,000/-
<b>TOTAL</b>	<b>Rs. 14,01,00,000/-</b>

There is no change in the Capital Structure of the Transferor Company since the Appointed Date.

13. The objects for which Transferor Company has been incorporated are set out in its Memorandum of Association. Some of the main objects of the Transferor Company as set out in its Memorandum of Association are as follows:
- To acquire by purchase, exchange, lease, hire or otherwise any estate, lands, buildings & plots or immovable property of any nature or any interest therein.
  - To carry on the business of. construction of apartments, flats, shops, kothies, hotels, restaurants, pubs, cinema halls, multiplex complexes, malls, hospitals and nursing homes buildings, canals, reservoirs, mills and offices, huts, tenements, warehouses, industrial sheds, power houses, tunnels, culverts, channels sewage, roads, bridges and dams and to act as an agent for purchasing, selling and letting on hire plot and houses, whether multistoried, commercial and/or residential buildings on commission basis.
  - To carry on the business as. developers, promoters, builders, consultants, civil engineers, architects, surveyors, designers, town planners, colonizers of estates, farmland & residential buildings, commercial buildings, estimators, interior and exterior decorators, general and. government civil contractors of immovable properties.
  - To sell, rent, lease, let, mortgage or otherwise dispose of land, houses, buildings, plots, immovable property of any nature or any interest therein and realize cost in lump sum or otherwise to start any housing scheme in India or abroad.
  - To acquire, purchase, hire or sell, mortgage or otherwise dispose of any estates, land, building, plot, basements or any interest in any immovable property and to develop and preparing the same for building purposes, constructing building, multistoried building and altering, pulling down, decorating, maintaining, furnishing, fitting up and improving building.

- vi. To develop the plots by providing roads & other facilities such as water supply and sale the same and to erect and construct farm houses building or work civil and constructional of every description on any land of the company or upon any other such lands or immovable property and to pull down rebuild, enlarge, alter and improve such land into road, highway, streets, squares and such other convenience related thereto and deal with and improve the immovable property of the company or any other immovable property and to: construct, maintain, erect and lay out roads, highway sewers, drains, electric line, cables and gas lines, in over and under the estate of any other company or person or body-corporate.

14. Object Clause No. 5 of Memorandum of Association permits Transferee Company:

*“amalgamate with any other Company having objects altogether or in part similar to those of this company.”*

**15. RATIONALE OF THE SCHEME**

The rationale/ benefits of the present Scheme is mentioned hereunder:

The amalgamation will result in better, efficient and economical management, achieve cost savings, pooling of resources and rationalization of administrative expenses/services. The amalgamation will enable the Company to pool the brand, financial, commercial and other resources and considerable synergy of operations would be achieved and it will give value addition to the assets of the Company.

With the enhanced capabilities and resources at its disposal, the Transferee Company will have greater flexibility and strength and will be able to compete more effectively as a combined entity.

The Transferee Company as a consolidated entity after amalgamation will have better financial and business prospects. The Scheme would be beneficial to and in the best interest of the Shareholders & Creditors, if any, of the Transferor Company and the Transferee Company. The Scheme shall not in any manner be prejudicial to the interests of concerned members / creditors or general public at large.

It would be advantageous to combine the assets of the Transferor Company and the Transferee Company into a single Company. The amalgamation would provide beneficial synergy of operations from administrative point of view, and conserve administrative resources and cost overheads, and duplication of management efforts.

**16. The salient features and effects of the Scheme are:**

**A. Appointed Date:**

The appointed date as per the Scheme of Amalgamation is April 1<sup>st</sup> 2020.

**B. Dissolution of Transferor Company:**

Upon the coming into effect of this Scheme, the Board of Directors, (or any Committee(s) thereof) of the Transferor Company shall, without any further act, instrument or deed, be ceased to exist and shall stand dissolved without the process of winding-up.

**C. In consideration of the scheme of amalgamation the transferee company will:**

The fully paid up equity shares to be allotted by the Transferee Company to the Shareholders of the Transferor Company are as under:

- **“69 equity shares of face value of Rs. 10 each to be issued by Transferee Company against 1000 equity shares of face value of Rs. 10 each of Transferor Company”**

**D. Accounting treatment on Amalgamation**

Upon the Scheme coming into effect and pursuant to the provisions of the Act and receipt of relevant approvals:

- The Transferee Company shall account for the merger in accordance with acquisition method for accounting business combination as per applicable Indian Accounting standard notified by the Central

Government under section 133 of the Act, read with paragraph 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

- All assets and liabilities including reserves, of the Transferor Company shall be recorded in the books of account of the Transferee Company at their acquisition date fair values and in the same form.
- The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
- The identity of all reserves of the Transferor Company shall be preserved and they shall appear in the financial statements of the Transferee Company in same form and manner in which they appeared in the financial statements of the Transferor Company, prior to this Scheme coming into effect.
- All inter-company balances, investments, loans and advances/balance outstanding between the Transferor Company and the Transferee Company will stand cancelled and there shall be no further obligation in that behalf.
- The difference between the value of assets, liabilities and reserves of the business as taken over by the Transferee Company, the value of investments in Transferor Company cancelled by the Transferee Company and shall be transferred to Capital Reserve and would be presented separately from the other capital reserves with disclosure of its nature and purpose in the notes.
- The difference between the fair value of equity shares issued and the fair value of the net assets acquired will be treated as goodwill or gain on bargain purchase;
- The Transferee Company shall adjust the balance of the Statement of Profit & Loss of the Transferor Company against its Statement of Profit & Loss.

**E. Modifications/ Amendments to the Scheme:**

- The Board of Directors of Transferor Company and the Transferee Company may assent to any modification(s) or amendment(s) to the Scheme or agreed to any terms suggested by the Shareholders and Creditors of the Company or the conditions, which National Company Law Tribunal or other concerned/ competent authority(ies) may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any questions or doubt or difficulty that may arise for implementing and/or carrying out of the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect.
- For the purpose of giving effect to the Scheme or to any modifications thereof, the Board of Directors of the Transferor Company and the Transferee Company are hereby authorized to give such directions and / or to take such steps as may be necessary or desirable including any directions for settling any questions or doubt or difficulty whatsoever that may arise.
- The Transferee Company even after the Scheme coming into effect may approach National Company Law Tribunal or other concerned/competent authority(ies) for any incidental orders to remove any deficiency or overcome any difficulty in implementation of the Scheme or clear any ambiguity or to comply with any statutory requirement which necessitates the order of National Company Law Tribunal or other concerned/ competent authority(ies).

**F. EFFECT OF NON-RECEIPT OF APPROVALS AND MATTERS RELATING TO REVOCATION AND WITHDRAWAL OF THE SCHEME:**

- In the event of any of the said approvals or conditions referred to in Clause 21 above not being obtained and/ or complied with and/or satisfied and/or the Scheme not being sanctioned by the Tribunals and/or Tribunal Order(s) not being passed as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect. The Transferor Companies and the Transferee Company shall, in such event, inter se bear and pay their respective costs, charges, expenses in connection with the Scheme.

- In the event of revocation under Clause 22.1, no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Laws and in such case, each company shall bear its own costs unless otherwise mutually agreed.
- The Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to withdraw this Scheme prior to the Effective Date.
- The Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme with effect from the Appointed Date could have adverse implications on the combined entity post-amalgamation.

17. Copy of Valuation Report issued by Mr. Siddharth Gupta, Registered Valuer, is enclosed as **Annexure 2**.
18. The accounting treatment as proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013. The certificate issued by the Statutory Auditors of the Transferee Company are open for inspection.
19. Under the Scheme, an amalgamation is sought to be entered into between Transferor Company and its equity shareholders as the Undertaking of the Transferor Company shall stand transferred to and vested in the Transferee Company.

In respect of the Scheme, an amalgamation is sought to be entered into between the Transferor Company and its creditors though no liabilities of the creditors of the Transferor Company is being reduced or being extinguished under the Scheme.

By virtue of Clause 15.1, it is stated that upon the coming into effect of this Scheme all the staff, workmen, employees of the Transferor Company, if any, who are in its employment as on the Scheme coming into effect shall become the staff, workmen, employees or other labour of the Transferee Company with effect from the Appointed Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by the Transferor Company whereas there will be no effect on the employees of the Transferee Company.

There is no effect of the Scheme on the key managerial personnel and/or the directors of the Transferor Company/ Transferee Company except to the extent of the equity shares held by them or by their relatives in the Transferor Company / Transferee Company.

Further, none of the Directors, the Key Managerial Personnel (as defined under the Act and rules framed thereunder) of the Transferor Company and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of the equity shares held by them in the Transferor Company and/ or to the extent of their shareholding as nominees in the Transferee Company and/or to the extent that the said Director(s) are common director(s) of the Transferor Company and/or the Transferee Company and/or to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the companies that hold shares in the Transferor Company. Save as aforesaid, none of the said Directors or the Key Managerial Personnel has any material interest in the Scheme. The Scheme will not affect any person who is already a Director in the Transferee Company as on the Appointed Date from continuing as whether including Whole Time Director.

20. Under the Scheme, no arrangement is sought to be entered into between the Transferee Company and its equity shareholders. No rights of the equity shareholders of the Transferee Company are being affected pursuant to the transfer and vesting of undertaking of Transferor Company.
21. Further, no arrangement is sought to be entered into between the Transferee Company and its creditors. No liabilities of the creditors of the Transferee Company is being reduced or being extinguished under the Scheme.

22. The rights of the employees of the Transferee Company are in no way affected by the Scheme. The employees engaged by the Transferee Company shall continue to be employed by the Transferee Company.
23. There is no effect of the Scheme on the key managerial personnel and/or the directors of the Transferee Company.
24. Further, none of the Directors, the Key Managerial Personnel (as defined under the Act and rules framed thereunder) of the Transferee Company and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of the equity shares held by them in the Transferor Company and/or to the extent of their shareholding as nominees in the Transferee Company and/or to the extent that the said Director(s) are common director(s) of the Transferor Company and/or the Transferee Company and/or to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the companies that hold shares in the Transferor Company. Save as aforesaid, none of the said Directors or the Key Managerial Personnel has any material interest in the Scheme.
25. That no investigation proceedings are pending or instituted under Sections 235 to 251 of the Companies Act, 1956 and/or under Sections 206 to 229 of the Companies Act, 2013 against the Transferor and Transferee Companies.
26. Further the Scheme of Amalgamation is not otherwise opposed to public policy or interest of the stakeholders of the respective Applicant Companies.
27. The Audited Financial Statements for the period ending on 31<sup>st</sup> March, 2021 of both the Companies and the Audited Financial Results of the Transferee Company and the Audited Financial statements of the Transferor Company for the period ending on 31<sup>st</sup> March, 2022 are enclosed as **Annexure 8 and Annexure 9** respectively.
28. As per the books of accounts as on 31<sup>st</sup> March, 2022 of Transferor Company and Transferee Company, the amount due to the Secured creditors are Rs. NIL and Rs. 95,70,54,969/- respectively.
29. As per the books of accounts as on 31<sup>st</sup> March, 2022 of Transferor Company and Transferee Company, the amount due to the secured creditors are Rs. NIL and Rs. 71,35,73,462/- respectively.
30. The name and addresses of the Promoter(s) of (Transferee Company) and their shareholding in the Transferee Company as on 30<sup>th</sup> May 2022 are as under:

S. No.	Name & Address of Promoters & Promoters Group.	Total Number of Equity Shares	% of total number of shares
1.	Mr. Karamjit Jaiswal Farm No. 6, the Green, Rajokari, New Delhi 110038	1700024	34.79
2	Ms. Roshni Sanah Jaiswal 148, Sunder Nagar, New Delhi-110003	700060	14.32
3	M/s. Blue Skies Investments Pvt Ltd. 4th Floor, Bhandari House, 91, Nehru Place, New Delhi-110019	25250	0.52
4	M/s. Snowwhite Holdings Pvt Ltd 4th Floor, Bhandari House, 91, Nehru Place, New Delhi-110019	23000	0.47
	<b>Total</b>	<b>2448334</b>	<b>50.10</b>

31. The name and addresses of the Promoters of (Transferor Company) including their shareholding in the Transferor Company as on 30th May 2022 are as under:

S. No.	Name & Address of Promoters	Total Number of Equity Shares	% of total number of shares
1.	Mr. Karamjit Jaiswal Farm No. 6, the Green, Rajokari, New Delhi- 110038	14009999	99.9999929
2.	Mr. Naresh Kumar Rana 127, Meghdoot Apartment, Sector 10A, Gurgaon, 122001	1	0.0000071
	<b>Total</b>	<b>1,40,10,000</b>	<b>100</b>

32. The list of Directors and KMP of the Transferee Company and their individual shareholding in the Transferee Company as on 30th May 2022 are as per the table below:

**Transferee Company**

S. No.	Name and Address of Director & KMP	Designation	DIN/PAN	Nos. Equity Shares	% of Equity Shares
1	Mr. Sudhir Avasthi J-6, First Floor, Kailash Colony, New Delhi 110048	Managing Director	00152375	100	0.002
2	Mrs. Gita Bawa S-264, Greater Kailash, Part-II, New Delhi-110048	Director	00111003	-	-
3	Mr. Harmesh Mohan Sood 6 Ranbir Marg, Patiala, Punjab 147001	Director	07951620	20	-
4	Mr. Kewal Krishan Kohli 185, Sector 5, Vaishali, Ghaziabad 201010	Director	00127337	-	-
5	Mr. Anil Girotra S-22/13, DLF City Phase-III, Gurgaon, Haryana- 122010	Director	00110631	-	-
6	Mrs. Preeti Mathur 77, Teg Colony, Patiala, Punjab- 147001	Director	07951647	-	-
7	Mrs. Asha Gadi F-73 Kalkaji, New Delhi -110019	Director	00110734	-	-
8.	Mr. Sanjeev Kothiala F-1/ 1D, MIG Flats, Hari Nagar, New Delhi-110064	CFO	AASPK0036E		
9.	Mr. Rakesh Kumar Thakur 229/4A, Gali No. 22, Railway Colony, Mandawali, Delhi-110092	Company Secretary	AEBPT3741G	-	-

33. The list of Directors and KMP of the Transferor Company and their individual shareholding in respective Companies as on 30th May 2022 are as per the table below:

**Transferee Company**

S. No.	Name and Address of Director & KMP	Designation	DIN/PAN	Nos. Equity Shares	% of Equity Shares
1	Mr. Karamjit Jaiswal Farm No. 6, the Green, Rajokari, New Delhi- 110038	Director	00111288	14009999	99.9999929
2	Mrs. Gita Bawa S-264, Greater Kailash, Part-II, New Delhi-110048	Director	00111003	0	0
3	Mr. Dhanraj Singh Negi D-84, Near D Block Market, Sector-27, Noida, Gautam Budh Nagar, 201301 UP	Director	00823037	0	0

34. (a) The Pre & Post Arrangement (Expected) Capital Structure of Transferee Company is as per the table below:

**Transferee Company - Pre Arrangement as on 31.03.2022**

Particulars	Amount (Rs.)
Authorized Share Capital	8,00,00,000/-
Issued, Subscribed and Paid-Up Share Capital	4,88,52,400

**Transferee Company - Post Arrangement (Expected)**

The Capital Structure of Transferee Company after the implementation of the Scheme (Expected) will be as under:

Particulars	Amount (Rs.)
Authorized Share Capital	8,00,00,000
Issued, Subscribed and Paid-Up Share Capital	5,85,19,310

- (b) The Capital Structure of Transferor Company as on and immediately before the implementation of the Scheme is as under:

Particulars	Amount (Rs.)
Authorized Share Capital	14,50,00,000
Issued, Subscribed and Paid-Up Share Capital	14,01,00,000

**The Post-Arrangement (Expected) Capital Structure of Transferor Company:**

Since the Transferor Company is being merged with the Transferee Company and by virtue of the amalgamation, the Transferor Company shall stand dissolved without the process of winding up.



35. The Pre & Post Arrangement (Expected) shareholding pattern of Transferee Company is as per the table below:

**Transferee Company - Pre Arrangement as on 31.03.2022**

<b>S. No.</b>	<b>Category of Shareholders</b>	<b>No. of Equity Shares</b>	<b>Percentage(%) to Equity</b>
<b>(A)</b>	<b>Promoter &amp; Promoter Group</b>		
(1)	<b>Indian</b>		
(a)	Individuals/Hindu Undivided Family	2400084	49.11
(b)	Body Corporate	48250	0.99
	<b>Sub Total (A)(1)</b>	<b>2448334</b>	<b>50.10</b>
<b>(2)</b>	<b>FOREIGN</b>		
(a)	Body Corporate	Nil	N.A
	<b>Sub Total (A)(2)</b>	<b>Nil</b>	<b>N.A</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1) + (A)(2)</b>	<b>2448334</b>	<b>50.10</b>
<b>(B)</b>	<b>Public Shareholding</b>		
(1)	Institutions/Mutual Funds/ Foreign Portfolio Investors/Banks	376300	7.70
(a)	Insurance Companies	Nil	N.A
	<b>Sub Total (B)(1)</b>	<b>376300</b>	<b>7.70</b>
(2)	Central Government/ State Government(s)/ President of India	Nil	N.A
	<b>Sub Total (B)(2)</b>	<b>Nil</b>	<b>N.A</b>
<b>(3)</b>	<b>Non Institutions</b>		
(a)	i. Individual shareholders holding nominal share capital upto Rs. 2 lakhs.	631941	12.93
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	40950	0.84
(b)	Any Others	5251	0.11
	Bodies Corporate	1383664	28.32
	<b>Sub Total (B)(3)</b>	<b>2061806</b>	<b>42.20</b>
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	<b>2438106</b>	<b>49.90</b>
	<b>Grand Total (A+B)</b>	<b>4886440</b>	<b>100.00</b>



Statement showing shareholding of persons belonging to the category "Promoter and Promoter Group"-

Sl. No.	Promoter & Promoter Group	No. of Equity Shares	Percentage(%) to Equity
1	Mr. Karamjit Jaiswal Farm No. 6, the Green, Rajokari, New Delhi 110038	1700024	34.79
2	Ms. Roshni Sanah Jaiswal 148, Sunder Nagar, New Delhi-110003	700060	14.32
3	M/s Blue Skies Investments Pvt Ltd 4th Floor, Bhandari House, 91, Nehru Place, New Delhi-110019	25250	0.52
4	M/s Snowwhite Holdings Pvt Ltd 4th Floor, Bhandari House, 91, Nehru Place, New Delhi-110019	23000	0.47
	<b>Total</b>	<b>2448334</b>	<b>50.10</b>

**Transferee Company – Post Arrangement (Expected)**

S. No.	Category of Shareholders	No. of Equity Shares	Percentage(%) to Equity
<b>(A)</b>	<b>Promoter &amp; Promoter Group</b>		
(1)	<b>Indian</b>		
(a)	Individuals/Hindu Undivided Family	3366774	57.52
(b)	Body Corporate	48250	0.82
	<b>Sub Total (A)(1)</b>	<b>3415024</b>	<b>58.34</b>
(2)	<b>FOREIGN</b>		
(a)	Body Corporate	Nil	N.A
	<b>Sub Total (A)(2)</b>	<b>NIL</b>	<b>N.A</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>3415024</b>	<b>58.34</b>
<b>(B)</b>	<b>Public Shareholding</b>		
(1)	Institutions	376300	6.43
(a)	Insurance Companies	Nil	N.A
	<b>Sub Total (B)(1)</b>	<b>376300</b>	<b>6.43</b>
(2)	Central Government/ State Government(s)/ President of India	Nil	N.A
	<b>Sub Total (B)(2)</b>	<b>Nil</b>	<b>N.A</b>
(3)	Non Institutions		
(a)	i. Individual shareholders holding nominal share capital upto Rs. 2 lakhs.	631942	10.80
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	40950	0.70
(b)	Any Others	5251	0.09
	Bodies Corporate	1383664	23.64
	<b>Sub Total (B)(3)</b>	<b>2061807</b>	<b>35.23</b>
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	<b>2438107</b>	<b>41.66</b>
	<b>Grand Total (A+B)</b>	<b>5853131</b>	<b>100</b>

36. The pre-arrangement shareholding of Transferor Company as on 30th May, 2022 is as per the table below:

S. No.	Name & Address of Shareholders	Total Number of Equity Shares	% of total number of shares
1.	Mr. Karamjit Jaiswal Farm No. 6, the Green, Rajokari, New Delhi- 110038	14009999	99.9999929
2.	Mr. Naresh Kumar Rana 127, Meghdoot Apartment, Sector 10A, Gurgaon, 122001	1	0.0000071
	<b>Total</b>	<b>1,40,10,000</b>	<b>100</b>

37. Statement disclosing details of Arrangement and Amalgamation as per Sub-Section 3 of Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

No.	Particulars	Milkfood Limited	Tripiti Infrastructure Private Limited
(i)		<b>Transferee Company</b>	<b>Transferor Company</b>
	<i>Details of the order of the NCLT directing the calling, convening and conducting of the meeting :-</i>		
a.	Date of the Order	13.05.2022	13.05.2022
b.	Date, time and venue of the meeting	<b>Meeting of Secured Creditors</b> Date – 09.07.2022 Time - 10.30 am. <b>Meeting of Unsecured Creditors</b> Date – 09.07.2022 Time – 11:30 am. <b>Meeting of Equity Shareholders</b> Date – 09.07.2022 Time – 02:30 pm. Through VC/ OAVM	<b>Meeting of Shareholders,</b> <b>Meeting of Secured Creditors,</b> <b>Meeting of Unsecured Creditors</b> Dispensed by Hon'ble NCLT
(ii)	Details of the Companies including		
a.	Corporation Identification Number (CIN)	L15201PB1973PLC003746	U70101PB2011PTC049856
b.	Permanent Account Number(PAN)	AAACM5913B	AAECT7480N
c.	Name of Company	Milkfood Limited	Tripiti Infrastructure Private Limited
d.	Date of Incorporation	31.03.1973	29.09.2011
e.	Type of Company	Listed Public Company.	Private Limited Company
f.	Registered Office address	Bahadurgarh, Distt Patiala, Punjab 147021	Sood's Niwas, Ranbir Marg, Patiala-147001
	E-mail address	info@milkfoodltd.com	tripitiinfrastructure@gmail.com
g.	Summary of main object as per the memorandum of association; and main business carried on by the Company	As per Para 9, 10 of the Explanatory Statement.	As per Para 13, 14 of the Explanatory Statement.
h.	Details of change of name, Registered Office and objects of the Company during the last five years	Not Applicable	As mentioned in Para 11 of the Explanatory Statement.

No.	Particulars	Milkfood Limited	Triputi Infrastructure Private Limited
I.	Name of stock exchange(s) where securities of the company are listed, if applicable	BSE Limited	Unlisted
j.	Details of capital structure – Authorized, Issued, subscribed and paid-up share capital	As per Para 8 of the Explanatory Statement and Clause 3 of Part (II) of the Scheme.	As per Para 12 of the Explanatory Statement and Clause 3 of Part (II) of the Scheme.
k.	Names of the promoters and directors along with their addresses	As per Para 30 and 32 of the Explanatory Statement	As per Para 31 and 33 of the Explanatory Statement
(iii)	If the scheme of compromise or arrangement relates to more than one company, the fact and details of any relationship subsisting between such companies who are parties to such scheme of compromise or arrangement, including holding, subsidiary or associate companies	One of the Shareholders of the Transferee Company, directly the Shareholder of the Transferor Company. One of the Directors of the Transferee Company is Director of the Transferor Company.	One of the Shareholders of the Transferor Company, directly the Shareholder of the Transferee Company. One of the Directors of the Transferor Company is Director of the Transferee Company.
(iv)	The date of board meeting at which the scheme was approved by the board of directors including the name of directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution	05/10/2020	05/10/2020
(v)	Explanatory Statement disclosing details of the scheme of compromise or arrangement including:-		
a.	Parties involved in such compromise or arrangement	Milkfood Limited (Transferee Company) Triputi Infrastructure Private Limited (Transferor Company)	
	In case of amalgamation or merger, appointed Date		
	Appointed Date	01.04.2020	
	Effective Date	The last of the dates on which the certified or authenticated copy of the orders of the NCLT sanctioning the scheme are filed with the Registrar of Companies by the Transferor Companies and the Transferee Company.	
b.	Share Exchange Ratio and other considerations, if any.	- 69 equity shares of face value of Rs. 10 each to be issued by Transferee Company against 1000 equity shares of face value of Rs. 10 each of Transferor Company	Not Applicable
c.	Copy of Valuation report (if applicable) including basis of valuation and fairness opinion of the registered valuer, if any, and the declaration that the valuation report is available for inspection at registered office of the Company	Refer Annexure 2 for Valuation Report; and Annexure 3 for fairness opinion. The same are available for inspection at the Registered Office of the Company on all working days between 10 a.m. to 5 p.m. (Monday to Friday)	Refer Annexure 2 for Valuation Report; and Annexure 3 for fairness opinion. The same are available for inspection at the Registered Office of the Company on all working days between 10 a.m. to 5 p.m. (Monday to Friday)

No.	Particulars	Milkfood Limited	Tripuri Infrastructure Private Limited
d.	Details of capital or debt restructuring, if any	Not applicable	
e.	Rationale for the compromise or arrangement	Refer Clause 41 of the Scheme. Also refer Para 15 of the Explanatory Statement.	
f.	Benefits of the compromise or arrangement as perceived by the Board of directors to the company, members, creditors and others (as applicable)	As provided in the rationale for Amalgamation in Clause 41 of the Scheme and as stated in Para 15 of the Explanatory Statement.	
g.	Amount due to Secured Creditors as of 31 <sup>st</sup> March, 2022	Rs. 71,35,73,462/-	NIL
(vi)	<i>Disclosure about effect of the compromise or arrangement on</i>		
	Key Managerial personnel (KMP) (other than Directors)	No effect	Not applicable
	Directors	No effect	Shall cease to be directors. Scheme will not affect any person who is already a Director in the Transferee Company as on the Appointed Date from continuing as whether including Whole Time Director.
	Promoters	No effect	Shall cease to be promoters
	Non-promoter members	There will be no change in Non-Promoters' Equity shareholding.	Shall cease to be non promoter members
	Depositors	No Effect	
	Creditors	No Effect	- Creditors shall become the creditors of the Transferee Company and paid off in the ordinary course of business. Inter-company creditors would get cancelled.
	Debenture holders	No Effect as none of the Companies has issued any debentures.	
	Deposit Trustee & Debenture Trustee	No Effect as none of the Companies has any Deposit or Debenture Trustees.	
	Employees of the Company	No Effect	No Effect as all employees of the Transferor Company will become the employees of the Transferee Company.
(vii)	Disclosure about effect of compromise or arrangement on material interest of Directors, Key Managerial Personnel (KMP) and debenture trustee		
	Directors	No material effect of arrangement and amalgamation	
	Key Managerial personnel	No material effect of arrangement and amalgamation	
	Debenture Trustee	Not Applicable	
(viii)	Investigation or proceedings, if any, pending against the company under the Act	None	

No.	Particulars	Milkfood Limited	Tripiti Infrastructure Private Limited
(ix)	details of the availability of the following documents for obtaining extract from or for making or obtaining copies of or inspection by the members and creditors, namely:		
a.	Latest Audited Financial Statements of the Company including consolidated financial statements	Available at Registered Office of the Transferee Company between 10:00 a.m. to 05:00 p.m. on all working days (Monday to Friday). Additionally for the Transferee Company, they are also available on the website of the Company and the BSE Limited, where the shares are listed.	
b.	Copy of the order of Tribunal in pursuance of which the meeting is to be convened or has been dispensed with.	Available at Registered Office of the Transferee Company between 10:00 a.m. to 05:00 p.m. on all working days (Monday to Friday).	
c.	Copy of scheme of Compromise or Arrangement	Enclosed as <b>Annexure 1</b> to this Notice Available at Registered Office of the Transferee Company between 10:00 a.m. to 5:00 p.m. on all working days (Monday to Friday). Additionally for the Transferee Company, it is also available on the website of the Company and the BSE Limited, where its shares are listed.	
d.	Contracts or Agreements material to the compromise or arrangement	There were no contracts or agreement material to the Scheme of Arrangement and Amalgamation.	
e.	The certificate issued by the Auditor of the Company to the effect that the accounting treatment, if any, proposed in the scheme of compromise or arrangement is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013; and	Available at Registered Office of the Transferee Company between 10:00 a.m. to 5:00 p.m. on all working days (Monday to Friday).	
f.	Such other information or documents as the Board or Management believes necessary and relevant for making decision things for or against the scheme	None	
(x)	Details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed scheme of compromise or arrangement	No Objection Certificate in the form of Observation Letter received from BSE on May 28, 2021	Not Applicable
		Notice under Section 230(5) of the Companies Act, 2013 is being given to: <ul style="list-style-type: none"> <li>• The Central Government, Registrar of Companies, Income Tax Authorities and Reserve Bank of India in respect of both the Companies.</li> <li>• SEBI and concerned Stock Exchange(s) in respect of Transferee Company; and</li> <li>• Official Liquidator in respect of Transferor Company, Approvals, sanctions or representations, if any, are pending from these authorities.</li> </ul>	

No.	Particulars	Milkfood Limited	Tripiti Infrastructure Private Limited
(xi)	A statement to the effect that the persons to whom the notice is sent may vote in the meeting either in person or by proxies, or where applicable, by voting through electronic means	Members to whom the Notice is sent may vote in the meeting VC / OAVM through electronic means	

### 38. Inspection Documents

Inspection of the following documents may be done at the Registered Office of Milkfood Limited (Transferee Company) at Bahadurgarh, District Patiala, Punjab – 147021 on all working days (Monday to Friday) between 10:00 A.M. and 5:00 P.M. and the same are displayed on Company's website [www.milkfoodltd.com](http://www.milkfoodltd.com).

- Copy of the order passed by the National Company Law Tribunal, Chandigarh Bench at Chandigarh in Application made by Transferor Company and Transferee Company under Company Application No. **CA (CAA) 44(CHD)(PB) OF 2021 and CA 43 OF 2022** inter alia, convening the meetings of the Equity Shareholders, Secured Creditors and Secured Creditors of the Transferee Company;
- Scheme of Arrangement for Amalgamation between Tripiti Infrastructure Private Limited (Transferor Company) with Milkfood Limited (Transferee Company) under section 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.
- Valuation Report issued by Mr. Siddharth Gupta, Registered Valuer.
- Fairness Opinion issued by Finshore Management Services Ltd. a SEBI Registered Merchant Banker.
- The Observation Letter issued by BSE Limited to Milkfood Limited.
- Complaints Report submitted by Milkfood Limited with Bombay Stock Exchange.
- Abridged Prospectus as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 including applicable information pertaining to Tripiti Infrastructure Private Limited and Compliance Report issued by Merchant Banker M/s D & A Financial Services (P) Limited.
- Copy of Board Resolution passed by the Board of Directors of Milkfood Limited.
- Copy of Board Resolution passed by the Board of Directors of Tripiti Infrastructure Private Limited
- Audited Financial Results for the period ended on 31.03.2022 of Milkfood Limited.
- Audited Financial Statements for the period ended on 31.03.2022 of Tripiti Infrastructure Private Limited.

A copy of the Scheme, Explanatory Statement and E-voting details may be obtained from the Registered Office of Milkfood Limited at Bahadurgarh, District Patiala, Punjab - 147021.

After the Scheme is approved by the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferee Company, it will be subject to the approval/ sanction of the Hon'ble National Company Law Tribunal, Chandigarh Bench at Chandigarh.

Sd/-  
(Gita Bawa)

**Dated: 6<sup>th</sup> Day of June 2022**  
**Place: Patiala**

**Authorised Representative of Transferee Company**

**Registered Office:**  
**Bahadurgarh, District Patiala, Punjab - 147021**

**THE NATIONAL COMPANY LAW TRIBUNAL  
CHANDIGARH BENCH, CHANDIGARH  
(through web-based video conferencing platform)**

**CA No.43/2022  
And  
CA (CAA) No.44/Chd/Pb/2021  
(1<sup>st</sup> Motion)**

**Under Sections 230 to 232 of the  
Companies Act, 2013 read with  
Companies (Compromises,  
Arrangements and Amalgamations)  
Rules, 2016**

**IN THE MATTER OF SCHEME OF AMALGAMATION OF:**

**Triputi Infrastructure Private Limited**

with its registered office at  
Sood's Niwas Ranbir Marg, Patiala, Punjab - 147001  
PAN: AAECT7480N  
CIN: U70101PB2011PTC049856

...Applicant Company No.1/Transferor Company

And

**Milkfood Limited**

with its registered office at  
Bahadurgarh, District Patiala, Punjab - 147021  
PAN: AAACM5913B  
CIN: L15201PB1973PLC003746

...Applicant Company No.2/Transferee Company

And in the matter of:-

**CA No.43/2022**

Sudha Commercial Company Limited  
Vs.

1. Triputi Infrastructure Private Limited
2. Milkfood Limited

**Under Rule 11 of the NCLT Rules, 2016**

...Applicant/Intervener

...Respondents

**Order delivered on: 13.05.2022**

**Coram: HON'BLE MR. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)  
HON'BLE MR. SUBRATA KUMAR DASH, MEMBER (TECHNICAL)**

**Present through Video Conferencing :-**

For the Applicant Companies: 1. Mr. Anand Chhibbar, Senior Advocate  
In CA (CAA) No.44/Chd/Pb/2021 2. Mr. SP Singh Chawla, Advocate  
& Respondents in CA No.43/2022 3. Mr. Nikhil Chawla, Advocate

For the applicant in  
CA No.43/2022 : 1. Mr. Nitin Kant Setia, Advocate  
2. Mr. Sumer Singh Brar, Advocate

**Per: Subrata Kumar Dash, Member (Technical)**

**ORDER**

**CA (CAA) No.44/Chd/Pb/2021**

This is a joint First Motion Application filed by Applicant Companies namely; **Triputi Infrastructure Private Limited** (for short hereinafter referred to as Applicant Company No.1/Transferor Company) and **Milkfood Limited** (for short hereinafter referred to as Applicant Company No.2/Transferee Company) under Section 230-232 of the Companies Act, 2013 (the Act) and other applicable provisions of the Act read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the Rules) in relation to the Scheme of Amalgamation between the Applicant Companies. The said Scheme is attached as Annexure A-7 to the Application.

2. The Applicant Companies have prayed for dispensing with the requirement for convening the meetings of the Equity Shareholders, Secured and Unsecured Creditors of Applicant Company No.1/Transferor Company. It is further prayed for the convening of the meetings of Equity Shareholders, Secured and Unsecured Creditors of Applicant Company No.2/Transferee Company.



3. The Applicant Company No.1/Transferor Company is presently engaged in the business to acquire by purchase, exchange, lease, hire or otherwise any estate, lands, buildings, plots or immovable property of any nature or any interest therein etc.
4. The Applicant Company No.2/Transferee Company is presently engaged in the business as manufacturers and/or processors and dealers in and importers and exporters of all varieties of milk, whole milk powder, skimmed milk powder, condensed milk, evaporated milk and dried milk etc.
5. It is submitted that the registered offices of the Applicant Companies are at Patiala, which is situated in the State of Punjab, and, therefore, both applicant companies are under the territorial jurisdiction of this Bench.
6. The rationale of the Scheme is given below:-
  - (i) The amalgamation will result in better, efficient and economical management, achieve cost savings, pooling of resources and rationalisation of administrative expenses/services. The amalgamation will enable the Company to pool the brand, financial, commercial and other resources and considerable synergy of operations would be achieved and it will give value addition to the assets of the Company,
  - (ii) With the enhanced capabilities and resources at its disposal, the Transferee Company will have greater flexibility and strength and will be able to compete more effectively as a combined entity.
  - (iii) The Transferee Company as a consolidated entity after amalgamation will have better financial and business prospects. The Scheme would be beneficial to and in the best interest of the Shareholders & Creditors, if any, of the Transferor Company and the Transferee Company. The Scheme shall not in any manner be

prejudicial to the interests of concerned members/creditors or general public at large.

- (iv) It would be advantageous to combine the assets of the Transferor Company and the Transferee Company into a single Company. The amalgamation would provide beneficial synergy of operations from administrative point of view, and conserve administrative resources and cost overheads, and duplication of management efforts.

7. It is stated that the Board of Directors of the Applicant Company No.1/Transferor Company and Applicant Company No.2/Transferee Company in their meetings held on 05.10.2020 have considered and unanimously approved the Scheme of Amalgamation subject to sanctioning of the same by this Tribunal. The copies of the Board Resolutions of the Applicant Company No.1/Transferor Company and Applicant Company No.2/Transferee Company are attached as Annexure A-8 of the application.

8. The appointed date of the Scheme is 01.04.2020 as mentioned in Clause 2(ii) of the Scheme of Amalgamation which is attached as Annexure A-7 of the application.

9. It is stated that the Applicant Company No.1/Transferor Company and Applicant Company No.2/Transferee Company have filed the audited financial statements as on 31.03.2021 and 30.06.2021 as Annexure A-2 and Annexure A-5, respectively of the application. The Applicant Company No.1/Transferor Company and Applicant Company No.2/Transferee Company have also filed provisional financial statements as on 30.09.2021 as Annexure-1 of Diary No.01122/01 dated 09.12.2021.

10. It is submitted that there are no investigation proceedings are pending or instituted under Sections 235 to 251 of the Companies Act, 1956 and/or under Sections 206 to 229 of the Companies Act, 2013 against the Transferor and Transferee Companies and the Scheme of Amalgamation does not contemplate payment to any shareholder pursuant to the reduction of share capital of the Company as per Section 66 of the Companies Act, 2013.

11. It is further submitted that in pursuance of the proviso to Sec. 230 (7) and Section 232 (3) of the Act, the Applicant Companies has filed the certificate dated 05.10.2020 issued by statutory auditors certifying that the Scheme is in compliance with the Accounting Standards under Section 133 of the Act and the same are attached as Annexure A-21 of the application.

12. It is further submitted by the counsel for applicant companies that as per Valuation Report/Share Exchange Ratio Report dated 29.09.2022 submitted by Mr. Siddharth Gupta, Registered Valuer (S&FA) bearing registration No.IBBI/RV/05/2019/11261 is attached as Annexure A-16. The Share Exchange Ratio is given below:-

*“69 (Sixty-Nine) equity shares of face value of INR 10 (Rupees Ten) each of Milkfood Limited (ML) to be issued against 1000 (One-Thousand) equity shares of face value of INR 10 (Rupees Ten) of Triputi Infrastructure Private Limited (TIPL).”*

13. It is submitted by the learned counsel that the Scheme (Annexure A-7) also takes care of the interests of the staff/workers and employees of the Applicant Companies. By virtue of Clause 15.1, it is stated that upon the coming into effect of this Scheme all the staff, workmen, employees of the Transferor Company, if any, who are in its employment as on the Scheme coming into effect

shall become the staff, workmen, employees or other labour of the Transferee Company with effect from the Appointed Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by the Transferor Company whereas there will be no effect on the employees of the Transferee Company.

14. It is stated that the Applicant Company No.2/Transferee Company is a public limited company having shares listed on BSE Ltd. and has received the observation letter dated 28.05.2021 from BSE Ltd. The copies of the same are attached as Annexure A-9 of the application.

15. The authorised signatory of both Applicant Companies have deposed by way of affidavit that both the applicant companies have no other specific sectoral regulators other than the Central Government through Regional Director, Registrar of Companies, Official Liquidator, Securities and Exchange Board of India, Bombay Stock Exchange and Income Tax Authorities and applicant companies are not registered under non-banking financial institution, so neither the approval of RBI is required nor any notices are required to be served upon them. It is further deposed by way of affidavit that the Applicant Companies are not a Section 8 Company under the Companies Act, 2013 and are private limited and public limited companies as defined under Section 2(68) and Section 2(71) of the Companies Act, 2013. The affidavit of the authorised signatory of both Applicant Companies is filed by Diary No.01122/3 dated 02.02.2022.

16. The Applicant Companies has furnished the following documents:-

- i. Proposed Scheme of Amalgamation (Annexure A-7 of the application).

- ii. List of Secured and Unsecured Creditors of Applicant Company No. 1 duly certified by the Statutory Auditors (Annexure A-12 of the application).
- iii. List of Secured and Unsecured Creditors of Applicant Company No.2 duly certified by the Statutory Auditors (Annexure A-14 and A-15 respectively of the application).
- iv. Certificates of Statutory Auditors to the effect that Accounting treatment proposed in the Scheme is in conformity with Section 133 of Companies Act, 2013 (Annexure A-21 of the application).
- v. Proposed Share Exchange Ratio (Annexure A-16 of the application).
- vi. Affidavit with regard to Sectoral Regulators of Applicant Companies (Diary No.01122/3 dated 02.02.2022 of the application).
- vii. Audited Financial Statement as on 31.03.2021 and 30.06.2021 of the Applicant Company No.1 and Applicant Company No.2 (Annexures A-2 and A-5 respectively of the application).
- viii. Provisional Financial Statements as on 30.09.2021 of the Applicant Company No.1 and Applicant Company No.2 (Annexure A-1 of Diary No.01122/01 dated 09.12.2021).

17. In the course of present proceedings, an intervention application CA No.43/2022 was filed by Diary No.00193 dated 09.02.2022, by Sudha Commercial Company Limited under Rule 11 of the NCLT Rules, 2016. The applicant therein had earlier filed CP 10/ND/2013 RT CP No.28/Chd/Pb/2016 titled as Sudha Commercial Company Limited Vs. Milkfood Limited & Ors. under Section 397, 398, 399, 403 of the Companies Act, 1956 wherein it had alleged

certain acts of oppression and mismanagement by the management of Non-Applicant Company No.2 and Non-Applicant Company No.1 was also contesting respondent in the said petition.

17.1 The applicant prayed this Tribunal to adjourn Company Application CA (CAA) No.44/Chd/Pb/2021 sine die till the time CP 10/ND/2013 RT CP No.28/Chd/Pb/2016 titled as *Sudha Commercial Company Limited Vs. Milkfood Limited & Ors.* is not finally decided on its merits.

17.1.1 In its application filed by Diary No.00193 dated 09.02.2022, the applicant has challenged the Valuation Report of Milkfood Limited and Triputi Infrastructure Pvt. Ltd.; the share exchange ratio and financial statement of accounts of Triputi Infrastructure Pvt. Ltd. It has further alleged that the valuation of the Brand has been done from a merchant banker at an inflated value of around Rs.33 Crores. It is also alleged that the Promoter Group by selling the Brand of Milkfood Limited at Rs.34 Crores as against its purchase value of Rs.14 Crores caused a loss of Rs.20 Crores to the Company. In view of these allegations, it is prayed that the allegations made in CP 10/ND/2013 RT CP No.28/Chd/Pb/2016 titled as *Sudha Commercial Company Limited Vs. Milkfood Limited & Ors.* be decided first and the application CA (CAA) No.44/Chd/Pb/2021 be adjourned sine die.

17.1.2 In its written submissions filed by Diary No.00193/2 dated 25.02.2022, the applicant reiterates that it is holding 10.01% shares in the Milkfood Limited and repeated the allegations of certain acts of oppression and mismanagement against the said company, also mentioned in the case titled *Sudha Commercial Company Limited Vs. Milkfood Limited & Ors.* In the

said case, Triputi Infrastructure Private Limited is also a contesting respondent and one of the acts of oppression and mismanagement alleged by the applicant in the aforementioned petition was the alienation of Brand Milkfood by Milkfood Limited to Triputi Infrastructure Private Limited for a paltry consideration of Rs.14 Crores.

17.2 Respondent No.2 has filed its reply by Diary No.00193/1 dated 28.02.2022 and further written submissions by Diary No.01122/4 dated 28.02.2022. In its reply, the primary objection taken by the respondent is that the issues raised by the Intervener cannot be taken up at the present first motion stage of the amalgamation proceedings because it is at this stage only the issues relating to notices to different stakeholders to allow them to vote on the Scheme is to be considered. The other issues like the objections raised by different authorities and stakeholders can be taken up subsequently during the second motion petition. In this context, the respondent has placed reliance on the ratio laid down by the Hon'ble Supreme Court of India in the matter of **Rainbow Denims Ltd. Versus Rama Petrochemicals Ltd. (2002) 10 Supreme Court Cases 498**, the relevant part of which is extracted below:-

*“5. The appropriate time for the Company Judge to consider the Scheme is subsequent to approval thereof by the shareholders and creditors of the appellant Company. Therefore, the order of the learned Company Judge and the order under appeal must be set aside and liberty given to the appellant Company to move the High Court for directions for calling meetings of its shareholders and creditors for the purposes of considering and approving the scheme. Once that has been done, a further application will be required to be made before the learned Company Judge. That would be the appropriate time for the learned Company Judge to consider the scheme.”*

17.2.1 It is further stated that in the present case, the applicant without having any locus standi has filed the present application without understanding and evaluating the benefit of the proposed Scheme of Amalgamation, which in a way if considered at this stage, will deprive the stakeholders of the Respondent No.2 to vote on the proposed Scheme.

17.2.2 The respondent No.2 i.e. Milkfood Limited has referred to Para 10 of its reply filed in *Company Petition No.10(ND)/2013 (RT CP No.28/Chd/Pb/2016) in the case of Sudha Commercial Company Limited Vs. Milk Food Limited and Ors.*, which reads as under:

*“It is submitted that even otherwise the present petition is entirely infructuous inasmuch as there is common ground between the parties herein that the primary allegation in the present petition is that the Respondent No.1 Company has “sold” the brand Milkfood at an undervalue to the Respondent No.8 Company. By way of the present scheme of merger of the Respondent no.1 and Respondent No.8 Companies, admittedly the brand Milkfood shall come back to Respondent No.1 Company and as such nothing remains to be decided in the present petition and therefore the present petition is infructuous.”*

17.2.3 It is further stated that the valuation of the Brand has gone up from Rs.14 Crores in the year 2013 to Rs.34 Crores at the time of the proposal for amalgamation due to the exponential growth in the financial position of the respondent Company. As a justification of the higher valuation, it is further stated that the sale of the Brand to Respondent No.1 Company was with various stipulations such as respondent No.1 Company was not allowed to assign or sell the brand to any other party and would further allow the respondent No.2 Company to use the brand without payment of any royalty. It is also mentioned that respondent No.2 Company has till date not paid any royalty to respondent No.1 Company.



17.2.4 In its compilation filed by Diary No.01122/05 dated 08.03.2022, the respondents have placed reliance on the ratio of the judgment of the NCLT, Chennai Bench in the matter of **Dalmia Refractories Limited and Ors. Vs. Dalmia Bharat Refractories Limited and Ors. in CA/322/CAA/2020 decided on 23.02.2021**. The relevant para reads as below:

*“5. ....xx xx xx xx.. The learned counsel for the applicant companies relied on the judgments of the Hon’ble Supreme Court in the matter of Rainbow Denim Limited - Vs. Rama Petrochemicals Limited and the Hon’ble NCLAT in the matter of MEL Windmills Private Limited Vs. Mineral Enterprises Limited & Anr. wherein it was held that the appropriate time to be consider any objections is only subsequent to the meeting of the shareholders and creditors and their approval thereof. Hence, keeping in mind, the Judgements of Hon’ble Supreme Court and NCLAT, we are of the view that the objection raised by the shareholders of the Transferor Company-1 at the first motion stage is not maintainable. Since, it pertains only in relation to conduct/or dispensed with the meeting, the objection raised by the objectors at the first motion stage is not maintainable.”*  
(emphasis supplied)

17.2.5 The respondents have also placed reliance on the decision of the NCLT, Bengaluru Bench in the matter of **MEL Windmills Private Limited Vs. Mineral Enterprises Limited & Anr. in Company Appeal (AT) No.04 of 2019 decided on 27.05.2019**. The relevant part is extracted below for the sake of clarity:

*“5. ....xxx xx xx xx xx... This is a sine qua non for proceeding further and any order of sanctioning or refusing to sanction such compromise or arrangement by the Tribunal would be without jurisdiction unless the Tribunal has dispensed with calling of such meeting of creditors/members in terms of Sub-Section (9). It is manifestly clear that at the stage of calling of meeting of creditors/members for consideration of the scheme of compromise or arrangement the Tribunal is not required to examine the merits of the scheme qua the proposed compromise/arrangement. Any such indulgence on the part of the Tribunal would fall foul of the provision engrafted in Section 230(1) of the Act and would be without jurisdiction.*

*6. ....xxx xx xx xx xx.. The mandate of law engrafted under Section 230(1) of the Act requiring the Tribunal to order calling of meeting of the creditors/members of the concerned companies not being complied with*

*and the mandatory provisions being observed in breach, the impugned order cannot be supported. The Tribunal, at the very threshold stage, was not required to venture into the merits of the proposed scheme of demerger which had to be examined only after obtaining the consent of creditors/members with requisite majority.”*

17.3 The applicant in its compilation filed by Diary No.00193/3 dated 09.03.2022, has placed reliance on the decision of the Hon'ble Bombay High Court in the case of **Bedrock Ltd. and Bedrock Ltd. in Company Petition No.469 of 1997 decided on 17.03.1998**, wherein it is stated that “32. *These principles have also been reiterated by the Supreme Court in Mafatlal's case (supra) to the effect that the proposed scheme should only be sanctioned if it is found to be not violative of any provision of law and is not contrary to public policy. For ascertaining the real purpose underlying the scheme the Court can pierce the veil of apparent corporate purpose underlying the scheme and can judiciously X-ray the scheme. Where the Court finds that the scheme is fraudulent and is intended for a purpose other than what it professes to be, it may be rejected even at the outset without calling a meeting of the Creditors. The Court does not function as a rubber stamp or Post Office and it is incumbent upon the Court to be satisfied that the scheme is genuine, bona fide and in the interest of creditors of the Company”.*

17.4 We have heard learned counsel for the applicant and learned Senior Counsel for the respondents and have carefully gone through the records.

17.5 Before going into the merits of this application, this Bench notes that the applicant itself had agreed to consider a Scheme of Merger as reflected in the following extracts from the order dated 04.03.2020 in the case of CP

No.10/(ND)/2013 RT CP No.28/Chd/Pb/2016 in Sudha Commercial Co. Ltd. Vs. Milkfood Limited and Ors. of this Adjudicating Authority:

*“The learned counsel appearing for the respondent No.1 Company submits that the respondent No.1 Company is intending to formulate a scheme of merger of respondent No.8 with respondent No.1 Company and in such an event the prayers in the instant case becomes infructuous as the “brand” will come back to respondent No.1 again. However, seeks short accommodation to produce the Board Resolution and any other relevant documents thereto. Accordingly, list the CP on 24.03.2020.*

*2. The learned counsel appearing for the petitioner submits on instructions that if the respondent No.1 Company files any resolution as stated by them they will withdraw the CP and may not press CP with regard to other allegations also.” (emphasis supplied)*

17.5.1 The issue falling for our consideration in the present application is whether in a first motion application the issues originally raised in an oppression and mismanagement application can be considered. It is trite law that the Chapter XV of the Companies Act, relating to Compromises, Arrangements, and Amalgamation is a self-contained Code. This Chapter provides opportunities to all stakeholders i.e. the Shareholders, Secured and Unsecured Creditors to vote on the proposed Scheme of Amalgamation. The applicant is a 10.01% Shareholder of the Non-Applicant No.2 Company i.e. Milkfood Limited. Admittedly, there are other stakeholders also and all of them have a right to vote on the proposed Scheme as it affects all the stakeholders. The issues raised by the applicant, therefore, may become relevant for consideration only during the second motion after the proposed Scheme of Amalgamation crosses the threshold level of the consents of Shareholders and Creditors as stipulated in Section 230-232 of the Act. In any case, being a shareholder, the applicant will also have an opportunity to vote on the

proposed Scheme after the notices are issued to shareholders and others during the first motion of Amalgamation proceedings in CA (CAA) No.44/Chd/Pb/2021. In the above circumstances, this Bench holds that the prayer made by the Intervener is not maintainable at this stage, and the CA No.43/2022 stands dismissed and disposed of accordingly.

18. In the application CA (CAA) No.44/Chd/Pb/2021, the Applicant Company No.1/Transferor Company i.e. Triputi Infrastructure Private Limited CIN: U70101PB2011PTC049856 is a private limited company incorporated under the Companies Act, 1956 on 29.09.2011. The certificate of incorporation along with the Memorandum and Articles of Association is attached as Annexure A-1 of the application. The details of the Share Capital Structure of the Applicant Company No.1/Transferor Company as on 31.03.2020 is given below:-

Particulars	Amount in (Rs.)
<b>Authorised Share Capital</b>	
1,45,00,000 Equity shares of Rs.10/- each	Rs.14,50,00,000/-
<b>Total</b>	<b>Rs.14,50,00,000/-</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
1,40,10,000 Equity shares Rs.10/- each	Rs.14,01,00,000/-
<b>Total</b>	<b>Rs.14,01,00,000/-</b>

19. The Applicant Company No.2/Transferee Company i.e. Milkfood Limited CIN: L15201PB1973PLC003746 is a public limited company incorporated under the Companies Act, 1956 on 31.03.1973. The certificate of incorporation along with Memorandum and Articles of Association is attached as Annexure A-4 of the

application. The details of the Share Capital Structure of the Applicant Company No.2/Transferee Company as on 31.03.2020 is given below:-

Particulars	Amount in (Rs.)
<b>Authorised Share Capital</b>	
75,00,000 Equity shares of Rs.10/- each	Rs.7,50,00,000/-
50,000 Redeemable Preference Shares of Rs.100 each	Rs.50,00,000/-
<b>Total</b>	<b>Rs.8,00,00,000/-</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
48,86,440 Equity shares Rs.10/- each	Rs.4,88,64,400/-
Less : Call in Arrear	Rs.19,000/-
Add: Amount paid on Forfeited Shares	Rs.7,000/-
<b>Total</b>	<b>Rs.4,88,52,400/-</b>

20. The Applicant Companies have furnished the details of the Shareholders, Secured Creditors and Unsecured Creditors as follow:

Name of the Applicant Companies	Shareholders along with their consent on affidavit		Creditors along with their consents on affidavit			
	Equity Shareholders	Consents submitted on affidavit	Secured Creditors	Consents submitted on affidavit	Unsecured Creditors	Consents submitted on affidavit
Applicant Company No.1	2 (Two)	100% in value	Nil	NA	Nil	NA
Applicant Company No.2	4551 (Four Thousand Five Hundred Fifty-One)	Meeting sought	3 (Three)	Meeting sought	202 (Two Hundred Two)	Meeting sought

21. It is submitted that the list of equity shareholders of Applicant Company No.1/Transferor Company is attached as Annexure A-10 of the application. As per the list, there are 2 (Two) Equity Shareholders as on 11.06.2021 of the Applicant Company No.1/Transferor Company, and all the equity shareholders of

the Applicant Company No.1/Transferor Company have given their consent by way of affidavits to the proposed scheme and the same is attached as Annexure A-11 of the application. The list of Secured and Unsecured Creditors of Applicant Company No.1/Transferor Company duly certified by the statutory auditors are attached as Annexures A-12 of the application. As per the certificate dated 19.07.2021 issued by statutory auditors, there are Nil Secured Creditors and Nil Unsecured Creditors as on 30.06.2021.

22. It is further submitted that the list of equity shareholders of Applicant Company No.2/Transferee Company is attached as Annexure A-13 of the application. As per the list, there are 4,551 (Four thousand Five hundred Fifty One) Equity Shareholders of the Applicant Company No.2/Transferee Company which attached as Annexure- A-13 of the application. The list of Secured and Unsecured Creditors of Applicant Company No.2/Transferee Company duly certified by the statutory auditors are attached as Annexures A-14 and A-15, respectively of the application. As per the certificate dated 08.09.2021 issued by statutory auditors, there are 3 (Three) Secured Creditors and 202 (Two hundred and Two) Unsecured Creditors as on 30.06.2021.

23. Accordingly, the directions of this Bench in the present case are as under:-

**I. In relation to Applicant Company No.1/Transferor Company:**

- a. The meeting of the Equity Shareholders is dispensed with keeping in view the shareholding and ownership pattern of the company and the fact that the consent by way of affidavits has been received;

- b. Since, there are Nil Secured Creditors and Nil Unsecured Creditors in the Applicant Company No.1/Transferor Company. Therefore, there is no scope for any meeting.

**II. In relation to Applicant Company No.2/Transferee Company:**

- a. The meeting of the Equity Shareholders of the Applicant Company No.2/Transferee Company be convened as prayed for on 09.07.2022 at 2:30 PM through video conferencing with facility of remote e-voting, subject to notice of the meeting being issued. The quorum of the meeting of the Equity Shareholders shall be 1813 in number or 40% in value of the Equity Shareholders;
- b. The meeting of the Secured Creditors of the Applicant Company No.2/Transferee Company be convened as prayed for on 09.07.2022 at 10:30 AM through video conferencing with facility of remote e-voting, subject to notice of the meeting being issued. The quorum of the meeting of the Secured Creditors shall be 2 in number or 40% in value of the Secured Creditors;
- c. The meeting of the Unsecured Creditors of the Applicant Company No.2/Transferee Company be convened as prayed for on 09.07.2022 at 11:30 AM through video conferencing with facility of remote e-voting, subject to notice of the meeting being issued. The quorum of the meeting of the Unsecured Creditors shall be 81 in number or 40% in value of the Unsecured Creditors;

- III.** In case the required quorum as noted above for the meetings is not present at the commencement of the meeting, the meeting shall be

adjourned by 30 minutes and thereafter the persons present and voting shall be deemed to constitute the quorum.

- IV.** Mr. Justice Ranjit Singh (Retd.), address: House No.1024, Sector-27B, Chandigarh, Mobile No.9899791094, email id:[justice.ranjit@gmail.com](mailto:justice.ranjit@gmail.com), is appointed as the Chairperson for the meeting to be called under this order. An amount of ₹2,00,000/- (Rupees Two Lakhs Only) be paid for his services as the Chairperson.
- V.** Mr. Manuj Nagrath, Advocate, R/o House No.162, Sector-123, New Sunny Enclave, Kharar, Mohali - 140301, Mobile No.9417502808, e-mail id:[advocate.mnagrath@gmail.com](mailto:advocate.mnagrath@gmail.com), is appointed as the Alternate Chairperson for the meeting to be called under this order. An amount of ₹1,50,000/- (Rupees One Lakh Fifty Thousand Only) be paid for his services as the Alternate Chairperson.
- VI.** Mr. P.D. Sharma, Practising Company Secretary, address: SCO 186-187, FF, Sector-17C, Chandigarh, Mobile No.9815435315, email id: [sharmasarin.legal@gmail.com](mailto:sharmasarin.legal@gmail.com), is appointed as the Scrutinizer for the above meeting to be called under this order. An amount of ₹1,00,000/- (Rupees One Lakh Only) be paid for his services as the Scrutinizer.
- VII.** The fee of the Chairperson, Alternate Chairperson and Scrutinizer and other out of pocket expenses for them shall be borne by the Applicant Company No.2/Transferee Company.
- VIII.** It is further directed that individual notices of the said meetings shall be sent by Applicant Company No.2/Transferee Company through registered post or speed post or through courier or e-mail, 30 days in advance before



the schedule date of meeting, indicating the day, date, the place and time as aforesaid, together with a copy of the Scheme, copy of explanatory statement with Valuation Report as discussed in paras 12 of this order required to be sent under the Companies Act, 2013 and the applicable Rules and any other documents as may be prescribed under the Act shall also be duly sent with the notice.

- IX.** It is further directed that along with the notices, Applicant Company No.2/Transferee Company shall also send, statements explaining the effect of the scheme on the creditors, key managerial personnel, promoters and non-promoter members etc. along with effect of the amalgamation on any material interests of the Directors of the Company or the debenture trustees, if any, as provided under sub-section (3) of Section 230 of the Act.
- X.** It is also directed that the provisional accounting statement of Applicant Company No.1/Transferor Company and Applicant Company No.2/Transferee Company as on 31.03.2022 or as on a subsequent date be also circulated for the aforesaid meeting in terms of Section 232 (2) (e) of the Act.
- XI.** That the Applicant Company No.2/Transferee Company shall publish advertisement with a gap of at least 30 clear days before the aforesaid meeting, indicating the day, date and place and the time of meeting as aforesaid, to be published in “Financial Express” (English) and “Jansatta” (Hindi) both in All India Edition; It be stated in the advertisement that the copies of “Scheme”, the Explanatory Statement required to be published

pursuant to Section 230 to 232 of the Act. The Applicant Company No.2/Transferee Company shall also publish the notice on its website, if any.

- XII.** It shall be the responsibility of the Applicant Company No.2/Transferee Company to ensure that the notices are sent under the signature and supervision of the authorized representative of the company on the basis of Board resolutions and that they shall file their affidavits in the Tribunal at least ten days before the date fixed for the meeting.
- XIII.** Voting shall be allowed on the “Scheme” through electronic means which will remain open for a period as mandated under Clause 8.3 of Secretarial Standards on General Meetings to the Applicant Company No.2/Transferee Company under the Act and the Rules framed thereunder.
- XIV.** The Scrutinizer’s report will contain his/her findings on the compliance to the directions given in Para VII to XIII above.
- XV.** The Chairperson shall be responsible to report the result of the meeting to the Tribunal in Form No. CAA-4, as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 within 7 (seven) days of the conclusion of the meeting. The Chairperson would be fully assisted by the authorized representative/Company Secretary of the Applicant Company No.2/Transferee Company and the Scrutinizer, who will assist the Hon’ble Chairperson and Alternate Chairperson in preparing and finalizing the report.

**XVI.** The Applicant Company No.2/Transferee Company shall individually and in compliance of sub-section (5) of Section 230 of the Act and Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 send notices in Form No. CAA-3 along with copy of the Scheme, Explanatory Statement and the disclosures mentioned in Rule 6 of the “Rules” to (i) Central Government through the Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi (ii) Registrar of Companies, Punjab and Chandigarh (iii) the Official Liquidator (attached to Punjab and Haryana High Court); (iv) Securities and Exchange Board of India (SEBI), (v) Bombay Stock Exchange Limited (B.S.E.), (vi) National Stock Exchange of India Limited (NSE), (vii) Food Safety and Standards Authority of India (FSSAI), and (viii) Income Tax Department through the Nodal Officer – Principal Commissioner of Income Tax, NWR, Aayakar Bhawan, Sector 17-E, Chandigarh by mentioning the PAN number of the Applicant Companies; and to such other Sectoral Regulator(s) governing the business of the Applicant Company No.2/Transferee Company, if any, stating that report on the same, if any, shall be sent to the Tribunal within a period of 30 days from the date of receipt of such notice and copy of such report shall be simultaneously sent to the concerned companies, failing which it shall be presumed that they have no objection to the proposed Scheme.

**XVII.** The Applicant Company No.2/Transferee Company shall furnish a copy of the Scheme free of charge within one day of any requisition for the

Scheme made by any creditor or member/shareholder entitled to attend the meeting as aforesaid.

**XVIII.** The authorized representative of the Applicant Company No.2/Transferee Company shall furnish an affidavit of service of notice of meeting and publication of advertisement and compliance of all directions contained herein at least a week before the proposed meeting.

**XIX.** All the aforesaid directions are to be complied with strictly in accordance with the applicable laws including forms and formats contained in the Rules as well as the provisions of the Companies Act, 2013 by the Applicant Company No.2/Transferee Company/Applicant Company No. 2.

24. With the aforesaid directions, this First Motion Application stands disposed of. A copy of this order be supplied to the learned counsel for the Applicant Companies who in turn shall supply a copy of the same to the Chairperson, Alternate Chairperson and the Scrutinizer immediately.

Sd/-  
**(Subrata Kumar Dash)**  
**Member (Technical)**

Sd/-  
**(Harnam Singh Thakur)**  
**Member (Judicial)**

May 13, 2022

AV

**SCHEME OF AMALGAMATION  
UNDER SECTION 230 TO 232 OF THE COMPANIES ACT, 2013**

**OF**

**TRIPUTI INFRASTRUCTURE PRIVATE LIMITED**

**(CIN: U70101PB2011PTC049856)**

**(PAN: AAECT7480N)**

**(TRANSFEROR COMPANY)**

**WITH**

**MILKFOOD LIMITED**

**(CIN: L15201PB1973PLC003746)**

**(PAN: AAACM5913B)**

**(TRANSFeree COMPANY)**

**(A) PREAMBLE**

This Scheme of Amalgamation is presented for amalgamation of **Triputi Infrastructure Private Limited** (hereinafter referred to as “the Transferor Company”) with **Milkfood Limited** (hereinafter referred to as “the Transferee Company”) and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013 (“the Act”) read with the relevant Rules of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“the Rules”), as amended from time to time and all other applicable provisions of the Act and rules, including any statutory modification(s), amendment(s) or re-enactment(s) thereof in the said Act and rules for the time being in force.

**For MILKFOOD LIMITED**

*Gita Bawa*  
(Director)

Triputi Infrastructure Private Limited

*[Signature]*  
(Director)

## **(B) DESCRIPTION OF COMPANIES**

### **1. TRANSFEREE COMPANY**

**MILKFOOD LIMITED** ("Transferee Company") is a company incorporated under the provisions of the Companies Act, 1956, CIN "L15201PB1973PLC003746" and having its registered office at 'Bahadurgarh Distt Patialala Punjab 147021'. Milkfood Limited is engaged in business of manufacturers and / or processors and dealers in and importers and exporters of all varieties of Milk, Whole Milk Powder, Skimmed Milk Powder, Condensed Milk, Evaporated Milk and Dried Milk, Butter, Butter Milk, Cream, Curds, Ghee, Cheese, Margarine, Ice-Cream, Ice-Cream Powder, Creamery, Baby food and Invalid Foods and Tonics, Biscuits, Toffees, Sweets, Lactose, Lactose Powder, Chocolates and Candies, Cocoa and Cocoa Butter products, Dairy Chemicals and all varieties of natural or processed articles and produce of Dairy industry and their products, bye-products, and formulations and wastes and residue resulting from the manufacture and processing of and/ or trading in any or all of the articles mentioned aforesaid.

### **2. TRANSFEROR COMPANY**

**TRIPUTI INFRASTRUCTURE PRIVATE LIMITED** is a duly incorporated private limited company under the provisions of the Companies Act, 1956, CIN "U70101PB2011PTC049856" and having its registered office at 'Sood's Niwas Ranbir Marg Patiala 147001'. Triputi Infrastructure Private Limited is engaged in the business of:

- i. To acquire by purchase, exchange, lease, hire or otherwise any estate, lands, buildings & plots or immovable property of any nature or any interest therein.

**For MILKFOOD LIMITED**

*Gita Bawa*  
(Director)

Triputi Infrastructure Private Limited

*[Signature]*  
Director

- ii. To carry on the business of construction of apartments, flats, shops, kothies, hotels, restaurants, pubs, cinema halls, multiplex complexes, malls, hospitals and nursing homes buildings, canals, reservoirs, mills and offices, huts, tenements, warehouses, industrial sheds, power houses, tunnels, culverts, channels sewage, roads, bridges and dams and to act as an agent for purchasing, selling and letting on hire plot and houses, whether multistoried, commercial and/or residential buildings on commission basis.
- iii. To carry on the business as developers, promoters, builders, consultants, civil engineers, architects, surveyors, designers, town planners, colonizers of estates, farm land & residential buildings, commercial buildings, estimators, interior and exterior decorators, general and government civil contractors of immovable properties.
- iv. To sell, rent, lease, let, mortgage or otherwise dispose off land, houses, buildings, plots, immovable property of any nature or any interest therein and realize cost in lump sum or otherwise to start any housing scheme in India or abroad.
- v. To acquire, purchase, hire or sell, mortgage or otherwise dispose off any estates, land, building, plot, basements or any interest in any immovable property and to develop and preparing the same for building purposes, constructing building, multistoried building and altering, pulling down, decorating, maintaining, furnishing, fitting up and improving building.
- vi. To develop the plots by providing roads & other facilities such as water supply and sale the same and to erect and construct farm houses building or work civil and constructional of every description on any land of the company or upon any other such lands or immovable property and to pull down rebuild, enlarge, alter and improve such land into road, highway, streets, squares

**For MILKFOOD LIMITED**

(Director)

*Gita Bawa*

Tripuri Infrastructure Private Limited

*[Signature]*  
(Director)

and such other convenience related thereto and deal with and improve the immovable property of the company or any other immovable property and to: construct, maintain, erect and lay out roads, highway sewers, drains, electric line, cables and gas lines, in over and under the estate of any other company or person or body-corporate.

- (C) The present Scheme of Amalgamation (hereinafter referred to as “Scheme”) is merger/amalgamation of Triputi Infrastructure Private Limited wherein business undertaking of said Company would be merged and shall be transferred to transferee Company “Milkfood Limited” and the Transferor Company and Transferee Company are under one group therefore, the present scheme is proposed due to diverse activities in the Transferor Company and acquisition of the Brand (including all Brand/ Sub-Brand) and promoter’s vision to carry on the business for the synergetic effect and betterment of all stakeholders.
- (D) The Transferor Company is not listed on any Stock Exchange and the Transferee Company is listed on BSE Limited.
- (E) Apart from meeting the commercial and business interests of the parties as specified herein, this Scheme, in so far as it relates to the Merger/Amalgamation, has been drawn-up to also comply with the conditions relating to “Amalgamation” as specified under the tax laws, including Sections 2(1B), 47 and all other relevant sections of the Income Tax Act, 1961, or any amendment or re-enactment thereto.

**For MILKFOOD LIMITED**

*Gita Bawa*  
(Director)

Triputi Infrastructure Private Limited

*[Signature]*  
Director



This Scheme is broadly divided into following parts:

- Part I:** Preliminary;
- Part II:** Financial position and capital structure;
- Part III:** Promoters, Directors and Key Managerial Personnel of the Transferor Company and the Transferee Company;
- Part IV:** Rationale and benefits of the Scheme;
- Part V:** Transfer and vesting of the business of the Transferor Company;
- Part VI:** Accounting Treatment;
- Part VII:** Share Capital, consideration and alteration of Memorandum and Articles of Association;
- Part VIII:** Effect of the Scheme on the Directors, Key Managerial Personnel, Promoters, Creditors and other Stakeholders;
- Part IX:** General terms and conditions.

## **PART- I**

### **PRELIMINARY**

1. This Scheme of Amalgamation (hereinafter referred to as “**the Scheme**”) provides for the amalgamation of the Transferor Company with the Transferee Company, in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof for the time being in force (“the Act”) read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as amended from time to time and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force.

*For MILKFOOD LIMITED*

*A. S. Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
(Director)

## DEFINITIONS

2. In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:
- i. **“The Act”** means the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof, the Rules, regulations, notifications made/issued thereunder, if any, as amended from time to time and also mean and refer to corresponding relevant enforceable Sections of Companies Act, 1956, the rules and regulations made there under, if any;
  - ii. **“Appointed Date”** means April 1, 2020 or such other date as may be approved by the Hon’ble National Company Law Tribunal (NCLT) or Hon’ble National Company Law Appellate Tribunal (NCLAT), or any other competent Court (s), judicial or quasi-judicial authority or any other competent authority having power to sanction the Scheme, as the case may be;
  - iii. **“Board of Directors” or “Board”** means the Board of Directors of the Transferor Company and the Transferee Company and includes any Committee(s) of the Board, or any person or persons authorised by the Board of Directors of the respective companies;
  - iv. **“BSE”** means BSE Limited;

*For MILKFOOD LIMITED*

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

- v. **“Governmental Approval”** means and includes any consents, approvals, authorizations, concessions, permits, licenses issued by any Governmental Authority;
- vi. **“Governmental Authority”** means any applicable Central, State or local Government, legislative body, regulatory or administrative authority including but not limited to the Securities and Exchange Board of India to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of Law;
- vii. **“Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any regulations, rules, guidelines etc., that may replace such regulations;
- viii. **“Members” or “Class of Members” or “Concerned Members”** with respect to the Transferor Company and Transferee Company shall mean the Equity Shareholders, whose names is/ are entered in the Register of Members or as a beneficial owner in the records of the depository.
- ix. **“National Company Law Tribunal” or “NCLT” or “The Tribunal”** means the Hon’ble National Company Law Tribunal constituted under Section 408 read with Section 419 of the Act situated at Chandigarh or any other bench of Hon’ble National Company Law Tribunal having jurisdiction to sanction the Scheme.

*For MILKFOOD LIMITED*

*A. K. Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
(Director)

- x. **“National Company Law Appellate Tribunal”** or **“NCLAT”** or **“The Appellate Tribunal”** means the Hon’ble National Company Law Appellate Tribunal at New Delhi constituted under Section 410 of the Act as and when the context may require;
- xi. **“Record Date”** means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the respective equity shareholders of the Transferor Company, who shall be entitled to receive equity shares of the Transferee Company as per this Scheme;
- xii. **“SEBI”** means Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- xiii. **“SEBI Circular”** means circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by SEBI or any other circulars issued by SEBI applicable to schemes of arrangement from time to time;
- xiv. **“Scheme” or “Scheme of Amalgamation” or “this Scheme” or “the Scheme”** means this Scheme of Amalgamation for the amalgamation of the Transferor Company with the Transferee Company, as approved by the respective Board of Directors of the Transferor Company and the Transferee Company as well as respective Members, Class of Members, Creditors and Class of Creditors, if any, of these Companies, subject to such modifications or amendments as may be deemed fit by the National Company Law Tribunal or other concerned/competent authority(ies), as the case may be;
- xv. **“Tribunal Order(s)”** means order(s) passed by the Tribunal sanctioning this Scheme and/or any Tribunal order(s) for extension of time or condonation of delay in filing of the requisite forms with the ROC in relation to the Scheme, if applicable;

*For MILKFOOD LIMITED*

*A. B. Bawa*  
(Director)

Tripuri Infrastructure Private Limited  
*[Signature]*  
Director

xvi. “Undertakings or Undertaking(s) of the Transferor Company” shall mean and include the whole of the businesses and undertakings of the Transferor Company on a going concern basis, being carried on by the Transferor Company as on the Appointed Date, which is being transferred to Transferee Company and shall include (without limitation):

- (i) all the properties and assets whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent, deposits investments of all kinds (including shares, scripts, stocks, bonds, debentures, debenture stock, units or pass through certificates), all cash balances with the banks, money at call and short notice, loans, advances, contingent rights or benefits, lease and hire purchase contracts and assets, receivables, cheques and other negotiable instruments (including post-dated cheques), benefit of assets or properties or other interest held in trust, in partnership firms, benefit of any security arrangements, authorities, allotments, approvals, buildings and structures, office, residential and other premises, tenancies, leases, licenses fixed and other assets, powers, consents, authorities, registrations, agreements, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits, leasehold rights, other benefits (including tax benefits), tax holiday benefits, tax incentives & exemptions (including but not limited to tax credits), Minimum Alternate Tax Credit entitlement (“MAT Credit”) under Income Tax Act, 1961, easements, privileges, liberties, grants and advantages of whatsoever nature including pending projects where so ever situated belonging to and/ or in the ownership, power or possession

*For MILKFOOD LIMITED*

*Gita Baur*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to licenses in respect thereof, privileges, liberties, concessions in terms of duties, taxes, subsidies, incentives, as may be available to the Transferor Company or in relation to any movable or immovable assets of the Transferor Company and including easements, advantages, benefits, rights, grants and exemptions granted under any law, or other enactment, leases, tenancy rights, ownership flats, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telex, facsimile, e-mail, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programs, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customers credit information, customer and supplier pricing information and other records in connection with or relating to the Transferor Company and all other interests including those arising to the Transferor Company including but without being limited to land and building, all fixed and movable plant and machinery, construction equipments, leasehold or freehold, tangible or intangible, including all computers and accessories, software and related data, leasehold improvements, plant and machinery, offices, capital work-in-progress, vehicles, furniture, fixtures, fittings, office equipment, telephone, facsimile and other communication facilities and equipment, electricals, appliances, accessories, deferred tax assets and investments; (hereinafter referred to as "the said assets");

*For MILKFOOD LIMITED*

*Gita Baur*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

- (ii) all the debts, liabilities, duties and obligations present and future of the Transferor Company including the contingent liabilities (hereinafter referred to as "the said liabilities");
- (iii) all rights and licenses including, all assignments and grants thereof, all permits, clearances and registrations whether under Central, State or other laws, rights (including rights/ obligations under any agreement, contracts, applications, letters of intent, or any other contracts), subsidies, grants, tax credits (including MODVAT/ CENVAT, Service Tax credits), incentives or schemes of central/ state/ local governments, certifications and approvals, regulatory approvals including Special Economic Zone (SEZ) approvals from appropriate authority, entitlements, other licenses, environmental clearances, municipal permissions, approvals, consents, tenancies, investments and/ or interest (whether vested, contingent or otherwise), cash balances, bank balances, bank accounts, reserves, deposits, advances, recoverable, receivables, benefit of insurance claims, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank guarantees issued by the Transferor Company, funds belonging to or proposed to be utilised by the Transferor Company, privileges, all other claims, rights and benefits (including under any powers of attorney issued by the Transferor Company or any powers of attorney issued in favour of the Transferor Company or from or by virtue of any proceeding before a legal, quasi-judicial authority or any other statutory authority to which the Transferor Company were the parties, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity,

*For MILKFOOD LIMITED*

*Arto Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

water and other services, provisions, funds, benefits duties and obligations of all agreements, contracts and arrangements and all other interests;

- (iv) all employees, if any, of the Transferor Company immediately preceding the approval/sanction of the Scheme by Hon'ble NCLT;
- (v) all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, share application money, wallet/ pre-paid instruments balances, earnest moneys and/ or security deposits paid or received by the Transferor Company;
- (vi) all books, records, files, papers, product specifications and process information, records of standard operating procedures, computer programs along with their licenses, manuals and backup copies, drawings, other manuals, data catalogues, quotations, sales and advertising materials, and other data and records whether in physical or electronic form;
- (vii) all intellectual property rights including all trademarks, trademark applications, trade names, patents and patent applications, domain names, logo, websites, internet registrations, copyrights, trade secrets, and all other interests exclusively relating to the Transferor Company.

It is intended that the definition of Merged/Amalgamated Undertakings or Undertakings under this Clause would enable the transfer of all properties,

*For MILKFOOD LIMITED*

*Cita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
(Director)



assets, rights, duties and liabilities of the Transferor Company into Transferee Company pursuant to this Scheme.

The expressions which are used in this Scheme and not defined in this Scheme, shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, Income Tax Act, 1961, Indian Accounting Standards or Accounting Standard, as may be applicable and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof from time to time.

#### **DATE OF COMING INTO EFFECT**

The Scheme shall come into legal operation from (a) the Appointed Date; or (b) such date as may be approved by the Hon'ble National Company Law Tribunal (NCLT) or Hon'ble National Company Law Appellate Tribunal (NCLAT), or any other competent Court (s), judicial or quasi-judicial authority or any other competent authority having power to sanction the Scheme, as the case may be. The phrase 'coming into effect' or 'becoming effective' in the context of the Scheme shall mean the date on which Scheme shall come into legal operation in the manner stated hereinabove.

#### **PART- II**

##### **FINANCIAL POSITION AND CAPITAL STRUCTURE**

3. The share capital structure and the financial position of the Transferor Company and the Transferee Company, as reflected by the latest Audited Balance Sheet dated 31<sup>st</sup> March, 2020, are given as under:

*For MILKFOOD LIMITED*

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

3.1 The Authorised, Issued, Subscribed and Paid up Share Capital of the Transferor Company as on 31<sup>st</sup> March, 2020 are as under:

<b>PARTICULARS</b>	<b>AMOUNT (Figures in INR)</b>
<b>AUTHORISED SHARE CAPITAL</b>	
1,45,00,000 equity shares of Rs 10 each	14,50,00,000
<b>Total</b>	<b>14,50,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</b>	
1,40,10,000 equity shares of Rs 10 each	14,01,00,000
<b>Total</b>	<b>14,01,00,000</b>

As on the date of this Scheme, there has been no change in the share capital structure.

3.2 The financial position of the Transferor Company as on 31<sup>st</sup> March, 2020 on the basis of the latest Audited Financial Statements is as under:

<b>Particulars</b>	<b>Amount (in Rs.)</b>
<b><u>EQUITY &amp; LIABILITIES</u></b>	
Shareholders Fund	13,83,05,186
Non-current liabilities	18,00,000
Current liabilities	11,800

For MILKFOOD LIMITED

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

<b>Total</b>	<b>14,01,16,986</b>
<b><u>ASSETS</u></b>	
Non- Current Assets	14,00,00,000
Current Assets	1,16,986
<b>Total</b>	<b>14,01,16,986</b>

3.3 The Authorised, Issued, Subscribed and Paid up Share Capital of the Transferee Company as on 31<sup>st</sup> March, 2020:

<b>PARTICULARS</b>	<b>AMOUNT (Figures in INR)</b>
<b>AUTHORISED SHARE CAPITAL</b>	
75,00,000 equity shares of Rs 10 each	7,50,00,000
50,000 Redeemable Preference Shares of Rs 100 each	50,00,000
<b>Total</b>	<b>8,00,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>	
48,86,440 equity shares of Rs 10 each	4,88,64,400
Less: Call in Arrear	19,000
Add: Amount paid on Forfeited Shares	7,000
<b>Total</b>	<b>4,88,52,400</b>

As on the date of this Scheme, there has been no change in the share capital structure of the Transferee Company.

For MILKFOOD LIMITED

*Anita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*Just*  
Director

3.4 The financial position of the Transferee Company as on 31<sup>st</sup> March, 2020  
on the basis of the latest Audited Financial Statements is as under:

Particulars	Amount (Rs. in Lakhs)
<b><u>EQUITY &amp; LIABILITIES</u></b>	
Equity Share Capital	11,669
Non-current liabilities	8,517
Current liabilities	9,832
<b>Total</b>	<b>30,018</b>
<b><u>ASSETS</u></b>	
Non-Current Assets	19,739
Current Assets	10,279
<b>Total</b>	<b>30,018</b>

**PART- III**  
**PROMOTERS, DIRECTORS AND KEY MANAGERIAL PERSONNEL**  
**OF THE TRANSFEROR COMPANY AND THE TRANSFEEE**  
**COMPANY**

4. Details of Promoters, Directors and Key Managerial Personnel (“KMP”) of the Transferor Company and the Transferee Company are given as under:

For MILKFOOD LIMITED

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

4.1 Details of the Directors & KMP of the Transferor Company as on the date of this Scheme:

S. No.	Name	Address	Designation
1.	Ms. Gita Bawa (DIN: 00111003)	S-264, Greater Kailash-2, South Delhi New Delhi 110048	Director
2.	Mr. Karamjit Jaiswal (DIN: 00111288)	FARM No. 6, The Green, Rajokari, New Delhi 110038	Director
3.	Mr. Gautam Pal (DIN: 05200503)	BL-52, Anand Vihar, Hari Nagar, New Delhi 110064	Director

4.2 Details of the Promoters of the Transferor Company as on the date of this Scheme:

S. No.	Name	Address
1.	Mr. Karamjit Jaiswal	FARM No. 6, The Green, Rajokari, New Delhi- 110038
2.	Mr. Naresh Kumar Rana	127, Meghdoot Apartment, Sector 10A, Gurgaon 122001

4.3 Details of the Directors & KMP of the Transferee Company as on the date of this Scheme:

S. No.	Names	Addresses	Designation
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For MILKFOOD LIMITED

Gita Bawa  
(Director)

Tripuri Infrastructure Private Limited

Jub  
Director

1.	Mr. Lalit Kumar (DIN: 00059732)	21,Maitri Apartments Mayur Vihar-1 New Delhi 110091	Director
2.	Mr. Anil Girotra (DIN: 00110631)	S-22/13, DLF City Phase-III, Gurgaon 122010	Director
3.	Ms. Asha Gadi (DIN: 00110734)	F-73, Ground Floor, Kalkaji, New Delhi 110019	Director
4.	Ms. Gita Bawa (DIN: 00111003)	S-264, Greater Kailash-2, South Delhi New Delhi 110048	Director
5.	Mr. Kewal Krishan Kohli (DIN: 00127337)	185, Sector 5, Vaishali Ghaziabad 201010	Director
6.	Mr. Harmesh Mohan Sood (DIN: 07951620)	Sood Niwas, 6, Ranbir Marg, Patiala 147001	Director
7.	Ms. Preeti Mathur (DIN: 07951647)	77, Teg Colony, Patiala 147001	Director
8.	Mr. Sudhir Avasthi	J-6, Ground Floor, Kailash Colony, New Delhi 110048	CEO(KMP)
9.	Mr. Sanjeev Kothiala	F1/1D, MIG Flats, Hari Nagar, Maya Puri, New	CFO(KMP)

For MILKFOOD LIMITED

Gita Bawa  
(Director)

Tripuri Infrastructure Private Limited

  
(Director)

		Delhi 110064	
10.	Mr. Rakesh Kumar Thakur	229/4A, Gali No. 22, Railway Colony, Mandawali, Delhi 110092	Company Secretary

- 4.4 Details of the Promoters and Promoter Group of the Transferee Company as on the date of this Scheme:

Sl. No.	Name	Address
1.	Mr. Karamjit Jaiswal	FARM No. 6, The Green, Rajokari, New Delhi -110038
2.	Ms. Roshni Sanah Jaiswal	148, Sunder Nagar, New Delhi- 110003
3.	Blue Skies Investments Private Limited	4 <sup>th</sup> Floor, Bhandari House, 91, Nehru Place, New Delhi-110019
4.	Snowwhite Holdings Private Limited	4 <sup>th</sup> Floor, Bhandari House, 91, Nehru Place, New Delhi-110019

#### PART- IV

#### RATIONALE AND BENEFITS OF THE SCHEME

5. The rationale/ benefits of the present Scheme are mentioned hereunder:
- 5.1 The amalgamation will result in better, efficient and economical management, achieve cost savings, pooling of resources and rationalization of administrative expenses/services. The amalgamation will

For MELXFOOD LIMITED

*G. K. Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

enable the Company to pool the brand, financial, commercial and other resources and considerable synergy of operations would be achieved and it will give value addition to the assets of the Company.

5.2 With the enhanced capabilities and resources at its disposal, the Transferee Company will have greater flexibility and strength and will be able to compete more effectively as a combined entity.

5.3 The Transferee Company as a consolidated entity after amalgamation will have better financial and business prospects. The Scheme would be beneficial to and in the best interest of the Shareholders & Creditors, if any, of the Transferor Company and the Transferee Company. The Scheme shall not in any manner be prejudicial to the interests of concerned members / creditors or general public at large.

5.4 It would be advantageous to combine the assets of the Transferor Company and the Transferee Company into a single Company. The amalgamation would provide beneficial synergy of operations from administrative point of view, and conserve administrative resources and cost overheads, and duplication of management efforts

#### **PART- V**

#### **TRANSFER AND VESTING OF THE BUSINESS OF THE TRANSFEROR COMPANY**

6. With effect from the Appointed Date and upon the Scheme coming into effect and pursuant to the provisions of the Act, subject to the provisions of this Scheme and receipt of relevant approvals:

**For MILKFOOD LIMITED**

*G. K. Bawz*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director



6.1 The entire business and Undertaking(s) and all the moveable and immoveable properties, tangible and intangible assets including trademarks, patents, designs, copy rights, investments, powers, authorities, allotments, approvals and consents, licenses, registrations, contracts together with all non-compete covenants, engagements, arrangements, rights, titles, interests, agreements, benefits, taxes, including but not limited to Minimum Alternate Tax (MAT) paid under the relevant provisions of the Income Tax Act, 1961, tax incentives & exemptions, grants and advantages, approvals, permissions, sales tax deferrals, loans, subsidies, concessions, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of whatsoever nature belonging to and/ or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the aforesaid Transferor Company, including but without being limited to all patents, designs, trademarks, trade names, copyrights and other intellectual and industrial rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, concessions in terms of duties, taxes, subsidies, incentives, as may be available to the Transferor Company or in relation to any movable or immovable assets of the Transferor Company and including easements, advantages, benefits, including any rights, grants and exemptions granted under any law, or other enactment, leases, tenancy rights, ownership flats, quota rights, permits, capital contribution in partnership firms, approvals, authorizations, right to use and avail of telephones, telex, facsimile, web connections, bank and cash balances and installations, utilities, electricity and other services, reserves and security deposits, refunds, outstanding balances, stocks/ investments provisions, funds, benefits of all agreements and all other interests including those arising to the Transferor Company shall be transferred to, and vested in and/ or deemed to be transferred and

**For MILKFOOD LIMITED**

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

vested in the Transferee Company by virtue of this Scheme and all books of accounts and documents and records relating thereto, all of which shall without further act or deed be transferred to or vested in the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Act from the Appointed Date so as to become the assets and properties of the Transferee Company but subject to all charges, if any, affecting the same. Further provided that the Scheme shall not operate to adversely affect the rights, interests and security created for any such loan(s), deposit(s) and/or facility(s).

- 6.2 All the said liabilities (including contingent liabilities, if any) of Transferor Company shall, without any further act, instruments or deed shall stand transferred to the Transferee Company pursuant to the applicable provisions of the said Act, so as to become the debts, liabilities, duties and obligations of the Transferee Company. All the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred (including the effect of taxes, if any thereon) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be. It is clarified for the purpose of brevity that all assets and receivables, whether contingent or otherwise, of the Transferor Company as on start of business on the Appointed Date, whether provided for or not, in the books of accounts and all other assets or receivables which may accrue or arise on or after the 'Appointed Date' but which relates/ accrued to the period up to the scheme coming into effect/ Appointed Date shall be the assets and receivables or otherwise, as the case may be of the Transferee Company.

*For MILKFOOD LIMITED*

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

6.3 Subject to forgoing Clauses of this Scheme, all loan raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company in relation to or in connection with the said Business after the Appointed Date and prior to the Scheme coming into effect shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Scheme coming into effect, shall, upon the coming into effect of this Scheme, pursuant to the provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

6.4 Subject to foregoing Clauses of this Scheme, all estates, assets, rights, title, control, enjoyment, benefits, interests and authorization accrued to and/or acquired by the Transferor Company in relation to or in connection with the Business after the Appointed Date and prior to the Scheme coming into effect shall have been deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of this Scheme, pursuant to the provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the estates, assets, rights, title, interests and authorisation of the Transferee Company which shall meet, discharge and satisfy the same.

6.5 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which

FOR MILANFOOD LIMITED

Gita Bawa  
(Director)

Tripuri Infrastructure Private Limited

  
Director

may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.

6.6 The transfer and vesting of the Business of the Transferor Company under above mentioned Clause(s) and the continuance of the proceedings by the Transferee Company shall not affect any transactions or proceedings, already concluded by the Transferor Company in the ordinary course of business on and after the Appointed Date to the end and intent that the Transferee Company accepts on behalf of itself all acts, deeds and things done executed and all transactions or proceedings already concluded by the Transferor Company.

6.7 Subject to the provisions of this Scheme, the profits or losses of the Transferor Company for the period commencing from Appointed Date shall deemed to be related to and be the profits or losses of the Transferee Company and will be available to the Transferee Company for being dealt with/ disposed off in any manner as it thinks fit including declaration of dividend, issue of Bonus shares, by the Transferee Company.

6.8 On the Scheme coming into effect, the Transferee Company in terms of the provisions of the Income Tax Act, 1961 shall be entitled to revise its income tax returns as also the income tax returns filed by the Transferor

For MILKSCOOP LIMITED

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

Company so far as is necessitated on account of the Scheme becoming effective with effect from Appointed Date under the Scheme.

- 6.9 The transfer/ vesting as aforesaid shall be subject to the existing charges/ hypothecation/ mortgage if any, as may be subsisting over or in respect of the said assets or any part thereof. However, any reference in any security document or arrangement to which the Transferor Company is a party, to the assets of the Transferor Company offered or agreed to offer as security for any financial assistance, or obligations, to the secured creditors, if any, of the Transferor Company shall be construed as references only to the assets pertaining to the Business of the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid clause to the end and intent that such security, mortgage and charge shall not at any time extend or be deemed to extend to any of the assets or to any of the other units or divisions of the Transferee Company unless otherwise expressly provided.
- 6.10 It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be deemed to be so transferred/ delivered by the Transferor Company and shall become the property of the Transferee Company, in pursuance of the provisions of Sections 230 to 232 of the Act as an integral part of the Business of the Transferee Company with effect from the Appointed Date.
- 6.11 In respect of such of the said assets other than those referred to in sub clauses above, the same shall without any further act, instrument or deed be transferred to and vested in and/ or be deemed to be transferred and

*For MILKFOOD LIMITED*

*Amita Bawa*  
*(Director)*

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

vested in the Transferee Company on the Appointed Date pursuant to the provisions of the Section 230 to 232 of the Act.

6.12 Upon sanctioning of the Scheme the Transferee Company may at any time in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation, in favour of the secured creditors, if any, of the aforesaid Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Company as is to be carried out or performed.

6.13 That the Scheme of Amalgamation, in no way, is a Scheme of compromise or arrangement with the creditors as all the creditors of the Transferor Company and the Transferee Company will be paid in full as and when their respective amounts fall due in the usual course and therefore, the Scheme of Amalgamation will never be affecting the rights of the creditors in any manner, because the aggregate of assets of the Transferor Company and the Transferee Company will be sufficient to meet the liabilities of all the creditors of the Transferor Company and the Transferee Company in full. The present Scheme is not a Scheme of Corporate Debt Restructuring as envisaged under Section 230(2)(c) of the Act or a Scheme of compromise or arrangement under section 230 of the Act.

FOR MILK FOOD LIMITED

Gita Bawa  
(Director)

Tripuri Infrastructure Private Limited

  
Director

- 6.14 Upon the coming into effect of the Scheme, benefits of all taxes paid including but not limited to MAT under Sections 115JA/ 115JB of the IT Act, advances taxes and tax deducted at source, MAT credit under the provisions of the IT Act, by the Transferor Company from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same and shall be deemed to be the rights/ claims of the Transferee Company.

## **PART- VI**

### **ACCOUNTING TREATMENT**

7. Upon the Scheme coming into effect and pursuant to the provisions of the Act and receipt of relevant approvals:
- 7.1 The Transferee Company shall account for the merger in accordance with acquisition method for accounting business combination as per applicable Indian Accounting standard notified by the Central Government under section 133 of the Act, read with paragraph 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- 7.2 All assets and liabilities including reserves, of the Transferor Company shall be recorded in the books of account of the Transferee Company at their acquisition date fair values and in the same form.
- 7.3 The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

For MILKFOOD LIMITED

*Arta Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*Julie*  
Director

- 7.4 The identity of all reserves of the Transferor Company shall be preserved and they shall appear in the financial statements of the Transferee Company in same form and manner in which they appeared in the financial statements of the Transferor Company, prior to this Scheme coming into effect.
- 7.5 All inter-company balances, investments, loans and advances/balance outstanding between the Transferor Company and the Transferee Company will stand cancelled and there shall be no further obligation in that behalf.
- 7.6 The difference between the value of assets, liabilities and reserves of the business as taken over by the Transferee Company, the value of investments in Transferor Company cancelled by the Transferee Company and shall be transferred to Capital Reserve and would be presented separately from the other capital reserves with disclosure of its nature and purpose in the notes.
- 7.7 The difference between the fair value of equity shares issued and the fair value of the net assets acquired will be treated as goodwill or gain on bargain purchase;
- 7.8 The Transferee Company shall adjust the balance of the Statement of Profit & Loss of the Transferor Company against its Statement of Profit & Loss.

*For MILKFOOD LIMITED*

*A. B. Bawa*  
(Director)

Tripuli Infrastructure Private Limited

*[Signature]*  
Director



**PART-VII**  
**SHARE CAPITAL, CONSIDERATION AND ALTERATION OF**  
**MEMORANDUM AND ARTICLES OF ASSOCIATION**

8.1 Upon the scheme finally coming into effect and in consideration of the transfer of all the said assets and liabilities of the Transferor Company to the transferee company in terms of the scheme. The transferee company without any further application or deed issue and allot fully paid up equity share of 69 face value of Rs. 10 /- (Rupees Ten) each of the Transferee Company to the Shareholders of the Transferor Company against 1000 equity shares of the face value of Rs. 10 each of the Transferor Company , whose names appear in the register of members of the respective Transferor Company and whose names appear as their respective beneficial owners of the equity shares of the Transferor Company in the records of the depositories (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferee Company) as on the Record Date. The equity shareholders holding minimum shares in transferor company will get at least one share of transferee company. The equity shares to be issued by the Transferee Company to the shareholders of Transferor Company in accordance with this Clause shall be hereinafter referred to as “New Equity Shares”.

The shares to be allotted by the Transferee Company to the Shareholders of the Transferor Company are as under:

***“69 equity shares of face value of Rs. 10 each to be issued against 1000 equity shares of face value of Rs. 10 each of Transferor Company”.***

8.2 Any fraction of share so arising out of aforesaid share exchange ratio shall

be rounded off to nearest natural number.

For MILKFOOD LIMITED

*Arita Bawa*  
(Director)

Tripuli Infrastructure Private Limited

*[Signature]*  
Director

8.3 The New Equity Shares allotted and issued in terms of Clause 8.1 above, shall be listed and/or admitted to trading on the Stock Exchanges, where the equity shares of the Transferee Company are listed and/or admitted to trading; subject to the Transferee Company obtaining the requisite approvals from all the relevant Governmental Authorities pertaining to their listing.

8.4 Upon issuance and allotment of the New Equity Shares by the Transferee Company to the members of the Transferor Company as provided in the Scheme, the existing Equity Shares of Transferor Company held by the members of the Transferor Company shall automatically stand cancelled/ extinguished:

8.5 The New Equity Shares issued by the transferee company to the shareholders of Transferor Company in pursuance of this scheme shall lie *pari-passu* in all respect to the existing shares of the Transferor Company be it in terms of voting rights or dividend or otherwise.

8.6 The issue and allotment of New Equity Shares to the respective shareholders of the Transferor Company as provided in this Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the Transferee Company or its shareholders and as if the procedure laid down under Section 62 of the Act and any other applicable provisions of the Act, and such other statues and regulations as may be applicable were duly complied with.

8.7 As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the authorized share capital of the Transferor Company shall be deemed to be combined with the authorized share capital of the Transferee Company, without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to

For MILKFOOD LIMITED

Gita Bawa  
(Director)

Tripuri Infrastructure Private Limited

  
(Director)

Registrar of Companies and the stamp duty and fees paid by the Transferor Company on their authorized share capital shall be set-off against any stamp duty and fees payable by the Transferee Company on any increase in the authorized share capital of the Transferee Company pursuant to the Scheme. Further, the Stamp Duty shall be paid by the Transferee Company, if required.

8.8 It is hereby clarified that upon the Scheme coming into effect, the provisions of Sections 13, 14, 61 & 64 and other applicable provisions, if any, of the Act in relation to increase in Authorized Share Capital of the Transferee Company shall be considered to be complied with and the Transferee Company is not required to do any further acts, deeds or things, unless specifically required under the Act.

8.9 The Transferee Company shall make suitable alterations/ amendments to the Memorandum & Articles of Association, if so required and necessary, for proper implementation of Scheme in compliance to the applicable provisions of the Act.

**PART-VIII**  
**EFFECT OF THE SCHEME ON THE DIRECTORS, KEY MANAGERIAL**  
**PERSONNEL, PROMOTERS, CREDITORS AND OTHER**  
**STAKEHOLDERS**

9. The effect the Scheme on the Key Managerial Personnel, Directors, Promoters, Non-promoter members, Creditors and the Employee of the Transferor Company and the Transferee Company upon coming into effect is mentioned as under:

FOR MILKFOOD LIMITED

*A. de Baus*  
(Director)

FOR MILKFOOD LIMITED

*[Signature]*  
Director

- 9.1 The existing Directors including Key Managerial Personnel (“the KMP”) of the Transferor Company shall cease to be the Directors and KMP of the Transferor Company from the Scheme coming into effect without any further compliance of any other provisions of the Act, whereas there shall be no effect upon the Directors and KMP of the Transferee Company. The Directors and KMP of the Transferor Company and the Transferee Company does not have any interest, whether, material or immaterial, financial or non-financial or otherwise, in the proposed Scheme except, to the extent of their remuneration due, if any, till the Scheme coming into effect, in their professional capacity.
- 9.2 There are two promoters in the Transferor Company. One of the promoters of the transferor company is also the promoter of the Transferee Company. Upon the Scheme coming into effect, the Transferor Company shall stand merged with the Transferee Company and there shall be no change in promoter of the Transferee Company.
- 9.3 The creditors of the Transferor Company and the Transferee Company will be paid in full as and when their respective amounts fall due in the usual course and therefore, the Scheme will never be affecting the rights of the creditors in any manner, because the aggregate of assets of the Transferor Company and the Transferee Company will be sufficient to meet the liabilities of all the creditors of the Transferor Company and the Transferee Company in full.
- 9.4 The Transferor Company and the Transferee Company as on the date do not have any Depositors, Debenture holders, Deposit trustee and Debenture trustee.

FOR MR. SUDHANU

Gita Bansa  
(Director)

Tripuri Infrastructure Private Limited

  
Director

## PART- IX

### GENERAL TERMS AND CONDITIONS

#### 10. VALIDITY OF EXISTING RESOLUTIONS, ETC.

- 10.1 Upon the coming into effect of this Scheme, the Resolutions, if any, of the Transferor Company, which are valid and subsisting on the Scheme coming into effect, shall continue to be valid and subsisting, without any further act, instrument or deed and be considered as resolutions of the Transferee Company and if such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.

#### 11. DISSOLUTION OF THE TRANSFEROR COMPANY

- 11.1 Upon the coming into effect of this Scheme, the Board of Directors, (or any Committee(s) thereof) of the Transferor Company shall, without any further act, instrument or deed, be ceased to exist and shall stand dissolved without the process of winding-up.
- 11.2 On and with effect from the Effective Date, the name of the Transferor Companies shall be struck off from the records of the relevant Registrar of Companies. The Transferee Company shall make all necessary filings in this regard.

For MILKFOOD LIMITED

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

- 13 If any part of this Scheme is invalid, ruled illegal by any authority of competent jurisdiction or unenforceable under the present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

**14. CONTRACTS, DEEDS, BONDS, OTHER INSTRUMENTS AND BENEFITS OR PRIVILEGES**

- 14.1 Upon the Scheme coming into effect and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses, and other assurance in favour of the Transferor Company or powers or authorities granted by or to it of whatsoever nature to which the Transferor Company may be eligible, and instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and effectually, as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or oblige thereto. The Transferee Company shall, at any time prior to the Scheme coming into effect, wherever necessary enter into and/or issue and/ or execute deeds, writings, confirmations, any tripartite arrangements or notations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Clause.

For MILKFOOD LIMITED

*A. Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
(Director)

- 14.2 Any inter-se contracts, if any, between the Transferor Company and the Transferee Company shall stand cancelled upon the sanctioning of the Scheme and upon the Scheme coming into effect.
- 14.3 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, notations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances required for the purposes referred to above.
- 14.4 All benefits/ refunds/ credits under Income Tax, Excise (including MODVAT/ CENVAT), Sales Tax (including deferment of Sales Tax), Value Added Tax and Service Tax etc. to which the Transferor Company is entitled to in terms of the various Statutes and/or Schemes of Union and State Governments, shall be available to and vest in the Transferee Company, without any further act or deed. Further, the Transferee Company is also permitted to revise Tax Returns and related TDS Certificates etc. wherever so required.

**15. TRANSFEROR COMPANY STAFF, WORKMEN & EMPLOYEES**

- 15.1 Upon the coming into effect of this Scheme all the staff, workmen, employees of the Transferor Company, if any, who are in its employment as on the Scheme coming into effect shall become the staff, workmen,

For MILKFOOD LIMITED

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited  
*[Signature]*  
Director

employees or other labour of the Transferee Company with effect from the Appointed Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by the Transferor Company whereas there will be no effect on the employees of the Transferee Company.

## **16. LEGAL PROCEEDINGS**

16.1 If any suit, writ petition, appeal, revision or other proceedings of whatsoever nature ( hereinafter called “the Proceedings”) by or against the Transferor Company is pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Business of the Transferor Company or because of anything contained in the Scheme, but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made. On and from the Scheme coming into effect, the Transferee Company shall and may, if required, initiate any legal proceedings for and on behalf of the Transferor Company.

16.2 No investigation or proceeding under the Companies Act, 2013 or under the erstwhile Companies Act, 1956 is pending neither against the Transferor Company or Transferee Company involved in the present Scheme of Amalgamation.

## **17. CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANY TILL**

### **THE SCHEME COMING INTO EFFECT**

For Milkfood Limited

*A. K. Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
(Director)



17.1 The Transferor Company shall carry on and be deemed to carry on all its business and activities and stand possessed of its properties and assets for and on account of and in trust for the Transferee Company and all the profits or incomes accruing or arising to the Transferor Company, or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Company shall, for all purpose, be treated and be deemed to be of the Transferee Company, as the case may be. (It is clarified that any advance tax paid/ TDS Certificates received by the Transferor Company be treated and be deemed to be and accrue as taxes paid by the Transferee Company).

17.2 The Transferor Company hereby undertakes to carry on its activities with reasonable diligence and shall not, without the written consent of the Transferee Company, alienate, charge or otherwise deal with the Business or any part thereof except in the ordinary course of its business.

17.3 The Transferor Company shall discharge all its liabilities and obligations for and on account of the Transferee Company.

**18. SAVING OF CONCLUDED TRANSACTIONS**

18.1 The transfer of the Business of the Transferor Company in Clause 6 hereinabove, the continuance of the proceedings under Clause 16 above and the effectiveness of contracts and deeds under Clause 14 above, shall not affect any transaction or the proceedings already concluded by the Transferor Company on or before the Scheme coming into effect and shall be deemed to have been done and executed for and on behalf of the Transferee Company.

For MILAN JODHA

Gita Bawa  
(Director)

Tripuri Infrastructure Private Limited

  
Director

**19. APPLICATION TO THE CONCERNED AUTHORITIES**

19.1 The Transferee Company shall, with all reasonable dispatch, make necessary application to the Hon'ble National Company Law Tribunal or other concerned/ competent authority(ies) for sanctioning of this Scheme and for such other orders as the Tribunal may deem fit for bringing the Scheme into effect and all other matter ancillary or incidental thereto and for consequent dissolution of the aforesaid Transferor Company, without winding up or liquidation and apply for and obtain such other approvals, as required by law.

Provided that notwithstanding anything contained in the present Scheme, the Transferor Company, and the Transferee Company shall, where the situation so warrants, with all reasonable dispatch, make such appeals, applications, petitions etc. to the Hon'ble NCLT, Hon'ble NCLAT, or Hon'ble Supreme Court of India or such other competent Authority having jurisdiction, as are necessary for the purpose of sanctioning and effective implementation of the present Scheme.

19.2 The Transferor/ Transferee Company shall apply to Development Commissioner(s), Special Economic Zones, Ministry of Commerce, SEBI for such sanctions and approvals as may be required under applicable law (including Special Economic Zones regulations) from the Board of Approvals, Ministry of Commerce, SEBI for permitting change in the shareholding and board composition of the subsidiary of the Transferor Company, prior to effecting any change in shareholding or board composition of the subsidiary of the Transferor Company.

*For MILKFOOD LIMITED*

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

**20. MODIFICATIONS/ AMENDMENTS TO THE SCHEME**

- 20.1 The Board of Directors of Transferor Company and the Transferee Company may assent to any modification(s) or amendment(s) to the Scheme or agreed to any terms suggested by the Shareholders and Creditors of the Company or the conditions, which National Company Law Tribunal or other concerned/ competent authority(ies) may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any questions or doubt or difficulty that may arise for implementing and/or carrying out of the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect.
- 20.2 For the purpose of giving effect to the Scheme or to any modifications thereof, the Board of Directors of the Transferor Company and the Transferee Company are hereby authorized to give such directions and / or to take such steps as may be necessary or desirable including any directions for settling any questions or doubt or difficulty whatsoever that may arise.
- 20.3 The Transferee Company even after the Scheme coming into effect may approach National Company Law Tribunal or other concerned/competent authority(ies) for any incidental orders to remove any deficiency or overcome any difficulty in implementation of the Scheme or clear any ambiguity or to comply with any statutory requirement which necessitates the order of National Company Law Tribunal or other concerned/ competent authority(ies).

For MILAN JOURNAL

Gita Bawa  
(Director)

Tripuri Infrastructure Private Limited

  
(Director)

## **21. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS**

21.1 The Scheme is conditional upon and subject to:

- i. Receipt of approvals of the Stock Exchanges and SEBI in terms of the SEBI Circular, as applicable;
- ii. The Scheme being approved by the requisite majorities in number and value of the various classes of shareholders and/or creditors (where applicable) of the Transferor Company and the Transferee Company as may be directed by the Tribunals required under Applicable Law;
- iii. The Scheme being approved by the majority of public shareholders (members) of the Transferee Company (by way of e-voting) as required under the SEBI Circular;
- iv. Sanctions and Tribunal Order(s) under the provisions of Section 230 read with Section 232 of the Act being obtained by each of the Transferor Company and the Transferee Company from the Tribunals.
- v. The certified/ authenticated copies of the Tribunal Order(s) sanctioning the Scheme being filed with the Registrar of Companies by the Transferor Company and the Transferee Company

## **22. EFFECT OF NON-RECEIPT OF APPROVALS AND MATTERS RELATING TO REVOCATION AND WITHDRAWAL OF THE SCHEME**

22.1 In the event of any of the said approvals or conditions referred to in Clause 21 above not being obtained and/ or complied with and/or satisfied and/or the Scheme not being sanctioned by the Tribunals and/or Tribunal Order(s) not being passed as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect. The Transferor

For M/s. JUDICIAL

*Arta Bawa*

(Director)

Tripuri Infrastructure Private Limited

*Frank*  
Director

Companies and the Transferee Company shall, in such event, inter se bear and pay their respective costs, charges, expenses in connection with the Scheme.

22.2 In the event of revocation under Clause 22.1, no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Laws and in such case, each company shall bear its own costs unless otherwise mutually agreed.

22.3 The Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to withdraw this Scheme prior to the Effective Date.

22.4 The Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme with effect from the Appointed Date could have adverse implications on the combined entity post-amalgamation.

23. **EXPENSES CONNECTED WITH THE SCHEME**

All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with the Scheme and of carrying out and implementing/completing the terms and provisions of the Scheme and/or incidental to the completion of process of

For MILKFOOD LIMITED

*A. B. Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

amalgamation of the said Business of the Transferor Company in pursuance of the Scheme shall be borne and paid solely by the Transferee Company.

**24. CLARIFICATION OF TAX**

- 24.1 Any tax liabilities under the Income-tax Act, 1961, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax, Service Tax Rules, GST Act (IGST, CGST, SGST, UTGST) or other applicable laws/ regulations/Rules dealing with taxes/ duties/ levies (hereinafter in this Clause referred to as “Tax Laws”) allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be that of Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax, MAT credit under the provisions of the IT Act and withholding tax as on the date immediately preceding the Appointed Date will also be transferred to the account of Transferee Company. Any refund under the Tax Laws due to the Transferor Company consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by Transferee Company.
- 24.2 All taxes [including income tax, sales tax, excise duty, customs duty, service tax, VAT, GST Act (IGST, CGST, SGST, UTGST) etc.] paid or payable by the Transferor Company in respect of the operations and/ or the profits of the business before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment

*For MILKFOOD LIMITED*

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

[including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, VAT, GST Act (IGST, CGST, SGST, UTGST) etc.], whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

- 24.3. Upon the Scheme coming into effect, the Transferee Company in terms of the provisions of the Income Tax Act, 1961 is also expressly permitted to revise its income tax returns and other direct and indirect tax returns filed under the relevant tax laws and to claim refunds, advance tax and withholding tax credits, etc, pursuant to the provisions of this Scheme. It is also clarified that all taxes and/ or claims payable by the Transferor Company from the Appointed Date onwards be treated as the tax liabilities and/ or claims of the Transferee Company.

## **25. NO CAUSE OF ACTION**

No third party claiming to have acted or changed his position in anticipation of this Scheme taking effect, shall get any cause of action against the Transferor Company or the Transferee Company or their directors or officers, if the Scheme does not take effect or is withdrawn, amended or modified for any reason whatsoever.

26. Schedule of Properties of the Transferor Company forms part of the present Scheme and has been annexed as “**Schedule 1**” to the present Scheme.

**For MILKFOOD LIMITED**

*Amita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

**FOR TRIPUTI INFRASTRUCTURE PRIVATE LIMITED**


Triputi Infrastructure Private Limited

  
Director

**Director**

**FOR MILKFOOD LIMITED**

*for MILKFOOD LIMITED*

  
(Director)

**Director**



**Annexure-1**

**Schedule of Properties**

S. No.	Properties	Amount (Rs.)
1.	Trade Brand – "Milkfood"	33,63, 83,693/-
	Total	33,63, 83,693/-

***For MILKFOOD LIMITED***

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

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REPORT ON SHARE EXCHANGE RATIO FOR AMALGAMATION  
OF TRIPUTI INFRASTRUCTURE PRIVATE LIMITED  
("TRANSFEROR COMPANY") WITH MILKFOOD LIMITED  
("TRANSFeree COMPANY")

Prepared by:

Siddharth Gupta,

Registered Valuer -Securities & Financial Assets, (Insolvency and Bankruptcy Board of India) and  
Independent Chartered Accountant,

UGF-52, Aarohi Complex, Lucknow - 226024.

Siddharth Gupta  
Registered Valuer  
Registration number: IBBI/RV/05/2019/11261  
Mo: 9415099789; 9161635736



To,

The Board of Directors  
Triputi Infrastructure Private Limited  
Sood's Niwas, Ranbir Marg,  
Patiala - 147 001, INDIA

To,

The Board of Directors  
Milkfood Limited  
Bahadurgarh, Distt Patiala,  
Punjab - 147 021, INDIA

Kind attn. Mr. Sanjeev Kothiala, Chief Financial Officer

Dear Sir (s),

Re: Report on Share Exchange Ratio for the proposed amalgamation of Triputi Infrastructure Private Limited with Milkfood Limited through a Scheme of Arrangement for Amalgamation u/s 230-232 of the Companies Act, 2013 ('Act') and other applicable provisions of the Act.

We refer to the engagement letter dated September 31, 2020 confirming our appointment to provide equity value analysis of the Companies (*defined hereinafter*) and suggest a Share Exchange Ratio for the proposed scheme of arrangement for amalgamation of Triputi Infrastructure Private Limited (hereinafter referred to as 'TIPL' or 'Transferor Company') with Milkfood Limited (hereinafter referred to as "ML" or "Transferee Company") (*Transferor Company and Transferee Company being hereinafter individually referred to as Company and collectively referred to as the Companies*), pursuant to Scheme of Amalgamation under the provisions of Sections 230 - 232 of the Companies Act, 2013 (hereinafter referred to as "Act") and other applicable provisions of the Act, as may be applicable (hereinafter referred to as "Proposed Scheme"), with effect from the Appointed Date, i.e., 1<sup>st</sup> April 2020 or such other date as may be fixed or approved by the National Company Law Tribunal (hereinafter referred to as 'NCLT'). As per the terms of our aforesaid engagement, we are enclosing our valuation report providing the equity value analysis of the Companies and suggesting a share exchange ratio for the proposed scheme of arrangement.

Note that for the purpose of equity value analysis of the Companies to determine share exchange ratio, we have solely relied on the information and documents provided by your office. It may please

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Registered Valuer - Securities & Financial Assets (IBBI)

Siddharth Gupta  
Registered Valuer  
Registration number: IBBI/RV/05/2019/11261  
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be noted that we have not conducted any independent verification, attestation or audit of the information and documents provided to us nor do we express our opinion on the correctness of such information or document. The report is subject to the caveats mentioned therein and we shall not take any responsibility on the success of any transaction initiated relying solely on the report with or without the assessment of other factors. Also, we understand that the report shall be used for certain regulatory filings and we expressly provide our consent to the same.

Yours faithfully,

For Siddharth Gupta

Registered Valuer -Securities & Financial Assets, (Insolvency and Bankruptcy Board of India) and  
Independent Chartered Accountant,  
Registration No. IBBI/RV/05/2019/11261



Siddharth Gupta

MN: 427680

UDIN: 20427680/AAAABT9347

Date: September 29, 2020

Place: Lucknow



Siddharth Gupta  
Registered Valuer  
Registration number: IBBI/RV/05/2019/11261  
Mo: 9415099789; 9161635736



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Siddharth Gupta  
Registered Valuer  
Registration number: IBBI/RV/05/2019/11261  
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#### CHAPTER 1 - DISCLAIMER CLAUSE

This Valuation Report ("Report") is being furnished by Siddharth Gupta, Registered Valuer ("Valuer") at the request of the management of Milkfood Limited. The reference date for this valuation exercise is the appointed date for the amalgamation i.e April 1, 2020 ("Valuation Date"). This Report covers Share Exchange Ratio for amalgamation of the Transferor Company with the Transferee Company only.

The relevant background of the transaction and our scope of work are mentioned in Chapter 2 below. This Report must be considered in that context only and is not an advisory document for any other purpose. The Report may not be distributed, reproduced, or used, without the express written consent of Valuer for any purpose other than that mentioned in Chapter 2 of this Report, below. Our valuation analysis should not be construed as an investment advice in the any of the companies involved.

The Report has been prepared by Valuer from information extracted from Audited Financials of the Companies, Management Projection, Statutory Registers and discussions from time to time and other data provided by the management of the Transferor Company and the Transferee Company ("Management"). Our scope of work does not include verification of data submitted by the management and we have relied upon the data provided to us. Wherever required, the information and data submitted by the Transferor Companies and the Transferee Company has been duly certified by the management.

The factual data, business details and financial statements (including financial projection) have been provided by the management. While the information provided herein is believed to be true and reliable to the best of our knowledge, we do not make any representations or warranties, express or implied, as to the accuracy or completeness of such information. To arrive at the Valuation of Milkfood Brand, we have relied on the achievability of the Projected figures provided by the management. In case the Company is not able to achieve the projected figures, our valuation results may be substantially affected.

In furnishing the Report, Valuer reserves the right to amend or replace the Report at any time. The information contained herein is based on certain assumptions and the analysis of the information available at the time the Report was prepared. Valuer does not purport to give any representation, warranty or other assurance in relation to this document.

This report highlights the basis of arriving at the Share Exchange Ratio between the Transferor Company and the Transferee Company, keeping in view the circumstances prevailing at the time of valuation and arrives at the opinion on the fair value considering the facts of the case. However, it may be noted that valuation is a highly subjective exercise and may differ from valuer to valuer depending upon the perception of attendant circumstances. At best it is an expression of opinion or a recommendation based on certain assumptions at a given point of time.

Further, the maximum liability relating to this valuation report shall be limited to the fees paid to the Valuer for rendering the service. This provision shall survive the completion of this engagement.

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E-mail: [casiddharth054@gmail.com](mailto:casiddharth054@gmail.com)





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Registered Valuer  
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## CHAPTER 2 - BACKGROUND OF SCHEME OF AMALGAMATION AND SCOPE OF WORK

We understand that as a part of a business restructuring exercise, the Key Managerial Personnel (KMPs) of Milkfood Limited is considering scheme of amalgamation of Tripuri Infrastructure Private Limited (Transferor Company) with and into Milkfood Limited (Transferee Company), in accordance with the provisions of Sections 230 - 232 of the Companies Act, 2013 (hereinafter referred to as "Act") and other applicable provisions of the Act, (hereinafter referred to as "Proposed Scheme"), with effect from the Appointed Date, i.e., April 01, 2020 or such other date as may be fixed or approved by Hon'ble National Company Law Tribunal (hereinafter referred to as "NCLT"). We further understand that upon amalgamation, in consideration, the transferee company shall issue its shares to the shareholders of transferor companies.

Therefore, the management has requested Siddharth Gupta, Registered Valuer (the "Valuer") to provide recommendation on the Share Exchange Ratio for the proposed amalgamation of transferor company with and into transferee company, on the coming into effect of the proposed scheme, with effect from the Appointed Date i.e. April 1, 2020. In this connection, the Valuer has been requested by Milkfood Limited, to carry out the equity value analysis of the Transferor Company and Transferee Company and suggest a Share Exchange Ratio in the connection with the proposed scheme, for consideration of the Board of Directors of Transferor Company and Transferee Company. Further, it will be subsequently used for onward submission with regulatory authorities and NCLT, for the purpose of approval of the Proposed Scheme. However, it is only the recommendation of valuer to board of Directors of Transferor company and Transferee Company. They may vary with the recommendations of the valuer and take their decision on the share exchange ratio decision based on their own judgements on share exchange ratio.

Valuation Date for this valuation exercise is the appointed date for the amalgamation i.e. April 1, 2020.

### About the Valuer

Siddharth Gupta (the "Valuer"), is Registered Valuer having Registration No. IBBI/RV/05/2019/11261. The Valuer is registered with the Insolvency and Bankruptcy Board of India to undertake the Valuation of Securities and Financial Assets of the Companies in accordance with Section 247 of the Companies Act, 2013.



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### CHAPTER 3 - DATA RELIED UPON

For the purpose of the Report, we have relied on the data, facts, information, documents and explanations as authenticated and provided to us by the management.

We have relied upon the following information, as provided by the management:

- Draft of the proposed scheme including rationale of the amalgamation;
- Audited Financials of Transferor Company and Transferee Company for the financial year ended March 31, 2020;
- Projected sales quantity and price of 'Milkfood Ghee' expected to be sold by transferee company.
- Present group structure comprising of Transferee Company and the Transferor Company (including their shareholding) and proposed structure post scheme of amalgamation.
- Confirmation from the management of the transferor companies and transferee company that there is no change in the share capital of the companies or substantial change in the business of the company.
- Discussions with the management in connection with and information relating to the operations of the respective Companies and their business segments, past and present activities, future plans and prospects, contingent liabilities, share capital and shareholding pattern, etc.; and
- Agreement for Transfer of Brand Name executed between Milkfood Limited and Triputi Infrastructure Private Limited dated September 5, 2013
- Other relevant information and documents for the purpose of this engagement.

We have also obtained explanations and information considered reasonably necessary for our exercise, from the management. The management has been provided with the opportunity to review the draft report (excluding the recommended share exchange ratio) for this engagement to make sure that factual inaccuracies are avoided in our final report.



Siddharth Gupta  
Registered Valuer  
Registration number: IBBI/RV/05/2019/11261  
Mo: 9415099789; 9161635736



#### CHAPTER 4 - BACKGROUND OF COMPANY

##### 1. Milkfood Limited

Milkfood Limited (here in after referred as the Transferee Company or ML), bearing CIN L15201PB1973PLC003746 is a widely held listed company having its equity shares listed at BSE Limited. The Company was incorporated in accordance with the provisions of Companies Act, 1956 on March 31, 1973. Presently the registered office of the company is situated at Bahadurgarh Distt Patiala Punjab - 147 021, INDIA.

We understand that the Company is primarily engaged in the manufacture and sale of dairy products. The products include Ghee, Skimmed Milk Powder, Full Cream Milk Powder, Edible Grade Acid Casein, Demineralized Whey Powder (40%). We have been told, that the Company derives its substantial revenue from sale of 'Milkfood Ghee' while other products merely contribute 1% to 2% in the overall revenue of the Company. The Company has two manufacturing locations, one in the state of Punjab at Patiala and one in the state of Uttar Pradesh at Moradabad.

##### CAPITAL STRUCTURE:

The Capital Structure of ML as on the appointed date i.e. April 01, 2020 is as under:

Capital Structure	
Particulars	Amount in INR
<b>Authorized Share Capital</b>	
75,00,000 Equity Shares of INR 10 each	75,000,000
50,000 Cumulative Redeemable Preference Shares of INR 100 each	5,000,000
<b>Issued, Subscribed and Paid Up Share Capital</b>	
48,86,440 Equity Shares of INR 10 each	4,88,64,400
Less: Call in Arrear	19,000
Add: Amount paid on Forfeited Shares	7,000
<b>Total</b>	<b>4,88,52,400</b>

We have been confirmed that till the date of signing of this report there have been no changes in the capital structure of Milkfood Limited.





Siddharth Gupta  
Registered Valuer  
Registration number: IBBI/RV/05/2019/11261  
Mo: 9415099789; 9161635736



## FINANCIAL SUMMARY

## HISTORICAL INCOME STATEMENT

Amount in INR Lacs

Particulars	Audited	
	31.3.2020	31.3.2019
Revenue from Operations	55,141	53,039
Other Income	61	31
<b>Total Income</b>	<b>55,202</b>	<b>53,090</b>
<b>Expenses:</b>		
Cost of Materials Consumed	47,205	45,178
Changes in Inventories	745	651
Employee Benefit Expenses	2,085	2,017
Finance Cost	840	788
Depreciation and amortization Expenses	811	683
Other expenses	2,639	2,436
<b>Total Expenses</b>	<b>54,325</b>	<b>51,753</b>
<b>Profit/(Loss) Before Tax</b>	<b>877</b>	<b>1,337</b>
Current Tax	213	295
Earlier year tax expenses	7	17
MAT Credit Entitlement	(515)	(322)
Current Tax	333	323
<b>Profits/(Loss) after Tax</b>	<b>839</b>	<b>1,024</b>

## HISTORICAL BALANCE SHEET

Amount in INR Lacs

Particulars	Audited	
	31.3.2020	31.3.2019
<b>Shareholders Fund</b>		
- Share Capital	489	489
- Other Equity	11,180	10,340
<b>Non-Current Liabilities</b>		
Financial Liabilities		
- Borrowings	1,162	933
- Other financial liabilities	6,108	5,827
- Lease liabilities	115	-
Deferred tax Liabilities (Net)	926	594
Provisions	206	207
<b>Current Liabilities</b>		

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# Registered Valuer - Securities & Financial Assets (IBBI)

Siddharth Gupta  
Registered Valuer  
Registration number: IBBI/RV/05/2019/11261  
Mo: 9415099789; 9161635736



Financial Liabilities		
-Borrowings	4,888	4,157
-Lease Liabilities	61	-
-Trade Payables		
-Total outstanding dues to Micro and small enterprises	38	-
-Total outstanding dues to creditors other than above.	3,106	4,448
-Other Financial Liabilities	1,500	980
Other Current Liabilities	109	140
Short Term Provisions	130	94
Current Tax Liabilities (Net)	-	50
<b>Total</b>	<b>30,018</b>	<b>28,259</b>
Non - Current Assets		
Property, plant and equipment	18,091	16,621
Capital work in progress	163	173
Right-to-use-assets	166	-
Biological assets	230	219
Financial assets		
-Investments	3	2
-Trade receivables	18	10
-Deposit, Loans and Advances	106	116
Other Non-Current Assets	962	468
<b>Current Assets</b>		
Inventories	5,857	6,809
Financial Assets		
-Trade Receivables	3,286	2,199
-Loans	33	80
-Cash and Cash Equivalents	355	461
-Others	105	14
Other Current Assets	600	1087
Current Tax Assets (Net)	43	-
<b>Total</b>	<b>30,018</b>	<b>28,259</b>

## SHAREHOLDING PATTERN

Name of Shareholder	No. of Shares	Holding (%)
*Promoter & Promoter Group	2,448,334	50.10%
Public	2,438,106	49.90%
<b>Total</b>	<b>4,886,440</b>	<b>100.00%</b>

\*Promoters include Mr. Karamjit Jaiswal, Ms. Roshni Sanah Jaiswal, Blue Skies Investment Private Limited, Snowwhite Holdings Private Limited

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## 2. Triputi Infrastructure Private Limited

Triputi Infrastructure Private Limited (here in after referred as Transferor Company or TIPL), bearing CIN U70101PB2011PTC049856 is a closely held company incorporated in accordance with the provisions of the Companies Act, 1956 on September 29, 2011. Presently the registered office of the company is situated at Sood's Niwas, Ranbir Marg, Patiala-147021, Punjab, India.

We understand that the Company presently is not engaged in any business activity. We have been told that the Transferor Company through an Agreement for Transfer of Brand Name ('Agreement') executed between Milkfood Limited and Triputi Infrastructure Private Limited dated September 5, 2013 had acquired brand name 'Milkfood' for a consideration of INR 14 Cr. We have been further told that the Valuation of INR 14 Cr. for the brand name 'milkfood' was agreed basis the Valuation Report of M/s Madan & Associates, Chartered Accountants dated June 10, 2013.

We have been confirmed by the management that currently, TIPL is the registered owner of the brand name 'milkfood' and pursuant to the above agreement, the right have been given to Milkfood Limited to use milkfood brand on all its products including Ghee, Skimmed Milk Powder, Full Cream Milk Powder, Edible Grade Acid Casein, Demineralized Whey Powder (40%). Further it was agreed between both the parties that TIPL has right to charge royalty to MilkFood Limited for usage of Brand in accordance with the terms of the Agreement. We have been further confirmed by the management that the aforesaid intangible property gives right to TIPL to earn income through Royalty.

## CAPITAL STRUCTURE:

The Capital Structure of TIPL as on the appointed date i.e. April 01, 2020 is as under:

Capital Structure	
Particulars	Amount in INR
Authorized Share Capital 1,45,00,000 Equity Shares of INR 10 each	14,50,00,000
Issued, Subscribed and Paid Up Share Capital 1,40,10,000 Equity Shares of INR 10 each	14,01,00,000

We have been confirmed that till the date of signing of this report there have been no changes in the capital structure of Triputi Infrastructure Private Limited.

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## FINANCIAL SUMMARY

## HISTORICAL INCOME STATEMENT

Amount in INR

Particulars	Audited	
	31.3.2020	31.3.2019
Revenue from Operations	0	0
Other Income	0	0
<b>Total Income</b>	<b>0</b>	<b>0</b>
<b>Expenses:</b>		
Employee benefit expenses	80,000	0
Finance Cost	749	649
Other expenses	1,42,919	14,52,198
<b>Total Expenses</b>	<b>2,23,668</b>	<b>14,52,847</b>
<b>Profit/(Loss) Before Tax</b>	<b>(2,23,668)</b>	<b>(14,52,847)</b>
Current Tax	0	0
Deferred Tax	0	0
MAT Credit Entitlement	0	0
<b>Profits/(Loss) after Tax</b>	<b>(2,23,668)</b>	<b>(14,52,847)</b>

## HISTORICAL BALANCE SHEET

Amount in INR

Particulars	Audited	
	31.3.2020	31.3.2019
<b>Shareholders Fund</b>		
- Share Capital	14,01,00,000	14,01,00,000
- Reserves & Surplus	(17,94,814)	(15,71,146)
<b>Non-Current Liabilities</b>		
- Long Term Borrowing	18,00,000	16,00,000
<b>Current Liabilities</b>		
Other Current Liabilities	11,800	35,100
Short Term Provisions	-	-
<b>Total</b>	<b>14,01,16,986</b>	<b>14,01,63,954</b>
<b>Non - Current Assets</b>		
Trade Brand Values- Milkfood	14,00,00,000	14,00,00,000
<b>Current Assets</b>		
Cash & Cash Equivalents	1,16,986	1,63,954
<b>Total</b>	<b>14,01,16,986</b>	<b>14,01,63,954</b>

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## LIST OF SHAREHOLDERS:

Name of Shareholder	No. of Shares
Mr. Naresh Kumar Rana	1
Mr. Karamjit Jaiswal	1,40,09,999

**CHAPTER 5 - VALUATION APPROACHES**

The valuation approaches to be adopted varies from case to case depending upon different factors affecting valuation. The basis of valuation depends upon the purpose of valuation, the type of business, the future prospects and other attendant circumstances.

There are the following three valuation approaches as per the internationally accepted valuation standards:

- i. "Cost" approach;
- ii. "Income" approach; and
- iii. "Market" approach

Within these three basic approaches, several methods may be used to estimate the value. An overview of these approaches is as follows:

**Cost Approach**

The cost approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved. The approach provides an indication of value by calculating the current replacement or reproduction cost of an asset and making deductions for physical deterioration and all other relevant forms of obsolescence.

**Replacement Cost Method**

Generally, replacement cost is the cost that is relevant to determining the price that a participant would pay as it is based on replicating the utility of the asset, not the exact physical properties of the asset. Replacement cost is adjusted for physical deterioration and all relevant forms of obsolescence. After such adjustments, this can be referred to as depreciated replacement cost.

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#### Reproduction Cost Method

Reproduction cost is appropriate if the cost of a modern equivalent asset is greater than the cost of recreating a replica of the subject asset, or the utility offered by the subject asset could only be provided by a replica rather than a modern equivalent.

#### Summation Method

The summation method, also referred to as the underlying asset method, is typically used for investment companies or other types of assets or entities for which value is primarily a factor of the values of their holdings.

#### Income Approach

The income approach provides an indication of value by converting future cash flows to a single current value. Under the income approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by the asset. A fundamental basis for the income approach is that investors expect to receive a return on their investments and that such a return should reflect the perceived level of risk in the investment.

#### Discounted Cash Flow Method

Under the DCF method the forecast cash flows are discounted back to the valuation date, resulting in a present value of the asset. When selecting the appropriate type of cash flow for the nature of asset or assignment, the discount rate and other inputs must be consistent with the type of cash flow chosen.

The intended holding period for one investor should not be the only consideration in selecting an explicit forecast period and should not impact the value of an asset. However, the period over which an asset is intended to be held may be considered in determining the explicit forecast period if the objective of the valuation is to determine its investment value.

Where the asset is expected to continue beyond the explicit forecast period, valuers must estimate the value of the asset at the end of that period. The terminal value is then discounted back to the valuation date, normally using the same discount rate as applied to the forecast cash flow.

The market approach/exit value method can be performed in a number of ways, but the ultimate goal is to calculate the value of the asset at the end of the explicit cash flow forecast. Common ways

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to calculate the terminal value under this method include application of a market-evidence based capitalization factor or a market multiple.

The rate at which the forecast cash flow is discounted should reflect not only the time value of money, but also the risks associated with the type of cash flow and the future operations of the asset.

#### Market Approach

The market approach provides an indication of value by comparing the asset with identical or comparable (that is similar) assets for which price information is available. The market approach often uses market multiples derived from a set of comparable assets, each with different multiples. The selection of the appropriate multiple within the range requires judgement, considering qualitative and quantitative factors.

#### Guideline Publicly Traded Comparable or Comparable Companies Multiple ("CCM") Method

The guideline publicly traded method utilizes information on publicly traded comparable companies that are similar to the subject asset to arrive at an indication of value. The method should be used only when the subject asset is sufficiently similar to the publicly traded comparable companies to allow for a meaningful comparison.

#### Comparable Transactions Multiples ("CTM") Method

The comparable transactions method, also known as the guideline transactions method, utilizes information on transactions involving assets that are the same or similar to the subject asset to arrive at an indication of value.

#### Market Price Method

Under this method, the market price of an equity shares of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company.



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#### CHAPTER 6 - VALUATION APPROACHES ADOPTED

For determining an accurate valuation of the Companies and determine the share exchange ratio, it is important to adopt an appropriate valuation method considering the nature of transaction, business of the Companies and its latest audited financials, etc.

Basis the information and documents available with us and discussion held with the management, we understand that present scheme of amalgamation has been drafted to transfer the intangible property (i.e. milkfood brand) owned by Triputi Infrastructure Private Limited to Milkfood Limited as other than this intangible property the transferor company does not have any significant asset or business.

Since the transferor company is not engaged in any business activity, hence projecting the future financials is not possible accordingly we have not applied the Income or Market Approach. Further to arrive at the Fair Valuation of the transferor company, we have applied Adjusted Net Asset Value Methodology, wherein we have considered the Fair Valuation of underlying intangible asset i.e. brand milkfood. To arrive at the Fair Valuation of the brand milkfood, we have considered Royalty Relief Method basis the average royalty rate being received by the companies engaged in Dairy Products and Oils Business. The aforesaid royalty rates have been considered basis the paid international database of Royalty Range (Intangible Range Limited, UK).

Herein it is important to note that the entire valuation of transferor company is dependent on the fact that transferor company is registered owner of the milkfood brand and any change in the aforesaid assumption shall impact the valuation of transferor company significantly.

Further to arrive at the Fair Valuation of Milkfood Limited, we have considered the Comparable Company Multiple Methodology, Market Price Methodology and Net Asset Value Methodology. We have not considered the Discounted Free Cash Flow Methodology as due to COVID 19; management has shown its inability to project the forecasted financials.





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## CHAPTER 7 - EQUITY VALUE ANALYSIS OF TRIPUTI INFRASTRUCTURE PRIVATE LIMITED

As provided in Chapter 7 above, the Valuation of Triputi Infrastructure Private Limited have been done as per Adjusted Net Asset Value Methodology considering the Fair Valuation of underlying intangible asset i.e. brand milkfood.

### UNDERSTANDING BRAND VALUATION

## BRAND VALUE

### BRAND VALUE

- "If this business were split up, I would give you the land and bricks and mortar, and I would take the brands and trademarks, and I would fare better than you"

by John Stuart (former CEO of Quaker, 1900)

The social  
value

The Total  
brand value  
Includes two  
aspects

The economic  
value

### Brand value chain

- The influence of brands on current and prospective customers significant driver of economic value.
- By expressing their proposition consistently across all touchpoints, brands help shape perceptions, making products and services less substitutable.
- In this way, brands create demand.
- Strong brands also create continuity of demand into the future, thus making expected returns more likely – or less risky.
- Brands, therefore, create economic value by generating higher returns and growth, and by mitigating risk.



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#### APPROACHES/METHODOLOGIES TO BRAND VALUATION

Valuation of the Enterprise or its Brand is not an exact science and ultimately depends upon what it is worth to a serious investor or buyer who may even be prepared to pay premium. This exercise is carried out based on generally accepted methodologies, the results of which could vary significantly depending upon the basis used, the specific circumstances and professional judgement of the valuer.

The approaches/ methodologies of brand valuation are as under:

1. **Market Approach:** - Based on an estimate of the price expected to be realised if the brand were to be sold in an open market.
  - **Royalty relief method:** - This method assumes that the brand is not owned by the branded business but is licensed in from a third party. The value is deemed to be the present value of the royalty payments saved by virtue of owning the brand.
  - **Price Premium & Volume Premium method:** - The Price Premium method estimates the value of a brand by reference to the price premium it commands over unbranded, weakly branded or generic products or services.
  - **Incremental cash flow method:** - The incremental cash flow method identifies all cash flows generated by the brand in a business, by comparison with comparable businesses with no such brand. Cash flows are generated through both increased revenues and reduced costs.
2. **Cost Approach:** - Based on the premise that a prudent investor would not pay for a brand than the cost to recreate, replace or reproduce an asset of similar utility
3. **Income Approach:** - Based on estimating the expected future, after-tax cash flows attributable to the brand then discounting them to a present value using an appropriate discount rate
  - **Indirect or Residual Methods:** - Keller (1998) has proposed that the residual value, when the market capitalization is subtracted from the net asset value, is equal to the value of the "intangibles" one of which is the brand.
  - **Differential of Price to sale ratios method:** - The Differential of Price to Sale ratios Method calculates brand value as the difference between the estimated price to sales ratio for a branded company and the price to sales ratio for an unbranded company and multiplies it by the sales of the branded company. Why this method can be used

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is because information is readily available and it is easy to conceptualize but the drawback is that the comparable firms are a limited few and there exists no distinction between the brand and other intangible assets such as good customer relationships.

- **Income-split method:** - The income-split method starts with net operating profits and deducts a charge for total tangible capital employed in the branded business, to arrive at 'economic profits' attributable to total intangible capital employed. Behavioural analysis is then used to identify the percentage contribution of brand to these intangible economic profits.
- **Multi-period excess earnings method:** - The multi-period excess earnings method is similar to the income-split method. However, in this case the brand valuer first values each tangible and intangible asset employed in the branded business (other than the brand). He uses a variety of valuation approaches and methods depending on what is considered most appropriate to each specific asset.

4. **Scorecard Method** - Brand strength measures the ability of the brand to create loyalty. The brand strength is based on evaluation of scorecard on 0-100 basis. It is based on factors i.e Clarity, Commitment, Protection, Responsiveness, Authenticity, Relevance, Differentiation, Consistency, Presence & Understanding.  
Branding Index is the parameter which leads to purchase of a particular brand apart from price and feature. The score is assigned for each of the parameter and the mean score for each parameter and for each brand are taken and multiplied with weights assigned to each of the attribute.



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### Brand Valuation

To arrive at the fair valuation of Milkfood Brand, we have considered Royalty Relief Method as the same is a globally accepted valuation method for Brand Valuation and recommended by International Valuation Standards under para 60.18 of the Standards effective from January 31, 2020. Computation of Brand Valuation of Milkfood Brand is as under -

Amount in INR

Milkfood Brand Valuation Analysis						Terminal Value
Particulars	2021	2022	2023	2024	2025	
Revenue	5,44,40,01,000	5,55,28,81,020	5,74,72,31,856	5,98,86,15,594	6,25,81,03,295	
Total Savings from Royalty @ 1% (Refer Royalty Rate Data*)	5,44,40,010	5,55,28,810	5,74,72,319	5,98,86,156	6,25,81,033	
Less: Tax	1,37,02,551	1,39,76,602	1,44,65,783	1,50,73,345	1,57,31,646	
Add: Tax Benefit on Amortization of Intangible	78,25,763	78,25,763	78,25,763	78,25,763	78,25,763	
Net Savings from Royalty	4,85,63,223	4,93,77,972	5,08,32,299	5,26,38,574	5,46,55,150	36,36,73,384
Discount Factor	0.86	0.74	0.64	0.55	0.47	0.47
Present Value	4,17,70,118	3,65,29,998	3,23,43,536	2,88,09,579	2,57,28,952	17,11,99,510
Brand Value	33,63,83,693					

\*The Royalty Rate have been computed basis the average of the following transactions

Sr. No.	Type	Licensor Name	Licensee Name	Business	Royalty Rate (in %)
1	License, Trademark, Brand	Kraft Foods Group Brands LLC	Intercontinental Great Brands LLC	Dairy Products	1.75%
2	License, Trademark, Other marketing intangibles	Diabetes Research Institute	Brevo Foods International Corp.	Dairy Products	0.25%
3	Trademark, License	Fath Winer (JWAT) Development Company Limited	Hekongling Yungin Soybean Group Co., Ltd.	Oil	1.00%
Average Royalty Rate					1.00%

Source: Royalty Range

Note that For the purpose of valuation of milkfood brand in this transaction through Royalty Relief Methodology, we have relied upon the financial projections (including revenue and intangible amortization schedule) provided by the management for next 5 financial years starting from FY 2020-21 and ending FY 2024-25 duly supplemented by its Terminal Value based on the Gordon Model and extrapolating the adjusted free cash flows for last year at an annual growth rate of 3% (three percent) to perpetuity. To arrive at Ke (Cost of capital) we have considered the Rf (Risk Free) rate of 6.14% and Market Return of 14.26%. We have arrived at Ke of 16.26% after considering appropriate Risk premium & Weighted Average Cost of capital (WACC) arrived at 16.26% (as the transferor company is debt free).



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#### Equity Shares Value Analysis

Computation of Fair Valuation of Equity Shares of Tripuri Infrastructure Private Limited as under -

Valuation of TIPL as per Adjusted Net Worth Methodology	
Particulars	Amount in INR
Share Capital	14,01,00,000.00
Reserves & Surplus	- 17,94,814.00
Net Worth	13,83,05,186.00
Add: Appreciation in Valuation of Intangible Assets	19,63,83,693.11
Adjusted Net Worth	33,46,88,879.11
No. of Shares	1,40,10,000.00
NAV Per Share	23.89

#### CHAPTER 8 - EQUITY VALUE ANALYSIS OF MILKFOOD LIMITED

As per SEBI (ICDR) Regulations pricing rules for frequently traded shares states that "If the equity shares of the issuer have been listed on a recognized stock exchange for a period of twenty six weeks or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall not be less than higher of the following-

- The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty-six weeks preceding the relevant date.
- The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the two weeks preceding the relevant date.

Further SEBI (ICDR) Regulations defines frequently traded shares "means the share of the issuer, in which the traded turnover on any recognized stock exchange during the twelve calendar months preceding the relevant date is at least 10% of the total number of shares of such class of share of the issuer.

On applying the above pricing methodology as per SEBI (ICDR) Regulations, we observed that the shares of the transferee company is infrequently traded. In this respect the SEBI (ICDR) Regulations states that "where the shares of an issuer are infrequently traded, the price determined by the issuer

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shall take into account the valuation parameters including book value, comparable trading multiple, and such other parameters as are customary for valuation of shares of such companies: Provided that issuer shall submit a Certificate stating that the issuer is in compliance of this regulation, obtained from an independent valuer to the stock exchange where the equity share of the issuer are listed.

Regulation 158 of the SEBI (ICDR) Regulations specifies that issue of equity shares to shareholders of unlisted entity pursuant to National Company Law Tribunal approved scheme shall conform with the pricing provisions of preferential issue specified under Regulation 165 of the ICDR Regulations. Further as stated hereinabove, Regulation 165 specifies that the price determined by the issuer for infrequently traded listed shares shall take into account the valuation parameters including book value, comparable trading multiple, and such other parameters as are customary for valuation of shares of such companies.

In view of above provisions, to arrive at the Fair Valuation of Milkfood Limited, we have considered the Comparable Company Multiple Methodology, Market Price Methodology and Net Worth Methodology. Note that we have not considered the Discounted Free Cash Flow Methodology as due to COVID-19, management has shown its inability to project the forecasted financials.

#### Valuation of Milkfood Limited as per Market Price Methodology

In accordance with the provisions as provided under SEBI (ICDR) Regulations, the valuation of Milkfood Limited as per market price method is as under -

Particulars	Price Per Share
The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty-six weeks preceding Valuation Date ..... (A)	431.97
The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the two weeks preceding Valuation Date ..... (B)	366.21
Fair Valuation (C) = Higher of (A) or (B)	431.97

Detailed computation for the above pricing have been provided in Annexure A.

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### Valuation of Milkfood Limited as per Comparable Company Multiple Methodology

For arriving the valuation of Milkfood Limited as per Comparable Company Multiple Methodology, we have considered following companies and used EV/EBITDA Multiple.

1. Hatsun Agro Product Limited
2. Tasty Dairy Specialities Limited
3. Parag Milk Foods Limited
4. Modern Dairies Limited

Note that all the four companies are in similar business profile, manufacturing similar kind of products. The share of the aforesaid companies is listed at Recognized Stock Exchange(s) in India.

The Reported Industry Average Multiples as on March 31, 2020 of the Comparable Companies of Milkfood Limited is as under:

Reported Industry Average Multiples of the Comparable Companies of Milkfood Limited		
Particulars	Industry	EV / EBITDA
Hatsun Agro Product Limited	Milk & Milk Products	18.0x
Tasty Dairy Specialities Limited	Ghee, Paneer & Milk Products	5.8x
Parag Milk Foods Limited	Cheese, Milk & Ghee	3.4x
Modern Dairies Limited	Butter, Milk, Ghee and other Dairy products	15.3x
Industry Average Multiple		10.62x

Source: Capital IQ

Amount in INR Lacs other than value per share

Valuation Computation as per Enterprise Value / Earnings Before Interest Tax and Depreciation (EV/EBITDA) Multiple Methodology considering financials for FY 2020	
Particulars	
EBITDA (FY 2020)	2528.00
Average Industry EV/ EBITDA Multiple	10.62
Company Valuation as per Avg. EV/EBITDA Multiple	26,860.00
Less: Debt as on March 31, 2020	7,413.00
Add: Cash and Cash Equivalents as on March 31, 2020	358.00
Valuation as per EV/EBITDA Method	19,805.00
No. of Shares	4,886,440
Value Per Share (as per EV/EBITDA Method)	405.31

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## Registered Valuer - Securities & Financial Assets (IBBI)

Siddharth Gupta  
Registered Valuer  
Registration number: IBBI/RV/05/2019/11261  
Mo: 9415099789; 9161635736



### Valuation of Milkfood Limited as per Net Worth Methodology

For arriving the valuation of Milkfood Limited as per Net Worth Methodology, we have considered the Audited Financials of the company for the Financial Year ended March 31, 2020.

Amount in INR Lacs other than value per share

Valuation of the Company as per Net Worth Methodology	
Particulars	
Share Capital	488.64
Less: Calls in Arrear	19.00
Add: Amount paid on Forfeited Shares	0.07
Reserves & Surplus	11,180.00
Net Worth	11,649.71
Add: Amount Receivable on Shares (i.e. Calls in Arrear)	19.00
Net Worth (Post considering amount receivable on Calls in Arrear)	11,668.71
No. of Shares	48,86,440.00
NAV Per Share	238.80

We have been represented by the management that the assets and liabilities including the immovable properties, investments plant & machineries owned by the Company as on March 31, 2020 are reflected at its Fair Values.

### Fair Valuation of Milkfood Limited

We have assigned following weights to Market Price Methodology, Comparable Company Multiple Methodology and Net Asset Value Methodology to arrive at the Fair Valuation of each share of Milkfood Limited. The Fair Valuation is as under -

Amount in INR

Particulars	Weights	Value Per Share	Weighted Value Per Share
Market Price Methodology	20%	431.97	86.39
Comparable Company Multiple Methodology	40%	405.31	162.12
Net Asset Value Methodology	40%	238.80	95.52
Fair Value			344.03



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**CHAPTER 9 - RECOMMENDED SHARE EXCHANGE RATIO ON AMALGAMATION OF THE  
TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY**

**COMPUTATION OF FAIR SHARE EXCHANGE RATIO IS AS UNDER**

Particulars	TIPL		ML	
	Value Per Share	Weights	Value Per Share	Weights
Cost Approach	23.89	100%	238.80	40%
Income Approach	NA	0%	NA	0%
Market Approach				
- Market Price Methodology	NA	0%	431.97	20%
- Comparable Company Multiple Methodology	NA	0%	405.31	40%
Fair Value Per Share	23.89		344.03	
Recommended Share Exchange Ratio	0.069		1	

*Detail calculation have been provided in Chapter 8 and Chapter 9 of this Report.*

\*NA=Not Adopted

**SHARE EXCHANGE RATIO**

In the light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, in our opinion, the share exchange ratio for the proposed scheme of arrangement for amalgamation of TIPL with and into ML works out to be as under:

- 69 (Sixty-Nine) equity shares of face value of INR 10 (Rupees Ten) each of ML to be issued against 1000 (One Thousand) equity shares of face value of INR 10 (Rupees Ten) of TIPL.

Note that we have not looked any other aspect of the proposed merger except the aforesaid share Exchange Ratio.



Siddharth Gupta  
Registered Valuer  
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#### ANNEXURE A - COMPUTATION OF MARKET PRICE OF MILKFOOD LIMITED

Computation of average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty-six weeks preceding the valuation date

Weeks	Date	Day	WAP	Maximum	Minimum	Average
1	31-03-2020	Tuesday	372.05	383.46	354.79	369.13
	30-03-2020	Monday	366.77			
	29-03-2020	Sunday				
	28-03-2020	Saturday				
	27-03-2020	Friday	383.46			
	26-03-2020	Thursday	372.64			
	25-03-2020	Wednesday	354.79			
2	24-03-2020	Tuesday	350.08	385.51	341.06	363.29
	23-03-2020	Monday	341.06			
	22-03-2020	Sunday				
	21-03-2020	Saturday				
	20-03-2020	Friday	356.57			
	19-03-2020	Thursday	346.03			
	18-03-2020	Wednesday	385.51			
3	17-03-2020	Tuesday	392.51	478.01	392.51	435.26
	16-03-2020	Monday	402.86			
	15-03-2020	Sunday				
	14-03-2020	Saturday				
	13-03-2020	Friday	397.05			
	12-03-2020	Thursday	405.83			
	11-03-2020	Wednesday	478.01			
4	10-03-2020	Tuesday		503.89	475.26	489.57
	09-03-2020	Monday	475.26			
	08-03-2020	Sunday				
	07-03-2020	Saturday				

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	06-03-2020	Friday	483.27			
	05-03-2020	Thursday	503.89			
	04-03-2020	Wednesday	503.42			
5	03-03-2020	Tuesday	486.10	491.34	480.76	486.05
	02-03-2020	Monday	486.56			
	01-03-2020	Sunday				
	29-02-2020	Saturday				
	28-02-2020	Friday	480.76			
	27-02-2020	Thursday	490.33			
	26-02-2020	Wednesday	491.34			
6	25-02-2020	Tuesday	479.72	497.72	477.46	487.59
	24-02-2020	Monday	477.46			
	23-02-2020	Sunday				
	22-02-2020	Saturday				
	21-02-2020	Friday				
	20-02-2020	Thursday	497.72			
	19-02-2020	Wednesday	491.36			
7	18-02-2020	Tuesday	491.63	508.31	445.94	477.13
	17-02-2020	Monday	493.33			
	16-02-2020	Sunday				
	15-02-2020	Saturday				
	14-02-2020	Friday	445.94			
	13-02-2020	Thursday	508.31			
	12-02-2020	Wednesday	483.73			
8	11-02-2020	Tuesday	497.06	509.95	489.16	499.56
	10-02-2020	Monday	496.76			
	09-02-2020	Sunday				
	08-02-2020	Saturday				
	07-02-2020	Friday	509.33			
	06-02-2020	Thursday	509.95			
	05-02-2020	Wednesday	489.16			
9	04-02-2020	Tuesday	534.31			

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	03-02-2020	Monday	537.02	568.13	534.31	551.22
	02-02-2020	Sunday				
	01-02-2020	Saturday	546.27			
	31-01-2020	Friday	552.32			
	30-01-2020	Thursday	568.13			
	29-01-2020	Wednesday	566.81			
10	28-01-2020	Tuesday	549.52	582.85	531.51	557.18
	27-01-2020	Monday	531.51			
	26-01-2020	Sunday				
	25-01-2020	Saturday				
	24-01-2020	Friday	543.08			
	23-01-2020	Thursday	570.21			
	22-01-2020	Wednesday	582.85			
11	21-01-2020	Tuesday	583.42	583.42	572.44	577.93
	20-01-2020	Monday	577.55			
	19-01-2020	Sunday				
	18-01-2020	Saturday				
	17-01-2020	Friday	572.44			
	16-01-2020	Thursday	573.52			
	15-01-2020	Wednesday	579.85			
12	14-01-2020	Tuesday	549.45	549.45	500.35	524.90
	13-01-2020	Monday	516.89			
	12-01-2020	Sunday				
	11-01-2020	Saturday				
	10-01-2020	Friday	504.65			
	09-01-2020	Thursday	501.59			
	08-01-2020	Wednesday	500.35			
13	07-01-2020	Tuesday	507.10	508.81	496.47	502.64
	06-01-2020	Monday	497.42			
	05-01-2020	Sunday				
	04-01-2020	Saturday				
	03-01-2020	Friday	508.81			

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	02-01-2020	Thursday	506.54			
	01-01-2020	Wednesday	496.47			
14	31-12-2019	Tuesday	499.44	499.44	469.17	484.31
	30-12-2019	Monday	481.92			
	29-12-2019	Sunday				
	28-12-2019	Saturday				
	27-12-2019	Friday	472.67			
	26-12-2019	Thursday	469.17			
	25-12-2019	Wednesday				
15	24-12-2019	Tuesday	470.35	470.35	416.16	443.25
	23-12-2019	Monday	457.52			
	22-12-2019	Sunday				
	21-12-2019	Saturday				
	20-12-2019	Friday	452.20			
	19-12-2019	Thursday				
	18-12-2019	Wednesday	416.16			
16	17-12-2019	Tuesday	420.59	420.59	413.78	417.18
	16-12-2019	Monday	413.78			
	15-12-2019	Sunday				
	14-12-2019	Saturday				
	13-12-2019	Friday	418.34			
	12-12-2019	Thursday	414.75			
	11-12-2019	Wednesday	413.96			
17	10-12-2019	Tuesday	420.70	432.95	420.70	426.83
	09-12-2019	Monday	421.18			
	08-12-2019	Sunday				
	07-12-2019	Saturday				
	06-12-2019	Friday	423.58			
	05-12-2019	Thursday	432.95			
	04-12-2019	Wednesday	424.15			
18	03-12-2019	Tuesday	426.45	431.86	423.34	427.60
	02-12-2019	Monday	431.86			

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	01-12-2019	Sunday				
	30-11-2019	Saturday				
	29-11-2019	Friday	423.34			
	28-11-2019	Thursday	426.45			
	27-11-2019	Wednesday	425.85			
19	26-11-2019	Tuesday	423.76	424.54	399.79	412.16
	25-11-2019	Monday	424.54			
	24-11-2019	Sunday				
	23-11-2019	Saturday				
	22-11-2019	Friday	407.02			
	21-11-2019	Thursday	402.92			
	20-11-2019	Wednesday	399.79			
20	19-11-2019	Tuesday	406.29	442.33	390.66	416.50
	18-11-2019	Monday	410.95			
	17-11-2019	Sunday				
	16-11-2019	Saturday				
	15-11-2019	Friday	442.33			
	14-11-2019	Thursday	405.92			
	13-11-2019	Wednesday	390.66			
21	12-11-2019	Tuesday		377.31	333.98	355.64
	11-11-2019	Monday	377.31			
	10-11-2019	Sunday				
	09-11-2019	Saturday				
	08-11-2019	Friday	348.72			
	07-11-2019	Thursday	341.31			
	06-11-2019	Wednesday	333.98			
22	05-11-2019	Tuesday	344.76	364.53	299.27	331.90
	04-11-2019	Monday	363.15			
	03-11-2019	Sunday				
	02-11-2019	Saturday				
	01-11-2019	Friday	364.53			
	31-10-2019	Thursday	305.13			

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	30-10-2019	Wednesday	299.27			
23	29-10-2019	Tuesday	302.14	305.02	295.43	300.23
	28-10-2019	Monday				
	27-10-2019	Sunday				
	26-10-2019	Saturday				
	25-10-2019	Friday	302.85			
	24-10-2019	Thursday	295.43			
	23-10-2019	Wednesday	305.02			
24	22-10-2019	Tuesday	300.75	300.75	294.40	297.58
	21-10-2019	Monday				
	20-10-2019	Sunday				
	19-10-2019	Saturday				
	18-10-2019	Friday	297.68			
	17-10-2019	Thursday	294.40			
	16-10-2019	Wednesday				
25	15-10-2019	Tuesday	299.26	307.51	280.65	294.08
	14-10-2019	Monday	280.65			
	13-10-2019	Sunday				
	12-10-2019	Saturday				
	11-10-2019	Friday	298.24			
	10-10-2019	Thursday	299.94			
	09-10-2019	Wednesday	307.51			
26	08-10-2019	Tuesday		305.00	300.00	302.50
	07-10-2019	Monday	305.00			
	06-10-2019	Sunday				
	05-10-2019	Saturday				
	04-10-2019	Friday	301.65			
	03-10-2019	Thursday	300.00			
	02-10-2019	Wednesday				
Total of 26 Weeks						11,231.19
No. of Weeks Traded						26.00
Average of 26 Weeks						431.97

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Computation of average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the two weeks preceding the valuation date

Weeks	Date	Day	WAP	Maximum	Minimum	Average
1	31-03-2020	Tuesday	372.05	383.46	354.79	369.13
	30-03-2020	Monday	366.77			
	29-03-2020	Sunday				
	28-03-2020	Saturday				
	27-03-2020	Friday	383.46			
	26-03-2020	Thursday	372.64			
	25-03-2020	Wednesday	354.79			
2	24-03-2020	Tuesday	350.08	385.51	341.06	363.29
	23-03-2020	Monday	341.06			
	22-03-2020	Sunday				
	21-03-2020	Saturday				
	20-03-2020	Friday	356.57			
	19-03-2020	Thursday	346.03			
	18-03-2020	Wednesday	385.51			
Total of 2 Weeks						732.41
No. of Weeks Traded						2.00
Average of 2 Weeks						366.21



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To,  
The Board of Directors,  
Milkfood Limited  
P.O. Bahadurgarh  
Patiala,  
Punjab- 147001,

To,  
The Board of Directors,  
Triputi Infrastructure Private Limited  
Sood's Niwas, Ranbir Marg  
Patiala,  
Punjab- 147001,

Sub: Fairness Opinion on the Share Exchange Ratio for the Proposed Scheme of Amalgamation of Triputi Infrastructure Private Limited with Milkfood Limited.

Dear Sir/Madam,

#### 1. ENGAGEMENT BACKGROUND

We understand that the Board of Directors of the above referred Companies are considering an amalgamation of Triputi Infrastructure Private Limited (the "Transferor Company" or "TIPL") with Milkfood Limited (the "Transferee Company" or "ML"), collectively called companies pursuant to a Scheme of Amalgamation ("Scheme") under the applicable provisions of the Companies Act, 2013.

We further understand that pursuant to the above Scheme, the shareholders of Transferor Company will be issued equity shares of Transferee Company as consideration for their respective shareholdings in the Transferor Companies.

We further understand that the Share Exchange ratio in this regard has been arrived based on the Valuation Report dated 29<sup>th</sup> September, 2020 prepared by Mr. Siddharth Gupta, Independent Chartered Accountant and Registered Valuer having Registration No. IBBI/RV/05/2019/11261 (the "Valuer" or "SG") who has been appointed by Milkfood Limited (Transferee Company).

In connection with the aforesaid, you have requested our Opinion as to the fairness of the Share Exchange Ratio, as recommended by the Valuer.

#### 2. BACKGROUND OF THE COMPANIES

##### a. Milkfood Limited ("ML")

- Milkfood Limited (here in after referred as the Transferee Company or ML), bearing CIN L15201PB1973PLC003746 is a widely held listed company having its equity shares listed at BSE Limited. The Company was incorporated in accordance with the provisions of Companies Act, 1956 on March 31, 1973. Presently the registered office of the company is situated at Bahadurgarh Distt Patiala Punjab – 147 021.



**FINSHORE MANAGEMENT SERVICES LIMITED**

(CIN : U74900WB2011PLC169377) • Website : [www.finshoregroup.com](http://www.finshoregroup.com)

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- We understand that the Company is primarily engaged in the manufacture and sale of dairy products. The products include Ghee, Skimmed Milk Powder, Full Cream Milk Powder, Edible Grade Acid Casein, Demineralized Whey Powder. We have been told, that the Company derives its substantial revenue from sale of 'Milkfood Ghee' while other products merely contribute in the overall revenue of the Company. The Company has two manufacturing locations, one in the state of Punjab at Patiala and one in the state of Uttar Pradesh at Moradabad.
- The shareholding pattern of ML as on 31<sup>st</sup> March, 2020 is as follows:

Particulars	Amount in INR
<b>Authorized Share Capital</b>	
75,00,000 Equity Shares of INR 10 each	75,00,000
50,000 Cumulative Redeemable Preference Shares of INR 100 each	5,00,000
<b>Issued, Subscribed and Paid Up Share Capital</b>	
48,86,440 Equity Shares of INR 10 each	4,88,64,400
Less: Call in Arrear	19,000
Add: Amount paid on Forfeited Shares	7,000
<b>Total</b>	<b>4,88,52,400</b>

[Source: ML]

**b. Triputi Infrastructure Private Limited ("TIPL")**

- Triputi Infrastructure Private Limited (here in after referred as Transferor Company or TIPL), bearing CIN U70101PB2011PTC049856 is a closely held company incorporated in accordance with the provisions of the Companies Act, 1956 on September 29, 2011. Presently the registered office of the company is situated at Sood's Niwas, Ranbir Marg, Patiala-147021, Punjab, India.
- We understand that the Company presently is not engaged in any business activity. We have been told that the Transferor Company through an Agreement for Transfer of Brand Name ('Agreement') executed between Milkfood Limited and Triputi Infrastructure Private Limited dated September 5, 2013 had acquired brand name 'Milkfood' for a consideration of INR 14 Cr. We have been further told that the Valuation of INR 14 Cr. for the brand name 'Milkfood' was agreed basis the Valuation Report of M/s Madan & Associates, Chartered Accountants dated June 10, 2013.
- We have been confirmed by the management that currently, TIPL is the registered owner of the brand name 'Milkfood' and pursuant to the above agreement, the right have been given to Milkfood Limited to use Milkfood brand on all its products including Ghee, Skimmed Milk Powder, Full Cream Milk Powder, Edible Grade Acid Casein, Demineralized Whey Powder (40%).



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- The shareholding pattern of TIPL as on 31st March, 2020 is as follows

Particulars	Amount in INR
<b>Authorized Share Capital</b>	
1,45,00,000 Equity Shares of INR 10 each	14,50,00,000
<b>Issued, Subscribed and Paid Up Share Capital</b>	
1,40,10,000 Equity Shares of INR 10 each	14,01,00,000

[Source: ML]

### 3. SOURCES OF INFORMATION

We have relied on the following information for forming our opinion in the fairness of the Share Exchange Ratio:

- Audited Annual Accounts of the Companies for FY 2018-19 and FY 2019-20.
- Brief overview of the Companies and its past & current operations.
- Valuation report dated 29<sup>th</sup> September, 2020 prepared by Mr. Siddharth Gupta, Independent Chartered Accountant and Registered Valuer having Registration No. IBBI/RV/05/2019/11261;
- Such other analysis, review and inquiries as we have considered necessary.
- Such other information and explanations as were required by us and were furnished by the management.

### 4. THE SCHEME IS CONDITIONAL UPON AND SUBJECT TO:

- The Company obtaining the observation letter from the designated Stock Exchange for the implementation of the Scheme.
- The Scheme being agreed to by the respective requisite majorities of members of the Company as required under the Act.
- The requisite sanctions and approvals under the applicable law including but not limited to approvals, sanctions required under the SEBI Circular (CFD/DI13/CIR/2017/21) dated March 10, 2017 issued by the SEBI read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and as may be required by law in respect of this Scheme being obtained.
- The Scheme being approved by the National Company Law Tribunal under Section 66 of the Companies Act, 2013, read with all other applicable provisions if any, of the Act or of such other authority having jurisdiction under applicable law, being obtained.
- The certified copy of the above order of the NCLT sanctioning this Scheme being filed with the Registrar of Companies.



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## 5. SCOPE AND LIMITATIONS/CAVEATS

- a. Our opinion and analysis are limited to the extent of review of documents as provided to us by the Transferor and Transferee Companies of the Valuation report containing the share exchange ratio prepared by Mr. Siddharth Gupta, Independent Chartered Accountant and Registered Valuer having Registration No. IBBI/RV/05/2019/11261 dated 29th September, 2020. We have relied upon the accuracy and completeness of all information and documents provided to us, without carrying out any due diligence or independent verification or validation of such information and documents to establish its accuracy or sufficiency. We have not reviewed any financial forecasts relating to these Companies. We have not conducted any Independent valuation or appraisal of any of the assets or liabilities of the Transferor and Transferee companies, if any.
- b. In rendering our opinion, we have assumed that the Scheme of Amalgamation will be implemented on the terms described therein without any waiver or modification of any material terms or conditions and that in the course of obtaining the necessary regulatory approvals to the Scheme of Amalgamation, no delay, limitation, restriction or conditions will be imposed that would have an adverse effect on the Scheme.
- c. We do not express an opinion as to any tax or other consequences that might arise from the Scheme of Amalgamation nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the Companies have obtained such advice as it deemed necessary from qualified professionals.
- d. We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof. Our opinion is specific to the arrangement as contemplated in the Scheme of Amalgamation provided to us and is not valid for any other purpose.
- e. Our engagement and opinion expressed herein are for the use of Board of Directors of the Companies in connection with the Scheme of Amalgamation and for no other purpose. Neither we nor any of our affiliates, partners, directors, shareholders, managers, employees or agents or any of them make any representation or warranty, express or implied, as to the information and documents provided to us, based on which the opinion has been issued. All such parties and entities expressly disclaim any and all liability for or based on or relating to any such information contained therein.
- f. No decision should be taken based on this Report by any person intending to provide finance or invest in shares of the Companies and shall do so after seeking their own professional advice and carrying out their own due diligence to ensure that they are making an informed decision.
- g. Our opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Scheme of Amalgamation, if required or any matter related thereto.



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- h. Reproduction, Copying or otherwise quoting of our Report or any parts thereof, other than in connection with the scheme of amalgamation, can be done only with our prior consent in writing.
- i. Our report should not be construed as an opinion or certificate certifying the compliance of the Proposed Scheme of amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implication or issues arising from proposed amalgamation.
- j. Our opinion is restricted to the Fairness opinion on the valuation of Shares done by the Independent Chartered Accountant as required under Circular No CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017 of SEBI
- k. As represented by the Management, the impact of COVID-19 ("Covid") has been considered in the financial projections.
- l. As represented by the management, Valuation report prepared by Mr. Siddharth Gupta (Independent Chartered Accountant) including the date of Valuation, is in compliance with the relevant guidelines of SEBI, SCRA, Companies Act, Exchange Guidelines and other relevant Acts/enactments.
- m. The fairness opinion is based on the scheme which is conditional and subject to points mentioned in point No 4.
- n. We have no present or planned future interest in ML and TIPL and the fee payable for this opinion is not contingent upon the opinion reported herein. The company has been provided with an opportunity to review the draft opinion as a part of our standard practice to make sure that factual accuracy / omissions are avoided in our final opinion.
- o. The Opinion contained herein is not intended to represent at any time other than the date that is specifically stated in this Report. This opinion is issued on the understanding that the Management has drawn our attention to all matters of which they are aware, which may have an impact on our opinion up to the date of signature. We have no responsibility to update this report for events and circumstances occurring after the date of this Report.
- p. This Fairness opinion report is subject to the scope and limitations detailed herein. As such the report is to be read in totality, and not in parts and in conjunction with the relevant documents referred to in this report. This report has been issued only for the purpose of the facilitating the Scheme and should not be used for any other purpose.

#### 6. OPINION

- a. With reference to above and based on information provided by Management and after discussions with the Valuer, we understand that the Proposed Scheme has been structured to consolidate the business of ML and TIPL. The proposed amalgamation is driven by motive to



#### FINSHORE MANAGEMENT SERVICES LIMITED

(CIN : U74900WB2011PLC169377) • Website : [www.finshoregroup.com](http://www.finshoregroup.com)

Regd. Office : "Anandlok" 2nd Floor, Block-A, Room No. 207, 227, A. J. C. Bose Road, Kolkata-700 020 West Bengal, India Ph. : 033 2289 5101

*Creating Enterprise Managing Values*



achieve synergies through focused business segments and leverage on its operations for future growth.

- b. "Subject to the caveats as detailed herein, based on our review as above and the information and explanation furnished to us, we as a Merchant Banker hereby certify that we have reviewed the valuation report recommending the swap ratio for the proposed scheme of amalgamation of Transferor Company with Transferee Company and are of the opinion that following share exchange ratio –

*"69 (Sixty-Nine) equity shares of Milkfood Limited of INR 10/- each(face value) fully paid up for every 1,000 (One Thousand) equity shares of Tripuri Infrastructure Private Limited of INR 10/- each(face value) fully paid up"*

*Is fair and reasonable to the equity shareholders of transferor company and transferee company."*

For Finshore Management Services Limited  
SEBI Regd. CAT-I Merchant Banker, Regn No. INM000012185

Place: Kolkata  
Date: 29<sup>th</sup> September, 2020

  
S. Ramakrishna Iyengar  
Director



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Page 6 of 6

**FINSHORE MANAGEMENT SERVICES LIMITED**

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*Creating Enterprise Managing Values*



BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India  
 T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com  
 Corporate Identity Number: L67120MH2005PLC155188



DCS/AMAL/SV/R37/1964/2021-22

“E-Letter”

May 28, 2021

The Company Secretary,  
**Milkfood Ltd.**  
 PO Bahadurgarh, Patiala, Punjab, 147021

Sir,

**Sub: Observation letter regarding draft scheme of amalgamation between Triputi Infrastructure Private Limited and Milkfood Limited.**

We are in receipt of the Draft Scheme of Amalgamation of Milkfood Limited filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated May 27, 2021 has inter alia given the following comment(s) on the draft scheme of Reduction:

- “Company shall duly comply with various provisions of the Circular.”
- “Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the Scheme with the Stock Exchanges, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”
- “Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.”
- “It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Sd/-

**Nitinkumar Pujari**  
**Senior Manager**

# MILKFOOD LIMITED

5th Floor, 91, Bhandari House, Nehru Place, New Delhi-110 019  
 Ph.: 26460670-4 / 26463773 Fax : 011-26460823  
 E-mail : milkfoodltd@milkfoodltd.com, Website : www.milkfoodltd.com  
 CIN : L15201PB1973PLC003746 GST : 07AAACM5913B1ZY

Dated: 18.01.2021

## REPORT ON COMPLAINTS

### Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Nil
5.	Number of complaints pending	Nil

### Part B (NA)

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.			
2.			
3.			

For and on behalf of Milkfood Limited

*Rhatur*  
 (Rakesh Kumar Thakur  
 Company Secretary



Regd. Office : P.O. Bahadurgarh-147021 Distt. Patiala (Punjab)  
 : Phones : 0175-2381404 / 2381415  
 Fax : 0175-2380248

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**MILKFOOD LIMITED**

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2-10

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**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF  
 THE BOARD OF DIRECTORS OF M/S. MILKFOOD LIMITED HELD AT 5<sup>TH</sup>  
 FLOOR, BHANDARI HOUSE, 91, NEHRU PLACE, NEW DELHI-110 019 ON  
 MONDAY, THE 05<sup>TH</sup> DAY OF OCTOBER, 2020 AT 3:00 P.M.**

**“RESOLVED THAT** based on the report submitted by the Audit Committee recommending the draft scheme and pursuant to the provisions of Section 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and Rules and Regulation made thereunder (including any modification(s)/amendment(s)/re-enactment(s) thereof) and guidelines issued by the regulatory authorities, and in accordance with the Memorandum of Association of the company, subject to the consent of members and creditors of the Company, as the case may be, accorded either by way of requisite resolution passed in a duly convened meeting(s) or through written consents/no objections certificate or otherwise as the case may be and subject to the approval of the National Company Law Tribunal, Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies or such other competent authority, as may be required having jurisdiction, the consent of the Board of Directors of the company be and is hereby accorded for the approval of proposed Scheme of Amalgamation between Triputi Infrastructure Private Limited (“the Transferor Company”) with Milkfood Limited (“the Transferee Company”) and their Respective Creditors & Shareholders (“as per the scheme”) in accordance with the draft scheme as placed before the Board.

**RESOLVED FURTHER THAT** the scheme providing for Amalgamation between Triputi Infrastructure Private Limited (“the Transferor Company”) with Milkfood Limited (“the Transferee Company”) with effect from “Appointed date” as defined in the Scheme and also providing for various other matters connected with and/or consequential to and/or incidental thereof, submitted to this meeting and initialled by the Chairman for the purpose of identification, would be advantageous and beneficial to the Company and all stakeholders and that the terms thereof being fair and reasonable be and hereby approved, subject to such

**For MILKFOOD LIMITED**



*C. S. Bawa*  
**(Director)**

Regd. Office : P.O. Bahadurgarh-147021 Distt. Patiala (Punjab)  
 Phones : 0175-2381404 / 2381415  
 Fax : 0175-2380248

# MILKFOOD LIMITED

5th Floor, 91, Bhandari House, Nehru Place, New Delhi-110 019  
Ph.: 26460670-4 / 26463773 Fax : 011-26460823  
E-mail : milkfoodltd@milkfoodltd.com, Website : www.milkfoodltd.com  
CIN : L15201PB1973PLC003746 GST : 07AAACM5913B1ZY

changes/ alterations/amendments/modifications as may be required or considered necessary or expedient in pursuance of orders, if any, of NCLT or otherwise.

## RESLOVED FURTHER THAT

- a) for the purpose of amalgamation of Transferor Company into Transferee Company, based on the valuation report of Mr. Siddharth Gupta, Chartered Accountant and Registered Valuer dated September 29, 2020, being Registered Valuer appointed for the purpose of the scheme, the following share entitlement ratio is approved as under:

*"69 equity shares of face value of Rs. 10 each to be issued against 1000 equity shares of face value of Rs. 10 each of Transferor Company."*

- b) the Fairness Opinion Report on the share entitlement ratio dated September 29, 2020 of M/s Finshore Management Services Limited, SEBI Registered Category-I Merchant Banker, as placed before the Board be and is hereby accepted and taken on record;
- c) the certificate dated 05<sup>th</sup> October, 2020 issued by the Statutory Auditors of the Company i.e. M/s. V. P. Jain & Associates, Chartered Accountants, to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013, as placed before the Board be and is hereby accepted and taken on record;
- d) the report of the Audit Committee dated 05<sup>th</sup> October, 2020 recommending the draft Scheme, taking into consideration, inter alia, the valuation report, fairness opinion and the aforesaid' certificate from Statutory Auditor, as placed before the Board be and is hereby accepted and taken on record;

For MILKFOOD LIMITED

*Gita Bawa*  
2  
(Director)

**milkfood**

Regd. Office : P.O. Bahadurgarh-147021 Distt. Patiala (Punjab)  
Phones : 0175-2381404 / 2381415  
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# MILKFOOD LIMITED

5th Floor, 91, Bhandari House, Nehru Place, New Delhi-110 019  
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- e) the report explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio under the provisions of Section 232(2)(c) of Act be and is hereby adopted and taken on record;
- f) the Board has decided that BSE Limited (BSE) be chosen as the Designated Stock Exchange for the purpose of coordinating with Securities and Exchange Board of India ('SEBI') for obtaining approval of SEBI in accordance with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

**RESOLVED FURTHER THAT** all the Directors of the Company be and are hereby severally and/or jointly authorized to take all necessary steps for the purpose of amalgamation in the name of and behalf of the Company to:

- (i) Take all necessary steps for obtaining approvals and/or consent of members/ shareholders of the Company, Creditors and/or other authorities and/or other entities as may be required and for that purpose, to initiate all necessary actions and to take other consequential steps in that behalf;
- (ii) Finalize and settle the Scheme, make any alterations, changes to the Scheme as may be expedient or necessary, draft of the notices for convening/ dispensing with the meetings of the shareholders and creditors and the draft of explanatory statement under Section 230-232 of the Companies Act, 2013 and Rules made there under with such modifications as they may deem fit.
- (iii) to file Scheme and/or any other information details with the SEBI, Stock Exchanges or any authority or agency and to obtain sanction or approval to any provisions of the Scheme or for giving effect thereto;

*For MILKFOOD LIMITED*

*Gita Bawa*  
*(Director)* <sup>3</sup>



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- (iv) File the application, petition for amalgamation in the National Company Law Tribunal, Chandigarh Bench and finalize, settle, sign and execute any affidavits, pleadings, undertakings or other documents, and to execute all such further deeds, documents and writings, with such modifications/ amendments, as may be necessary in that behalf from time to time or delegate such authority to another person by a valid power of attorney.
- (v) File the application/petition/appeal before National Company Law Appellate Tribunal and finalize, settle, sign and execute any affidavits, pleadings, undertakings or other documents, and to execute all such further deeds, documents and writings, with such modifications/ amendments, as may be necessary in that behalf from time to time or delegate such authority to another person by a valid power of attorney.
- (vi) Make, execute, swear, declare and register all declarations, affidavits, applications, letter as may be required necessary or expedient under the provisions of various applicable acts, rules, regulations or notifications of the Central and/or State Government (s), and/or authorities including but not limited to Courts, Municipal Authorities, Registrar of Companies, Electricity authorities, and to represent the Company in all correspondences, matters and proceedings before them of any nature whatsoever in relation to the above.
- (vii) Appoint solicitor, advocates, attorneys, pleaders, advisors, valuers, auditors, accountants, or any one or more agencies as may be required, for the aforesaid purpose, on such terms and conditions as they may deem fit and also to execute Vakalatnama, if required, in favour of any or more persons or firms as they may deem fit and necessary.

*For MILKFOOD LIMITED*

*Gita Bawa*  
(Director) 4

**milkfood**

Regd. Office : P.O. Bahadurgarh-147021 Distt. Patiala (Punjab)  
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CIN : L15201PB1973PLC003746 GST : 07AAACM5913B1ZY

- (viii) Assent and approve any alterations or modification to the Scheme which the Hon'ble National Company Law Tribunal, Chandigarh Bench may deem fit to approve or impose.
- (ix) Consider, make and approve and sign and execute all other documents, advertisements or announcements, applications, disclosures which may be sent/ required to be sent to the governmental or regulatory authorities or concerned authorities on behalf of the Company.
- (x) To take all such actions and steps in the above matter, as may be required from time to time, including resolving the difficulties, if any, arising as and when required in the above connections without any further references to the Board and
- (xi) To sign, execute and deliver such documents as may be necessary and do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect for the purpose of the above resolution or to otherwise give effect to the transactions contemplated as aforesaid."

**RESOLVED FURTHER THAT** consent of the Board of the Directors of the Company be and is accorded to authorize M/s Saxena and Saxena Law Chambers, Advocates to enter into appearance before the Hon'ble National Company Law Tribunal, Chandigarh Bench/National Company Law Appellate Tribunal in connection with the said amalgamation and to do/ caused to be done, to execute / caused to be executed all such acts, deeds and things incidental thereto, with respect to the above resolutions.

**RESOLVED FURTHER THAT** certified true copies of this resolution, be furnished to the concerned authorities under the signature of any of the Director of the Company."

*For MILKFOOD LIMITED*

*Gita Bawa*  
(Director) 5



Regd. Office : P.O. Bahadurgarh-147021 Distt. Patiala (Punjab)  
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CIN : L15201PB1973PLC003746 GST : 07AAACM5913B1ZY

**CERTIFIED TO BE TRUE COPY**

**FORMILKFOOD LIMITED**

*For MILKFOOD LIMITED*

*Gita Bawa*  
**Name: Gita Bawa (Director)**

**Designation: Director**

**DIN: 00111003**

**Address: S-264,  
Greater Kailash, Part-2,  
New Delhi- 110048**



6

Regd. Office : P.O. Bahadurgarh-147021 Distt. Patiala (Punjab)  
Phones : 0175-2381404 / 2381415  
Fax : 0175-2380248

**TRIPUTI INFRASTRUCTURE PRIVATE LIMITED**

CIN: U70101PB2011PTC04985

Regd. Office : Sood Niwas, Ranbir Marg, Patiala, Punjab-147001

Tel. 0175-2380003, Email id: nk\_rana2001@yahoo.com

7

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF M/S. TRIPUTI INFRASTRUCTURE PRIVATE LIMITED HELD AT 5<sup>TH</sup> FLOOR, BHANDARI HOUSE, 91, NEHRU PLACE, NEW DELHI-110 019 ON MONDAY, THE 05<sup>TH</sup> DAY OF OCTOBER, 2020 AT 12:30 P.M**

“RESOLVED THAT pursuant to the provisions of Section 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and Rules and Regulation made thereunder (including any modification(s)/amendment(s)/re-enactment(s) thereof) and guidelines issued by the regulatory authorities, and in accordance with the Memorandum of Association of the company, subject to the consent of members and creditors of the Company, as the case may be, accorded either by way of requisite resolution passed in a duly convened meeting(s) or through written consents/no objections or otherwise as the case may be and subject to the approval of the National Company Law Tribunal or such other competent authority, as may be required having jurisdiction, the consent of the Board of Directors of the company be and is hereby accorded for the approval of proposed Scheme of Amalgamation between Triputi Infrastructure Private Limited (“the Transferor Company”) with Milkfood Limited (“the Transferee Company”) and their Respective Creditors & Shareholders (“as per the scheme”) in accordance with the draft scheme as placed before the Board.

**RESOLVED FURTHER THAT** the scheme providing for Amalgamation between Triputi Infrastructure Private Limited (“the Transferor Company”) with Milkfood Limited (“the Transferee Company”) with effect from “Appointed date” as defined in the Scheme and also providing for various other matters connected with and/or consequential to and/or incidental thereof, submitted to this meeting and initialled by the Chairman for the purpose of identification, would be advantageous and beneficial to the Company and all stakeholders and that the terms thereof being fair and reasonable be and hereby approved, subject to such changes/ alterations/amendments/modifications as may be required or considered necessary or expedient in pursuance of orders, if any, of NCLT or otherwise.

**RESLOVED FURTHER THAT**

- a) for the purpose of amalgamation of Transferor Company into Transferee Company, based on the valuation report of Mr. Siddharth Gupta, Chartered Accountant and

Triputi Infrastructure Private Limited



Director

# TRIPUTI INFRASTRUCTURE PRIVATE LIMITED

CIN: U70101PB2011PTC04985

Regd. Office : Sood Niwas, Ranbir Marg, Patiala, Punjab-147001

Tel. 0175-2380003, Email id: nk\_rana2001@yahoo.com

Registered Valuer dated September 29, 2020, being Registered Valuer appointed for the purpose of the scheme, the following share entitlement ratio is approved as under:

*"69 equity shares of face value of Rs. 10 each to be issued against 1000 equity shares of face value of Rs. 10 each of Transferor Company."*

- b) the Fairness Opinion Report on the share entitlement ratio dated September 29, 2020 of M/s Finshore Management Services Limited, SEBI Registered Category-I Merchant Banker, as placed before the Board be and is hereby accepted and taken on record;
- c) the certificate dated 5<sup>th</sup> October, 2020 issued by the Statutory Auditors of the Company i.e. M/s. V. P. Jain & Associates, Chartered Accountants, to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013, as placed before the Board be and is hereby accepted and taken on record;
- d) the report explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio under the provisions of Section 232(2)(c) of Act be and is hereby adopted and taken on record;

**RESOLVED FURTHER THAT** all the Directors of the Company be and are hereby severally and/or jointly authorized to take all necessary steps for the purpose of amalgamation in the name of and behalf of the Company to:

- (i) Take all necessary steps for obtaining approvals and/or consent of members/ shareholders of the Company, Creditors and/or other authorities and/or other entities as may be required and for that purpose, to initiate all necessary actions and to take other consequential steps in that behalf;
- (ii) Finalize and settle the Scheme, make any alterations, changes to the Scheme as may be expedient or necessary, draft of the notices for convening/ dispensing with the meetings of the shareholders and creditors and the draft of explanatory

Tripudi Infrastructure Private Limited

Director



# TRIPUTI INFRASTRUCTURE PRIVATE LIMITED

CIN: U70101PB2011PTC04985

Regd. Office : Sood Niwas, Ranbir Marg, Patiala, Punjab-147001

Tel. 0175-2380003, Email id: nk\_rana2001@yahoo.com

statement under Section 230-232 of the Companies Act, 2013 and Rules made thereunder with such modifications as they may deem fit.

- (iii) File the application, petition for amalgamation in the National Company Law Tribunal, Chandigarh Bench and finalize, settle, sign and execute any affidavits, pleadings, undertakings or other documents, and to execute all such further deeds, documents and writings, with such modifications/ amendments, as may be necessary in that behalf from time to time or delegate such authority to another person by a valid power of attorney.
- (iv) File the application/petition/appeal before National Company Law Appellate Tribunal and finalize, settle, sign and execute any affidavits, pleadings, undertakings or other documents, and to execute all such further deeds, documents and writings, with such modifications/ amendments, as may be necessary in that behalf from time to time or delegate such authority to another person by a valid power of attorney.
- (v) Make, execute, swear, declare and register all declarations, affidavits, applications, letter as may be required necessary or expedient under the provisions of various applicable acts, rules, regulations or notifications of the Central and/or State Government (s), and/or authorities including but not limited to Courts, Municipal Authorities, Registrar of Companies, Electricity authorities, and to represent the Company in all correspondences, matters and proceedings before them of any nature whatsoever in relation to the above.
- (vi) Appoint solicitor, advocates, attorneys, pleaders, advisors, valuers, auditors, accountants, or any one or more agencies as may be required, for the aforesaid purpose, on such terms and conditions as they may deem fit and also to execute Vakalatnama, if required, in favour of any or more persons or firms as they may deem fit and necessary.
- (vii) Assent and approve any alterations or modification to the Scheme which the Hon'ble National Company Law Tribunal, Chandigarh Bench may deem fit to approve or impose.

Triputi Infrastructure Private Limited

Director

# TRIPUTI INFRASTRUCTURE PRIVATE LIMITED

CIN: U70101PB2011PTC04985

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Tel. 0175-2380003, Email id: nk\_rana2001@yahoo.com

- (viii) Consider, make and approve and sign and execute all other documents, advertisements or announcements, applications, disclosures which may be sent/ required to be sent to the governmental or regulatory authorities or concerned authorities on behalf of the Company.
- (ix) To take all such actions and steps in the above matter, as may be required from time to time, including resolving the difficulties, if any, arising as and when required in the above connections without any further references to the Board and
- (x) To sign, execute and deliver such documents as may be necessary and do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect for the purpose of the above resolution or to otherwise give effect to the transactions contemplated as aforesaid."

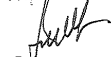
**RESOLVED FURTHER THAT** consent of the Board of the Directors of the Company be and is accorded to authorize M/s Saxena and Saxena Law Chambers, Advocates to enter into appearance before the Hon'ble National Company Law Tribunal, Chandigarh Bench/National Company Law Appellate Tribunal in connection with the said amalgamation and to do/ caused to be done, to execute / caused to be executed all such acts, deeds and things incidental thereto, with respect to the above resolutions.

**RESOLVED FURTHER THAT** certified true copies of this resolution, be furnished to the concerned authorities under the signature of any of the Director of the Company."

**CERTIFIED TO BE TRUE COPY**

**FOR TRIPUTI INFRASTRUCTURE PRIVATE LIMITED**

Triputi Infrastructure Private Limited



**Gautam Pal**  
**(Director)**

Director

**DIN: 05200503**  
**Address: BL -52,**  
**Anand Vihar, Hari Nagar,**  
**New Delhi-110064**

# V.P.JAIN & ASSOCIATES

*Chartered Accountants*

Ambika Bhawan, F-1, First Floor,  
4658-A/21, Ansari Road, Darya Ganj, New Delhi – 110002

**Phone:** 23276695, 30126695

email id-vpjain\_ca@rediffmail.com

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF MILKFOOD LIMITED

#### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **Milkfood Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Emphasis of matter:

Attention is drawn to the Note no 4 regarding biological asset, Note no 6(i) & (ii) regarding trade receivable, Note no 7(i) regarding security deposit, Note no 7(ii) regarding Loans to employee, Note no 8(iii) regarding Advance to Suppliers and insurance claim receivable, Note no 9(i) regarding non-moving stock, Note no 13(iii) regarding GST amount voluntarily deposited under protest, Note no 17(i) regarding classification of security deposit received, note no. 39 regarding covid -19 pandemic effect

Our opinion is not qualified in respect of these matters.



## Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, 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 audit opinion on the standalone financial statements.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

The Key Audit Matter	How the matter was addressed in our audit
<p>The company operates in various states within India, exposing it to a variety of different Central and State Laws, regulations and interpretations thereof. In this regulatory environment, there is an inherent risk of litigation and claims.</p> <p>Consequently, provisions and contingent liability disclosures may arise from direct and indirect tax proceeding, legal proceedings including regulatory and other government/department proceedings, as well as investigations by authorities and commercial claims.</p> <p>At March 31, 2021, the Company's contingent liabilities for legal matters were Rs. 78 Lakhs (refer Note to the standalone financial statement) and provision for legal matters aggregated Nil. This represents tax of</p>	<p>Our procedures included:</p> <p>Reviewing the outstanding litigations against the Company for consistency with the previous years. Enquire and obtain explanations for movement during the year.</p> <p>Discussing the status of significant known actual and potential litigations with the Company's in-house officials and other senior management personnel who have knowledge of these matters and assessing their responses.</p> <p>Reading the latest correspondence between the Company and the various tax/legal authorities and review of correspondence with / legal opinions obtained by the management, from external legal advisors, where applicable, for significant matters</p>





Rs.71 Lakhs levied u/s 47 of Rajasthan Sales Tax Act, 1994. The tax has been levied on account of non-deposit of sale tax by the consignment agent of the company. Department is of the view that liability of principal and agent is joint and several. The remaining Rs 7 lacs represent the claim against the company that have not been acknowledged as debt.

#### GST Receivable

The Company has partially deposited the amount of Rs 16.27 crores voluntarily under protest towards GST in respect of verification conducted by the department regarding input tax credit of four dealers. As per information given by the company it has not received any show cause notice. Further it has been informed that company is legally advised of its success as it has made the payment through banking channels.

Management applies significant judgment in estimating the likelihood of the future outcome in each case when considering whether, and how much, to provide or in determining the required disclosure for the potential exposure of each matter. This is due to the highly complex nature and magnitude of the legal matters involved along with the fact that resolution of tax and legal proceedings may span over multiple years, and may involve protracted negotiation or litigation.

These estimates could change substantially

and considering the same in evaluating the appropriateness of the Company's provisions or disclosures on such matters.

Examining the Company's legal expenses and reading the minutes of the board meetings, in order to ensure that all cases have been identified,

With respect to tax matters, involving our tax specialists, and discussing with the Company's tax officers, their views and strategies on significant cases, as well as the related technical grounds relating to their conclusions based on applicable tax laws.

Assessing the decisions and rationale for provisions held or for decisions not to record provisions or make disclosures.

For those matters where management concluded that no provisions should be recorded, considered the adequacy and completeness of the Company's disclosures.

We have verified the challans and relied upon the assertions of the management.



overtime as new facts emerge as each legal case progresses.

Given the inherent complexity and magnitude of potential exposures across the country and the judgment necessary to estimate the amount of provisions required or to determine required disclosures, this is a key audit matter.

### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.





In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial



statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. With respect to matter to be included in the Auditor's report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has paid/provided the managerial remuneration to its whole time/Managing Director in accordance with the provisions of the Companies Act subject to approval by special resolution by the shareholder for the year ended March 31, 2021. As required by Section 143 (3) of the Act, we report that:

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.





- (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the statement of cash flow dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) on the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- the Company has disclosed the impact of pending litigations on its financial position in its financial statements;
  - the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
  - there were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.



For V. P. Jain & Associates  
Chartered Accountants

Firm's registration number: 015260N

*Sarthak*  
Sarthak Madaan

Partner

Membership number: 547131

Place: New Delhi

Date: 30-06-2021

UDIN: 21547131AAAAA L6780

### **Annexure - A to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the **Milkfood Limited ("the company")** on the standalone financial statements for the year ended 31 March 2021, we report that:

- (i) In respect of fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a programme of verification of fixed assets to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the said programme, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company. Original copy of title deeds have not been produced as the same are deposited as security with banks under loan agreement as confirmed by the management.
- (ii) Physical verification of the inventory has been conducted by the management at the end of the year and no material discrepancies were noticed.
- (iii) As per information and explanations given to us, Company has not granted any loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Thus, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans and made any investment within the meaning of section 185 & 186 of the Act. Thus, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) According to the information and explanation given to us, the company has not accepted any deposits during the year. It is also confirmed by the company that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.



- (vi) According to the information and explanations given to us and on the basis of our review of the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 we are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (vii) In respect of statutory dues:
  - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has generally been regular in depositing undisputed statutory dues, including provident Fund, Employees State insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of the aforesaid statutory dues in arrears as at 31.03.2021 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax, which have not been deposited as at 31.03.2021 on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government during the year.
- (ix) In our opinion and according to the information and explanation given to us, the moneys raised by way of term loans during the year have been applied by the company for the purposes for which they were obtained.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided managerial remuneration subject to special resolution passed by the shareholders, the approval mandated by the provisions of section 197 read with Schedule V to the Act. It has been informed that the required approval will be obtained in the ensuing AGM of the company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.





- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company and as certified by the management, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.



*For V. P. Jain & Associates*  
*Chartered Accountants*  
Firm's registration number: 015260N

*Sarthak*  
**Sarthak Madaan**  
*Partner*

Membership number: 547131

Place: New Delhi  
Date: 30-06-2021



## **Annexure - B to the Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Milkfood Limited** ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



Place: New Delhi  
Date: 30-06-2021

*For V. P. Jain & Associates*  
*Chartered Accountants*  
Firm's registration number: 015260N

*Sarthak*  
**SarthakMadaan**  
*Partner*

Membership number: 547131



MILKFOOD LIMITED		CIN:L15201PB1973PLC003746		<div>milkfood</div>		(Rs. in Lakhs)	
Balance Sheet as at 31 March, 2021							
Particulars		Notes	As at 31 March, 2021	As at 31 March, 2020			
A	ASSETS						
1	Non-current assets						
	Property, plant and equipment	3A	18,082	18,091			
	Capital work in progress	3B	158	163			
	Right-of-use-assets	3C	66	168			
	Biological assets	4	239	230			
	Financial assets						
	- Investments	5	3	3			
	- Trade receivable	6	93	18			
	- Deposit, loans & advances	7	114	106			
	Other non-current assets	8	1,077	1,092			
	Total non-current assets		19,840	19,869			
2	Current assets						
	Inventories	9	3,281	5,857			
	Financial assets						
	- Trade receivables	5	5,327	3,286			
	- Loans	10	16	33			
	- Cash and cash equivalents	11	92	258			
	- Others	12	90	202			
	Other current assets	13	2,292	470			
	Current tax assets (net)	31B	11	43			
	Total current assets		11,109	10,149			
	TOTAL ASSETS		30,949	30,018			
B	EQUITY AND LIABILITIES						
1	Shareholders' funds						
	Equity share capital	14	489	489			
	Other equity	15	11,415	11,150			
	Total equity		11,904	11,639			
2	Non-current liabilities						
	Financial liabilities						
	- Borrowings	16	1,577	1,162			
	- Other financial liabilities	17	7,293	8,108			
	- Lease liabilities	17A	45	115			
	Deferred tax liabilities (net)	31C	998	928			
	Provisions	18A	174	206			
	Total non-current liabilities		10,087	8,517			
3	Current liabilities						
	Financial liabilities						
	- Borrowings	19	4,666	4,868			
	- Lease liabilities	17A	23	61			
	- Trade payable	20					
	Total outstanding dues of micro enterprises and small enterprises		17	38			
	Total outstanding dues of creditors other than above		2,781	3,108			
	- Other financial liabilities	21	1,216	1,509			
	Other current liabilities	22	83	109			
	Provisions	18B	172	130			
	Total current liabilities		8,958	9,832			
	TOTAL EQUITY & LIABILITIES		30,949	30,018			
	Significant accounting policies	2					
	The accompanying notes 1 to 40 are integral part of the financial statements						
In terms of our report of date 30th June 2021			For and on behalf of the Board of Directors of Milkfood Ltd				
For V. P. Jain & Associates			Harmesh Mohan Sood		Asha Gadi		Gita Bawa
Chartered Accountants			Director		Director		Director
FRN 015201PB1973PLC003746			07951620		00110734		00111003
Sarthak Madan			Rakesh Thakur		Sanjeev Kothalia		Suchir Avasthi
Partner			Company Secretary		C.F.O.		C.E.O.
Membership No.: 547131							
UDIN : 21547131AAAAAL6780							
Place: New Delhi							
Date: 30th June 2021							

MILKFOOD LIMITED

CIN:L15201PB1973PLC003746

Statement of Profit and Loss for the year ended 31 March, 2021

milkfood

(Rs. in Lakhs)

Particulars	Note	For the year ended 31 March, 2021	For the year ended 31 March, 2020
1 Revenue from operations	23	36,791	55,141
2 Other income	24	39	61
3 Total revenue (1+2)		36,830	55,202
4 Expenses			
(a) Cost of materials consumed	25	28,317	47,205
(b) Changes in inventories of finished goods and work-in-progress	26	2,468	745
(c) Employee benefits expenses	27	2,131	2,085
(d) Finance cost	28	821	840
(e) Depreciation and amortisation expenses	29	875	811
(f) Other expenses	30	1,892	2,639
Total expenses		36,504	54,325
5 Profit before tax (3-4)		326	877
6 Tax expense/ (credit) (net)			
(a) Current tax	31B	71	213
(b) Tax adjustment for earlier year		2	7
(c) MAT credit recognition		(63)	(515)
(d) Deferred tax	31C	72	333
Total tax expenses / (credit)		82	38
7 Profit/(loss) for the period (5-6)		244	839
8 Other comprehensive income:			
(a) Items that will not be reclassified to Statement of Profit and Loss			
Re-measurement gains/ (losses) on defined benefit plans		(13)	2
Tax impact on re-measurement gain/ (losses) on defined benefit plans		4	(1)
Total other comprehensive income/ (losses) for the year (net of tax)		(9)	1
Total comprehensive income for the year		235	840
9 Earnings per share (of Rs 10/- each):			
Basic and diluted - in Rs "	32	4.97	17.15
Significant accounting policies	2		
The accompanying notes 1 to 40 are integral part of the financial statements			

In terms of our report of even date

For V. P. Jain &amp; Associates

Chartered Accountants

FRN: 015260N

*Sarthak*  
Sarthak Madan  
Partner

Membership No.: 547131

UDIN: 21547131AAAAAL6780

Place: New Delhi

Date: 30th June 2021



For and on behalf of the Board of Directors of Milkfood Ltd

*Harmesh Mohan Sood*  
Harmesh Mohan Sood  
Director  
07951620

*Asha Gadi*  
Asha Gadi  
Director  
00110734

*Gita Bawa*  
Gita Bawa  
Director  
00111003

*Rakesh Thakur*  
Rakesh Thakur  
Company Secretary

*Samyukt Kothalia*  
Samyukt Kothalia  
C.F.O.

*Sudhir Avasthi*  
Sudhir Avasthi  
C.E.O.

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021**

(Rs. in Lakhs)

	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
<b>A. Cash flow from operating activities:</b>		
Net profit before taxation	326	877
Adjustments for:		
Depreciation and amortisation expense	875	811
Finance costs	821	840
Liabilities no longer required written back	(29)	22
Provision for doubtful debts/ bad debts/ balance written off	5	19
Provision for slow / non moving inventory / others	7	-
Loss/ (Gain) on sale of properties , plant & equipment	(2)	(12)
Interest income	(9)	26
<b>Operating profit before working capital changes</b>	<b>1994</b>	<b>2583</b>
<b>Changes in working capital</b>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	2571	952
Trade receivables	(2121)	(1114)
Other current & non current assets	(1577)	376
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(322)	(1325)
Other current & non current liabilities	874	770
Provision	(3)	35
<b>Cash Generated From Operations</b>	<b>1415</b>	<b>2277</b>
Income tax (paid) /refund ( net)	(82)	(313)
<b>Net cash flow from operating activities (A)</b>	<b>1333</b>	<b>1964</b>
<b>B. Cash flow from investing activities:</b>		
Capital expenditure on property , plant and equipments ( including CWIP)	(784)	(2207)
Investment in biological assets	(9)	(13)
Proceeds from sale of properties , plant and equipment	30	58
Interest received	9	(26)
<b>Net cash flow used in investing activities (B)</b>	<b>(754)</b>	<b>(2185)</b>
<b>C. Cash flow from financing activities:</b>		
Repayment of borrowings	192	961
Repayment of lease liabilities	(116)	(103)
Finance costs paid	(821)	(840)
<b>Net cash flow used in financing activities ( C)</b>	<b>(745)</b>	<b>18</b>
<b>Net increase / (decrease ) in cash &amp; cash equivalents (A+B+C)</b>	<b>(166)</b>	<b>(203)</b>
Cash and cash equivalents at the beginning of the year	258	461
<b>Cash and cash equivalents at the end of the year</b>	<b>92</b>	<b>258</b>

1. The above Statement of Cash Flows has been prepared under the 'indirect method' as set out in Indian Accounting Standard 7 'Statement of Cash Flows'.

2. Previous year's figures have been regrouped wherever necessary to conform to the current year's classification.  
The accompanying notes 1 to 41, are integral part of the financial statements

In terms of our report of even date

For V. P. Jain & Associates

Chartered Accountants

FRN: 815260N

Sarthak Madaan

Partner

Membership No.:547131

UDIN:21547131AAAAA L6780

Place: New Delhi

Date: 30 June, 2021

For and on behalf of the Board of Directors of Milkfood Ltd

*Harmesh Mohan Sood*  
Harmesh Mohan Sood  
Director  
07951620

*Asha Gadli*  
Asha Gadli  
Director  
00110734

*Gita Bawa*  
Gita Bawa  
Director  
00111003

*Rakesh Thakur*  
Rakesh Thakur  
Company Secretary

*Sanjeev Kothia*  
Sanjeev Kothia  
C.F.O.

*Sudhir Awasthi*  
Sudhir Awasthi  
C.E.O.



MILKFOOD LIMITED  
CIN:L15201PB1973PLC003746

Statement of changes in equity for the year ended March 31, 2021

A. Equity share capital:

Issued, subscribed and fully paid up (Share of ₹ 10 each)

Particulars	No. of shares	(Rs. in Lakhs)
At 31 March 2019	48,86,440	489
Issued during the year	-	-
At 31 March 2020	48,86,440	489
Issued during the year	-	-
At 31 March 2021	48,86,440	489

B. Other equity

(Rs. in Lakhs)

Particulars	Reserve & Surplus		Total
	Retained Earnings	Securities Premium	
Balance as at 1st April, 2019	9,670	670	10,340
Profit for the year	839	-	839
Other comprehensive income for the year (net)	1	-	1
Balance as at 31st March, 2020	10,510	670	11,180
Profit for the year	244	-	244
Other comprehensive income for the year (net)	(9)	-	(9)
Balance as at 31st March, 2021	10,745	670	11,415

The accompanying notes 1 to 40 are integral part of the financial statements

In terms of our report of even date

For V. P. Jain & Associates

Chartered Accountants

FRN 015260N

Sarthak  
Sarthak Madaan  
Partner

Membership No.:547131

UDIN: 21547131AAAAAL6750

Place: New Delhi

Date: 30th June 2021

For and on behalf of the Board of Directors of Milkfood Ltd

Harmesh Mohan Sood  
Director  
07951620

Asha Gadi  
Director  
00110734

Gita Bawa  
Director  
00111003

Rakesh Thakur  
Company Secretary

Sanjeev Kothhala  
C.F.O.

Sudhir Avasthi  
C.E.O.



## NOTE 1 . CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

Milkfood Limited ("the Company") is a public limited company domiciled in India and incorporated under the provisions of the Indian Companies Act. The registered office of the Company is located at P.O. Bahadurgarh-147021 Distt. Patiala (Punjab), India. Its shares are listed on Bombay Stock Exchange (BSE). The Company is primarily engaged in the manufacture and sale of dairy products. The company has two manufacturing locations, one in the state of Punjab at Patiala and one in the state of Uttar Pradesh at Moradabad.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation and compliance with Ind AS

- (i) The Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the accounting standards as notified under Section 133 of the Companies Act, 2013 read together with Rule 4A of the Companies (Accounts) Rules, 2014, as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013.
- (ii) These financial statements were approved for issue by the Board of Directors on June 30, 2021.
- (iii) Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the relevant dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of that date. Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

Non- monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

#### 2.2 Current versus non-current classification

All assets and Liabilities have been classified as current or non current considering the operating cycle of 12 months.

Deferred tax assets and liabilities are classified as non –current assets and liabilities respectively.



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## 2.3 Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using deemed cost convention and on an accrual method of accounting, except for defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

## 2.4 Fair value measurement

Fair value is the price that would be received to sell an assets or paid to transfer a liabilities in an orderly transaction between market participants at the measurement date. Fair value for measurement and / or disclosed in these financial statement is determined on such a basis.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, which are described as follows ; level I - III

### Level I input

Level I input are quoted price in active market for identical assets or liabilities that the entity can access at the measurement date. A quoted market in an active market provided the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available , with limited exception . If an entity hold a position in a single assets or liabilities and the assets or liabilities is traded in an active market, the fair value of assets or liabilities held by the entity, even if the market normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

### Level II input

Level II input are input other than quoted market prices included within level I that are observable for the assets or liabilities either directly or indirectly.

Level II inputs include:

- quoted price for similarly assets or liabilities in active market.
- quoted price for identical or similar assets or liabilities in market that are not active.
- input other than quoted prices that are observable for the assets or liabilities , for example – interest rate and yield curve observable at commonly quoted interval.
- implied volatilisise.
- credit spreads.
- input that are derived principally from or corroborated market data correlation or other means ('market corroborated inputs').

### Level III input

Level III inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the





measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

## 2.5 Functional and presentation currency

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional currency. All financial information presented in Rupees has been rounded to the nearest lakh.

## 2.6 Property, Plant and Equipment

### (i) Property, plant and equipment

The Company had applied Ind AS 16 with retrospective effect for all of its property, plant and equipment as at the transition date, viz., 1 April 2016.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

When an item of property, plant and equipment is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in statement of Profit & Loss.



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## (ii) Capital work in progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Cost includes financing cost relating to borrowed funds attributable to construction.

## (iii) Depreciation

The Company depreciates property, plant and equipment over the useful life as prescribed in schedule II of the Companies Act 2013 on the straight-line method from the date the assets are ready for intended use as described in para (ii) above. Assets in the course of construction and freehold land are not depreciated.

The estimated useful lives of assets are as follows:

- Buildings 30-60 years
- Plant and equipments 20 years\*
- Furniture and fixtures 8 -10 years
- Vehicles 6 - 10 years ( Instead of 8 – 10 years as prescribed under schedule II)
- Office equipments 3 - 6 years

(Including computer software)

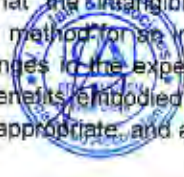
\*The management has reassessed the remaining useful life of Plant & Machinery with effect from 1<sup>st</sup> April 2014 in respect of Plant & Machinery, the company is consistently following the policy of charging depreciation over 20 years, notwithstanding certification by the Govt. approved valuer (Chartered Engineer) of the useful life of Plant & Machinery of more than 35 years. This is in pursuance of proviso to sub clause (c) of clause 3 of schedule II of the Companies Act 2013.

Similarly for addition of Plant & Machinery during the year company has estimated the useful life of 20 years (15 years specified in Schedule II) based upon the certificate of suppliers / manufacturers of Plant & Machinery obtained in earlier years.

## 2.7 Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates



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## 2.8 Impairment of Assets

At the end of each reporting period, the Company assesses whether there is any indication that an assets or a group of assets (cash generating unit) may be impaired. If any such indication exists, the recoverable amount of the asset or cash generating unit is estimated in order to determine the extent of impairment loss (if any). If it is not possible to estimate the recoverable amount of an individual asset, the entity should determine the recoverable amount of the Cash Generated Unit (CGU) to which the asset belongs.

It is not possible to estimate the recoverable amount of the individual asset if:

- The asset's Value in use (VIU) cannot be estimated to be close to its fair value less cost to sell (FLVCS).
- The asset does not generate cash inflows that are largely independent of those from other assets.

Recoverable amount is the higher of fair value less cost of disposal and value in use. In assessing the value in use, the estimated future cash flow are discounted at their present value using the pre-tax discount rate that reflects current market assessment of time value of money and the risks specific to the assets for which the estimates of future cash flow have not been adjusted.

If the recoverable amount of an assets (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the assets (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of Profit & Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss recognized immediately in the statement of Profit & Loss.

## 2.9 Cash and Cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.



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## 2.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

### (i) Initial recognition and measurement:

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the statement of profit and Loss.

### (ii) Subsequent measurement of financial assets:

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### (iii) Derecognition of financial assets :

The Company derecognises a financial asset when and only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in the Statement of Profit and Loss if such gain or loss would have otherwise been recognized in the Statement of Profit and loss on disposal of that financial asset.

### (iv) Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.



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**(v) Subsequent measurement of financial liabilities:**

All the financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through profit and loss. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

**(vi) Derecognition of financial liabilities**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such on exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**2.11 Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**2.12 Inventories**

Inventories are valued at the lower of cost and net realisable value except scrap and by products which are valued at net realisable value. Costs comprises as follow;

- (i) **Raw materials:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- (ii) **Finished goods and work in progress:** Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis. In pursuance of IND AS-2 indirect production overheads (estimated by the Management) have been allocated for ascertainment of cost.
- (iii) **Net realisable value** is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided to net realisable value. Inventories



(including whey powder - by product) are valued on lower of cost or net realizable value. In pursuance of IND AS-2 indirect production overheads (estimated by the Management) have been allocated for ascertainment of cost.

## 2.13 Retirement Benefits

Company follows IND AS-19 as detailed below:-

- (a) Short-term benefits are recognized as expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the related service is rendered.
- (b) Company provides bonus to eligible employees as per Bonus Act 2016 and accordingly liability is provided on actual cost at the end of the year.
- (c) Provident Fund:

The eligible employees of the company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both employees and the company make monthly contributions at a specified percentage of the covered employee's salary. The contributions as specified under the law are paid to the respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension Scheme.

- (d) The Company has an obligation towards gratuity a defined benefit retirement plan covering all employees. The plan provides for a lumpsum payment to employees at retirement/determination of service on the basis of 15 days terminal salary for each completed year of service subject to maximum amount of Rs. 20 Lacs.

Company's liability towards gratuity and compensated absences is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income (OCI) in the period in which they occur. Remeasurement recognized in the other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the defined benefit liability or asset.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement



## 2.14 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable taking



in to account contractually defined terms of payment excluding others taxes or duties collected on behalf of the government. Specific recognition criteria described below must also be met before revenue is recognized.

- (a) Export sales are recognized on the basis of date of bill of lading.
- (b) Export entitlements i.e. duty free scrip and duty draw back are accounted for on the basis of export of goods on FOB value determined for custom purpose.
- (c) Conversion charges are recognized on completion of jobs.
- (d) Interest Income is recorded on time proportion basis using the effective rate of Interest (EIR).
- (e) Carbon Credits are recognized on realization basis.

## 2.15 Manufacturing policy

The main raw material of the company is milk, which is used to produce Pure Ghee and various types of Milk Powders. For the last few years, the company has changed its policy to produce Pure Ghee and Milk Powders which conforms to the quality standards adopted by the company consistent with its brand image. Quantities of Pure Ghee and Milk Powders are purchased and processed in the plant to give effect to the manufacturing policy and produce a product of high quality on consistent basis. Company has utilized its facilities for conversion of Milk to Ghee / Butter & Milk Powder on job works basis.

## 2.16 Taxation

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.



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The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/ value added taxes paid on acquisition of assets or on incurring expenses.

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

## 2.17 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.



## 2.18 Foreign Currency Transactions

Foreign Currency Transactions involving export sales are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and

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the foreign currency on the customs rate on the date of dispatch of goods. The difference between the rates recorded and the rates on the date of actual realization is transferred to difference in exchange fluctuation account. At the year end, the balances are converted at the year end rate and difference if any between the book balance and converted amount are transferred to the exchange fluctuation account. The premium or discount arising at the inception of a forward exchange contract is amortized as expenses / income over the life of the contract. Any profit or loss arising on cancellation or renewal of such a forward contract is recognized as income / expenses for the period. Non-monetary items that are measured in historical cost in a foreign currency are not retranslated.

## 2.19 Earning per shares

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares

## 2.20 Segment Reporting

The company is operating under a single segment i.e., "Dairy Products- comprising Ghee, Milk Powder, Casein, Whey powder and Dairy whitener" and therefore there are no reportable segments as per IND AS-108 "Segment Reporting" issued under section 133 of Companies Act 2013 read with rules 4A of Companies ( Indian Accounting Standards) rules 2015.

## 2.21 Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information

## 2.22 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the standalone Ind AS financial statements.



Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or

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present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognised as an expense on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

#### 2.24 Use of estimates and judgments

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which is known/materialised.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- (i) Property, Plant and Equipments –
- (ii) Intangible assets -
- (iii) Taxes on income -
- (iv) Retirement and other employee benefits -



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**MILKFOOD LIMITED**  
Notes to financial statements for the year ended March 31, 2021

**3. Property, plant and equipment**

(Rs. in Lakhs)

**A. Tangible assets**

Particulars	Land	Building	Furniture & Fixtures *	Computers & Pheripherals	Vehicles	Plant & Equipment	Total
(i) At cost or deemed cost							
As at 1 April 2019	7945	2947	109	110	923	5372	18,406
Additions	183	347	4	5	298	1,379	2,216
Disposals	-	-	-	-	185	8	194
As at 31 March 2020	8,131	3,294	113	116	1,034	7,744	20,433
Additions	10	55	12	5	159	549	790
Disposals	-	-	-	-	83	-	83
As at 31 March 2021	8,141	3,348	125	121	1,110	8,294	21,140
(ii) Accumulated depreciation							
As at 1 April 2019	-	351	26	23	428	962	1,789
Charge for the year	-	138	10	12	148	389	697
Deductions	-	-	-	-	145	2	147
As at 31 March 2020	-	490	37	35	429	1,350	2,341
Charge for the year	-	147	11	14	140	450	762
Deductions	-	-	-	-	55	-	55
As at 31 March 2021	-	636	48	50	513	1,799	3,048
Net block Value (i) - (ii)	8,141	2,713	77	72	597	6,495	18,092
As at 31 March 2021	8,131	2,804	75	81	605	6,394	18,091

**(B) Capital work in progress:**

As at 31 March, 2021	196
As at 31 March, 2020	183

**(C) Right of use**

	As at 31st March, 2021	As at 31st March, 2020
Balance as at beginning of the year	-	-
Recognised on account of adoption of IND AS 115 ( Lessee ) in respect of building	166	279
Additions	41	-
Deletion ( on account of vacancy )	27	-
Depreciation	114	113
Balance as at end of the year	68	166

**Footnotes:**

- For details of Property, plant and equipment charged as security of borrowings. Refer Note 16.
- Estimated amount of capital contracts remaining to be executed is Rs. 15 Lakhs ( PY Rs. 56 Lakhs).
- \* includes office equipment.
- Wages of Rs.21 Lakhs related to Capex have been capitalized in Plant & Machinery and Building at Moradabad Plant.
- During the year Rs 41 lacs has been added on account of new and Rs 27 lacs has been deleted on account of vacating the old lease premises.
- Refer Note 39.



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**MILKFOOD LIMITED****Notes to financial statements for the year ended 31 March, 2021****Note 4 Biological assets****(Rs. in Lakhs)**

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
	Trees & Plantation		239	230
	<b>Total</b>		<b>239</b>	<b>230</b>

**Footnotes:**

Trees and plants are considered biological Assets as per Ind AS 41. Expenditure amounting to Rs 9 lakhs incurred during the year are capitalised, company has obtained the certificate of Agricultural Scientist regarding the fact that the trees have attained sufficient growth for sale and its net realisable value is not less than the carrying amount. The management is of the view that revenue will be generated from the next financial year.

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MILKFOOD LIMITED				
Notes to financial statements for the year ended 31 March, 2021				
Note 5. Financial assets - Investment			(Rs. in Lakhs)	
	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Investment in equity shares - unquoted MFL Trading Pvt. Ltd 10000 equity shares of 10 each (wholly owned subsidiary company)		1	1
(b)	National saving certificates / Deposits	(i)	2	2
	<b>Total</b>		<b>3</b>	<b>3</b>
<b>Footnotes:</b>				
(i)	Pledged with government authorities towards fulfillment of statutory obligations.			



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**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 6. Trade receivable**

(Rs. in Lakhs)

Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
<b>Trade receivables</b>			
Unsecured, considered good		5,420	3,304
Doubtful	(i)	28	28
		5,448	3,332
Less: Allowance for expected credit loss		28	28
		5,420	3,304
<b>Net Trade receivables</b>			
Unsecured, considered good		5,420	3,304
Doubtful		-	-
		5,420	3,304
<b>Current</b>		5,327	3,286
<b>Non-current</b>	(ii)	93	18

**Footnotes:**

- (i) In view of insignificant amount of bad debts and timely recovery in earlier years, allowance for expected credit loss is made on the simplified approach of provision based in earlier years.
- (ii) Includes dues from Canteen Stores Department of Rs 17 Lacs outstanding for more than two year that management hopes to recover in the next Financial Year and Rs 76 Lacs outstanding for more than 1 year regarding which the Management is of the view that this amount is good for recovery as the relevant party is under the process of take over by a large Industrial Group.
- (iii) No trade receivables are due from directors and other officers of the company either severally or jointly with any other person, or from firms or private companies in which any director is a partner, a director or a member.





MILKFOOD LIMITED				
Notes to financial statements for the year ended 31 March, 2021				
Note 7. Deposits, loan & advances			(Rs. in Lakhs)	
	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Security deposits			
	Unsecured, considered good	(i)	89	92
(b)	Loans and advances to employees	(ii)	25	14
	Unsecured, considered good			
	<b>Total</b>		<b>114</b>	<b>106</b>
<b>Footnotes:</b>				
(i)	Includes Rs 71 Lakhs with Govt departments and are shown at carrying amount. In respect of security deposits with non Govt. departments of Rs 18 Lakhs given to various parties, Rs 17 lacs pertains to Ispac Developers Private Limited which the management considers good for recovery.			
(ii)	Includes Rs 11 lacs outstanding for more than 1 year which the management hopes to recover in the next Financial year.			



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**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 8. Other non current assets**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Prepaid expenses		10	14
(b)	Capital Advances		4	21
(c)	Deposit with sales tax and other Authorities	(i)	72	84
(d)	MAT credit receivable	(ii)	853	837
(e)	Others receivable	(iii)	138	136
	<b>Total</b>		<b>1,077</b>	<b>1,092</b>

**Footnotes:**

- (i) Deposits with Sales Tax Authorities amounting to Rs. 71 Lakhs represent the amount deposited as a pre-condition for preferring appeal. Management, based upon the legal advice, is of the view that appeals will be decided in favour of company and hence are recoverable.
- (ii) MAT credit of Rs. 47 Lakhs (PY: NIL) pertaining to earlier years has been written off during the year and MAT Credit of Rs 63 lacs (PY Rs 213 lacs) has been recognised during the year.
- (iii) Includes amount of Rs. 114 Lakhs (P.Y. Rs. 114 Lakhs) advance to supplier recoverable from earlier years. The same will be received/adjusted in the financial year 2021-22. The management is of the view that amount is good for recovery and hence no provision is made. It also includes Rs.17 Lakhs (P.Y. Rs. 16 Lakhs) from Ispace Developers Private Limited. No interest is charged as the property of Ispace Developers Private Ltd is kept as security with the bank.



**MILKFOOD LIMITED**
**Notes to financial statements for the year ended 31 March, 2021**
**Note 9. Inventories**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Raw materials		-	32
(b)	Work-in-progress		699	599
(c)	Finished goods		2,111	4,879
(d)	Stores and spares		288	355
(e)	Packing materials	(i)	183	192
	<b>Total</b>		<b>3,281</b>	<b>5,857</b>

**Footnotes:**

- (i) Includes non moving / slow moving stock of packing material and general store items of Rs 18 Lakhs (P.Y. Rs.10 Lakhs) net of provision of Rs 5 lacs. Management is of the view that the same will be utilised / disposed off in the financial year 2021-22. Adjustment if any shall be made in the subsequent year.
- (ii) For details of inventories provided as security for borrowings. Refer Note 19.
- (iii) The mode of valuation of inventories has been described in Note 2.12.



**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 10. Loan**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Loan to employees / others ( Unsecured, considered good)	(i)	16	33
	<b>Total</b>		<b>16</b>	<b>33</b>

**Footnotes:**

- (i) Loan to employees/others are considered good for recovery within 12 months of reporting date as certified by the management.



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**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 11. Cash and cash equivalents**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Cash on hand		9	6
(b)	Balances with banks			
	(i) In current accounts		0	2
	(ii) Margin accounts	(i)	83	250
	<b>Total</b>		<b>92</b>	<b>258</b>

**Footnotes:**

- (i) Towards bank guarantee given to govt. departments/corporations for performance of contractual obligations. Management is of view that amount is recoverable within three months of reporting date.



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**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 12. Financial Assets - others**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Interest receivable		15	11
(b)	Others receivable		3	3
(c)	Milk processing receivable	(i)	4	91
(d)	Margin Money	(ii)	68	97
	<b>Total</b>		<b>90</b>	<b>202</b>

**Footnotes:**

- (i) Represent job work executed pending dispatch.
- (ii) Towards bank guarantee given to govt. departments/corporations for performance of contractual obligations.



**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 13. Other current assets**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Prepaid expenses - unsecured, considered good		84	81
(b)	Advance to suppliers - unsecured, considered good		15	17
(c)	Balances with statutory / government authorities	(i)	427	295
(d)	Income tax refund	(ii)	109	17
(e)	Goods & Service Tax Receivable	(iii)	1,627	-
(f)	Earnest money deposit with Govt. Department		30	60
	<b>Total</b>		<b>2,292</b>	<b>470</b>

**Footnotes:**

- (i) Represent GST input credit (net).
- (ii) Includes Rs 92 lacs Income Tax Refund of AY 2020-21. Refund of Rs.16.29 Lakhs for the AY 2017-18 is adjusted by the department against demand of AY 2007-08 which has not been cancelled due to non credit of Appeal effect of CIT(A) order. It is being followed up with IT Department for refund.
- (iii) Represents the Partial amount deposited voluntarily under protest on account of verification carried out by the Department as to Input Credit availed by the company with respect to Four Dealers. The company has been cooperating in the investigating proceedings and legally the company has been advised of its success as the entire payment to the dealers is made through banking channels for purchases. Company has not received any show cause notice in this regard.



<b>MILKFOOD LIMITED</b>				
Notes to financial statements for the year ended 31 March, 2021				
Note 14. Share capital				
Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	(Rs. in Lakhs)	Number of shares	(Rs. in Lakhs)
(a) <b>Authorised</b>				
Equity shares of Rs. 10 each	75,00,000	750	75,00,000	750
Cumulative redeemable preference shares of Rs. 100 each	50,000	50	50,000	50
<b>Total</b>	<b>75,50,000</b>	<b>800</b>	<b>75,50,000</b>	<b>800</b>
(b) <b>Issued</b>				
Equity shares of Rs. 10 each fully paid up	48,87,890	489	48,87,890	489
(c) <b>Subscribed and Paid up</b>				
Equity shares of Rs. 10 each	48,86,440	489	48,86,440	489
Less: Calls in arrears	0	0	0	0
(Rs. 0.19 lakhs on 2875 partly paid shares)	48,86,440	489	48,86,440	489
Add: Amount paid on forfeited shares	0	0	0	0
(Rs. 0.07 lakhs on 1450 shares)	<b>Total</b>	<b>489</b>	<b>48,86,440</b>	<b>489</b>
(d) <b>Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year :</b>				
At the beginning of the year	48,86,440	489	48,86,440	489
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>48,86,440</b>	<b>489</b>	<b>48,86,440</b>	<b>489</b>
<b>Footnotes:</b>				
(i) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is eligible for one vote per share.				
(ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
(iii) Details of shares held by each shareholder holding more than 5% shares:				
Class of shares / Name of shareholder	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares held	Percentage of shares held	Number of shares held	Percentage of shares held
<b>Equity shares</b>				
Mr. Karamjit Singh Jaiswal	17,00,024	34.79%	17,00,024	34.79%
Ms. Roshini Sanah Jaiswal	7,00,060	14.33%	7,00,060	14.33%
Dhanvani Investments Pvt. Ltd.	5,60,861	11.48%	5,60,861	11.48%
Sudha Commercial Co. Ltd.	4,89,103	10.01%	4,89,103	10.01%
Jupiter India Fund	3,15,146	6.45%	3,17,434	6.50%



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**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 16. Other equity**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Securities premium	(i)	670	670
(b)	Retained earnings	(ii)	10,745	10,510
	<b>Total</b>		<b>11,415</b>	<b>11,180</b>

**Footnotes:**

- (i) Where the Company issues shares at premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares is transferred to "Securities Premium account". The company may issue fully paid-up bonus shares to its members out of balance lying in the securities premium account and the company can also use the premium for buy-back of shares.
- (ii) Includes revaluation reserve of Rs. 5,245 Lakhs (PY Rs. 5,286 Lakhs) [Net of increase in value of Land & Building of Rs 8,530 Lakhs and decrease in the value of Plant & Machinery of Rs 3,080 Lakhs as at 01.04.2016 after adjusting accumulated depreciation of Rs. 205 Lakhs (PY Rs. 164 Lakhs) on revalued figure].
- (iii) The disaggregation of changes in each type of reserve, retained earnings and other comprehensive income are disclosed in Statement of Changes in Equity.





MILKFOOD LIMITED				
Notes to financial statements for the year ended 31 March, 2021				
Note 16. Long-term borrowings			(Rs. in Lakhs)	
	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	<b>From Banks: Secured at amortised cost</b>			
	Rupee term loan		1,287	688
	<b>Total (a)</b>		<b>1,287</b>	<b>688</b>
(b)	<b>From Banks: Unsecured at amortised cost</b>			
	Rupee term loan		31	50
	<b>Total (b)</b>		<b>31</b>	<b>50</b>
(c)	<b>From Others: Secured at amortised cost</b>			
	Vehicle loan		210	136
	<b>Total (c)</b>		<b>210</b>	<b>136</b>
(d)	<b>From Others-Unsecured at amortised cost</b>			
	Rupee term loan		49	290
	Inter corporate deposits		-	-
	<b>Total (d)</b>		<b>49</b>	<b>290</b>
	<b>Grand Total (a+ b+c+d)</b>		<b>1,577</b>	<b>1,163</b>
	<b>Less: Unamortised finance cost</b>			<b>1</b>
			<b>1,577</b>	<b>1,162</b>
<b>Footnotes:-</b>				
(i)	Detail of loans:			
		Non Current	Current Maturity	Total
a)	<b>From Banks: Secured at amortised cost</b>			
	Canara Bank @ 11 % to 13.55% p.a. payable by May 2022	58	442	500
		(534)	(480)	(1,014)
	SBI @ 11 % p.a. payable by Jun 2021	0	49	49
		(51)	(260)	(311)
	Canara Bank Term Loan GECL-2.0 @ 7.5% p.a payable by 2026	300	0	300
		0	0	0
	SBI Term Loan Gecl-2.0 @ 7.5% p.a payable by 2026	929	0	929
		0	0	0
b)	<b>From Banks: Unsecured at amortised cost</b>			
	IDFC First Bank Ltd			
	@15.50% p.a payable by November ,2022	26	35	61
		(61)	(30)	(91)
	ICICI Bank Ltd	0	23	23
	@ 8.97% p.a payable by Jan ,2022	(23)	(24)	(47)
	HDFC Bank Ltd	0	18	18
	@ 15.50% p.a payable by Nov ,2021	(18)	(24)	(43)
	Kotak Mahindra Bank Ltd @15% p.a. payable by April 2022	4	46	50
		(50)	(100)	(150)
c)	<b>From Others: Secured at amortised cost</b>			
	NBFC @ 8.39% to 14.92% p.a. payable by Feb 2024	210	192	402
		(136)	(208)	(344)
d)	<b>From Others-Unsecured at amortised cost</b>			
	NBFC @ 15 % to 18% payable by April 2023.	49	241	290
		(290)	(233)	(523)
	<b>Total</b>	<b>1,577</b>	<b>1,045</b>	<b>2,622</b>
		<b>(1,163)</b>	<b>(1,356)</b>	<b>(2,521)</b>
	Figures in bracket relates to the previous year.			
(ii)	<p>a) The Loan of Canara Bank of Rs. 15.60 Crores (As per MCA 21) is secured by an exclusive charge on fixed assets to the extent of Rs.19.50 Crores, Rs.10.16 Crores and Rs.2.50 Crores and on pari-passu basis with State Bank Of India on balance fixed assets including equitable mortgage of Land and Building by deposit of title deed in respect of Patiala and Moradabad Plants.</p> <p>b) GECL-2 (WCTL) of SBI and Canara Bank of Rs.925 lacs and Rs.300 Lakh respectively are secured by way of 2nd charge over the existing primary and collateral securities including mortgages created in favour of the consortium banks on pari passu basis.</p>			



MILKFOOD LIMITED				
Notes to financial statements for the year ended 31 March, 2021				
Note 17. Financial liabilities - other			(Rs. in Lakhs)	
	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Security deposits	(i)	7,292	6,107
(b)	Other payable	(ii)	1	1
	<b>Total</b>		<b>7,293</b>	<b>6,108</b>
<b>Footnotes:</b>				
(i)	Company has treated a sum of Rs 7292 lacs (PY 6107 lacs) lacs as security deposit from vendors as per trade practice and shown the same as non current liability. Regarding movement in the security deposits the management is of the view that the same is within the group entities of the vendors and overall there is no significant impact.			
(ii)	Payable to ex-employee pending final decision of court.			

MILKFOOD LIMITED				
Notes to financial statements for the year ended 31 March, 2021				
Note 17A : Financial liabilities - other			(Rs. in Lakhs)	
	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
	Lease Liabilities -( current )		45	115
	Lease Liabilities -( non current )		23	61
	[In respect of building taken on lease (Refer note 2.23)]			
	<b>Total</b>		<b>68</b>	<b>175</b>
<b>Footnotes:</b>				
	During the year lease liabilities of Rs.41 Lakhs has been added on account of new lease and Rs. 31 Lakhs has been cancelled on account of vacating the lease premises.			



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**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 18. Provisions**

(Rs. in Lakhs)

**(A) Non current**

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Provision for employee benefits:			
	Gratuity		158	184
	Compensated absences		16	22
	<b>Total</b>		<b>174</b>	<b>206</b>

**(B) Current**

(a)	Provision for employee benefits:			
	Gratuity		151	109
	Compensated absences		22	21
	<b>Total</b>		<b>173</b>	<b>130</b>

**Footnotes:**

Provision for Gratuity and compensated absences has been made in terms of IND AS-19.(Refer note no. 33)



**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 19. Financial liabilities - short-term borrowings**

(Rs. in Lakhs)

Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
From bank - secured Cash credit	(i)	4,666	4,888
<b>Total</b>		<b>4,666</b>	<b>4,888</b>

**Footnotes:**

- (i) Cash Credit sanctioned by State Bank of India/Canara Bank are secured by charge on pari passu basis on all present & future current assets including stocks and book debts and extension of charge on pari-passu basis on the fixed assets (excluding vehicles) of the company, equitable mortgage of land and building at Gurgaon owned by Ispace Developers Pvt Ltd and exclusive charge on the Brand "MILKFOOD".



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**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 20. Financial liabilities - Trade payable**

(Rs. in Lakhs)

		Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Total outstanding dues of micro enterprises and small enterprises	(i)	17	38
(b)	Total outstanding dues of creditors other than above		2,781	3,106
	<b>Total</b>		<b>2,798</b>	<b>3,144</b>

**Footnote:**

- (i) This information as required to be disclosed under Micro Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.



**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 21. Other financial liabilities - current**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Current maturities of long term debts	(i)	1,044	1,356
(b)	Public deposits with interest	(ii)	5	7
(c)	Outstanding expenses including salary & wages etc.	(iii)	157	125
(d)	Others		10	12
	<b>Total</b>		<b>1,216</b>	<b>1,500</b>

**Footnotes:**

- (i) Net of unamortised finance cost of Rs. 1 Lakh (P.Y. Rs 2). Refer Note No.16
- (ii) Includes Rs.1.11 Lakhs (P.Y. Rs. 1.50 Lakhs) towards principal amount and Rs.4 Lakhs (P.Y. Rs. 5.19 Lakhs) towards interest in respect of unclaimed matured deposits.
- (iii) Includes rent payable for earlier years of Rs. 2.82 Lakhs (P.Y. Rs. 2.82 Lakhs) pending court case.





**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 22. Other current liabilities**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, etc.)		57	52
(b)	Advances from customers		26	57
	<b>Total</b>		<b>83</b>	<b>109</b>

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**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 23. Revenue from operations**

(Rs. in Lakhs)

	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
(a)	Sale of products	(i)	36,079	54,066
(b)	Other operating revenues	(ii)	712	1,075
	<b>Revenue from operations</b>		<b>36,791</b>	<b>55,141</b>
<b>Footnotes:</b>				
(i)	<b>Sale of products comprises:</b>			
	- Ghee		35,970	53,901
	- Milk powder		110	165
	<b>Total - Sale of products</b>		<b>36,079</b>	<b>54,066</b>
(ii)	<b>Other operating revenues comprises:</b>			
	Sale of scrap		11	30
	Sale of Carbon Credit (Refer Note No 2, 14)		2	
	Conversion charges of milk to powder & butter		699	1,045
	<b>Total - Other operating revenues</b>		<b>712</b>	<b>1,075</b>



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MILKFOOD LIMITED				
Notes to financial statements for the year ended 31 March, 2021				
Note 24. Other income				(Rs. in Lakhs)
	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
(a)	Interest income on bank deposit	(i)	9	26
(c)	Others		28	23
(d)	Profit on sale of assets		2	12
	Total		39	61
Footnotes:				
(i)	Includes an amount of Rs. 23 Lakhs net ( P.Y. Rs.21 lacs ) written back in respect of liabilities no longer required, Rs 5 Lakhs on account of cancellation of lease under IND AS 116, Rs 1 lakh fair value gain on financial instruments.			



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**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 25. Cost of material consumed**

(Rs. in Lakhs)

	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
(a)	<b>Raw materials</b>			
	Inventories at the beginning of the year		32	15
	Add: Purchases		27425	46051
	Less: Inventories at the end of the year		0	32
	<b>Consumption (a)</b>	(i)	<b>27457</b>	<b>46034</b>
(b)	<b>Packing materials</b>			
	Inventories at the beginning of the year		192	280
	Add: Purchases		851	1083
	Less: Inventories at the end of the year		183	192
	<b>Consumption(b)</b>		<b>860</b>	<b>1171</b>
	<b>Total (a+b)</b>		<b>28317</b>	<b>47205</b>
<b>Footnotes:</b>				
(i)	Raw material consumed comprises:			
	Milk		99	547
	Fat & butter		27,326	45,473
	Milk powder		32	13
	Others		-	2
	<b>Total</b>		<b>27,457</b>	<b>46,034</b>

**Note 26. Changes in inventories of finished goods and work-in-progress**

(Rs. in Lakhs)

	Particulars		For the year ended 31 March, 2021	For the year ended 31 March, 2020
	<u>Inventories at the end of the year:</u>			
	Finished goods		2,111	4,679
	Work-in-progress		699	599
			<b>2,810</b>	<b>5,278</b>
	<u>Inventories at the beginning of the year:</u>			
	Finished goods		4,679	5,053
	Work-in-progress		599	970
			<b>5,278</b>	<b>6,023</b>
	<b>Net (Increase) / decrease</b>		<b>2468</b>	<b>745</b>



**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 27 Employee benefits expenses**

(Rs. in Lakhs)

	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
(a)	Salaries, wages and other benefits	(i)	1933	1884
(b)	Contributions to provident funds / ESI		111	107
(c)	Gratuity & compensated absences	(ii)	49	48
(d)	Staff welfare expenses		38	46
	<b>Total</b>		<b>2131</b>	<b>2085</b>

**Footnote:**

- (i) (a) Includes bonus of Rs. 32.29 Lakhs (P.Y. Rs. 37.37 Lakhs) under the payment of Bonus Act 2015.  
 (b) Net of recovery of Rs. Nil (P.Y. Rs. 396 Lakhs) from KMP.
- (ii) Provision for Gratuity and compensated absences has been made during the year in terms of IND AS-19 (Refer note no. 35).



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**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 28. Finance costs**

(Rs. in Lakhs)

	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
(a)	Interest expense			
	on term loan		252	244
	on Cash Credit		505	503
	on late deposit of income tax		0	8
	on lease liabilities (ROU)		15	25
(b)	Other borrowing costs (Bank and other financing charges)	(i)	49	60
	<b>Total</b>		<b>821</b>	<b>840</b>

**Footnotes:**

- (i) Net of recovery of interest of Rs. Nil Lakhs (P.Y. Rs. 12 lakhs).



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**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

## Note 29. Depreciation &amp; amortisation expenses

(Rs. in Lakhs)

	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
a)	Depreciation of property, plant and equipment (Refer Note no. 2 and 3A.)		761	698
b)	Amortisation of right-of-use assets (Refer Note 2.23 & 3C )		114	113
	Total		875	811



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**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 30. Other expenses**

(Rs. in Lakhs)

Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Consumption of stores and spare parts		49	66
Power and fuel		533	944
Repairs and maintenance:			
- Building		6	16
- Machinery		56	66
Inventory written off		-	37
Freight & forwarding expenses		278	376
Commission		11	135
Selling & distribution expenses		21	48
Advertisement expenses		31	33
Rates and taxes		42	47
Rent		58	59
Auditors remuneration	(i)	14	14
Office maintenance & house keeping		158	172
Legal & professional		160	122
Insurance expenses		87	74
Travelling & hotel expenses		42	86
Vehicle expenses		53	60
Watch & ward expenses		37	38
Postage & telephone expenses		18	23
Provision for doubtful debts		-	19
Net loss on sale of property, plant & equipment		-	0
Contribution for corporate social responsibility (CSR)	(ii)	22	15
Miscellaneous expenses	(iii)	215	192
<b>Total</b>		<b>1892</b>	<b>2639</b>

**Footnote:**

(i) Auditors remuneration			
Particulars		For the year ended 31 Mar, 2021	For the year ended 31 March, 2020
- Audit fee		12	12
- Certification		1	1
- Reimbursement of expenses		1	1
<b>Total</b>		<b>14</b>	<b>14</b>
(ii) Amount required for CSR contributed to PM Cares Fund,			
(iii) Includes Sundry expenses of Rs.13 Lakhs ( P.Y.17 lakhs), Printing stationery Rs. 6 Lakh ( P.Y 8 lakh) , Guest house expenses Rs. 8 Lakh ( P.Y. 9 Lakh) and Income Tax (others) Rs 54.22 Lakhs (P.Y Rs. 39.54 Lakhs), Water and electricity Rs 76 Lakhs (PY 72 Lakhs)			



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**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 31 ( A ) . Current tax liabilities**

(Rs. in Lakhs)

	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Current tax liabilities		-	-
	<b>Total</b>		-	-

**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 31 ( B ) . Current tax assets**

(Rs. in Lakhs)

	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Current tax assets net of provision of Rs 72 lacs (PY Rs.213 lacs )		- 11	- 43
	<b>Total</b>		<b>11</b>	<b>43</b>



**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 31 (C) Tax expenses**

Income tax related to items charged or credited to statement of profit and loss during the year:		For the year ended 31 March, 2021	For the year ended 31 March, 2020
(a)	<b>Statement of profit and loss</b>		
	Current tax	71	213
	Earlier year tax Expenses	2	7
	MAT credit	(63)	(515)
	Deferred tax charge / (credit)	72	333
	<b>Total</b>	<b>82</b>	<b>38</b>
(b)	<b>Other comprehensive income</b>		
	Deferred tax charge/(credit) on Re-measurement of defined benefit plan	-	1
	<b>Total</b>	<b>82</b>	<b>39</b>
<b>Reconciliation of tax expense with accounting profit multiplied by statutory income tax rate:</b>			
<b>Accounting profit before income tax</b>		<b>326</b>	<b>877</b>
Applicable tax rate		33.38%	33.38%
Computed tax expenses		109	293
Effect of prior period adjustments in deferred tax		(90)	11
Adjustment recognised in current year in relation to tax of prior year		2	7
Income recognised related to MAT credit ( Net)		(8)	(302)
Non-deductible expenses for tax purposes			
Other non-deductible expenses		34	20
Others including differential rate of tax (MAT)		35	10
<b>Income tax expense reported in statement of profit and loss account</b>		<b>82</b>	<b>39</b>



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**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 31 (D) Deferred tax**

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2021			
	As at 01 April, 2020	Recognised in		As at 31 March, 2021
		Profit & Loss	OCI	
<b><u>Tax effect of items constituting deferred tax liability</u></b>				
Property, plant and equipment	1,117	12	-	1,129
Others	56	(34)	-	22
(A)	1,173	(21)	-	1,152
<b><u>Tax effect of items constituting deferred tax assets</u></b>				
Carried forward loss / unabsorbed depreciation	60	(60)	-	-
Provision for gratuity and compensated absences	112	-	4	116
Disallowances under section 43B of the Income Tax Act, 1961	6	0	-	6
Provision for doubtful debts	9	-	-	9
Others	59	(36)	-	23
(B)	246	(96)	4	154
<b>Deferred tax liability (net)</b>	<b>927</b>	<b>76</b>	<b>4</b>	<b>998</b>

Particulars	For the year ended 31 March, 2020			
	As at 01 April, 2019	Recognised in		As at 31 March, 2020
		Profit & Loss	OCI	
<b><u>Tax effect of items constituting deferred tax liability</u></b>				
Property, plant and equipment	1,008	109	-	1,117
Others	-	56	-	56
(A)	1,008	164	-	1,172
<b><u>Tax effect of items constituting deferred tax assets</u></b>				
Carried forward loss / Unabsorbed depreciation	308	248	-	60
Provision for gratuity and compensated absences	101	(12)	1	112
Disallowances under Section 43B of the Income Tax Act, 1961	5	(1)	-	6
Provision for doubtful debts	-	(9)	-	9
Others	-	(59)	-	59
(B)	414	167	1	248
<b>Deferred tax liability (net)</b>	<b>594</b>	<b>331</b>	<b>1</b>	<b>926</b>

**Footnote:**

(i) Revaluation impact in Land &amp; Building is not considered for computing deferred tax.



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**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 32. Earnings per share**

	Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Basic and diluted		
	Net profit attributable to equity shareholders (Rs. in Lakhs)	244	839
	Weighted average number of equity shares (Nos.)	48,86,440	48,86,440
	Par value per share (In Rs.)	10	10
	Earnings per share - Basic and diluted (in Rs.)	4.97	17.15



**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 21

**Note 33. Related party disclosures:****(A) Details of related parties with whom the company had transactions during the year.**

Description of relationship	Names of related parties
(a) Enterprises over which KMP, major shareholder is able to exercise significant influence	Jagatjit Industries Ltd. , Pashupati Properties P.Ltd , Anjani Estate P.Ltd , Mata Construction & Builders P.Ltd & Ispace Developers Pvt.Ltd MFL Trading Pvt Ltd (Wholly owned subsidiary Company)
(b) Key Management Personnel (CEO/CFO/Company Secretary/Directors and their relatives)	Mr Karamjit Singh Jaiswal Ms Roshini Sanah Jaiswal Mr Sudhir Avasthi ( CEO ) Mr Deepankar Barat ( President ) Mr Amarbaljeet Singh ( COO ) Mr Harnesh Mohan Sood ( Appointed Whole time Director w.e.f 20.07.2020 and Managing Director wef 27.11.2020 ) Mr Lalit Kumar ( Independent Director ) ( Resigned w.e.f .20.01.2021 ) Ms Gita Bawa ( Independent Director ) Ms Asha Gadi ( Independent Director ) Mr Anil Girotra ( Independent Director ) Mr Kewal Krishan Kohli ( Independent Director ) Ms Preeti Mathur ( Director ) Mr Sanjeev Kothiala (CFO) Mr Rakesh K Thakur (CS) Mrs Shakun Jaiswal ( Relative of KMP)

**(B) Transactions with related parties during the year along with balances as at year end:**

Particulars	With Persons Mentioned in (a) above	With Persons Mentioned in (b) above	Total
	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)
i) Electricity expenses paid	8 (13)	-	8 (13)
ii) Rent (Lease liabilities including interest paid)			
i) Jagatjit Industries Ltd	41 (41)	-	41 (41)
ii) Pashupati Properties Pvt.Ltd	12 (12)	-	12 (12)
iii) Anjani Estate Pvt.Ltd	11 (11)	-	11 (11)
iv) Mata Construction & Builders Pvt. Ltd	12 (12)	-	12 (12)
iii) Advance for Rent & Building Renovation	- (100)	-	- (100)
iv) Reimbursement of other expenses/ Building Renovation of Jagatjit Industries Ltd	1	-	1



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v) Rent Received / Expenditure recovered from JIL	(62) 2	-	(62) -
vi) Interest income	-	-	-
vii) Sales	-	(12)	(12)
viii) <b>Managerial Remuneration ( refer note 27(i)b)</b>	(12)	-	(12)
Mr Karanjit Singh Jaiswal	-	146	146
Ms Roshini Samah Jaiswal	-	172	172
Mr Sudhir Avasthi (CEO)	-	206	206
Mr Deepankar Barat ( President )	-	184	184
Mr Amarbaljeet Singh ( COO )	-	30	30
Mr Harnesh Mohan Sood ( Director)	-	19	19
Mr Sanjeev Kothiala (CFO)	-	25	25
Mr Rakesh K Thakur (CS)	-	9	9
Total Managerial Remuneration	-	790	790
Rent and Security Paid	-	(581)	(581)
Mr KS Jaiswal	-	14	14
Mrs Shakun Jaiswal	-	9	9
Mrs Roshni Jaiswal	-	9	9
ix) Loan taken from Director	-	320	320
x) Loan repayment to Director	-	320	320
xi) <b>Directors sitting fees</b>	-	-	-
Ms Gita Bawa (Independent Director)	-	0.7	0.7
Ms Asha Gadi ( Independent Director)	-	0.7	0.7
Mr Anil Girotra ( Independent Director)	-	0.5	0.5
Mr Kewal Krishan Kohli ( Independent Director)	-	0.7	0.7
Mr Lalit Kumar ( Director)	-	0.6	0.6
Ms. Preeti Mathur ( Director)	-	0.7	0.7
<b>Total Director sitting fees</b>	-	3.8	3.8
	-	(2)	(2)
xii) Amount receivable/ (Payable) (Jagatjit Industries Ltd)	(4) (50)	-	(4) (50)
<b>Footnote:</b>			
(i) No amounts have been written off / provided for or written back during the year in respect of amounts receivable from or payable to related parties.			
(ii) Related parties have been identified by the management.			
(iii) Rent (lease liability including interest) is certified by the the management as per prevalent market rates and for business purposes of the company.			
(iv) Figures in bracket relates to the previous year.			



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**MILKFOOD LIMITED****Notes to financial statements for the year ended 31 March, 2021****Note 34. Contingent liabilities**

(Rs. in Lakhs)

		As at 31 March, 2021	As at 31 March, 2020
(a)	<b>Claims against the company not acknowledged as debts*</b>		
	Sales tax	71	71
(b)	Penalty under Khasad Suraksha and manak Adhinium 2006	2	-
(c)	Others	5	-

**Footnote**

- (i) \*The company is contesting these demands and the management, based on advise of its advisors, believes that its position will likely be upheld in the appellate process. No expense has been accrued in the standalone financial statements for these demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations. The company does not expect any reimbursements in respect of the above contingent liabilities.
- (ii) In addition, the company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The company's management reasonably does not expect that these legal actions, when ultimately concluded and determined, will have material effect on the company's results of operations or financial condition.





**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 35. Employee benefits****(A) Defined contribution plans**

The company has recognised the following amounts in the statement of profit and loss:

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Employers' contribution to provident fund and family pension fund	105	101

**(B) Defined benefit plans**

The company operates on one defined benefit plan i.e., gratuity for its employees including Key managerial personnel except Mr Karamjit Singh Jaiswal, Ms Roshini Sanah Jaiswal, Mr. Deepankar Barat, Mr. Amarbaljeet Singh & Mr. H M Sood. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service subject to maximum of Rs. 20 lakhs.

**(a) Expense recognised in the statement of profit and loss:**

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
<b>Under profit and loss section</b>		
Current service cost	27	28
Net interest cost	18	19
Past service cost	-	-
	<b>45</b>	<b>45</b>
<b>Under other comprehensive income section</b>		
Actuarial (gains)/losses		
Due to experience adjustments	13	(11)
Due to change in assumption	(1)	8
	<b>12</b>	<b>(2)</b>

**(b) Net liabilities recognised in the balance sheet**

Present value of obligation	309	293
Fair value of plant assets	-	-
Funded status (deficit)	<b>309</b>	<b>293</b>
Net liabilities recognised in the balance sheet accounted for as below:		
Provision non current (refer note 18 A)	158	184
Provision current (refer note 18 B)	151	109



<b>(c) Present value of defined benefit obligation</b>		
Present value of obligation at the beginning of year	293	258
Current cost	27	26
Interest cost	18	19
Remeasurement due to		
Actuarial loss/(gain) arising on account of experience changes	13	(11)
Actuarial loss/(gain) arising from change in financial assumptions	(1)	9
Past service cost	-	-
Benefits paid	(42)	(9)
<b>Present value of defined obligation at the end of the year</b>	<b>309</b>	<b>293</b>
<b>(d) The principal assumptions used in determining defined benefit obligations:</b>		
Discount rate	6.65%	7.60%
Salary increase rate	3.5% to 5%	3.5% to 5%
Attrition rate	5%	5%
Mortality Table	IAL 2012-14 Ultimate	IAL 2012-14 Ultimate
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
<b>(e) Sensitivity analysis:</b>		
	<b>For the year ended 31 March, 2021</b>	
	<b>1% increase</b>	<b>1% decrease</b>
Discount rate	(9)	10
Salary increase rate	10	(9)
Employee attrition rate	1	(1)
	<b>For the year ended 31 March, 2020</b>	
	<b>1% increase</b>	<b>1% decrease</b>
Discount rate	(10)	(11)
Salary increase rate	11	10
Employee turnover	1	1
The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable change in key assumptions occurring at the end of the reporting period.		



**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note: 36. Financial risk management objectives and policies**

The company's principal financial liabilities comprise borrowings, Security Deposits Received trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include , trade and other receivables, cash and cash equivalents and security deposits that are out of regular business operations.

The company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks.

**(a) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate be-cause of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, trade payables.

**i. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the company's borrowings with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on borrowings affected. With all other variables held constant, the company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	31-Mar-21		31-Mar-20	
	1% increase	1% decrease	1% increase	1% decrease
Impact on profit before tax	(77)	77	(64)	64

**ii. Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. There does not seem to be any significant risk as transaction in foreign currency are very few.

As there is no significant foreign currency risk, sensitivity analysis showing impact on profit is not calculated.

**iii. Commodity price risk**

The Prices of the raw material keep fluctuating frequently and the company passes the same to the customers through appropriate adjustment to selling prices.

**(b) Credit risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The company's exposure to credit risk arises majorly from trade and other receivables. Other financial assets like security deposits and bank deposits are mostly with government authorities and nationalised banks and hence, the company does not expect any credit risk with respect to these financial assets. In majority of cases of Trade receivables are collected in time. However, the collection period from the trade receivables during the year has extended due to COVID 19 Pandemic. Expected Credit Loss is too low considering the past record and management does not foresee any significant change in the same due to COVID 19 Pandemic.



(c) Liquidity risk

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings and security from vendors. The table below summarises the maturity profile of the company's financial liabilities:

	Maturities			Total
	Upto 1 year	1-2 years	2-4 years	
<b>31-Mar-21</b>				
Non-current borrowings	-	1,045	532	1,577
Current borrowings*	4,666	-	-	4,666
Trade payables	2,798	-	-	2,798
Other financial liabilities**	1,260	7,316	-	8,576
<b>Total</b>	<b>8,724</b>	<b>8,361</b>	<b>532</b>	<b>17,617</b>
<b>31-Mar-20</b>				
Non-current borrowings	-	951	212	1,163
Current borrowings*	4,888	-	-	4,888
Trade payables	3,144	-	-	3,144
Other financial liabilities**	1,615	6,170	-	7,785
<b>Total</b>	<b>9,647</b>	<b>7,121</b>	<b>212</b>	<b>16,980</b>

\* Current borrowings represent working capital loan (Cash credit).

\*\* Includes security deposit & lease liabilities taken from supplier and consignment agent which is payable on demand but beyond 12 months from the reporting date as certified by the management and confirmed by the suppliers and consignees.





**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note: 37. Capital management**

For the purpose of the company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary objective of the company's capital management is to ensure that it maintains a good credit rating and capital ratios in order to support its business and maximise shareholder value.

The company monitors capital using a gearing ratio, which is net debt divided by total capital. The company includes within net debt, all non-current and current borrowings reduced by cash and cash equivalents and other bank balances.

	Notes	As at March 31, 2021	As at March 31, 2020
Non-current borrowings		1,577	1,162
Current maturities of non-current borrowings		1,044	1,356
Current borrowings		4,666	4,888
Less: Cash and cash equivalents		92	258
<b>Net debt</b>		<b>7,195</b>	<b>7,148</b>
Equity share capital		489	489
Other equity		11,415	11,180
<b>Total capital</b>		<b>11,904</b>	<b>11,669</b>
<b>Gearing ratio</b>		<b>60%</b>	<b>61%</b>

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. The breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year.

No significant changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.





## MILKFOOD LIMITED

Notes to financial statements for the year ended 31 March, 2021

### Note 38. Fair value

#### Fair value measurement:

- (i) All the financial assets and financial liabilities of the company are carried at amortised cost.
- (ii) The management assessed that the carrying values of trade and other receivables, deposit, cash and short term deposits, other assets, borrowings, trade and other payables reasonably approximate their fair values because these instruments have short-term maturities.
- (iii) It is view of the management that fair value impact of long term security deposits/loan paid or payable would not be material.



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**MILKFOOD LIMITED****Notes to financial statements for the year ended 31 March, 2021****Note 39**

The outbreak of Covid-19 pandemic has caused significant disturbance and slowdown of economic activities globally. The lockdowns ordered by most of the State Government have resulted in slow down in economic activities and also the business operations of the Company in terms of sales and production. The total turnover of the company has fallen by Rs 18350 Lacs resulting in decline in the Profits before tax by Rs 551Lacs. The management has considered the effects that has resulted from the pandemic on the generation of revenue, stocks, recoverability of Trade Receivables and carrying value of the assets. Based on the current indicators of future economic conditions and company engaged in dairy business (essential services), the management expects to generate sufficient revenue, recover the receivables and dispose of stocks. However, the situation with Covid 19 is still evolving and various preventive measures taken by the Government of India will help the industry to come out of its after effects. The management is closely monitoring the situation regarding any material changes in future economic conditions. Given the uncertainties, the final impact on Company's ability to recover assets in future may differ from that estimated as at the date of approval of these financial results. The Production Capacity of one plant remained under utilized due to lower demand of Bulk Pack - Ghee on account of Covid 19 pandemic. Management is of the view that this is the temporary phase and the plant will be substantially utilized for generating revenue when the demand of Bulk Pack - Ghee increases in the subsequent financial year as the pandemic situation improves.

**Note 40.**

Previous year figures have been reclassified/regrouped wherever necessary to make them comparable with those of current year.



# V.P.JAIN & ASSOCIATES

*Chartered Accountants*

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## INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF MILKFOOD LIMITED**

**Report on the Audit of the Consolidated Financial Statements**

### **Opinion**

We have audited the accompanying consolidated financial statements of Milkfood Limited (hereinafter referred to as the "Holding Company"), and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") which comprise the consolidated balance sheet as at March 31, 2021, the consolidated statement of profit and loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor on separate financial statement of such subsidiary as was audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

### **Emphasis of matter:**

Attention is drawn to the Note no 4 regarding biological asset, Note no 6(i) & (ii) regarding trade receivable, Note no 7(i) regarding security deposit, Note no 7(ii) regarding Loans to employee, Note no 8(iii) regarding Advance to Suppliers and insurance claim receivable, Note no 9(i) regarding non-moving stock, Note no 13(iii) regarding GST amount voluntarily deposited under protest, Note no 17(i) regarding classification of security deposit received, note no. 39 regarding covid -19 pandemic effect

Our opinion is not qualified in respect of these matters.





## Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, 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 audit opinion on the consolidated financial statements.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

The Key Audit Matter	How the matter was addressed in our audit
<p>The Group operates in various states within India, exposing it to a variety of different Central and State Laws, regulations and interpretations thereof. In this regulatory environment, there is an inherent risk of litigation and claims.</p> <p>Consequently, provisions and contingent liability disclosures may arise from direct and indirect tax proceeding, legal proceedings including regulatory and other government/department proceedings, as well as investigations by authorities and commercial claims.</p> <p>At March 31, 2021, the Group's contingent liabilities for legal matters were Rs. 78 Lakhs (refer Note to the consolidated</p>	<p>Our procedures included:</p> <p>Reviewing the outstanding litigations against the Group for consistency with the previous years. Enquire and obtain explanations for movement during the year.</p> <p>Discussing the status of significant known actual and potential litigations with the Group's in-house officials and other senior management personnel who have knowledge of these matters and assessing their responses.</p> <p>Reading the latest correspondence between the Group and the various tax/legal authorities and review of correspondence with / legal opinions obtained by the</p>



financial statement) and provision for legal matters aggregated Nil. This represent tax of Rs.71 Lakhs levied u/s 47 of Rajasthan Sales Tax Act, 1994. The tax has been levied on account of non-deposit of sale tax by the consignment agent of the holding company. Department is of the view that liability of principal and agent is joint and several. The remaining Rs 7 lacs represent the claim against the company that have not been acknowledged as debt.

#### GST Receivable

The Group has partially deposited the amount of Rs 16.27 crores voluntarily under protest towards GST in respect of verification conducted by the department regarding input tax credit of four dealers. As per information given by the Group it has not received any show cause notice. Further it has been informed that Group is legally advised of its success as it has made the payment through banking channels.

Management applies significant judgment in estimating the likelihood of the future outcome in each case when considering whether, and how much, to provide or in determining the required disclosure for the potential exposure of each matter. This is due to the highly complex nature and magnitude of the legal matters involved along with the fact that resolution of tax and legal proceedings may span over multiple years, and may involve protracted negotiation or litigation.

management, from external legal advisors, where applicable, for significant matters and considering the same in evaluating the appropriateness of the Group's provisions or disclosures on such matters.

Examining the Group's legal expenses and reading the minutes of the board meetings, in order to ensure that all cases have been identified.

With respect to tax matters, involving our tax specialists, and discussing with the Group's tax officers, their views and strategies on significant cases, as well as the related technical grounds relating to their conclusions based on applicable tax laws.

Assessing the decisions and rationale for provisions held or for decisions not to record provisions or make disclosures.

For those matters where management concluded that no provisions should be recorded, considered the adequacy and completeness of the Group's disclosures.

We have verified the challans and relied upon the assertions of the management





These estimates could change substantially overtime as new facts emerge as each legal case progresses.

Given the inherent complexity and magnitude of potential exposures across the Group and the judgment necessary to estimate the amount of provisions required or to determine required disclosures, this is a key audit matter.

#### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Holding Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the audit report of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs, consolidated total comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and



maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding and subsidiary Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group is responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.





- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures; and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial statements of which we are the independent auditor regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

We did not audit the financial statements of a wholly own subsidiary, whose financial statements reflect total assets of Rs. Nil as at March 31, 2021, total revenues of Rs. Nil and net Losses amounting to Rs. 26,930 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this



subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the audit reports of other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Holding Company's Management.

### **Report on Other Legal and Regulatory Requirements**

1. With respect to matter to be included in the Auditor's report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, and based on the reports of the statutory auditors of subsidiary company, the Group has paid/provided any managerial remuneration to its wholetime/ Managing director for the year ended March 31, 2021. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiary as audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid consolidated financial statement.
- (b) in our opinion proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books;
- (c) the consolidated balance sheet, the consolidated statement of profit and loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) on the basis of the written representations received from the directors of the Holding Company taken on record by the Board of Directors of the holding Company and the report of the statutory auditor of its subsidiary incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;



- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary, as noted in 'Other Matters' paragraph:
- i. the Group has disclosed the impact of pending litigations on its financial position in its financial statements;
  - ii. the Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. there were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Group.

*For V. P. Jain & Associates*

*Chartered Accountants*

Firm's registration number: 015260N

*Sarthak*  
Sarthak Madaan

*Partner*

Membership number: 547131

Place: New Delhi

Date: 30-06-2021

UDIN: 21547131AAAAA18622





## **Annexure - A to the Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In conjunction with our audit of the consolidated financial statements of the **Milkfood Limited** (hereinafter referred to as "Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of the Holding Company and its Subsidiary Company (Holding Company and its subsidiary together referred to as "the Group") incorporated in India under the Companies Act, 2013, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a



material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the other auditor of the subsidiary incorporated in India in terms of their report referred in other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, based on consideration of reports of other auditors as referred in other matters paragraph, the Holding Company and its a subsidiary incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial control over financial reporting criteria established by such companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



### Other Matters

Other aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control over financial reporting in so far as it relates to a subsidiary company, which is company incorporated in India, is based on corresponding reports of the auditor of such company.

*For V. P. Jain & Associates*

*Chartered Accountants*

Firm's registration number: 015260N

*Sarthak*  
Sarthak Madaan

*Partner*

Membership number: 547131

Place: New Delhi

Date: 30-06-2021

UDIN: 21547131AAAAH8622







## MILKFOOD LIMITED

CIN:L15201PB1973PLC003746

Consolidated Statement of Profit and Loss for the year ended 31 March, 2021

(Rs. in Lakhs)

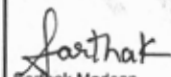
Particulars		Note	For the year ended 31 March, 2021	For the year ended 31 March, 2020
1	Revenue from operations	23	36,791	55,141
2	Other income	24	39	61
3	Total revenue (1+2)		36,830	55,202
4	Expenses			
	(a) Cost of materials consumed	25	28,317	47,205
	(b) Changes in inventories of finished goods and work-in-progress	26	2,468	745
	(c) Employee benefits expenses	27	2,131	2,085
	(d) Finance cost	28	821	840
	(e) Depreciation and amortisation expenses	29	875	811
	(f) Other expenses	30	1,892	2,639
	Total expenses		36,504	54,325
5	Profit before tax (3-4)		326	877
6	Tax expense/ (credit) (net)			
	(a) Current tax	31B	71	213
	(b) Tax adjustment for earlier year		2	7
	(c) MAT credit recognition		(63)	(515)
	(d) Deferred tax	31C	72	333
	Total tax expenses / (credit)		82	38
7	Profit/(loss) for the period (5-6)		244	839
8	Other comprehensive income:			
	(a) Items that will not be reclassified to Statement of Profit and Loss			
	Re-measurement gains/ (losses) on defined benefit plans		(13)	2
	Tax impact on re-measurement gain/ (losses) on defined benefit plans		4	(1)
	Total other comprehensive income/ (losses) for the year (net of tax)		(9)	1
	Total comprehensive income for the year		235	840
9	Earnings per share (of Rs 10/- each):			
	Basic and diluted - in Rs	32	4.97	17.15
	Significant accounting policies	2		
The accompanying notes 1 to 40 are integral part of the financial statements				

In terms of our report of even date

For V. P. Jain &amp; Associates

Chartered Accountants

FRN. 015260N



Sarthak Madaan

Partner

Membership No.: 547131

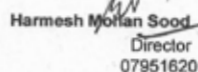
UDIN: 2154731AAAAA178

Place: New Delhi

Date: 30th June 2021



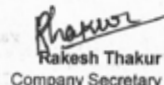
For and on behalf of the Board of Directors of Milkfood Ltd



Harmesh Mohan Sood

Director

07951620



Rakesh Thakur

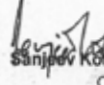
Company Secretary



Asha Gadi

Director

00110734



Sanjeev Kohli

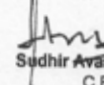
C.F.O.



Gita Bawa

Director

00111003



Sudhir Avasthi

C.E.O.



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(Rs. in Lakhs)

	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
<b>A. Cash flow from operating activities:</b>		
Net profit before taxation	326	877
Adjustments for :		
Depreciation and amortisation expense	875	811
Finance costs	821	840
Liabilities no longer required written back	(29)	22
Provision for doubtful debts/ bad debts/ balance written off	5	19
Provision for slow / non moving inventory / others	7	-
Loss/ (Gain) on sale of properties , plant & equipment	(2)	(12)
Interest income	(9)	26
<b>Operating profit before working capital changes</b>	<b>1994</b>	<b>2583</b>
<u>Changes in working capital</u>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	2571	952
Trade receivables	(2121)	(1114)
Other current & non current assets	(1577)	376
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(322)	(1325)
Other current & non current liabilities	874	770
Provision	(3)	35
<b>Cash Generated From Operations</b>	<b>1415</b>	<b>2277</b>
Income tax (paid) /refund ( net)	(82)	(313)
<b>Net cash flow from operating activities (A)</b>	<b>1333</b>	<b>1964</b>
<b>B. Cash flow from investing activities:</b>		
Capital expenditure on property , plant and equipments ( including CWIP)	(784)	(2207)
Investment in biological assets	(9)	(11)
Proceeds from sale of properties , plant and equipment	30	59
Interest received	9	(26)
<b>Net cash flow used in investing activities (B)</b>	<b>(754)</b>	<b>(2185)</b>
<b>C. Cash flow from financing activities:</b>		
Repayment of borrowings	192	961
Repayment of lease liabilities	(116)	(103)
Finance costs paid	(821)	(840)
<b>Net cash flow used in financing activities (C)</b>	<b>(745)</b>	<b>18</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(166)</b>	<b>(203)</b>
Cash and cash equivalents at the beginning of the year	258	461
<b>Cash and cash equivalents at the end of the year</b>	<b>92</b>	<b>258</b>

1. The above Statement of Cash Flows has been prepared under the 'indirect method' as set out in Indian Accounting Standard 7 'Statement of Cash Flows'.

2. Previous year's figures have been regrouped wherever necessary to confirm to the current year's classification.

The accompanying notes 1 to 40 are integral part of the financial statements

In terms of our report of even date

For V. P. Jain & Associates

Chartered Accountants

FRN/015260N

Sarthak Madaan

Partner

Membership No.:547131

UDIN:215-FIT3IAAAAM8020

Place: New Delhi

Date: 30 June, 2021



For and on behalf of the Board of Directors of Milkfood Ltd

Harmesh Mohan Sood

Director

07951620

Asha Gadi

Director

00110734

Gita Bawa

Director

00111003

Rakesh Thakur

Company Secretary

Sanjeev Kothalia

C.F.O.

Sudhir Avasthi

C.E.O.

MILKFOOD LIMITED  
CIN:L15201PB1973PLC003746

Consolidated Statement of changes in equity for the year ended March 31, 2021

A. Equity share capital:  
Issued, subscribed and fully paid up (Share of ₹ 10 each)

Particulars	No. of shares	(Rs. in Lakhs)
At 31 March 2019	48,86,440	489
Issued during the year	-	-
At 31 March 2020	48,86,440	489
Issued during the year	-	-
At 31 March 2021	48,86,440	489

B. Other equity (Rs. in Lakhs)

Particulars	Reserve & Surplus		Total
	Retained Earnings	Securities Premium	
Balance as at 1st April, 2019	9,668	670	10,338
Profit for the year	839	-	839
Other comprehensive income for the year (net)	1	-	1
Balance as at 31st March, 2020	10,508	670	11,178
Profit for the year	244	-	244
Other comprehensive income for the year (net)	(9)	-	(9)
Balance as at 31st March, 2021	10,743	670	11,413

The accompanying notes 1 to 40 are integral part of the financial statements

In terms of our report of even date

For V. P. Jain & Associates

Chartered Accountants

FRN: 015260N

*Sarthak*  
Sarthak Madaan

Partner

Membership No.:547131

WIN: 21547131AAAAA H18622

Place: New Delhi

Date: 30th June 2021

For and on behalf of the Board of Directors of Milkfood Ltd

*Harmesh Mohan Sood*  
Harmesh Mohan Sood  
Director  
07951620

*Asha Gadi*  
Asha Gadi  
Director  
00110734

*Gita Bawa*  
Gita Bawa  
Director  
00111003

*Rakesh Thakur*  
Rakesh Thakur  
Company Secretary

*Sanjeev Kothiyala*  
Sanjeev Kothiyala  
C.F.O.

*Sudhir Avasthi*  
Sudhir Avasthi  
C.E.O.



## NOTE 1 . CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

Milkfood Limited ("the Company") is a public limited company domiciled in India and incorporated under the provisions of the Indian Companies Act. The registered office of the Company is located at P.O. Bahadurgarh-147021 Distt. Patiala (Punjab), India. Its shares are listed on Bombay Stock Exchange (BSE). The Company is primarily engaged in the manufacture and sale of dairy products. The company has two manufacturing locations, one in the state of Punjab at Patiala and the other in the state of Uttar Pradesh at Moradabad. The company has one subsidiary which are domiciled in India and incorporated under the provisions of the Indian Companies Act. The company and its subsidiary together referred as "the Group". The activities of subsidiary company are not significant. The expression company used in succeeding paragraph means Milkfood Limited ( Holding Company).

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation and compliance with Ind AS

- (i) The Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the accounting standards as notified under Section 133 of the Companies Act, 2013 read together with Rule 4A of the Companies (Accounts) Rules, 2014, as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013.
- (ii) These financial statements were approved for issue by the Board of Directors on June 30, 2021.
- (iii) Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the relevant dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of that date. Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

Non- monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

#### 2.2 Current versus non-current classification

All assets and Liabilities have been classified as current or non current considering the operating cycle of 12 months.

Deferred tax assets and liabilities are classified as non –current assets and liabilities respectively.



### 2.3 Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using deemed cost convention and on an accrual method of accounting, except for defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

### 2.4 Fair value measurement

Fair value is the price that would be received to sell an assets or paid to transfer a liabilities in an orderly transaction between market participants at the measurement date. Fair value for measurement and / or disclosed in these financial statement is determined on such a basis.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, which are described as follows ; level I - III

#### Level I input

Level I input are quoted price in active market for identical assets or liabilities that the entity can access at the measurement date, A quoted market in an active market provided the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available , with limited exception . If an entity hold a position in a single assets or liabilities and the assets or liabilities is traded in an active market, the fair value of assets or liabilities held by the entity, even if the market normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

#### Level II input

Level II input are input other than quoted market prices included within level I that are observable for the assets or liabilities either directly or indirectly.

Level II inputs include:

- quoted price for similarly assets or liabilities in active market.
- quoted price for identical or similar assets or liabilities in market that are not active.
- input other than quoted prices that are observable for the assets or liabilities , for example – interest rate and yield curve observable at commonly quoted interval.
- implied volatilisise.
- credit spreads.
- input that are derived principally from or corroborated market data correlation or other means ('market corroborated inputs').

#### Level III input

Level III inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the





measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

## **2.5 Functional and presentation currency**

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional currency. All financial information presented in Rupees has been rounded to the nearest lakh.

## **2.6 Property, Plant and Equipment**

### **(i) Property, plant and equipment**

The Company had applied Ind AS 16 with retrospective effect for all of its property, plant and equipment as at the transition date, viz., 1 April 2016.

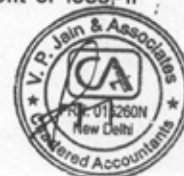
The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

When an item of property, plant and equipment is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in statement of Profit & Loss.





## (ii) Capital work in progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Cost includes financing cost relating to borrowed funds attributable to construction.

## (iii) Depreciation

The Company depreciates property, plant and equipment over the useful life as prescribed in schedule II of the Companies Act 2013 on the straight-line method from the date the assets are ready for intended use as described in para (ii) above. Assets in the course of construction and freehold land are not depreciated.

The estimated useful lives of assets are as follows:

- Buildings 30-60 years
- Plant and equipments 20 years\*
- Furniture and fixtures 8 -10 years
- Vehicles 6 - 10 years ( Instead of 8 – 10 years as prescribed under schedule II)
- Office equipments 3 - 6 years

(Including computer software)

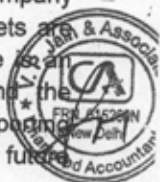
\*The management has reassessed the remaining useful life of Plant & Machinery with effect from 1<sup>st</sup> April 2014 in respect of Plant & Machinery, the company is consistently following the policy of charging depreciation over 20 years, notwithstanding certification by the Govt. approved valuer (Chartered Engineer) of the useful life of Plant & Machinery of more than 35 years. This is in pursuance of proviso to sub clause (c) of clause 3 of schedule II of the Companies Act 2013.

Similarly for addition of Plant & Machinery during the year company has estimated the useful life of 20 years (15 years specified in Schedule II) based upon the certificate of suppliers / manufacturers of Plant & Machinery obtained in earlier years.

## 2.7 Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future



economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates

## 2.8 Impairment of Assets

At the end of each reporting period, the Company assesses whether there is any indication that an assets or a group of assets (cash generating unit) may be impaired. If any such indication exists, the recoverable amount of the asset or cash generating unit is estimated in order to determine the extent of impairment loss (if any). If it is not possible to estimate the recoverable amount of an individual asset, the entity should determine the recoverable amount of the Cash Generated Unit (CGU) to which the asset belongs.

It is not possible to estimate the recoverable amount of the individual asset if:

- The asset's Value in use (VIU) cannot be estimated to be close to its fair value less cost to sell (FLVCS).
- The asset does not generate cash inflows that are largely independent of those from other assets.

Recoverable amount is the higher of fair value less cost of disposal and value in use. In assessing the value in use, the estimated future cash flow are discounted at their present value using the pre-tax discount rate that reflects current market assessment of time value of money and the risks specific to the assets for which the estimates of future cash flow have not been adjusted .

If the recoverable amount of an assets (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the assets (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of Profit & Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss recognized immediately in the statement of Profit & Loss.

## 2.9 Cash and Cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.



## 2.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

### (i) Initial recognition and measurement:

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the statement of profit and Loss.

### (ii) Subsequent measurement of financial assets:

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### (iii) Derecognition of financial assets :

The Company derecognises a financial asset when and only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in the Statement of Profit and Loss if such gain or loss would have otherwise been recognized in the Statement of Profit and loss on disposal of that financial asset.

### (iv) Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade



receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

**(v) Subsequent measurement of financial liabilities:**

All the financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through profit and loss. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

**(vi) Derecognition of financial liabilities**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such on exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**2.11 Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**2.12 Inventories**

Inventories are valued at the lower of cost and net realisable value except scrap and by products which are valued at net realisable value. Costs comprises as follow:

- (i) Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- (ii) Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis. In pursuance of IND AS-2 indirect production overheads (estimated by the Management) have been allocated for ascertainment of cost.





- (iii) Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
- (iv) Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided to net realisable value. Inventories (including whey powder - by product) are valued on lower of cost or net realizable value. In pursuance of IND AS-2 indirect production overheads (estimated by the Management) have been allocated for ascertainment of cost.

## 2.13 Retirement Benefits

Company follows IND AS-19 as detailed below:-

- (a) Short-term benefits are recognized as expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the related service is rendered.
- (b) Company provides bonus to eligible employees as per Bonus Act 2016 and accordingly liability is provided on actual cost at the end of the year.
- (c) Provident Fund:

The eligible employees of the company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both employees and the company make monthly contributions at a specified percentage of the covered employee's salary. The contributions as specified under the law are paid to the respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension Scheme.

- (d) The Company has an obligation towards gratuity a defined benefit retirement plan covering all employees. The plan provides for a lumpsum payment to employees at retirement/determination of service on the basis of 15 days terminal salary for each completed year of service subject to maximum amount of Rs. 20 Lacs.

Company's liability towards gratuity and compensated absences is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income (OCI) in the period in which they occur. Remeasurement recognized in the other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the defined benefit liability or asset.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement





## 2.14 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable taking in to account contractually defined terms of payment excluding others taxes or duties collected on behalf of the government. Specific recognition criteria described below must also be met before revenue is recognized.

- (a) Export sales are recognized on the basis of date of bill of lading.
- (b) Export entitlements i.e. duty free scrip and duty draw back are accounted for on the basis of export of goods on FOB value determined for custom purpose.
- (c) Conversion charges are recognized on completion of jobs.
- (d) Interest Income is recorded on time proportion basis using the effective rate of Interest (EIR).
- (e) Carbon Credits are recognized on realization basis.

## 2.15 Manufacturing policy

The main raw material of the company is milk, which is used to produce Pure Ghee and various types of Milk Powders. For the last few years, the company has changed its policy to produce Pure Ghee and Milk Powders which conforms to the quality standards adopted by the company consistent with its brand image. Quantities of Pure Ghee and Milk Powders are purchased and processed in the plant to give effect to the manufacturing policy and produce a product of high quality on consistent basis. Company has utilized its facilities for conversion of Milk to Ghee / Butter & Milk Powder on job works basis.

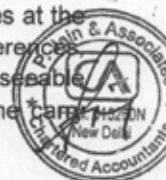
## 2.16 Taxation

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences except when it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognised for all deductible temporary differences, the



forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/ value added taxes paid on acquisition of assets or on incurring expenses.

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

## **2.17 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.



## 2.18 Foreign Currency Transactions

Foreign Currency Transactions involving export sales are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the customs rate on the date of dispatch of goods. The difference between the rates recorded and the rates on the date of actual realization is transferred to difference in exchange fluctuation account. At the year end, the balances are converted at the year end rate and difference if any between the book balance and converted amount are transferred to the exchange fluctuation account. The premium or discount arising at the inception of a forward exchange contract is amortized as expenses / income over the life of the contract. Any profit or loss arising on cancellation or renewal of such a forward contract is recognized as income / expenses for the period. Non-monetary items that are measured in historical cost in a foreign currency are not retranslated.

## 2.19 Earning per shares

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares

## 2.20 Segment Reporting

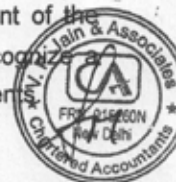
The company is operating under a single segment i.e., "Dairy Products- comprising Ghee, Milk Powder, Casein, Whey powder and Dairy whitener" and therefore there are no reportable segments as per IND AS-108 "Segment Reporting" issued under section 133 of Companies Act 2013 read with rules 4A of Companies ( Indian Accounting Standards) rules 2015.

## 2.21 Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information

## 2.22 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the standalone Ind AS financial statements



## 2.23 Leases

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognised as an expense on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

## 2.24 Use of estimates and judgments

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which is known/materialised.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- (i) Property, Plant and Equipments –
- (ii) Intangible assets -
- (iii) Taxes on income -
- (iv) Retirement and other employee benefits -





**MILKFOOD LIMITED**  
Consolidated Notes to financial statements for the year ended March 31, 2021

**3. Property, plant and equipment**

(Rs. in Lakhs)

**A. Tangible assets**

Particulars	Land	Building	Furniture & Fixtures *	Computers & Pheripherals	Vehicles	Plant & Equipment	Total
(I) At cost or deemed cost							
As at 1 April 2019	7948	2947	109	110	923	6372	18,409
Additions	183	347	4	6	298	1,379	2,218
Disposals	-	-	-	-	186	8	194
As at 31 March 2020	8,131	3,294	113	116	1,034	7,744	20,433
Additions	10	55	12	5	159	549	790
Disposals	-	-	-	-	83	-	83
As at 31 March 2021	8,141	3,348	125	121	1,110	8,294	21,140
(II) Accumulated depreciation							
As at 1 April 2019	-	351	26	23	426	962	1,789
Charge for the year	-	139	10	12	148	389	697
Deductions	-	-	-	-	145	2	146
As at 31 March 2020	-	490	37	35	429	1,350	2,341
Charge for the year	-	147	11	14	140	450	762
Deductions	-	-	-	-	55	-	55
As at 31 March 2021	-	636	48	50	513	1,799	3,048
Net block Value (I) - (II)							
As at 31 March 2021	8,141	2,713	77	72	597	6,495	18,092
As at 31 March 2020	8,131	2,804	76	81	605	6,394	18,091

**(B) Capital work in progress:**

As at 31 March, 2021	156
As at 31 March, 2020	163

**(C) Right of use**

	As at 31st March, 2021	As at 31st March, 2020
Balance as at begening of the year	-	-
Recognised on account of adoption of IND AS 116 ( Leases ) in respect of building.	166	279
Additions	41	-
Deletion ( on account of vacancy )	27	-
Depreciation	114	113
Balance as at end of the year	66	166

**Footnotes:**

- (i) For details of Property, plant and equipment charged as security of borrowings. Refer Note 16.  
(ii) Estimated amount of capital contracts remaining to be executed is Rs. 15 Lakhs ( PY Rs. 56 Lakhs).  
(iii) \* includes office equipment.  
(iv) Wages of Rs.21 Lakhs related to Capex have been capitalized in Plant & Machinery and Building at Moradabad Plant.  
(v) During the year Rs 41 lacs has been added on account of new and Rs 27 lacs has been deleted on account of vacating the old lease premises.  
(vi) Refer Note 39.





**MILKFOOD LIMITED****Consolidated Notes to financial statements for the year ended March 31, 2021****Note 4 Biological assets**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
	Trees & Plantation		239	230
	<b>Total</b>		<b>239</b>	<b>230</b>

**Footnotes:**

Trees and plants are considered biological Assets as per Ind AS 41. Expenditure amounting to Rs 9 lakhs incurred during the year are capitalised, company has obtained the certificate of Agricultural Scientist regarding the fact that the trees have attained sufficient growth for sale and its net realisable value is not less than the carrying amount. The management is of the view that revenue will be generated from the next financial year.



**MILKFOOD LIMITED****Consolidated Notes to financial statements for the year ended March 31, 2021****Note 5. Financial assets - Investment****(Rs. in Lakhs)**

Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
Investment in equity shares - unquoted National saving certificates / Deposits	(I)	2	2
<b>Total</b>		<b>2</b>	<b>2</b>

**Footnotes:**

(I) Pledged with government authorities towards fulfillment of statutory obligations.



**MILKFOOD LIMITED****Consolidated Notes to financial statements for the year ended March 31, 2021****Note 6. Trade receivable**

(Rs. in Lakhs)

Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
<b>Trade receivables</b>			
Unsecured, considered good		5,420	3,304
Doubtful	(i)	28	28
		5,448	3,332
Less: Allowance for expected credit loss		28	28
		5,420	3,304
<b>Net Trade receivables</b>			
Unsecured, considered good		5,420	3,304
Doubtful		-	-
		5,420	3,304
<b>Current</b>		5,327	3,286
<b>Non-current</b>	(ii)	93	18

**Footnotes:**

- (i) In view of insignificant amount of bad debts and timely recovery in earlier years, allowance for expected credit loss is made on the simplified approach of provision based in earlier years.
- (ii) Includes dues from Canteen Stores Department of Rs 17 Lacs outstanding for more than two year that management hopes to recover in the next Financial Year and Rs 76 Lacs outstanding for more than 1 year regarding which the Management is of the view that this amount is good for recovery as the relevant party is under the process of take over by a large Industrial Group.
- (iii) No trade receivables are due from directors and other officers of the company either severally or jointly with any other person, or from firms or private companies in which any director is a partner, a director or a member.



**MILKFOOD LIMITED**  
**Consolidated Notes to financial statements for the year ended March 31, 2021**

**Note 7. Deposits, loan & advances**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Security deposits			
	Unsecured, considered good	(i)	89	92
(b)	Loans and advances to employees	(ii)	25	14
	Unsecured, considered good			
	<b>Total</b>		<b>114</b>	<b>106</b>

**Footnotes:**

- (i) Includes Rs 71 Lakhs with Govt departments and are shown at carrying amount. In respect of security deposits with non Govt. departments of Rs 18 Lakhs given to various parties, Rs 17 lacs pertains to Ispace Developers Private Limited which the management considers good for recovery.
- (ii) Includes Rs 11 lacs outstanding for more than 1 year which the management hopes to recover in the next Financial year.



**MILKFOOD LIMITED****Consolidated Notes to financial statements for the year ended March 31, 2021****Note 8. Other non current assets**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Prepaid expenses		10	14
(b)	Capital Advances		4	21
(c)	Deposit with sales tax and other Authorities	(i)	72	84
(d)	MAT credit receivable	(ii)	853	837
(e)	Others receivable	(iii)	138	136
	<b>Total</b>		<b>1,077</b>	<b>1,092</b>

**Footnotes:**

- (i) Deposits with Sales Tax Authorities amounting to Rs. 71 Lakhs represent the amount deposited as a pre-condition for preferring appeal. Management, based upon the legal advice, is of the view that appeals will be decided in favour of company and hence are recoverable.
- (ii) MAT credit of Rs. 47 Lakhs (PY: NIL) pertaining to earlier years has been written off during the year and MAT Credit of Rs 63 lacs (PY Rs 213 lacs) has been recognised during the year.
- (iii) Includes amount of Rs. 114 Lakhs (P.Y. Rs. 114 Lakhs) advance to supplier recoverable from earlier years. The same will be received/adjusted in the financial year 2021-22. The management is of the view that amount is good for recovery and hence no provision is made. It also includes Rs.17 Lakhs (P.Y. Rs. 16 Lakhs) from Ispace Developers Private Limited. No interest is charged as the property of Ispace Developers Private Ltd is kept as security with the bank.





**MILKFOOD LIMITED****Consolidated Notes to financial statements for the year ended March 31, 2021****Note 9. Inventories**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Raw materials		-	32
(b)	Work-in-progress		699	599
(c)	Finished goods		2,111	4,679
(d)	Stores and spares		288	355
(e)	Packing materials	(i)	183	192
	<b>Total</b>		<b>3,281</b>	<b>5,857</b>

**Footnotes:**

- (i) Includes non moving / slow moving stock of packing material and general store items of Rs 18 Lakhs (P.Y. Rs.10 Lakhs) net of provision of Rs 5 lacs. Management is of the view that the same will be utilised / disposed off in the financial year 2021-22. Adjustment if any shall be made in the subsequent year.
- (ii) For details of inventories provided as security for borrowings. Refer Note 19.
- (iii) The mode of valuation of inventories has been described in Note 2.12.



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 10. Loan**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Loan to employees / others ( Unsecured, considered good)	(i)	16	33
	<b>Total</b>		<b>16</b>	<b>33</b>

**Footnotes:**

- (i) Loan to employees/others are considered good for recovery within 12 months of reporting date as certified by the management.



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 11. Cash and cash equivalents**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Cash on hand		9	6
(b)	Balances with banks			
	(i) In current accounts		0	2
	(ii) Margin accounts	(i)	83	250
	<b>Total</b>		<b>92</b>	<b>258</b>

**Footnotes:**

- (i) Towards bank guarantee given to govt. departments/corporations for performance of contractual obligations. Management is of view that amount is recoverable within three months of reporting date.



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 12. Financial Assets - others**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Interest receivable		15	11
(b)	Others receivable		3	3
(c)	Milk processing receivable	(i)	4	91
(d)	Margin Money	(ii)	68	97
	<b>Total</b>		<b>90</b>	<b>202</b>

**Footnotes:**

- (i) Represent job work executed pending dispatch.
- (ii) Towards bank guarantee given to govt. departments/corporations for performance of contractual obligations.



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 13. Other current assets**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Prepaid expenses - unsecured, considered good		84	81
(b)	Advance to suppliers - unsecured, considered good		15	17
(c)	Balances with statutory / government authorities	(i)	427	295
(d)	Income tax refund	(ii)	109	17
(e)	Goods & Service Tax Receivable	(iii)	1,627	-
(f)	Earnest money deposit with Govt. Department		30	60
	<b>Total</b>		<b>2,292</b>	<b>470</b>

**Footnotes:**

- (i) Represent GST input credit (net).
- (ii) Includes Rs 92 lacs Income Tax Refund of AY 2020-21. Refund of Rs.16.29 Lakhs for the AY 2017-18 is adjusted by the department against demand of AY 2007-08 which has not been cancelled due to non credit of Appeal effect of CIT(A) order. It is being followed up with IT Department for refund.
- (iii) Represents the Partial amount deposited voluntarily under protest on account of verification carried out by the Department as to Input Credit availed by the company with respect to Four Dealers. The company has been cooperating in the investigating proceedings and legally the company has been advised of its success as the entire payment to the dealers is made through banking channels for purchases. Company has not received any show cause notice in this regard.





**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 14. Share capital**

	Particulars	As at 31 March, 2021		As at 31 March, 2020	
		Number of shares	(Rs. in Lakhs)	Number of shares	(Rs. in Lakhs)
(a)	<b>Authorised</b>				
	Equity shares of Rs.10 each	75,00,000	750	75,00,000	750
	Cumulative redeemable preference shares of Rs. 100 each	50,000	50	50,000	50
	<b>Total</b>	<b>75,50,000</b>	<b>800</b>	<b>75,50,000</b>	<b>800</b>
(b)	<b>Issued</b>				
	Equity shares of Rs. 10 each fully paid up	48,87,890	489	48,87,890	489
(c)	<b>Subscribed and Paid up</b>				
	Equity shares of Rs.10 each	48,86,440	489	48,86,440	489
	Less: Calls in arrears		0		0
	(Rs.0.19 lakhs on 2875 partly paid shares)	48,86,440	489	48,86,440	489
	Add: Amount paid on forfeited shares		0		0
	(Rs.0.07 lakhs on 1450 shares)				
	<b>Total</b>	<b>48,86,440</b>	<b>489</b>	<b>48,86,440</b>	<b>489</b>
(d)	<b>Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year :</b>				
	At the beginning of the year	48,86,440	489	48,86,440	489
	Issued during the year	-	-	-	-
	<b>Outstanding at the end of the year</b>	<b>48,86,440</b>	<b>489</b>	<b>48,86,440</b>	<b>489</b>

**Footnotes:**

- (i) The Company has only one class of equity shares having a par value of Re. 10 per share. Each holder of equity share is eligible for one vote per share.
- (ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares held	Percentage of shares held	Number of shares held	Percentage of shares held
<b>Equity shares</b>				
Mr. Karamjit Singh Jaiswal	17,00,024	34.79%	17,00,024	34.79%
Ms Roshini Sanah Jaiswal	7,00,060	14.33%	7,00,060	14.33%
Dhanvani Investment Pvt. Ltd.	5,60,861	11.48%	5,60,861	11.48%
Sudha Commercial Co. Ltd.	4,89,103	10.01%	4,89,103	10.01%
Jupiter India Fund	3,15,146	6.45%	3,17,434	6.50%



**MILKFOOD LIMITED****Consolidated Notes to financial statements for the year ended March 31, 2021****Note 15. Other equity****(Rs. in Lakhs)**

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Securities premium	(i)	670	670
(b)	Retained earnings	(ii)	10,743	10,508
	<b>Total</b>		<b>11,413</b>	<b>11,178</b>

**Footnotes:**

- (i) Where the Company issues shares at premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares is transferred to "Securities Premium account". The company may issue fully paid-up bonus shares to its members out of balance lying in the securities premium account and the company can also use the premium for buy-back of shares.
- (ii) Includes revaluation reserve of Rs. 5,245 Lakhs (PY Rs. 5,286 Lakhs) [Net of increase in value of Land & Building of Rs 8,530 Lakhs and decrease in the value of Plant & Machinery of Rs 3,080 Lakhs as at 01.04.2016 after adjusting accumulated depreciation of Rs. 205 Lakhs (PY Rs. 164 Lakhs) on revalued figure].
- (iii) The disaggregation of changes in each type of reserve, retained earnings and other comprehensive income are disclosed in Statement of Changes in Equity.



## MILKFOOD LIMITED

Consolidated Notes to financial statements for the year ended March 31, 2021

## Note 16. Long-term borrowings

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	<b>From Banks: Secured at amortised cost</b>			
	Rupee term loan		1,287	688
	<b>Total (a)</b>		<b>1,287</b>	<b>688</b>
(b)	<b>From Banks: Unsecured at amortised cost</b>			
	Rupee term loan		31	50
	<b>Total (b)</b>		<b>31</b>	<b>50</b>
(c)	<b>From Others: Secured at amortised cost</b>			
	Vehicle loan		210	136
	<b>Total (c)</b>		<b>210</b>	<b>136</b>
(d)	<b>From Others-Unsecured at amortised cost</b>			
	Rupee term loan		49	290
	Inter corporate deposits		-	-
	<b>Total (d)</b>		<b>49</b>	<b>290</b>
	<b>Grand Total (a+ b+c+d)</b>		<b>1,577</b>	<b>1,163</b>
	<b>Less: Unamortised finance cost</b>			<b>1</b>
			<b>1,577</b>	<b>1,162</b>

## Footnotes:-

(i)	Detail of loans:	Non Current	Current Maturity	Total
a)	<b>From Banks: Secured at amortised cost</b>			
	Canara Bank @ 11 % to 13.55% p.a. payable by May 2022	58	442	500
		(534)	(480)	(1,014)
	SBI @ 11 % p.a. payable by Jun 2021	0	49	49
		(51)	(260)	(311)
	Canara Bank Term Loan GECL-2.0 @ 7.5% p.a payable by 2026	300	0	300
		0	0	0
	SBI Term Loan Gecl-2.0 @ 7.5% p.a payable by 2026	929	0	929
		0	0	0
b)	<b>From Banks: Unsecured at amortised cost</b>			
	IDFC First Bank Ltd			
	@15.50% p.a payable by November ,2022	26	35	61
		(61)	(30)	(91)
	ICICI Bank Ltd	0	23	23
	@ 8.97% p.a payable by Jan ,2022	(23)	(24)	(47)
	HDFC Bank Ltd	0	18	18
	@ 15.50% p.a payable by Nov ,2021	(18)	(24)	(43)
	Kotak Mahindra Bank Ltd @15% p.a. payable by April 2022	4	46	50
		(50)	(100)	(150)
c)	<b>From Others: Secured at amortised cost</b>			
	NBFC @ 8.39% to 14.92% p.a. payable by Feb 2024	210	192	402
		(136)	(208)	(344)
d)	<b>From Others-Unsecured at amortised cost</b>			
	NBFC @ 15 % to 18% payable by April 2023.	49	241	290
		(290)	(233)	(523)
	<b>Total</b>	<b>1,577</b>	<b>1,045</b>	<b>2,622</b>
		<b>(1,163)</b>	<b>(1,358)</b>	<b>(2,521)</b>

Figures in bracket relates to the previous year.

- (ii) a) The Loan of Canara Bank of Rs. 15.60 Crores (As per MCA 21) is secured by an exclusive charge on fixed assets to the extent of Rs.19.50 Crores, Rs.10.16 Crores and Rs.2.50 Crores and on pari-passu basis with State Bank Of India on balance fixed assets including equitable mortgage of Land and Building by deposit of title deed in respect of Patiala and Moradabad Plants.
- b) GECL-2 (WCTL) of SBI and Canara Bank of Rs 925 lacs and Rs.300 Lakh respectively are secured by way of 2nd charge over the existing primary and collateral securities including mortgages created in favour of the consortium banks on pari passu basis.



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 17. Financial liabilities - other**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Security deposits	(i)	7,292	6,107
(b)	Other payable	(ii)	1	1
	<b>Total</b>		<b>7,293</b>	<b>6,108</b>

**Footnotes:**

- (i) Company has treated a sum of Rs 7292 lacs (PY 6107 lacs) lacs as security deposit from vendors as per trade practice and shown the same as non current liability. Regarding movement in the security deposits the management is of the view that the same is within the group entities of the vendors and overall there is no significant impact.
- (ii) Payable to ex-employee pending final decision of court.

**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

**Note 17A . Financial liabilities - other**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
	Lease Liabilities -( current )		45	115
	Lease Liabilities -( non current )		23	61
	[In respect of building taken on lease (Refer note 2.23)]			
	<b>Total</b>		<b>68</b>	<b>175</b>

**Footnotes:**

During the year lease liabilities of Rs.41 Lakhs has been added on account of new lease and Rs. 31 Lakhs has been cancelled on account of vacating the lease premises.



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 18. Provisions**

(Rs. in Lakhs)

**(A) Non current**

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Provision for employee benefits:			
	Gratuity		158	184
	Compensated absences		16	22
	<b>Total</b>		<b>174</b>	<b>206</b>

**(B) Current**

(a)	Provision for employee benefits:			
	Gratuity		151	109
	Compensated absences		22	21
	<b>Total</b>		<b>173</b>	<b>130</b>

**Footnotes:**

Provision for Gratuity and compensated absences has been made in terms of IND AS-19.(Refer note no. 33).





**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 19. Financial liabilities - short -term borrowings**

(Rs. in Lakhs)

Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
From bank - secured Cash credit	(i)	4,666	4,888
Total		4,666	4,888

**Footnotes:**

- (i) Cash Credit sanctioned by State Bank of India/Canara Bank are secured by charge on pari passu basis on all present & future current assets including stocks and book debts and extension of charge on pari-passu basis on the fixed assets (excluding vehicles) of the company, equitable mortgage of land and building at Gurgaon owned by Ispace Developers Pvt Ltd and exclusive charge on the Brand "MILKFOOD".



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 20. Financial liabilities - Trade payable**

(Rs. in Lakhs)

		Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Total outstanding dues of micro enterprises and small enterprises	(i)	17	38
(b)	Total outstanding dues of creditors other than above		2,781	3,106
	<b>Total</b>		<b>2,798</b>	<b>3,144</b>

**Footnote:**

- (i) This information as required to be disclosed under Micro Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 21. Other financial liabilities - current**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Current maturities of long term debts	(i)	1,044	1,356
(b)	Public deposits with interest	(ii)	5	7
(c)	Outstanding expenses including salary & wages etc.	(iii)	157	125
(d)	Others		10	12
	<b>Total</b>		<b>1,216</b>	<b>1,500</b>

**Footnotes:**

- (i) Net of unamortised finance cost of Rs. 1 Lakh (P.Y. Rs 2). Refer Note No.16
- (ii) Includes Rs.1.11 Lakhs (P.Y. Rs. 1.50 Lakhs) towards principal amount and Rs.4 Lakhs (P.Y. Rs. 5.19 Lakhs) towards interest in respect of unclaimed matured deposits.
- (iii) Includes rent payable for earlier years of Rs. 2.82 Lakhs (P.Y. Rs. 2.82 Lakhs) pending court case.



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 22. Other current liabilities**

(Rs. in Lakhs)

	Particulars	Footnote	As at 31 March, 2021	As at 31 March, 2020
(a)	Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, etc.)		57	52
(b)	Advances from customers		27	58
	<b>Total</b>		<b>84</b>	<b>110</b>



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 23. Revenue from operations**

(Rs. in Lakhs)

	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
(a)	Sale of products	(i)	36,079	54,066
(b)	Other operating revenues	(ii)	712	1,075
	<b>Revenue from operations</b>		<b>36,791</b>	<b>55,141</b>
<b>Footnotes:</b>				
(i)	<b>Sale of products comprises:</b>			
	- Ghee		35,970	53,901
	- Milk powder		110	165
	<b>Total - Sale of products</b>		<b>36,079</b>	<b>54,066</b>
(ii)	<b>Other operating revenues comprises:</b>			
	Sale of scrap		11	30
	Sale of Carbon Credit (Refer Note No 2.14)		2	
	Conversion charges of milk to powder & butter		699	1,045
	<b>Total - Other operating revenues</b>		<b>712</b>	<b>1075</b>





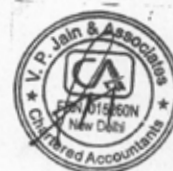
**MILKFOOD LIMITED****Consolidated Notes to financial statements for the year ended March 31, 2021****Note 24. Other income**

(Rs. in Lakhs)

	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
(a)	Interest income on bank deposit	(i)	9	26
(c)	Others		28	23
(d)	Profit on sale of assets		2	12
	Total		39	61

**Footnotes:**

- (i) Includes an amount of Rs. 23 Lakhs net ( P.Y. Rs.21 lacs ) written back in respect of liabilities no longer required, Rs 5 Lakhs on account of cancellation of lease under IND AS 116, Rs 1 lakh fair value gain on financial instruments.



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 25. Cost of material consumed**

(Rs. in Lakhs)

	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
(a)	<b>Raw materials</b>			
	Inventories at the beginning of the year		32	15
	Add: Purchases		27425	46051
	Less: Inventories at the end of the year		0	32
	<b>Consumption (a)</b>	(i)	<b>27457</b>	<b>46034</b>
(b)	<b>Packing materials</b>			
	Inventories at the beginning of the year		192	280
	Add: Purchases		851	1083
	Less: Inventories at the end of the year		183	192
	<b>Consumption(b)</b>		<b>860</b>	<b>1171</b>
	<b>Total (a+b)</b>		<b>28317</b>	<b>47205</b>
<b>Footnotes:</b>				
(i)	Raw material consumed comprises:			
	Milk		99	547
	Fat & butter		27,326	45,473
	Milk powder		32	13
	Others		-	2
	<b>Total</b>		<b>27,457</b>	<b>46,034</b>

**Note 26. Changes in inventories of finished goods and work-in-progress**

(Rs. in Lakhs)

	Particulars		For the year ended 31 March, 2021	For the year ended 31 March, 2020
	<u>Inventories at the end of the year:</u>			
	Finished goods		2,111	4,679
	Work-in-progress		699	599
			<b>2,810</b>	<b>5,278</b>
	<u>Inventories at the beginning of the year:</u>			
	Finished goods		4,679	5,053
	Work-in-progress		599	970
			<b>5,278</b>	<b>6,023</b>
	<b>Net (increase) / decrease</b>		<b>2468</b>	<b>745</b>



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 27 Employee benefits expenses**

(Rs. in Lakhs)

	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
(a)	Salaries, wages and other benefits	(i)	1933	1884
(b)	Contributions to provident funds / ESI		111	107
(c)	Gratuity & compensated absences	(ii)	49	48
(d)	Staff welfare expenses		38	46
	<b>Total</b>		<b>2131</b>	<b>2085</b>

**Footnote:**

- (i) (a) Includes bonus of Rs. 32.29 Lakhs (P.Y. Rs. 37.37 Lakhs) under the payment of Bonus Act 2015.  
(b) Net of recovery of Rs. Nil (P.Y. Rs. 396 Lakhs) from KMP.
- (ii) Provision for Gratuity and compensated absences has been made during the year in terms of IND AS-19 (Refer note no. 35).



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 28. Finance costs**

(Rs. in Lakhs)

	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
(a)	Interest expense			
	on term loan		252	244
	on Cash Credit		505	503
	on late deposit of income tax		0	8
	on lease liabilities (ROU)		15	25
(b)	Other borrowing costs (Bank and other financing charges)	(i)	49	60
	<b>Total</b>		<b>821</b>	<b>840</b>

**Footnotes:**

(i) Net of recovery of interest of Rs. Nil Lakhs (P.Y. Rs. 12 lakhs).



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 29. Depreciation & amortisation expenses**

(Rs. in Lakhs)

	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
a)	Depreciation of property, plant and equipment (Refer Note no. 2 and 3A.)		761	698
b)	Amortisation of right-of-use assets (Refer Note 2.23 & 3C )		114	113
	<b>Total</b>		<b>875</b>	<b>811</b>





**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 30. Other expenses**

(Rs. in Lakhs)

	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Consumption of stores and spare parts		49	66
	Power and fuel		533	944
	Repairs and maintenance:			
	- Building		6	16
	- Machinery		56	66
	Inventory written off		-	37
	Freight & forwarding expenses		278	376
	Commission		11	135
	Selling & distribution expenses		21	48
	Advertisement expenses		31	33
	Rates and taxes		42	47
	Rent		58	59
	Auditors remuneration	(i)	14	14
	Office maintenance & house keeping		158	172
	Legal & professional		160	122
	Insurance expenses		87	74
	Travelling & hotel expenses		42	86
	Vehicle expenses		53	60
	Watch & ward expenses		37	36
	Postage & telephone expenses		18	23
	Provision for doubtful debts		-	19
	Net loss on sale of property, plant & equipment		-	0
	Contribution for corporate social responsibility (CSR)	(ii)	22	15
	Miscellaneous expenses	(iii)	215	192
	<b>Total</b>		<b>1892</b>	<b>2639</b>

**Footnote:**

(i) Auditors remuneration				
	Particulars		For the year ended 31 Mar, 2021	For the year ended 31 March, 2020
	- Audit fee		12	12
	- Certification		1	1
	- Reimbursement of expenses		1	1
	<b>Total</b>		<b>14</b>	<b>14</b>
(ii) Amount required for CSR contributed to PM Cares Fund.				
(iii) Includes Sundry expenses of Rs.13 Lakhs (P.Y.17 lakhs), Printing stationery Rs. 6 Lakh (P.Y.8 lakh), Guest house expenses Rs. 8 Lakh (P.Y. 9 Lakh) and Income Tax (others) Rs 54.22 Lakhs (P.Y. Rs. 39.54 Lakhs), Water and electricity Rs 76 Lakhs (PY 72 Lakhs)				



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

Note 31 ( A ) . Current tax liabilities

(Rs. in Lakhs)

	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Current tax liabilities		-	-
	<b>Total</b>		<b>-</b>	<b>-</b>

**MILKFOOD LIMITED**

Notes to financial statements for the year ended 31 March, 2021

Note 31 ( B ) . Current tax assets

(Rs. in Lakhs)

	Particulars	Footnote	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Current tax assets net of provision of Rs 72 lacs (PY Rs.213 lacs )		- 11	- 43
	<b>Total</b>		<b>11</b>	<b>43</b>



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 31 (C) Tax expenses**

	Income tax related to items charged or credited to statement of profit and loss during the year:	For the year ended 31 March, 2021	For the year ended 31 March, 2020
(a)	<b>Statement of profit and loss</b>		
	Current tax	71	213
	Earlier year tax Expenses	2	7
	MAT credit	(63)	(515)
	Deferred tax charge / (credit)	72	333
	<b>Total</b>	<b>82</b>	<b>38</b>
(b)	<b>Other comprehensive income</b>		
	Deferred tax charge/(credit) on Re-measurement of defined benefit plan	-	1
	<b>Total</b>	<b>82</b>	<b>39</b>
	<b>Reconciliation of tax expense with accounting profit multiplied by statutory income tax rate:</b>		
	Accounting profit before income tax	326	877
	Applicable tax rate	33.38%	33.38%
	Computed tax expenses	109	293
	Effect of prior period adjustments in deferred tax	(90)	11
	Adjustment recognised in current year in relation to tax of prior year	2	7
	Income recognised related to MAT credit ( Net)	(8)	(302)
	Non-deductible expenses for tax purposes		
	Other non-deductible expenses	34	20
	Others including differential rate of tax (MAT)	35	10
	<b>Income tax expense reported in statement of profit and loss account</b>	<b>82</b>	<b>39</b>



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 31 (D) Deferred tax**

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2021			
	As at 01 April , 2020	Recognised in		As at 31 March, 2021
		Profit & Loss	OCI	
<b><u>Tax effect of items constituting deferred tax liability</u></b>				
Property, plant and equipment	1,117	12	-	1,129
Others	56	(34)	-	22
(A)	1,173	(21)	-	1,152
<b><u>Tax effect of items constituting deferred tax assets</u></b>				
Carried forward loss / unabsorbed depreciation	60	(60)	-	-
Provision for gratuity and compensated absences	112	-	4	116
Disallowances under section 43B of the Income Tax Act, 1961	6	0	-	6
Provision for doubtful debts	9	-	-	9
Others	59	(36)	-	23
(B)	246	(96)	4	154
<b>Deferred tax liability (net)</b>	<b>927</b>	<b>76</b>	<b>4</b>	<b>998</b>

Particulars	For the year ended 31 March, 2020			
	As at 01 April , 2019	Recognised in		As at 31 March, 2020
		Profit & Loss	OCI	
<b><u>Tax effect of items constituting deferred tax liability</u></b>				
Property, plant and equipment	1,008	109	-	1,117
Others	-	56	-	56
(A)	1,008	164	-	1,172
<b><u>Tax effect of items constituting deferred tax assets</u></b>				
Carried forward loss / Unabsorbed depreciation	308	248	-	60
Provision for gratuity and compensated absences	101	(12)	1	112
Disallowances under Section 43B of the Income Tax Act, 1961	5	(1)	-	6
Provision for doubtful debts	-	(9)	-	9
Others	-	(59)	-	59
(B)	414	167	1	246
<b>Deferred tax liability (net)</b>	<b>594</b>	<b>331</b>	<b>1</b>	<b>926</b>

**Footnote:**

(i) Revaluation impact in Land &amp; Building is not considered for computing deferred tax.



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 32. Earnings per share**

	Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Basic and diluted		
	Net profit attributable to equity shareholders (Rs. in Lakhs)	244	839
	Weighted average number of equity shares (Nos.)	48,86,440	48,86,440
	Par value per share (In Rs.)	10	10
	Earnings per share - Basic and diluted (in Rs.)	4.97	17.15





**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 33. Related party disclosures****(A) Details of related parties with whom the company had transactions during the year.**

Description of relationship	Names of related parties
(a) Enterprises over which KMP, major shareholder is able to exercise significant influence	Jagatjit Industries Ltd. , Pashupati Properties P.Ltd , Anjani Estate P.Ltd , Mata Construction & Builders P.Ltd & Ispace Developers Pvt.Ltd MFL Trading Pvt Ltd (Wholly owned subsidiary Company)
(b) Key Management Personnel (CEO/CFO/Company Secretary/Directors and their relatives)	Mr Karamjit Singh Jaiswal Ms Roshini Sanah Jaiswal Mr Sudhir Avasthi ( CEO ) Mr Deepankar Barat ( President ) Mr Amarbaljeet Singh ( COO ) Mr Harmesh Mohan Sood ( Appointed Whole time Director w.e.f 20.07.2020 and Managing Director wef 27.11.2020 ) Mr Lalit Kumr ( Independent Director ) ( Resigned w.e.f .20.01.2021 ) Ms Gita Bawa ( Independent Director ) Ms Asha Gadi ( Independent Director ) Mr Anil Girotra ( Independent Director ) Mr Kewal Krishan Kohli ( Independent Director ) Ms Preeti Mathur ( Director ) Mr Sanjeev Kothiala (CFO) Mr Rakesh K Thakur (CS) Mrs Shakun Jaiswal ( Relative of KMP )

**(B) Transactions with related parties during the year along with balances as at year end:**

Particulars	With Persons Mentioned in (a) above	With Persons Mentioned in (b) above	Total
	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)
i) Electricity expenses paid	8 (13)	-	8 (13)
ii) Rent (Lease liabilities including interest paid)			
i) Jagatjit Industries Ltd	41 (41)	-	41 (41)
ii) Pashupati Properties Pvt .Ltd	12 (12)	-	12 (12)
iii) Anjani Estate Pvt.Ltd	11 (11)	-	11 (11)
iv) Mata Contrtuction & Builders Pvt. Ltd	12 (12)	-	12 (12)
iii) Advance for Rent & Building Renovation	- (100)	-	- (100)
iv) Reimbursement of other expenses/ Building Renovation of Jagatjit Industries Ltd	1 (62)	-	1 (62)



v) Rent Received / Expenditure recovered from JIL	2	-	-
vi) Interest income	-	-	-
vii) Sales	-	(12)	(12)
viii) <b>Managerial Remuneration ( refer note 27(i)b)</b>	(12)	-	(12)
Mr Karamjit Singh Jaiswal	-	146	146
Ms Roshini Sanah Jaiswal	-	172	172
Mr Sudhir Avasthi (CEO)	-	206	206
Mr Deepankar Barat ( President )	-	184	184
Mr Amarbaljeet Singh ( COO )	-	30	30
Mr Harmesh Mohan Sood ( Director)	-	19	19
Mr Sanjeev Kothiala (CFO)	-	25	25
Mr Rakesh K Thakur (CS)	-	9	9
Total Managerial Remuneration		790	790
		(581)	(581)
Rent and Security Paid			
Mr KS Jaiswaal	-	14	14
Mrs Shakun Jaiswal	-	9	9
Mrs Roshni Jaiswal	-	9	9
ix Loan taken from Director	-	320	320
x Loan repayment to Director		320	320
xi <b>Directors sitting fees</b>			
Ms Gita Bawa (Independent Director)	-	0.7	0.7
Ms Asha Gadi ( Independent Director)	-	0.7	0.7
Mr Anil Girotra ( Independent Director)	-	0.5	0.5
Mr Kewal Krishan Kohli ( Independent Director)	-	0.7	0.7
Mr Lalit Kumar ( Director)	-	0.6	0.6
Ms. Preeti Mathur ( Director)	-	0.7	0.7
Total Director sitting fees		3.8	3.8
		(2)	(2)
xii) Amount receivable/ (Payable) (Jagatjit Industries Ltd)	(4) (50)	-	(4) (50)

**Footnote:**

- (i) No amounts have been written off / provided for or written back during the year in respect of amounts receivable from or payable to related parties.
- (ii) Related parties have been identified by the management.
- (iii) Rent (lease liability including interest) is certified by the the management as per prevalent market rates and for business purposes of the company.
- (iv) Figures in bracket relates to the previous year.



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 34. Contingent liabilities**

(Rs. in Lakhs)

	As at 31 March, 2021	As at 31 March, 2020
(a) <b>Claims against the company not acknowledged as debts*</b>		
Sales tax	71	71
(b) <b>Penalty under Khaad Suraksha and manak Adhinium 2006</b>	2	-
(c) <b>Others</b>	5	-

**Footnote**

- (i) \*The company is contesting these demands and the management, based on advise of its advisors, believes that its position will likely be upheld in the appellate process. No expense has been accrued in the standalone financial statements for these demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations. The company does not expect any reimbursements in respect of the above contingent liabilities.
- (ii) In addition, the company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The company's management reasonably does not expect that these legal actions, when ultimately concluded and determined, will have material effect on the company's results of operations or financial condition.



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note 35. Employee benefits****(A) Defined contribution plans**

The company has recognised the following amounts in the statement of profit and loss:

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Employers' contribution to provident fund and family pension fund	105	101

**(B) Defined benefit plans**

The company operates on one defined benefit plan i.e., gratuity for its employees including Key managerial personnel except Mr Karamjit Singh Jaiswal , Ms Roshini Sanah Jaiswal , Mr. Deepankar Barat , Mr. Amarbaljeet Singh & Mr. H M Sood . Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service subject to maximum of Rs. 20 lakhs .

**(a) Expense recognised in the statement of profit and loss:**

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
<b>Under profit and loss section</b>		
Current service cost	27	26
Net interest cost	18	19
Past service cost	-	-
	<b>45</b>	<b>45</b>
<b>Under other comprehensive income section</b>		
Actuarial (gains)/losses		
Due to experience adjustments	13	(11)
Due to change in assumption	(1)	9
	<b>12</b>	<b>(2)</b>

**(b) Net liabilities recognised in the balance sheet**

Present value of obligation	309	293
Fair value of plant assets	-	-
Funded status (deficit)	309	293
<b>Net liabilities recognised in the balance sheet accounted for as below:</b>		
Provision non current (refer note 18 A)	158	184
Provision current (refer note 18 B)	151	109



<b>(c) Present value of defined benefit obligation</b>		
Present value of obligation at the beginning of year	293	258
Current cost	27	26
Interest cost	18	19
Remeasurement due to		
Actuarial loss/(gain) arising on account of experience changes	13	(11)
Actuarial loss/(gain) arising from change in financial assumptions	(1)	9
Past service cost	-	-
Benefits paid	(42)	(9)
<b>Present value of defined obligation at the end of the year</b>	<b>309</b>	<b>293</b>
<b>(d) The principal assumptions used in determining defined benefit obligations:</b>		
Discount rate	6.65%	7.60%
Salary increase rate	3.5% to 5%	3.5% to 5%
Attrition rate	5%	5%
Mortality Table	IAL 2012-14 Ultimate	IAL 2012-14 Ultimate
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
<b>(e) Sensitivity analysis:</b>		
	<b>For the year ended 31 March, 2021</b>	
	<b>1% increase</b>	<b>1% decrease</b>
Discount rate	(9)	10
Salary increase rate	10	(9)
Employee attrition rate	1	(1)
	<b>For the year ended 31 March, 2020</b>	
	<b>1% increase</b>	<b>1% decrease</b>
Discount rate	(10)	(11)
Salary increase rate	11	10
Employee turnover	1	1
The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable change in key assumptions occurring at the end of the reporting period.		





**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note: 36. Financial risk management objectives and policies**

The company's principal financial liabilities comprise borrowings, Security Deposits Received trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include , trade and other receivables, cash and cash equivalents and security deposits that are out of regular business operations.

The company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks.

**(a) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate be-cause of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, trade payables.

**i. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the company's borrowings with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on borrowings affected. With all other variables held constant, the company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	31-Mar-21		31-Mar-20	
	1% increase	1% decrease	1% increase	1% decrease
Impact on profit before tax	(77)	77	(64)	64

**ii. Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. There does not seem to be any significant risk as transaction in foreign currency are very few.

As there is no significant foreign currency risk, sensitivity analysis showing impact on profit is not calculated.

**iii. Commodity price risk**

The Prices of the raw material keep fluctuating frequently and the company passes the same to the customers through appropriate adjustment to selling prices.

**(b) Credit risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The company's exposure to credit risk arises majority from trade and other receivables. Other financial assets like security deposits and bank deposits are mostly with government authorities and nationalised banks and hence, the company does not expect any credit risk with respect to these financial assets. In majority of cases of Trade receivables are collected in time. However, the collection period from the trade receivables during the year has extended due to COVID 19 Pandemic. Expected Credit Loss is too low considering the past record and management does not foresee any significant change in the same due to COVID 19 Pandemic.



(c) Liquidity risk

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings and security from vendors . The table below summarises the maturity profile of the company's financial liabilities:

	Maturities			Total
	Upto 1 year	1-2 years	2-4 years	
<b>31-Mar-21</b>				
Non-current borrowings	-	1,045	532	1,577
Current borrowings*	4,666	-	-	4,666
Trade payables	2,798	-	-	2,798
Other financial liabilities**	1,260	7,316	-	8,576
<b>Total</b>	<b>8,724</b>	<b>8,361</b>	<b>532</b>	<b>17,617</b>
<b>31-Mar-20</b>				
Non-current borrowings	-	951	212	1,163
Current borrowings*	4,888	-	-	4,888
Trade payables	3,144	-	-	3,144
Other financial liabilities**	1,615	6,170	-	7,785
<b>Total</b>	<b>9,647</b>	<b>7,121</b>	<b>212</b>	<b>16,980</b>

\* Current borrowings represent working capital loan (Cash credit).

\*\* Includes security deposit & lease liabilities taken from supplier and consignment agent which is payable on demand but beyond 12 months from the reporting date as certified by the management and confirmed by the suppliers and consignees.



**MILKFOOD LIMITED**

Consolidated Notes to financial statements for the year ended March 31, 2021

**Note: 37. Capital management**

For the purpose of the company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary objective of the company's capital management is to ensure that it maintains a good credit rating and capital ratios in order to support its business and maximise shareholder value.

The company monitors capital using a gearing ratio, which is net debt divided by total capital. The company includes within net debt, all non-current and current borrowings reduced by cash and cash equivalents and other bank balances.

	Notes	As at March 31, 2021	As at March 31, 2020
Non-current borrowings		1,577	1,162
Current maturities of non-current borrowings		1,044	1,356
Current borrowings		4,666	4,888
Less: Cash and cash equivalents		92	258
<b>Net debt</b>		<b>7,195</b>	<b>7,148</b>
Equity share capital		489	489
Other equity		11,413	11,180
<b>Total capital</b>		<b>11,902</b>	<b>11,669</b>
<b>Gearing ratio</b>		<b>60%</b>	<b>61%</b>

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. The breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year.

No significant changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.



## MILKFOOD LIMITED

### Consolidated Notes to financial statements for the year ended March 31, 2021

#### Note 38. Fair value

##### Fair value measurement:

- (i) All the financial assets and financial liabilities of the company are carried at amortised cost.
- (ii) The management assessed that the carrying values of trade and other receivables, deposit, cash and short term deposits, other assets, borrowings, trade and other payables reasonably approximate their fair values because these instruments have short-term maturities.
- (iii) It is view of the management that fair value impact of long term security deposits/loan paid or payable would not be material.



**MILKFOOD LIMITED****Consolidated Notes to financial statements for the year ended March 31, 2021****Note 39**

The outbreak of Covid-19 pandemic has caused significant disturbance and slowdown of economic activities globally. The lockdowns ordered by most of the State Government have resulted in slow down in economic activities and also the business operations of the Company in terms of sales and production. The total turnover of the company has fallen by Rs 18350 Lacs resulting in decline in the Profits before tax by Rs 551Lacs. The management has considered the effects that has resulted from the pandemic on the generation of revenue, stocks, recoverability of Trade Receivables and carrying value of the assets. Based on the current indicators of future economic conditions and company engaged in dairy business (essential services), the management expects to generate sufficient revenue, recover the receivables and dispose of stocks. However, the situation with Covid 19 is still evolving and various preventive measures taken by the Government of India will help the industry to come out of its after effects. The management is closely monitoring the situation regarding any material changes in future economic conditions. Given the uncertainties, the final impact on Company's ability to recover assets in future may differ from that estimated as at the date of approval of these financial results. The Production Capacity of one plant remained under utilized due to lower demand of Bulk Pack - Ghee on account of Covid 19 pandemic. Management is of the view that this is the temporary phase and the plant will be substantially utilized for generating revenue when the demand of Bulk Pack - Ghee increases in the subsequent financial year as the pandemic situation improves.

Financial statements for the year ended March 31, 2021

**Note 40.**

Previous year figures have been reclassified/regrouped wherever necessary to make them comparable with those of current year.





**Independent Auditor's Report**

**To**  
**The Members of**  
**Triputi Infrastructure Private Limited**

**Report on the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **TRIPUTI INFRASTRUCTURE PRIVATE LIMITED** ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2021, the Statement of Profit and Loss and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2021, and its Loss for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the 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 the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors and Management is responsible for the preparation of the other information. The other information comprises the information obtained at the date of this auditor's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a



material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibility of Management and Those Charged With Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act,. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.





- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ('the order'), issued by the Central Government of India in terms of Sub Section (11) of Section 143 of the Act is not applicable to the company.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards



specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2021, from being appointed as a director in terms of Section 164(2) of the Act.
- f) As per Notification No. G.S.R. 583(E) dated 13th June, 2017, amendment to Notification No. G.S.R 464(E) dated 5th June 2015 with respect to reporting on adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls is not applicable to the company.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report that:
  - i. That Company does not have any pending litigations which would impact on its financial position.
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.


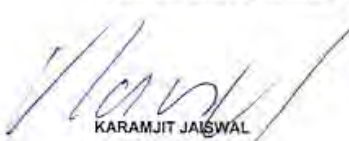
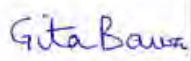


For Rajendra K. Goel & Co.  
Chartered Accountants  
FRN-001457N

Place: New Delhi  
Date :02.06.2021  
UDIN : 21006154AAAACV7735


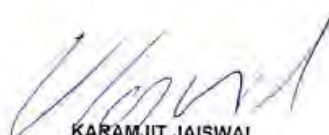
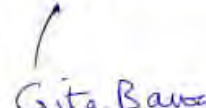
R.K. GOEL  
(Partner)  
M. No: 006154

**TRIPUTI INFRASTRUCTURE PVT LTD**  
**Balance Sheet as at 31st March, 2021**

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
		(Amount in Rs.)	(Amount in Rs.)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	14,01,00,000	14,01,00,000
(b) Reserves and surplus	3	(19,60,783)	(17,94,814)
		13,81,39,217	13,83,05,186
<b>Non-current liabilities</b>			
Long-term borrowings	4	19,50,000	18,00,000
<b>Current liabilities</b>			
Other current liabilities	5	17,308	11,800
		<b>14,01,06,525</b>	<b>14,01,16,986</b>
<b>ASSETS</b>			
<b>Current Assets</b>			
Trade brand Values - Milkfood Limited	6	14,00,00,000	14,00,00,000
<b>Current Assets</b>			
Cash and cash equivalents	7	1,06,525	1,16,986
		<b>14,01,06,525</b>	<b>14,01,16,986</b>
Significant accounting policies and notes to Accounts	11.1 to 11.27		
As per our Report of even date attached to the Financial Statements			
For Rajendra K Goel & Co. Chartered Accountants F.R.No.-01457N		For and on behalf of the Board of Directors	
 R.K. Goel Partner M. No. 006154 Place : New Delhi Date :02-06-2021		 KARAMJIT JAISWAL ( DIRECTOR ) DIN-00111288	
		 GEETA BAWA DIRECTOR DIN: 00111003	



**TRIPUTI INFRASTRUCTURE PVT LTD**  
**Statement of Profit and Loss for the year ended 31st March, 2021**

Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
		(Amount in Rs.)	(Amount in Rs.)
Revenue			
Revenue from operations		-	-
Other income		-	-
Total revenue		-	-
Expenses			
(a) Employees Remuneration & Benefits	8	-	80,000.00
(b) Finance Cost	9	-	749.00
(c) Other expenses	10	1,65,969.00	1,42,919.00
Total expenses		1,65,969.00	2,23,668.00
Profit / (Loss) before extraordinary items and tax		(1,65,969.00)	(2,23,668.00)
Profit / (Loss) before tax		(1,65,969.00)	(2,23,668.00)
Tax Expense:			
(a) Current tax expense for current year		-	-
Profit / (Loss) for the year		(1,65,969.00)	(2,23,668.00)
Significant accounting policies and notes to Accounts	11.1 to 11.27		
Basic Earning per share		(0.01)	(0.02)
As per our Report of even date attached to the Financial Statements			
For Rajendra K Goel & Co. Chartered Accountants F.R.No.-01457N		For and on behalf of the Board of Directors	
 R.K. Goel Partner M. No. 006154		 KARAMJIT JAISWAL (DIRECTOR) DIN-00111288	
		 GEETA BAWA DIRECTOR DIN: 00111003	
Place : New Delhi			
Date :02-06-2021			

**TRIPUTI INFRASTRUCTURE PVT LTD**

Particulars	(Amount in Rs.) As at 31st March, 2021	(Amount in Rs.) As at 31st March, 2020
<b>Note 2 to the financial statements</b>		
<b>Share Capital:</b>		
<b><u>AUTHORISED</u></b>		
14500000 Equity Shares of Rs. 10/- each (Previous Year 14500000 Equity Shares of Rs. 10/- Each)	14,50,00,000	145000000
	14,50,00,000	14,50,00,000
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
14010000 Equity Shares of Rs. 10/- each (Previous year 14010000 Equity Shares of Rs. 10/- each)	14,01,00,000	14,01,00,000
	14,01,00,000	14,01,00,000

Share holder having more than 5% of paid up Share capital

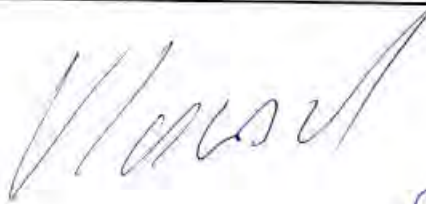
Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr Naresh kumar Rana	1	0.01%	1	0.01%
Mr Karamjit Jaiswal	1,40,09,999	99.99%	1,40,09,999	99.99%

RECONCILIATION OF NO. OF EQUITY SHARES		No. of Shares	No. of Shares
At the begning of the period		1,40,10,000	10,000
Add: Issued during the period		-	1,40,00,000
Outstanding at the end of the period		1,40,10,000	1,40,10,000
<b>Terms / Rights attached to Equity Shares</b>			
The Company has only one class of Equity Shares having a par value of Rs. 10 per shares. Each holder of Equity Shares is entitled to one vote per shares in the meeting of shareholders.			

Particulars	(Amount in Rs.) As at 31st March, 2021	(Amount in Rs.) As at 31st March, 2020
<b>Note 3 to the financial statements</b>		
<b><u>RESERVES &amp; SURPLUS</u></b>		
<b>Surplus / (Deficit)</b>		
Opening Balance	(17,94,814)	(15,71,146)
(+)-Net profit/ (Loss) for the year	(1,65,969)	(2,23,668)
Closing Balance	(19,60,783)	(17,94,814)
	(19,60,783)	(17,94,814)

Particulars	(Amount in Rs.) As at 31st March, 2021	(Amount in Rs.) As at 31st March, 2020
<b>Note 4 to the financial statements</b>		
<b><u>NON CURRENT LIABILITIES</u></b>		
<b>LONG TERM LOAN, UNSECURED</b>		
Loans and Advances from related parties		
Director *	19,50,000	18,00,000
	19,50,000	18,00,000

\* The loan from directors are interest free and taken and to be repaid on demand but not before 1st April, 2022

  
 Gita Baner

Particulars	(Amount in Rs.) As at 31st March, 2021	(Amount in Rs.) As at 31st March, 2020
Note 5 to the financial statements		
<u>Other current liabilities</u>		
Other payables		
Audit Fees Payable	11,800	11,800
Expenses Payable	5,508	-
	17,308	11,800

Particulars	(Amount in Rs.) As at 31st March, 2021	(Amount in Rs.) As at 31st March, 2020
Note 6 to the financial statements		
<u>CURRENT ASSETS</u>		
BRAND VALUES - MILKFOOD LIMITED	14,00,00,000	14,00,00,000
	14,00,00,000	14,00,00,000

Particulars	(Amount in Rs.) As at 31st March, 2021	(Amount in Rs.) As at 31st March, 2020
Note 7 to the financial statements		
<u>Current Assets</u>		
Cash and cash equivalents		
<u>CASH &amp; BANK BALANCES</u>		
Cash	46,818	46,818
Balance with Scheduled Banks in current Account- State Bank of Patiyata	59,707	70,168
	1,06,525	1,16,986

Particulars	(Amount in Rs.) As at 31st March, 2021	(Amount in Rs.) As at 31st March, 2020
Note 8 to the financial statements		
<u>Employees Remuneration Benefit</u>		
Salary	-	80,000
	-	80,000

Particulars	(Amount in Rs.) As at 31st March, 2021	(Amount in Rs.) As at 31st March, 2020
Note 9 to the financial statements		
<u>Finance Cost</u>		
Bank Charge	-	749
	-	749

Particulars	(Amount in Rs.) As at 31st March, 2021	(Amount in Rs.) As at 31st March, 2020
Note 10 to the financial statements		
<u>Other Expenses</u>		
Audit Fees-For Statutory Audit	17,700	11,800
Advertising Exp	-	8,925
Rates & Taxes	1,40,000	850
Filing Fees	6,120	40,974
Legal And Professional Chg	1,500	80,370
Misc Expenses	649	-
	1,65,969	1,42,919

 Gita Baner

## TRIPUTI INFRASTRUCTURE PRIVATE LIMITED

### Note No.1 – Accounting Policies

#### **A. Accounting Convention**

The accounts are prepared under the historical cost convention and materially comply with the mandatory accounting standards issued by the Institute of Chartered Accountants of India. The significant accounting policies followed by the Company are stated below:

#### **B. Revenue Recognition**

All income and expenses are accounted for on accrual basis.

#### **C. Fixed assets**

- a. Fixed assets are stated at cost of acquisition and subsequent improvements these to including taxes, duties, freight and other incidental expenses related to acquisition and installation.
- b. Fixed assets are stated at written down value. Depreciation has been provided on the written down value method at the rates and in the manner specified in Schedule II of the Companies Act, 2013.

#### **D. Sundry debtors**

Sundry Debtors are stated after making adequate provision for doubtful debts, if any.

#### **E. Loans and advances :**

Loans & Advances are also stated after making adequate provision for doubtful advances, if any.

#### **F. Preliminary expenses :**

Preliminary Expenses are written off in the first year of the Commercial production.

### Note No.11

#### Other Notes

##### **1. Gratuity & retirement benefits**

The company has no employees and not made any provisions for gratuity

##### **2. Foreign Exchange Transactions**

The company has neither earned any foreign exchange and not there is any outflow

##### **3. Contingent Liabilities**

- a. There is no Contingent Liability at the end of the year and at the end of the previous year.
- b. There is no Capital commitment or other commitment at the end of the year and at the end of the previous year.

##### **4. Deferred Tax**

Deferred tax asset have not been provided in the books of accounts as there is no certainty of the profitability of the Company in near future





## TRIPUTI INFRASTRUCTURE PRIVATE LIMITED

### 5. Related Party Disclosure:

#### List of Related Parties

#### (1) Key Management Personnel

- a. Gita Bawa (Director)
- b. Karamjit Jaiswal (Director)
- c. Gautam Pal (Director)

#### Transactions with Related Parties

Relative of the Key Management Personnel and their enterprises where the transaction have been taken place.	<u>Current Period (Rs.)</u>	<u>Previous Year (Rs.)</u>
---	-----------------------------	----------------------------

#### Loan from Directors

#### Outstanding Balance

Long-Term Borrowing	1,950,000	1,800,000
---------------------	-----------	-----------

6. The Board of Directors of the Company in its meeting on on 05<sup>th</sup> October, 2020 approved the merger of the company with Milkfood Limited from the appointed date as mentioned in the Scheme subject to necessary approvals of shareholders, creditors, SEBI, NCLT, other governmental authorities and third parties as may be required.

7. All the figures have been rounded off to the nearest rupees other than specifically stated.

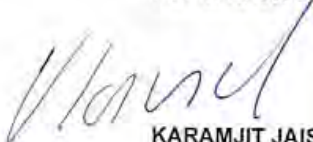
As per our Report of even date attached to the Financial Statements

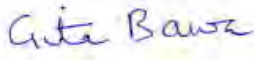
For Rajendra K Goel & Co.  
Chartered Accountants  
F.R.No.-01457N

(R.K.GOEL)  
Partner  
M.No. 006154

Place : NEW DELHI  
Dated : 02-06-2021

For and on behalf of the Board

  
KARAMJIT JAISWAL  
DIRECTOR  
DIN-00111288

  
GITA BAWA  
DIRECTOR  
DIN- 00111003



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## V.P.JAIN & ASSOCIATES

*Chartered Accountants*

AmbikaBhawan, F-1, First Floor,  
4658-A/21, Ansari Road, Darya Ganj, New Delhi – 110002

**Phone:** 9650992753

email id-info1vpj@gmail.com

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**Independent Auditor's Report on the Quarterly and Year to Date Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, (as amended)**

To

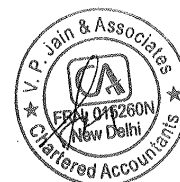
The Board of Directors of Milkfood Limited,  
5<sup>th</sup> Floor, Bhandari House, Nehru Place  
New Delhi-110019

**Opinion**

We have audited the accompanying standalone financial results of Milkfood Ltd (the "Company") for the quarter and year ended March 31, 2022 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- (i) is presented in accordance with the requirements of the Listing Regulations in this regard; and
- (ii) gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income loss and other financial information of the Company for the quarter and year ended March 31, 2022.



**Basis for Modified Opinion:**

*Attention is drawn to Note no.5 & 6 regarding re-evaluation of useful economic life and impairment of certain plant and machinery resulting in net credit on account of excess depreciation of Rs.2.72 crores in the financial results for the year ending 31<sup>st</sup> March 2022 and overstatement of other equity and non-current assets as on 31<sup>st</sup> March 2022 as per Ind As- 8.*

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditors Responsibilities for the Audit of the Standalone Financial Results" 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to Note No.7 regarding GST, Note no 9 Regarding Advance to suppliers and Trade Receivables and Note No 10 regarding Security deposits

Our opinion is not modified in respect of aforesaid matters.

**Management's Responsibilities for the Standalone Financial Results**

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from



material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on



the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in financial results or, if such disclosures are inadequate, to modify our opinion. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Matters**

The Statement includes the results for the quarter ended March 31, 2022 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us as required under the Listing Regulations.

*For V. P. Jain & Associates*

*Chartered Accountants*

Firm's registration number: 015260N

  
**Sarthak Madaan**

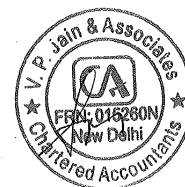
*Partner*

Membership number: 547131

Place: New Delhi

Date: 30.05.2022

UDIN: 22547131AJWRQL1256





MILKFOOD LIMITED						
CIN: L15201PB1973PLC003746 & E-mail :milkfoodltd@milkfoodltd.com						
Ph.011-26420670-74 , Fax: 011-26420823						
Regd.Office : P.O.Bahadurgarh -147021 , Distt. Patiala( Punjab)						
Statement of audited standalone financial results for the quarter and year ended 31 March 2022						
	Particulars	STANDALONE				
		Quarter Ended			Year Ended	
		31.03.2022 (Audited)	31.12.2021 (Unaudited)	31.03.2021 (Audited)	31.03.2022 (Audited)	31.03.2021 (Audited)
		1	2	3	4	5
1	Income					
	(a) Revenue from operations	9,297	9,048	10,048	31,620	36,791
	(b) Other income	1	26	5	315	39
	<b>Total income</b>	<b>9,298</b>	<b>9,074</b>	<b>10,053</b>	<b>31,935</b>	<b>36,830</b>
2	Expenses					
	(a) Cost of materials consumed	7,118	7,660	8,255	24,429	28,317
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	277	(169)	(15)	1,444	2,468
	(c) Employee benefits expense	633	571	605	2,273	2,131
	(d) Finance cost	171	189	174	732	821
	(e) Depreciation and amortisation expense	177	150	219	654	875
	(f) Other expenses	865	586	730	2,172	1,892
	<b>Total expenses</b>	<b>9,241</b>	<b>8,987</b>	<b>9,968</b>	<b>31,704</b>	<b>36,504</b>
3	<b>Profit before tax (1-2)</b>	<b>57</b>	<b>87</b>	<b>85</b>	<b>231</b>	<b>326</b>
4	Tax expenses					
	(a) Current tax	14	17	22	52	71
	(b) Adjustment of tax related to earlier period	11	-	2	11	2
	(c) MAT credit recognition	(22)	(17)	(63)	(60)	(63)
	(d) Deferred Tax charge/(credit)	(121)	-	72	(121)	72
	<b>Total tax expenses</b>	<b>(118)</b>	<b>-</b>	<b>33</b>	<b>(118)</b>	<b>82</b>
5	<b>Profit after tax for the period / year ( 3 + 4)</b>	<b>175</b>	<b>87</b>	<b>52</b>	<b>349</b>	<b>244</b>
6	Other Comprehensive Income / ( Loss)					
	Re-measurement gains/ (losses) on defined benefit	26	(2)	(8)	22	(13)
	Tax impact on re-measurement gain/ (losses) on defined	(7)	1	4	(7)	4
7	<b>Net Profit / (Loss) after taxes</b>	<b>194</b>	<b>86</b>	<b>48</b>	<b>364</b>	<b>235</b>
8	Paid-up Equity Share Capital ( Face Value of the Share is Rs.10/- each)	489	489	489	489	489
9	Other equity				12268	11904
10	<b>Earnings per share in Rs. (of Rs. 10/- each)* :</b>					
	(a) Basic	3.58	1.78	1.06	7.11	4.97
	(b) Diluted	3.58	1.78	1.06	7.11	4.97



Milkfood Limited  
CIN:L15201PB1973PLC003746

Standalone Statement of Assets and Liabilities as at 31 March 2022

Particulars		As at 31 Mar , 2022 (Audited)	As at 31 Mar , 2021 (Audited)
<b>A</b>	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	Property, plant and equipment	18,245	18,092
	Capital work in progress	470	156
	Right -of -use -assets	-	66
	Biological assets	202	239
	Financial assets		
	- Investments	3	3
	- Trade receivable	66	93
	- Other financial assets	100	114
	- Other non-current assets	1,123	1,077
	<b>Total Non - Current Assets</b>	<b>20,209</b>	<b>19,840</b>
2	<b>Current assets</b>		
	Inventories	1,976	3,261
	Financial assets		
	- Trade receivables	5,751	5,327
	- Cash and cash equivalents	140	92
	- Other financial assets	26	106
	Other current assets	2,260	2,292
	Current tax assets (net)	63	11
	<b>Total Current Assets</b>	<b>10,216</b>	<b>11,109</b>
	<b>TOTAL ASSETS</b>	<b>30,425</b>	<b>30,949</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Shareholders' funds</b>		
	Equity Share capital	489	489
	Other Equity	11,779	11,415
	<b>Total Equity</b>	<b>12,268</b>	<b>11,904</b>
2	<b>Non-current liabilities</b>		
	Financial liabilities		
	- Borrowings	1,752	1,577
	- Other financial liabilities	7,885	7,316
	Deferred Tax Liabilities	877	998
	Provisions	200	174
	<b>Total Non - Current Liabilities</b>	<b>10,714</b>	<b>10,065</b>
3	<b>Current liabilities</b>		
	Financial liabilities		
	- Borrowings	5,504	5,710
	- Trade payables		
	(i) Total outstanding dues to micro and small enterprises	73	17
	(ii) Total outstanding dues of creditors other than micro and small enterprises	1,488	2,781
	- Other financial liabilities	144	217
	Other current liabilities	94	83
	Provisions	140	172
	<b>Total Current Liabilities</b>	<b>7,443</b>	<b>8,980</b>
	<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>30,425</b>	<b>30,949</b>



STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 ST MARCH ,2022

(Rs. in Lakhs)

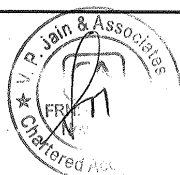
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
<b>A. Cash flow from operating activities:</b>		
Net profit before taxation	231	326
Adjustments for :		
Depreciation and amortisation expense	654	875
Finance costs	732	821
Liabilities no longer required written back	(35)	(29)
Provision for doubtful debts/ bad debts/ balance written off	13	5
Excess Depreciation reversed	(272)	
Provision for slow / non moving inventory / others	4	7
Loss/ ( Gain) on sale of properties , plant & equipment	(2)	(2)
Interest income	(8)	(9)
<b>Operating profit before working capital changes</b>	<b>1317</b>	<b>1994</b>
<u>Changes in working capital</u>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	1301	2571
Trade receivables	(404)	(2121)
Other current & non current assets	52	(1577)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(1232)	(322)
Other current & non current liabilities	508	874
Provision	(7)	(3)
<b>Cash Generated From Operations</b>	<b>1535</b>	<b>1415</b>
Income tax (paid) /refund ( net)	(115)	(82)
<b>Net cash flow from operating activities (A)</b>	<b>1420</b>	<b>1333</b>
<b>B. Cash flow from investing activities:</b>		
Capital expenditure on property , plant and equipments ( including CWIP)	(589)	(784)
Decrease in biological assets	37	(9)
Proceeds from sale of properties , plant and equipment	4	30
Interest received	8	9
<b>Net cash flow used in investing activities (B)</b>	<b>(540)</b>	<b>(754)</b>
<b>C. Cash flow from financing activities:</b>		
Repayment of borrowings	(32)	192
Repayment of lease liabilities	(68)	(116)
Finance costs paid	(732)	(821)
<b>Net cash flow used in financing activities ( C)</b>	<b>(832)</b>	<b>(745)</b>
<b>Net increase / (decrease ) in cash &amp; cash equivalents (A+B+C)</b>	<b>48</b>	<b>(166)</b>
Cash and cash equivalents at the beginning of the year	92	258
<b>Cash and cash equivalents at the end of the year</b>	<b>140</b>	<b>92</b>

For and on behalf of the Board of Directors of Milkfood Ltd



(Sudhir Avasthi)  
Managing Director

Place: New Delhi  
Date: 30th May , 2022



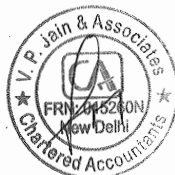
- 1 The audited standalone financial results of the Company for the quarter and year ended 31 March 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30th May 2022. The statutory auditors have expressed a modified audit opinion on these results .
- 2 The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.
- 3 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 IND AS-108 " Operating Segment ".
- 4 Contingent Liabilities - Claims against the company not acknowledged as debts - Rs.78 Lakhs. ( refer note no. 7)
- 5 The company has taken a view on the basis of technical advice that plant in the dairy industry use non-corrosive raw materials, the expected life of the plant and machinery should be 35 years against which the company is providing depreciation on the basis of 20 years of life.
- 6 The calculation of depreciation for financial year 2016-17 onwards on the basis of 35 years of expected life has resulted into excess depreciation of Rs. 6.98 Crores. The net diminution in the value of certain plant and machinery amounts to Rs. 4.26 Crore. The company has taken the excess depreciation of Rs. 2.72 Crores as Non operating income in the profit and loss account for the year ended 31.03.2022. Thus according to IND AS-8 the reserves and assets of the company are over stated by the said sum.
- 7 Goods and Service Tax Department has generally verified the transaction of the dealers vis input tax credit. In this regard, they have also carried out the verification of ITC of our Four Dealers. The company has been cooperating in the investigating proceedings and has partially deposited a sum of Rs 16.27 Crores as Tax voluntarily deposited under protest. The amount paid to the department under protest is shown as GST recoverable in the financials of the company. Company has received a show cause notice from Moradabad Range in this regard for Rs.25 Crores and has filed its reply & order is expected shortly after the personal hearing. Legally, the company has been advised of its success as the entire payment to the dealers is made through banking channels for purchases which has been duly confirmed by bank.
- 8 The outbreak of Covid-19 pandemic has caused significant disturbance and slowdown of economic activities globally. The lockdowns ordered by most of the State Governments have resulted in the slowdown of economic activities. This has adversely resulted in the business operations of the Company in terms of sales and production. The Revenue from operations for the year ended 31.03.2022 has fallen by Rs 5171 Lacs, besides this there has been increase in the prices of various raw materials which could not be passed on to the customers due to their lower paying capacities and severe competitive conditions. All these factors resulted in the decline in the Profits of the company in the current year vis a vis last year. The management has considered the effects which resulted from the pandemic and resultant increase in cost of inputs. Based on the current indicators of future economic conditions and company engaged in dairy business (essential services), the management expects to generate sufficient revenue (pre Covid 19 pandemic), recover the receivables and dispose of stocks. The management is closely monitoring the situation regarding any material changes in future economic conditions. Given the uncertainties, the final impact on Company's ability to recover assets in future may differ from that estimated as at the date of approval of these financial results. The Production Capacity of one plant remained under utilized due to less demand of ghee on account of Covid 19 pandemic. Management is of the view that this is the temporary phase and the plant will be substantially utilized for generating revenue when the demand of ghee increases in the subsequent quarters as the pandemic and inflation conditions improve. Considering all these factors no impairment testing has been done on the reporting date.
- 9 Other non current Assets include advance to a supplier amounting to Rs. 74 Lakhs outstanding for more than a year. As confirmed by the supplier, the same will be received/adjusted in the financial year 2022-23. The management is of the view that amount is good for recovery and hence no provision is made. One of the Trade receivables from whom Rs 68 lakhs is due (under settlement including interest of 26.91 lakhs) is facing an insolvency petition before the NCLT. Management is of the view that the amount will be received. However as a matter of abundant caution provision of 10% of outstanding is recognised. Management is monitoring the situation closely and necessary accounting entry , if required, will be made in the subsequent financial year.
- 10 Company has received a sum of Rs 7885 lacs as security deposit from vendors as per trade practice followed consistently in the past and shown the same as non current liability .Regarding movement in the security deposits during the year the management is of the view that the same is within the group entities of the vendors and overall, there is no significant impact .
- 11 The figures of the last quarter ended March 31, 2022/2021 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2022 / 2021 and the limited reviewed results published year-to-date figures up to December 31, 2021
- 12 Previous period figures have been recast/regrouped/reclassified wherever necessary to make them comparable with those of current period.

For and on behalf of the Board of Directors of Milkfood Ltd



*(Signature)*  
(Sudhir Avasthi)  
Managing Director

Place: New Delhi  
Date: 30<sup>th</sup> May , 2022



# V.P.JAIN & ASSOCIATES

*Chartered Accountants*

Ambika Bhawan, F-1, First Floor,  
4658-A/21, Ansari Road, Darya Ganj, New Delhi – 110002

**Phone:** 9650992753

email id-info1vpj@gmail.com

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## **Independent Auditor's Report on the Quarterly and Year to Date Consolidated Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, (as amended)**

To

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

### **Opinion**

We have audited the accompanying consolidated financial results of **Milkfood Limited** (the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together refer to as "the Group") for the quarter and year ended March 31, 2022 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors on the separate financial statements of the subsidiary and associate company as referred in others matter paragraph, the Statement:

- i) includes the results of Holding Company and following entities:

#### **Subsidiary Companies**

- (a) MFL Trading Pvt Ltd





- (i) is presented in accordance with the requirements of the Listing Regulations in this regard; and
- (ii) gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India of the consolidated net profit and other comprehensive income / (loss) and other financial information of the Group for the quarter and year ended March 31, 2022.

**Basis for Opinion:**

*Attention is drawn to Note no.5 & 6 regarding re-evaluation of useful economic life and impairment of certain plant and machinery resulting in net credit on account of excess depreciation of Rs.2.72 crores in the financial results for the year ending 31<sup>st</sup> March 2022 and overstatement of other equity and non-current assets as on 31<sup>st</sup> March 2022 as per Ind As- 8.*

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditors Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their report to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to Note No.7 regarding GST, Note no 9 Regarding Advance to suppliers and Trade Receivables and Note No 10 regarding Security deposits

Our opinion is not modified in respect of these matters.

**Management's Responsibilities for the Consolidated Financial Results**

The Statement has been prepared on the basis of the consolidated annual financial statements. The Board of Directors of the Holding Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant



rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error which has been used for the purpose of preparation of the Statement by the Directors of the Holding company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing financial reporting process of the Group.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the



company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/information of the entities within the Group of which we are the independent auditors to express an opinion on the Statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statements of which we are the independent auditors. For the other entities included in the Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the 'Other Matters' paragraph of this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33(8) of Listing Regulation, to the extent applicable.



## Other Matters

We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of Rs NIL as at March 31, 2022, total revenues of Rs NIL and total net loss Rs. Nil and total comprehensive loss Rs. Nil for the quarter ended and year ended March 31, 2022 respectively and net cash inflows amounting to Rs. Nil for the year ended on that date, as considered in the Statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Holding Company's management and our opinion on the Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the audit reports of other auditors.

Our opinion on the Statements is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

The Statement includes the results for the quarter ended March 31, 2022 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us as required under the Listing Regulations.

*For V. P. Jain & Associates*

*Chartered Accountants*

Firm's registration number: 015260N

*Sarthak*  
**Sarthak Madaan**

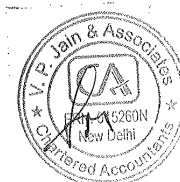
*Partner*

Membership number: 547131

Place: New Delhi

Date: 30.05.2022

UDIN: 22547131AJWTGT6410



MILKFOOD LIMITED						
CIN: L15201PB1973PLC003746 & E-mail :milkfoodltd@milkfoodltd.com						
Ph.011-26420670-74 , Fax: 011-26420823						
Regd.Office : P.O.Bahadurgarh -147021 , Distt. Patiala( Punjab)						
Statement of audited consolidated financial results for the quarter and year ended 31 March 2022						
Particulars		CONSOLIDATED				
		Quarter Ended			Year Ended	
		31.03.2022 (Audited)	31.12.2021 (Unaudited)	31.03.2021 (Audited)	31.03.2022 (Audited)	31.03.2021 (Audited)
		1	2	3	4	5
1	Income					
	(a) Revenue from operations	9,297	9,048	10,048	31,620	36,791
	(b) Other income	1	26	5	315	39
	<b>Total income</b>	<b>9,298</b>	<b>9,074</b>	<b>10,053</b>	<b>31,935</b>	<b>36,830</b>
2	Expenses					
	(a) Cost of materials consumed	7,118	7,660	8,255	24,429	28,317
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	277	(169)	(15)	1,444	2,468
	(c) Employee benefits expense	633	571	605	2,273	2,131
	(d) Finance cost	171	189	174	732	821
	(e) Depreciation and amortisation expense	177	150	219	654	875
	(f) Other expenses	865	586	730	2,172	1,892
	<b>Total expenses</b>	<b>9,241</b>	<b>8,987</b>	<b>9,968</b>	<b>31,704</b>	<b>36,504</b>
3	<b>Profit before tax (1-2)</b>	<b>57</b>	<b>87</b>	<b>85</b>	<b>231</b>	<b>326</b>
4	Tax expenses					
	(a) Current tax	14	17	22	52	71
	(b) Adjustment of tax related to earlier period	11	-	2	11	2
	(c) MAT credit recognition	(22)	(17)	(63)	(60)	(63)
	(d) Deferred Tax charge/(credit)	(121)	-	72	(121)	72
	<b>Total tax expenses</b>	<b>(118)</b>	<b>-</b>	<b>33</b>	<b>(118)</b>	<b>82</b>
5	<b>Profit after tax for the period / year ( 3 + 4)</b>	<b>175</b>	<b>87</b>	<b>52</b>	<b>349</b>	<b>244</b>
6	Other Comprehensive Income / ( Loss)					
	Re-measurement gains/ (losses) on defined benefit plans	26	(2)	(8)	22	(13)
	Tax impact on re-measurement gain/ (losses) on defined	(7)	1	4	(7)	4
7	<b>Net Profit / (Loss) after taxes</b>	<b>194</b>	<b>86</b>	<b>48</b>	<b>364</b>	<b>235</b>
8	Paid-up Equity Share Capital ( Face Value of the Share is Rs.10/- each)	489	489	489	489	489
9	Other equity				12266	11902
10	<b>Earnings per share in Rs. (of Rs. 10/- each)* :</b>					
	(a) Basic	3.58	1.78	1.06	7.11	4.97
	(b) Diluted	3.58	1.78	1.06	7.11	4.97



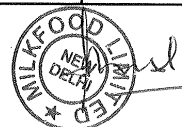


Milkfood Limited

CIN:L15201PB1973PLC003746

Consolidated Statement of Assets and Liabilities as at 31 March 2022

Particulars		As at 31 Mar, 2022 (Audited)	As at 31 Mar, 2021 (Audited)
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	Property, plant and equipment	18,245	18,092
	Capital work in progress	470	156
	Right-of-use-assets	-	66
	Biological assets	202	239
	Financial assets		
	- Investments	2	2
	- Trade receivable	66	93
	- Other financial assets	100	114
	- Other non-current assets	1,123	1,077
	<b>Total Non - Current Assets</b>	<b>20,208</b>	<b>19,839</b>
<b>2</b>	<b>Current assets</b>		
	Inventories	1,976	3,281
	Financial assets		
	- Trade receivables	5,751	5,327
	- Cash and cash equivalents	140	92
	- Other financial assets	26	106
	Other current assets	2,260	2,292
	Current tax assets (net)	63	11
	<b>Total Current Assets</b>	<b>10,216</b>	<b>11,109</b>
	<b>TOTAL ASSETS</b>	<b>30,424</b>	<b>30,948</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Shareholders' funds</b>		
	Equity Share capital	489	489
	Other Equity	11,777	11,413
	<b>Total Equity</b>	<b>12,266</b>	<b>11,902</b>
<b>2</b>	<b>Non-current liabilities</b>		
	Financial liabilities		
	- Borrowings	1,752	1,577
	- Other financial liabilities	7,885	7,316
	Other Long Term Liabilities		
	Deferred Tax Liabilities	877	998
	Provisions	200	174
	<b>Total Non - Current Liabilities</b>	<b>10,714</b>	<b>10,065</b>
<b>3</b>	<b>Current liabilities</b>		
	Financial liabilities		
	- Borrowings	5,504	5,710
	- Trade payables		
	(i) Total outstanding dues to micro and small enterprises	73	17
	(ii) Total outstanding dues of creditors other than micro and small enterprises	1,488	2,781
	- Other financial liabilities	144	217
	Other current liabilities	95	84
	Provisions	140	172
	<b>Total Current Liabilities</b>	<b>7,444</b>	<b>8,981</b>
	<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>30,424</b>	<b>30,948</b>





CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 ST MARCH ,2022

(Rs. in Lakhs)

	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
<b>A. Cash flow from operating activities:</b>		
Net profit before taxation	231	326
Adjustments for :		
Depreciation and amortisation expense	654	875
Finance costs	732	821
Liabilities no longer required written back	(35)	(29)
Provision for doubtful debts/ bad debts/ balance written off	13	5
Excess Depreciation reversed	(272)	
Provision for slow / non moving inventory / others	4	7
Loss/ ( Gain) on sale of properties , plant & equipment	(2)	(2)
Interest income	(8)	(9)
<b>Operating profit before working capital changes</b>	<b>1317</b>	<b>1994</b>
<b>Changes in working capital</b>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	1301	2571
Trade receivables	(404)	(2121)
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Provision	(7)	(3)
<b>Cash Generated From Operations</b>	<b>1535</b>	<b>1415</b>
Income tax (paid) /refund ( net)	(115)	(82)
<b>Net cash flow from operating activities (A)</b>	<b>1420</b>	<b>1333</b>
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Repayment of borrowings	(32)	192
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Cash and cash equivalents at the beginning of the year	92	258
<b>Cash and cash equivalents at the end of the year</b>	<b>140</b>	<b>92</b>

For and on behalf of the Board of Directors of Milkfood Ltd



( Sudhir Avasthi )  
Managing Director

Place: New Delhi  
Date: 30th May , 2022



- 1 The audited consolidated financial results of the Company for the quarter and year ended 31 March 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30th May 2022. The statutory auditors have expressed a modified audit opinion on these results.
- 2 The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.
- 3 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 IND AS-108 "Operating Segment".
- 4 Contingent Liabilities - Claims against the company not acknowledged as debts - Rs.78 Lakhs. (refer note no. 7)
- 5 The company has taken a view on the basis of technical advice that plant in the dairy industry use non-corrosive raw materials, the expected life of the plant and machinery should be 35 years against which the company is providing depreciation on the basis of 20 years of life.
- 6 The calculation of depreciation for financial year 2016-17 onwards on the basis of 35 years of expected life has resulted into excess depreciation of Rs. 6.98 Crores. The net diminution in the value of certain plant and machinery amounts to Rs. 4.26 Crore. The company has taken the excess depreciation of Rs. 2.72 Crores as Non operating income in the profit and loss account for the year ended 31.03.2022. Thus according to IND AS-8 the reserves and assets of the company are over stated by the said sum.
- 7 Goods and Service Tax Department has generally verified the transaction of the dealers vis input tax credit. In this regard, they have also carried out the verification of ITC of our Four Dealers. The company has been cooperating in the investigating proceedings and has partially deposited a sum of Rs 16.27 Crores as Tax voluntarily deposited under protest. The amount paid to the department under protest is shown as GST recoverable in the financials of the company. Company has received a show cause notice from Moradabad Range in this regard for Rs.25 Crores and has filed its reply & order is expected shortly after the personal hearing. Legally, the company has been advised of its success as the entire payment to the dealers is made through banking channels for purchases which has been duly confirmed by bank.
- 8 The outbreak of Covid-19 pandemic has caused significant disturbance and slowdown of economic activities globally. The lockdowns ordered by most of the State Governments have resulted in the slowdown of economic activities. This has adversely resulted in the business operations of the Company in terms of sales and production. The Revenue from operations for the year ended 31.03.2022 has fallen by Rs 5171 Lacs, besides this there has been increase in the prices of various raw materials which could not be passed on to the customers due to their lower paying capacities and severe competitive conditions. All these factors resulted in the decline in the Profits of the company in the current year vis a vis last year. The management has considered the effects which resulted from the pandemic and resultant increase in cost of inputs. Based on the current indicators of future economic conditions and company engaged in dairy business (essential services), the management expects to generate sufficient revenue (pre Covid 19 pandemic), recover the receivables and dispose of stocks. The management is closely monitoring the situation regarding any material changes in future economic conditions. Given the uncertainties, the final impact on Company's ability to recover assets in future may differ from that estimated as at the date of approval of these financial results. The Production Capacity of one plant remained under utilized due to less demand of ghee on account of Covid 19 pandemic. Management is of the view that this is the temporary phase and the plant will be substantially utilized for generating revenue when the demand of ghee increases in the subsequent quarters as the pandemic and inflation conditions improve. Considering all these factors no impairment testing has been done on the reporting date.
- 9 Other non current Assets include advance to a supplier amounting to Rs. 74 Lakhs outstanding for more than a year. As confirmed by the supplier, the same will be received/adjusted in the financial year 2022-23. The management is of the view that amount is good for recovery and hence no provision is made. One of the Trade receivables from whom Rs 68 lakhs is due (under settlement including interest of 26.91 lakhs) is facing an insolvency petition before the NCLT. Management is of the view that the amount will be received. However as a matter of abundant caution provision of 10% of outstanding is recognised. Management is monitoring the situation closely and necessary accounting entry, if required, will be made in the subsequent financial year.
- 10 Company has received a sum of Rs 7885 lacs as security deposit from vendors as per trade practice followed consistently in the past and shown the same as non current liability. Regarding movement in the security deposits during the year the management is of the view that the same is within the group entities of the vendors and overall, there is no significant impact.
- 11 The figures of the last quarter ended March 31, 2022/2021 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2022 / 2021 and the limited reviewed results published year-to-date figures up to December 31, 2021
- 12 Previous period figures have been recast/regrouped/reclassified wherever necessary to make them comparable with those of current period.

For and on behalf of the Board of Directors of Milkfood Ltd



*(Signature)*  
(Sudhir Avasthi)  
Managing Director

Place: New Delhi  
Date: 30<sup>th</sup> May, 2022



**Rajendra K. Goel & Co.**

CHARTERED ACCOUNTANTS

Off. : 43108262, 41514296

Mo. : 9810128151

e-mail : rajendrakgoelco@gmail.com

web : www.carkgoelco.com

J-288, GROUND FLOOR,  
SAKET, NEW DELHI- 110017

## **INDEPENDENT AUDITOR'S REPORT**

To,  
The Members of  
**TRIPUTI INFRASTRUCTURE PRIVATE LIMITED**  
5TH FLOOR BHANDARI HOUSE  
91 NEHRU PLACE NEW DELHI 110019

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of **TRIPUTI INFRASTRUCTURE PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, and the Statement of Profit and Loss, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March 2022, and its Loss for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the 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 the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis,



Board's Reports including Annexure to Board Report, Business Responsibility Report, Corporate Governance and Shareholder Information, but does not includes the financial statements and auditor's report thereon.

Our opinion on the financial statement does not cover the other information and we do not express any form assurance conclusion thereon.

In connection with our audit of the financial statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If based on our work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ('the order'), issued by the Central





Government of India in terms of Sub Section (11) of Section 143 of the Act is not applicable to the Company.

2. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) As per Notification No. G.S.R. 583(E) dated 13th June, 2017, amendment to Notification No. G.S.R. 464(E) dated 5th June 2015 with respect to reporting on adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls is not applicable to the company.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report that:
  - a) The Company does not have any pending litigations which would impact its financial position.
  - b) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - e)(i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - e)(ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity, including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf



of the funding party or provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries and

- e)(iii) Based on audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- f) The Company had not declared or paid any dividend during the year



Place : New Delhi




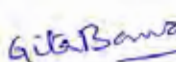
Date : 11/05/2022

UDIN: 22006154AIZPFL6361

For Rajendra K Goel & Co  
Chartered Accountants  
(F.R.N.:- 001457N)

R.K. GOEL  
(M.No.-006154)  
Partner

**TRIPUTI INFRASTRUCTURE PVT LTD**  
Balance Sheet as at 31st March 2022

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
		(Amount in Rs.)	(Amount in Rs.)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	14,01,00,000	14,01,00,000
(b) Reserves and surplus	3	(19,85,512)	(19,60,783)
		13,81,14,488	13,81,39,217
<b>Non-current liabilities</b>			
Long-term borrowings	4	19,50,000	19,50,000
<b>Current liabilities</b>			
Other current liabilities	5	11,800	17,308
		<b>14,00,76,288</b>	<b>14,01,06,525</b>
<b>ASSETS</b>			
<b>Fixed Assets</b>			
Intangible assets	6	14,00,00,000	14,00,00,000
<b>Current Assets</b>			
Cash and cash equivalents	7	76,288	1,06,525
		<b>14,00,76,288</b>	<b>14,01,06,525</b>
Significant accounting policies and notes to Accounts	11.1 to 11.27		
As per our Report of even date attached to the Financial Statements			
For Rajendra K Goel & Co. Chartered Accountants F.R.No.-01457N		For and on behalf of the Board of Directors	
  R.K. Goel Partner M. No. 006154 Place : New Delhi Date : 11-05-2022		 DHANRAJ SINGH NEGI (DIRECTOR) DIN- 0000823037	
		 GEETA BAWA (DIRECTOR) DIN: 00111003	

**TRIPUTI INFRASTRUCTURE PVT LTD**  
Statement of Profit and Loss for the year ended 31st March, 2022


Particulars	Note No.	For the year ended 31st 31st March, 2022	For the year ended 31st March, 2021
		(Amount in Rs.)	(Amount in Rs.)
Revenue			
Revenue from operations			
Other income		-	-
Total revenue		-	-
Expenses			
(a) Employees Remuneration & Benefits	8	-	-
(b) Finance Cost	9	-	-
(c) Other expenses	10	24,729.00	1,65,969.00
Total expenses		24,729.00	1,65,969.00
Profit / (Loss) before extraordinary items and tax		(24,729.00)	(1,65,969.00)
Profit / (Loss) before tax		(24,729.00)	(1,65,969.00)
Tax Expense:			
(a) Current tax expense for current year		-	-
Profit / (Loss) for the year		(24,729.00)	(1,65,969.00)
Significant accounting policies and notes to Accounts	11.1 to 11.27		
Basic Earning per share		(0.00)	(0.01)


As per our Report of even date attached to the Financial Statements

For Rajendra K Goel & Co.

Chartered Accountants

F.R.No.-01457N






R.K. Goel

Partner

M. No. 006154

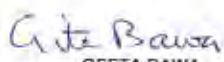
For and on behalf of the Board of Directors



DHANRAJ SINGH NEGI

( DIRECTOR )

DIN- 0000823037



GEETA BAWA

DIRECTOR

DIN: 00111003

Place : New Delhi

Date: 11-05-2022

**TRIPUTI INFRASTRUCTURE PVT LTD**

Particulars	(Amount in Rs.) As at 31st March, 2022	(Amount in Rs.) As at 31st March, 2021
<b>Note 2 to the financial statements</b>		
<b>Share Capital:</b>		
<b>AUTHORISED</b>		
14500000 Equity Shares of Rs. 10/- each (Previous Year 14500000 Equity Shares of Rs. 10/- Each)	14,50,00,000	14,50,00,000
	<b>14,50,00,000</b>	<b>14,50,00,000</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
14010000 Equity Shares of Rs. 10/- each (Previous year 14010000 Equity Shares of Rs. 10/- each)	14,01,00,000	14,01,00,000
	<b>14,01,00,000</b>	<b>14,01,00,000</b>

<b>Share holder having more than 5% of paid up Share capital</b>				
Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr Karanjit Jaiswal	1,40,09,999	99.99%	1,40,09,999	99.99%

<b>Share held by Promoters</b>							
As at 31st March, 2022				As at 31st March, 2021			
Promoter Name	No. of Shares held	% of Holding	Change during the Year	Promoter Name	No. of Shares held	% of Holding	Change during the Year
Mr Karanjit Jaiswal	1,40,09,999	99.99%	No Change	Mr Karanjit Jaiswal	1,40,09,999	99.99%	No Change
<b>TOTAL</b>	<b>1,40,09,999</b>	<b>99.99%</b>			<b>1,40,09,999</b>	<b>99.99%</b>	

<b>RECONCILIATION OF NO. OF EQUITY SHARES</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
At the begining of the period	1,40,10,000	1,40,10,000
Add: Issued during the period		
Outstanding at the end of the period	<b>1,40,10,000</b>	<b>1,40,10,000</b>

**Terms / Rights attached to Equity Shares**  
The Company has only one class of Equity Shares having a per value of Rs. 10 per shares. Each holder of Equity Shares is entitled to one vote per shares in the meeting of shareholders.

Particulars	(Amount in Rs.) As at 31st March, 2022	(Amount in Rs.) As at 31st March, 2021
<b>Note 3 to the financial statements</b>		
<b>RESERVES &amp; SURPLUS</b>		
Surplus / (Deficit)		
Opening Balance	(19,60,783)	(17,94,814)
(+/-)Net profit/ (Loss) for the year	(24,729)	(1,65,968)
Closing Balance	<b>(19,85,512)</b>	<b>(19,60,783)</b>



*(Signature)*



Particulars	(Amount in Rs.) As at 31st March, 2022	(Amount in Rs.) As at 31st March, 2021
Note 4 to the financial statements <b>NON CURRENT LIABILITIES</b> <b>LONG TERM LOAN, UNSECURED</b> Loans and Advances from related parties Director *	19,50,000	19,50,000
	<b>19,50,000</b>	<b>19,50,000</b>
* The loan from directors are interest free and taken and to be repaid on demand but not before 1st April, 2023		

Particulars	(Amount in Rs.) As at 31st March, 2022	(Amount in Rs.) As at 31st March, 2021
Note 5 to the financial statements <b>Other current liabilities</b> Other payables Audit Fees Payable Deposits Payable	11,800	11,800
	<b>11,800</b>	<b>17,808</b>

Particulars	(Amount in Rs.) As at 31st March, 2022	(Amount in Rs.) As at 31st March, 2021
Note 6 to the financial statements <b>Intangible assets</b> BRAND VALUES - MILKFOOD LIMITED	14,00,00,000	14,00,00,000
	<b>14,00,00,000</b>	<b>14,00,00,000</b>

Particulars	(Amount in Rs.) As at 31st March, 2022	(Amount in Rs.) As at 31st March, 2021
Note 7 to the financial statements <b>Current Assets</b> Cash and cash equivalents <b>CASH &amp; BANK BALANCES</b> Cash Balance with Scheduled Banks in current Account- State Bank of India	46,818 29,470	46,818 59,707
	<b>76,288</b>	<b>1,06,525</b>

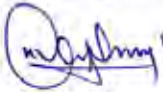


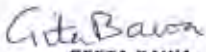
Particulars	(Amount in Rs.) As at 31st March, 2022	(Amount in Rs.) As at 31st March, 2021
Note 10 to the financial statements <b>Other Expenses</b> Bank Charges Audit Fees-For Statutory Audit Rents & Taxes Filing Fees Legal And Professional Chg Misc Expenses	649 11,600 - 6,780 5,500	- 17,700 1,40,000 6,120 1,500
	<b>24,729</b>	<b>1,65,969</b>

Accounting Ratios							
As at 31st March, 2022				As at 31st March, 2021			
Ratios to disclose	Numerator	Denominator	Ratio	Change	Ratios to disclose	Numerator	Denominator
Current Ratio,	76288	11800	6.47	0.310	Current Ratio,	106525	17908
Debt-Equity Ratio,	1950000	138114488	0.01	0.000	Debt-Equity Ratio,	1950000	138119217
Debt Service Coverage Ratio,	(24,729.00)	1950000	(0.01)	0.072	Debt Service Coverage Ratio,	(1,65,969.00)	(1950000)
Return on Equity Ratio,	(24,729.00)	138114488	(0.00)	0.001	Return on Equity Ratio,	(1,65,969.00)	138119217
Return on Capital employed,	(24,729.00)	140064488	(0.00)	0.001	Return on Capital employed,	(1,65,969.00)	140089217

NOTE:- THE COMPANY HAS GIVEN CORPORATE GUARANTEE TO MILKFOOD LIMITED FOR AVAILING CASH CREDIT & OTHER LIMITS FROM STATE BANK OF INDIA AND CANARA BANK.



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TRIPUTI INFRASTRUCTURE PVT LTD			
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH -2022			
S. NO.	PARTICULARS	FOR THE YEAR ENDED 31.03.2022	FOR THE YEAR ENDED 31.03.2021
A.	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	<b>NET PROFIT/LOSS BEFORE TAX &amp; EXTRA ORDINARY ITEMS</b>	(24,729)	(1,65,969)
	ADD:- NON CASH INEREST EXPENSE ON AMORTISED COST	-	-
	ADD:- GRATUITY PROVISION	-	-
	LESS: INTEREST & OTHER INCOME	-	-
	<b>OPERATING LOSS BEFORE WORKING CAPITAL CHANGES</b>	(24,729)	(1,65,969)
	ADJUSTMENTS FOR		
	INCREASE/DECREASE IN OTHER CURRENT ASSETS	-	-
	INCREASE/DECREASE IN OTHER CURRENT LIABILITIES	(5,508)	5,508
	<b>CASH GENERATED /LOST FROM OPERATIONS</b>	(30,237)	(1,60,461)
	LESS: TAXES PAID	-	-
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	(30,237)	(1,60,461)
B.	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	LOAN TO SUBSIDIARY COMPANY	-	-
	LOAN REPAYMENT BY SUBSIDIARY COMPANY	-	-
	INTEREST RECEIVED	-	-
	PURCHASES OF DEBT FUND	-	-
	INVESTMENT IN FIXED DEPOSIT	-	-
	PROCEEDS FROM SALE OF DEBT FUND	-	-
	PROFIT ON SALE OF DEBT FUND	-	-
	<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	-	-
C.	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from Long Term Borrowing	-	1,50,000
	<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	-	1,50,000
	<b>NET INCREASE/DECREASE IN CASH &amp; CASH EQUIVALENT</b>	(30,237)	(10,461)
	<b>OPENING CASH &amp; CASH EQUIVALENT</b>	1,06,525	1,16,986
	<b>CLOSING CASH &amp; CASH EQUIVALENT</b>	76,288	1,06,525
AS PER OUR REPORT OF EVEN DATE ATTACHED		FOR AND ON BEHALF OF THE BOARD	
FOR RAJENDRA K. GOEL & CO CHARTERED ACCOUNTANTS FRN No- 001457N		 DHANRAJ SINGH NEGI DIRECTOR DIN:0000823037	
 R. K. GOEL PARTNER M.NO. 006154 		 GEETA BAWA DIRECTOR DIN:00111003	
PLACE : NEW DELHI Date:- 11-05-2022			

## TRIPUTI INFRASTRUCTURE PVT LTD

### Note No. – 1

#### Significant Accounting Policies

##### **A. Accounting Convention**

The accounts are prepared under the historical cost convention and materially comply with the mandatory accounting standards issued by the Institute of Chartered Accountants of India. The significant accounting policies followed by the Company are stated below:

##### **B. Revenue Recognition**

Income is accounted for when no future uncertainty exists in collections. Dividend is recognized as income when Company declares the dividends.

##### **C. Fixed assets**

Fixed assets are stated at cost of acquisition (including taxes, duties, freight and other incidental expenses related to acquisition and installation which are not recoverable) less accumulated depreciation.

##### **D. Depreciation**

Depreciation on the fixed assets has been provided on the straight line method on the basis of life and scrap value mentioned in the schedule II of the Companies Act, 2013.

##### **E. Investment**

Long term investment & current maturities of long term investment are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long term investments, are stated at the lower of cost & fair value.

##### **F. Sundry debtors**

Sundry Debtors are stated after making adequate provision for doubtful debts, if any.

##### **G. Loans and advances :**

Loans & Advances are also stated after making adequate provision for doubtful advances, if any.

##### **H. Preliminary expenses :**

Preliminary Expenses are written off in the year in which they incurred.

### Note No. – 10

#### Other Notes

##### **A. Gratuity & retirement benefits**

The company has no employees during the year and previous year and hence no provision for gratuity and leave encashment has been made.

##### **B. Foreign Exchange Transactions**

The company has neither earned any foreign exchange and nor there is any outflow.

##### **C. Contingent Liabilities, Capital and other Commitment**

- There is no Contingent Liability at the end of the year and at the end of the previous year.
- There is no Capital commitment or other commitment at the end of the year and at the end of the previous year.

##### **D. Deferred Tax**

Deferred tax asset have not been provided in the books of accounts as there is no certainty of the profitability of the Company in near future.

Company is a small company as defined as per section 2(85) of the Companies Act, 2013, hence the Cash flow statement is not applicable to the Company.

Company is an SMC as defined as per Companies Accounting Standard Rule, 2006. Accordingly, the company has complied with the accounting standards as applicable to the SMC.

##### **E. Computation of Basic Earnings per share**



Current Year

Previous Year

## TRIPUTI INFRASTRUCTURE PVT LTD

i.	Number of Equity Share outstanding: (Face value of Rs. 10 each)	140,100,000	140,100,000
ii.	Weighted Average number of shares at the end of the year	140,100,000	140,100,000
iii.	Loss as per Statement of Profit & loss;	24,729	165,969
iv.	Basic Earnings per Share:	(0.00)	(0.01)

### F. Related Party Disclosure:

Information about the Related Parties as required by the Accounting Standard-18 issued by the ICAI is here under:

List of Related Parties

#### (1) Key Management Personnel and their Relatives

- a. Ravi Manchanda (Director)
- b. Naresh kumar Rana (Director)

All the figures have been rounded off to the nearest rupees other than specifically stated.  
Previous year's figures have been regrouped / rearranged & reclassified where ever necessary to make them comparable with the current year.

As per our Report of even date attached to the Financial Statements

For Rajendra K Goel & Co.

Chartered Accountants

F.R.No.-001457N

Rajendra K. Goel

Partner

M.No. 006154

Place: NEW DELHI

Date: 11-05-2022



DHANRAJ SINGH NEGI

DIRECTOR

DIN:0000823037

For and on behalf of the Board of Directors

GITA BAWA

DIRECTOR

DIN: 0000111003



THIS IS AN ABRIDGED PROSPECTUS CONTAINING SALIENT FEATURES OF THE SCHEME OF AMALGAMATION BETWEEN TRIPUTI INFRASTRUCTURE PRIVATE LIMITED ("TIPL" OR "TRANSFEROR COMPANY") AND MILKFOOD LIMITED ("MFL" OR "TRANSFeree COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS AND RULES OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER ("SCHEME"). YOU ARE ENCOURAGED TO READ GREATER DETAILS AVAILABLE IN THE SCHEME.

THIS ABRIDGED PROSPECTUS CONSISTS OF SIX PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

This abridged prospectus is prepared to comply with the requirement of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Master Circular No. SEBI/HR/CF/IL/CL/CIR/23/2014 dated 23rd December, 2014, as amended from time to time, issued by the Securities and Exchange Board of India ("SEBI") and to be consistent with the disclosure in the abridged prospectus as provided in Part I of Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent possible.

You may also download the abridged prospectus along with the Scheme on the websites of the transferor company (i.e. [www.triputiinfra.com](http://www.triputiinfra.com)) and MFL Limited ("MFL") i.e. [www.milkfood.com](http://www.milkfood.com).

Nothing in this document constitutes an offer or an invitation by or on behalf of Triputi Infrastructure Private Limited and Milkfood Limited.

*(Capitalised terms not defined herein shall have the same meaning as defined in the Scheme)*

#### **TRIPUTI INFRASTRUCTURE PRIVATE LIMITED**

Registered Office: Soods Niwas, Ranbir Marg, Patiala-147001, Punjab India

Telephone: 0175-2380003; e-mail: [triputiinfrastructure@gmail.com](mailto:triputiinfrastructure@gmail.com)

CIN: U70101PB2011PTC049856

Contact Person: [Mr. Dhanraj Singh Negi]

**OUR PROMOTER: MR. KARAMJIT JAISWAL**

#### **SCHEME DETAILS, LISTING AND PROCEDURE**

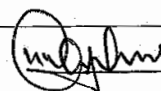
##### **DETAILS OF THE SCHEME**

The Scheme provides for the following which shall be deemed to have occurred on the Effective Date (as defined in the Scheme):

Amalgamation of Triputi Infrastructure Private Limited with Milkfood Limited (as defined in the Scheme) and upon the coming into effect of the Scheme all the equity shares held by Mr. Karamjit Jaiswal in Triputi Infrastructure Private Limited shall stand cancelled in its entirety, without any further act, instrument or deed and Milkfood Limited shall issue shares to the shareholders of Triputi Infrastructure Private Limited on record date in accordance with scheme.

##### **PROCEDURE:**

The procedure with respect to the 'Public Issue/Offer' is not applicable as this abridged prospectus is prepared in relation to the Scheme and no shares are being issued pursuant to the Scheme.





There being no initial public offering or rights issue, the eligibility criteria of SEBI (ICDR) Regulations, 2009, does not become applicable.

Accordingly, in compliance with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020, the Company has submitted the relevant information, as and where applicable for the Unlisted Company, in line with the format for Abridged Prospectus specified under Part E of Schedule VI of SEBI (ICDR) Regulations, 2018.

## INDICATIVE TIMELINE

## GENERAL RISKS

**THIS IS NOT APPLICABLE IN THE PRESENT CASE**

## PERCEPÇÃO DE RISCO

No.	Team Name	Name of the participant	% change in Pre- vs. post- test (P < 0.05) change in electro- cardiogram (ECG) cardiac days from lying	% change in Pre- vs. post- test (P < 0.05) change in electro- cardiogram (ECG) cardiac days from lying	% change in Pre- vs. post- test (P < 0.05) change in electro- cardiogram (ECG) cardiac days from lying
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[illegible]

Names and details of the Lead Merchant Banker

D & A Financial Services (P) Limited  
Address: 13, Community Centre, East of Kailash, New Delhi-110065  
Email: investors@dnafinserv.com  
Telephone No: +91-11-26419079/26218274

SEBI registration no.: INM000011484

Names of Syndicate Member:	Not applicable
Registrar to the Offer:	Not applicable
Statutory Auditor:	Rajendra K. Goel & Co. Chartered Accountants Firm Registration No. 001457N Address: J-288, Ground Floor, Saket, New Delhi-110 017 India Phone: +91 124 679 2000
Self- Certified Syndicate Banks:	Not applicable
Registered Brokers:	Not applicable
Details regarding website address(es)/ link(s) from which the investor can obtain a list of RTAs, CDPs and stock brokers who can accept applications from investors, as applicable:	Not applicable
Name of credit rating agency and rating grade retained:	Not applicable
Name of debenture trustee:	Not applicable

#### PROMOTER OF THE COMPANY

The Promoters of the company is Mr. Karamjit Jaiswal.

Mr. Karamjit Jaiswal has vast experience of business and administration of more than five decades in the Dairy and Alcoholic Beverages Industry. He is continuously guiding the Company to achieve higher revenues and profits.

#### BUSINESS MODEL / BUSINESS OVERVIEW AND STRATEGY

Triputi Infrastructure Private Limited is a duly incorporated private limited company under the provisions of the Companies Act, 1956, CIN "U70101PB2011PTC049856" and having its registered office at 'Sood's Niwas Ranbir Marg Patiala 147001'. Triputi Infrastructure Private Limited is engaged in the business of:

- To acquire by purchase, exchange, lease, hire or otherwise any estate, lands, buildings & plots or immovable property of any nature or any interest therein.
- To carry on the business of. construction of apartments, flats, shops, kothies, hotels, restaurants, pubs, cinema halls, multiplex complexes, malls, hospitals and nursing homes buildings, canals, reservoirs, mills and offices, huts, tenements, warehouses, industrial sheds, power houses, tunnels, culverts, channels sewage, roads, bridges and dams and to act as an agent for purchasing, selling and letting on hire plot and houses, whether multistoried, commercial and/or residential buildings on commission basis.
- To carry on the business as developers, promoters, builders, consultants, civil engineers, architects, surveyors, designers, town planners, colonizers of estates, farm land & residential buildings, commercial buildings, estimators, interior and exterior decorators, general and. government civil contractors of immovable properties.
- To sell, rent, lease, let, mortgage or otherwise dispose of land, houses, buildings, plots, immovable property of any nature or any interest therein and realize cost in lump sum or otherwise to start any housing scheme in India or abroad.
- To acquire, purchase, hire or sell, mortgage or otherwise dispose off any estates, land, building, plot, basements or any interest in any immovable property and to develop and preparing the same for building purposes, constructing building, multi-storeyed building and altering, pulling down, decorating, maintaining, furnishing, fitting up and improving building.
- To develop the plots by providing roads & other facilities such as water supply and sale the same and to erect and construct farm houses building or work civil and constructional of every description on any land of the company or upon any other such lands or immovable property and to pull down rebuild, enlarge, alter and improve such land into road, highway, streets, squares and such other convenience related thereto and deal with and improve the immovable property of the company or any other immovable property and to: construct, maintain, erect and lay out roads, highway sewers, drains, electric line, cables and gas lines, in over and under the estate of any other company or person or body corporate.

#### BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience including current/past positions held in other firms
1.	<b>Mr. Karamjit Jaiswal</b> <b>Director</b> DIN: 00111288	Director	Mr. Karamjit Jaiswal has vast experience of business and administration of more than five decades in the Dairy and Alcoholic Beverages Industry. He is continuously guiding the Company to achieve higher revenues and profits.



2.	<b>Mrs. Gita Bawa</b> Director, DIN: 00111003	Director	Ms. Gita Bawa has business and administration experience of more than three decades. She is well versed with the intricacies of business management, finance, accounts and banking.
3.	<b>Mr. Dhanraj Singh Negi</b> Director DIN: 00823037	Director	Mr. Dhanraj Singh Negi has business experience of more than three decades in the field of Sales and marketing.

#### OBJECTS OF THE SCHEME

The present Scheme of Amalgamation (hereinafter referred to as "Scheme") is merger/amalgamation of Triputi Infrastructure Private Limited, wherein business undertaking of said Company would be merged and shall be transferred to transferee Company "Milkfood Limited" and the Transferor Company and Transferee Company are under one group therefore, the present scheme is proposed due to diverse activities in the Transferor Company and acquisition of the Brand (including all Brand/ Sub-Brand) and promoter's vision to carry on the business for the synergetic effect and betterment of all stakeholders.

The rationale/ benefits of the present Scheme are mentioned hereunder:

The amalgamation will result in better, efficient and economical management, achieve cost savings, pooling of resources and rationalization of administrative expenses/services. The amalgamation will enable the Company to pool the brand, financial, commercial and other resources and considerable synergy of operations would be achieved and it will give value addition to the assets of the Company. With the enhanced capabilities and resources at its disposal, the Transferee Company will have greater flexibility and strength and will be able to compete more effectively as a combined entity. The Transferee Company as a consolidated entity after amalgamation will have better financial and business prospects. The Scheme would be beneficial to and in the best interest of the Shareholders & Creditors, if any, of the Transferor Company and the Transferee Company. The Scheme shall not in any manner be prejudicial to the interests of concerned members / creditors or general public at large.

It would be advantageous to combine the assets of the Transferor Company and the Transferee Company into a single Company. The amalgamation would provide beneficial synergy of operations from administrative point of view, and conserve administrative resources and cost overheads, and duplication of management efforts

**Details of means of finance:** Not Applicable

**Terms of Issuance of Convertible Security, if any:** Not Applicable

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, in the preceding 10 years:** Not Applicable

**Name of Monitoring Agency:** Not Applicable

**Shareholding pattern of the Company:**

Sr. No.	Particulars	Pre-Merger no. of shares	% holding of pre-offer
1.	Mr. Karamjit Jaiswal	1,40,09,999	100%
2.	Mr. Naresh K Rana	1	0.00%
<b>TOTAL</b>		<b>14010000</b>	<b>100.00%</b>

Number and Amount of Equity Shares proposed to be sold by selling shareholders: This is not applicable because this abridged prospectus is prepared in relation to the Scheme read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020.

## FINANCIAL INFORMATION

### CONSOLIDATED FINANCIAL INFORMATION – NOT APPLICABLE

### RESTATED STANDALONE FINANCIAL INFORMATION

(All amounts in ₹)

Particulars	FY 2021-2022	FY 2020-2021	FY 2019-2020	FY 2018-2019	FY 2017-2018
Total income from operations (net)	-	-	-	-	-
Net Profit / (Loss) before tax and extraordinary items	(24,729)	(1,65,969)	(2,23,668)	(14,52,847)	(14,576)
Net Profit / (Loss) after tax and extraordinary items	(24,729)	(1,65,969)	(2,23,668)	(14,52,847)	(14,576)
Equity Share Capital	14,01,00,000	14,01,00,000	14,01,00,000	14,01,00,000	1,00,000
Reserves and Surplus	(19,85,512)	(19,60,783)	(17,94,814)	(1,571,146)	(1,18,299)
Net worth	13,81,14,488	13,81,39,217	13,83,05,186	13,85,28,854	(18,299)
Basic earnings per share (₹)	(0.00)	(0.01)	(0.02)	(5.22)	(1.46)
Diluted earnings per share (₹)	(0.00)	(0.01)	(0.02)	(5.22)	(1.46)
Return on net worth (%)	(0.02)	(0.12)	(0.16)	(1.05)	79.65
Net asset value per share (₹)*	9.86	9.86	9.87	9.88	1.83

**Notes:**

1. All incomes considered as operating income;
2. Adjustment to other comprehensive income are considered in computing net profits;
3. Return on net worth = net profit after tax / net worth

## INTERNAL RISK FACTORS

### RISK FACTORS

#### GENERAL RISK

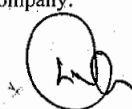
An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Abridged Prospectus, including the risks and uncertainties with respect to capital market, before making an investment in our Equity Shares. In making an investment decision prospective investor must rely on their own examination of our Company and the terms of this offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

## SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

### A. Total number of outstanding litigations against the Company as on date of Abridged Prospectus is as follows:

Sr. No.	Nature of Cases	Number of Cases	Aggregate Amount Involved (In Rs.)
1	Civil Cases	NIL	Nil
2	Criminal Cases	NIL	Nil

As on the date of this abridged prospectus, there are no outstanding litigations against the Company.



**B. Brief details of top 5 material outstanding litigations against the Company and amount involved:** As on the date of this abridged prospectus, there are no material litigations pending against the Company.

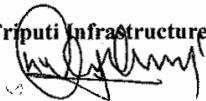
**C. Regulatory Action, if any - disciplinary action taken by SEBI or Stock Exchanges against the Promoters / Group Companies in the last 5 financial years including outstanding action:** Nil

**D. Brief details of outstanding criminal proceeding against Promoters:** Nil

**ANY OTHER IMPORTANT INFORMATION AS PER BRLM/ISSUER: NIL**

**DECLARATION BY THE COMPANY**

We hereby certify and declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the rules/guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this abridged prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in the abridged prospectus are true and correct.

For  **Tripuri Infrastructure Private Limited**

**(Dhanraj Singh Negi)**  
Director  
DIN: 00823037

**Date:** 17<sup>th</sup> May, 2022  
**Place:** New Delhi





## D & A FINANCIAL SERVICES (P) LIMITED

Merchant Banking & Corporate Advisory Services

Date: 17<sup>th</sup> May, 2022

Triputi Infrastructure Private Limited  
Soods Niwas, Ranbir Marg  
Patiala-147001, Punjab India

**Subject: Compliance Report with respect to Abridged Prospectus in Compliance with requirement of Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22<sup>nd</sup> December, 2020 in terms of Scheme of Amalgamation between Triputi Infrastructure (P) Limited ("Transferor Company") and Milkfood Limited ("Transferee Company") and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder ("Scheme")**

Dear Sir/s,

We, M/s D & A Financial Services (P) Limited, SEBI registered Merchant Banker, having SEBI Registration No. INM000011484 have been appointed by Milkfood Limited to provide a compliance report with respect to adequacy and accuracy of disclosure(s) made in the Abridged Prospectus with respect to Triputi Infrastructure (P) Limited, under the Scheme as stated above.

### **Scope and Purpose of the Compliance Report**

Pursuant to the requirements of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22<sup>nd</sup> December, 2020, a compliance report has to be obtained from an independent Merchant Banker on the information disclosed in Abridged Prospectus in line with information required to be disclosed as per Part E of Schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations").

The purpose of the report is to inform the shareholders and/or Creditors (Secured and Unsecured) about the details of the unlisted company to the extent applicable, involved in the scheme in line with the information required to be disclosed in line with Part E of Schedule VI of ICDR Regulations.



H.O. & Regd. Office: 13, Community Centre, 2nd Floor, East of Kailash, New Delhi-110065 (India)  
Phone: +91 11 26472557, 26419079, 40167038

E-mail: investors@dnafinserv.com, compliance@dnafinserv.com, valuation@dnafinserv.com, contact@dnafinserv.com  
Website: www.dnafinserv.com, Branch Office : Mumbai

CIN : U74899DL1981PTC012709

**Sources of the Information**

We have received the following information from the management and other related parties of the Company:

1. Proposed Scheme of Amalgamation.
2. Abridged Prospectus dated 17<sup>th</sup> May, 2022 prepared in accordance with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22<sup>nd</sup> December, 2020.
3. Information/documents/undertakings etc. provided by management and other related parties of company pertaining to disclosures made in Abridged Prospectus dated 17<sup>th</sup> May, 2022.

**Disclaimer:** This Report is intended solely for the limited purpose mentioned earlier and should not be regarded as a recommendation to the investors to invest in the Company or deal in any form in the securities of the Company.

We have assumed that the documents/information provided to us in this respect, wherever required for the purpose of disclosures in Abridged Prospectus is complete in all respects.

This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, statute, act guideline or similar instruction. The Management or related parties of Company are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.

In no circumstances whatsoever, will D & A Financial Services (P) Limited, its Directors and Employees accept any responsibility of liability towards any third party for consequences arising out of the use of this report.



**Compliance Report**

We in the capacity of SEBI registered Merchant Banker do hereby certify that the information as disclosed in the Abridged Prospectus dated 17<sup>th</sup> May, 2022, is in line with disclosures required to be made as per Part E of Schedule VI of ICDR Regulations, to the extent applicable with respect to unlisted company i.e Triputi Infrastructure (P) Limited and the disclosures made with respect to Triputi Infrastructure (P) Limited, are accurate and adequate to the extent applicable.

Thanking You  
For D & A Financial Services (P) Limited

  
(Priyaranjan)

Vice President/Authorized Signatory



SEBI Registration No. INM000011484

Place: New Delhi

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## V.P. JAIN & ASSOCIATES

*Chartered Accountants*

Ambika Bhawan, F-1, First Floor,  
4658-A/21, Ansari Road, Darya Ganj, New Delhi – 110002

**Phone:** 23276695, 30126695

**email id:** info1vpj@gmail.com

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To,  
The Board of Directors,  
**Milkfood Limited**  
P.O. Bahadurgarh, District,  
Patiala (Punjab) -147021

### **Independent Auditor's Certificate on the proposed accounting treatment**

We, the statutory auditors of Milkfood Limited, (hereinafter referred to as “the Company”), have examined the proposed accounting treatment specified in clause VI of the Draft Scheme of Amalgamation ('the Draft Scheme') between Milkfood Limited ('the Transferee Company') and Triputi Infrastructure Private Limited ('the Transferor Company') and their respective shareholders in terms of the provisions of sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') with reference to its compliance with the Indian Accounting Standards notified by the Central Government under section 133 of the Act, read with paragraph 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other generally accepted accounting principles, as applicable.

#### **Management's Responsibility**

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Indian Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved.

#### **Auditor's Responsibility**

Our responsibility is only to examine and provide a reasonable assurance whether the accounting treatment prescribed in the Draft Scheme complies with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and the applicable Accounting Standards notified by the Central Government under section 133 of the Act, read with paragraph 3 of the Companies (Indian Accounting Standards) Rules 2015 (as amended) and other generally accepted accounting principles, as applicable.





Nothing contained in this certificate, nor anything said or done in the course of or in connection with the services that are the subject to this certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

We conducted our examination of the proposed accounting treatment in accordance with the "Guidance Note on Reports or Certificates for Special Purpose" ("the Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note require that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with relevant applicable requirements of Standard of Quality Control (SQc) I, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and other Assurance and Related Services Engagement. Further, our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Draft Scheme.

### **Opinion**

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Indian Accounting Standards notified by the Central Government under Section 133 of the Companies Act, 2013 read with paragraph 3 of the Companies (Indian Accounting Standards) Rules 2015 (as amended) and other generally accepted accounting principles, as applicable.

### **Restriction on Use**

This Certificate is provided to the Board of Directors of the Company solely for the purpose of onward submission to the National Company Law Tribunal and other regulatory authorities including Securities and Exchange Board of India, Stock exchange(s) and Regional Director, Ministry of Corporate Affairs, in relation to the Draft Scheme and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For V P Jain & Associates

*Chartered Accountants*

FRN: 015260N

  
Sarthak Madaan

*Partner*

Membership Number: 547131

Place: New Delhi

Date: 05.10.2020

UDIN NO: 20547131AAAAAP7900



*Rajendra K. Goel & Co.*

CHARTERED ACCOUNTANTS

Off.. : 29551642 29555354

Mo. : 9810128151

e- mail : rajendrakgoelco@gmail.com

web. : www.rajendrakgoel.com

J-288, GROUND FLOOR,

SAKET, NEW DELHI- 110017

To,  
The Board of Directors,  
Triputi Infrastructure Private Limited  
Sood's Niwas Ranbir Marg,  
Patiala 147001

**Independent Auditor's Certificate on the proposed accounting treatment**

We, the statutory auditors of Triputi Infrastructure Private Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause of the Draft Scheme of Amalgamation ('the Draft Scheme') between Triputi Infrastructure Private Limited ('the Transferor Company') and Milkfood Limited ('the Transferee Company') and their respective shareholders in terms of the provisions of sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') with reference to its compliance with the Accounting Standards notified by the Central Government under section 133 of the Act, read with paragraph 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other generally accepted accounting principles, as applicable.

**Management's Responsibility**

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved.

**Auditor's Responsibility**

Our responsibility is only to examine and provide a reasonable assurance whether the accounting treatment prescribed in the Draft Scheme complies with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and the applicable Accounting Standards notified by the Central Government under section 133 of the Act, read with paragraph 3 of the Companies (Indian Accounting Standards) Rules 2015 (as amended) and other generally accepted accounting principles, as applicable.

Nothing contained in this certificate, nor anything said or done in the course of or in connection with the services that are the subject to this certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.



We conducted our examination of the proposed accounting treatment in accordance with the "Guidance Note on Reports or Certificates for Special Purpose" ("the Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with relevant applicable requirements of Standard of Quality Control (SQc) I, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and other Assurance and Related Services Engagement. Further, our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Draft Scheme.

**Opinion**

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under Section 133 of the Companies Act, 2013 read with paragraph 3 of the Companies (Indian Accounting Standards) Rules 2015 (as amended) and other generally accepted accounting principles, as applicable.

**Restriction on Use**

This Certificate is provided to the Board of Directors of the Company solely for the purpose of onward submission to the National Company Law Tribunal and other regulatory authorities including Securities and Exchange Board of India, Stock exchange(s) and Regional Director, Ministry of Corporate Affairs, in relation to the Draft Scheme and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For RAJENDRA K. GOEL & CO.  
Chartered Accountants  
Firm Registration No.: 001457N

R.K. GOEL  
Partner  
006154



Place: NEW DELHI  
Date: 05.10.2020  
UDIN: 20006154AAAAEL9095