



MODERN DAIRIES LTD.

Corporate Office : 98-99, Sub City Centre, Sector 34, Chandigarh - 160 022 (INDIA)
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E-mail : info@moderndairies.com CIN:L74899HR1992PLC032998

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

**Ref: MDL/SECT/BSE/
Date: 14th Feb., 2019**

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

SUB: FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER, 2018

Dear Sirs,

We wish to inform you that the Company in its Board meeting held today, **Thursday, 14th February, 2019** at Chandigarh approved the following:

1. Un-Audited Financial Results for the quarter ended 31st December, 2018, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. Limited Review Report on the Un-Audited Financial Results for the quarter ended 31st December, 2018, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please note that the Board of Directors meeting commenced at 04:00 p.m. and concluded at 5:00 p.m. on 14th February, 2019. This is for your information and doing the needful.

Thanking you

Yours truly,
For **MODERN DAIRIES LIMITED**

COMPANY SECRETARY

Statement of UnAudited financial results for the Period Ended 31st December, 2018 Amount Rs. in Lacs

Sr. No.	Particulars	3 months ended	Preceding 3	Correspondin	Year to date	Year to date	Previous
		31 December 2018	months ended 30 September 2018	g 3 months ended in the previous year 31 December 2017	figures for current period ended 31 December 2018	figures for previous period ended 31 December 2017	year ended 31 March 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue from operations	15,057.43	13,714.22	11,261.39	41,328.45	34,476.88	46,721.00
II	Other Income	(15.96)	27.25	1.80	16.68	14.34	47.80
III	Total Income(I+II)	15,041.47	13,741.47	11,263.19	41,345.12	34,491.21	46,768.79
IV	EXPENSES						
	Cost of materials consumed	13,626.47	12,423.46	10,244.63	37,150.92	31,203.01	42,720.93
	Purchase of Stock in Trade	-	-	-	-	-	-
	Changes in inventories of Finished goods, Stock in trade and Work-in-progress	(76.17)	2.58	378.73	395.25	1,499.52	1,508.68
	Excise Duty on Sales	-	-	-	-	39.92	39.92
	Employee benefits expense	233.90	226.53	178.03	680.54	537.00	869.98
	Finance costs	4.65	4.60	2.15	14.08	52.38	30.61
	Depreciation and amortization expenses	136.92	122.83	119.32	380.59	359.13	513.56
	Other expenses	810.57	919.88	704.35	2,370.71	2,024.19	2,941.99
	Total expenses(IV)	14,736.34	13,699.88	11,627.21	40,992.09	35,715.15	48,625.67
V	Profit/(Loss) before exceptional items and tax (III-IV)	305.13	41.59	(364.02)	353.03	(1,223.94)	(1,856.88)
VI	Exceptional Items	-	-	-	-	-	-
VII	Profit/(Loss) before tax (V-VI)	305.13	41.59	(364.02)	353.03	(1,223.94)	(1,856.88)
VIII	Tax Expense:						
	(1) Current Tax	-	-	-	-	-	-
	(2) Deffered Tax	-	-	-	-	-	-
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)	305.13	41.59	(364.02)	353.03	(1,223.94)	(1,856.88)
X	Profit/(Loss) from diccontinued operations	-	-	-	-	-	-
XI	Tax expenses of discontinued operations	-	-	-	-	-	-
XII	XI)	-	-	-	-	-	-
XIII	Profit/(Loss) for the period (IX + XII)	305.13	41.59	(364.02)	353.03	(1,223.94)	(1,856.88)
XIV	Other Comprehensive Income						
	A. (i) Items that will not be reclassified to profit or loss	-	-	-	-	0.31	3.18
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	B. (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
XIV	Other Comprehensive Income	-	-	-	-	0.31	3.18
XV	Total Comprehensive Income for the period (XIII + XIV) comprising Profit/(Loss) and Other comprehensive Income for the period	305.13	41.59	(364.02)	353.03	(1,223.63)	(1,853.70)
XVI	Earnings per equity share (for continuing operation) :						
	(1) Basic	1.31	0.18	(1.56)	1.51	(5.25)	(7.96)
	(2) Diluted	1.31	0.18	(1.56)	1.51	(5.25)	(7.96)
XVI	Earnings per equity share (for discontinued operation) :						
	(1) Basic	-	-	-	-	-	-
	(2) Diluted	-	-	-	-	-	-
XVI	Earnings per equity share (for discontinued & continuing operation) :						
	(1) Basic	1.31	0.18	(1.56)	1.51	(5.25)	(7.96)
	(2) Diluted	1.31	0.18	(1.56)	1.51	(5.25)	(7.96)

For and on behalf of the Board of Directors



A.K. Aggarwal
A.K. Aggarwal
(Executive Director)

(DIN: 00486430)

Place: Chandigarh

Date: 14th February, 2019

Notes to the Financial Results:

1. The Company is engaged only in the business of manufacturing of Milk products which is the reportable segment in accordance with the requirements of Indian Accounting Standards (IndAS) – 108 on operating segments as prescribed under the Companies (Indian Accounting Standards) Rules, 2015 as prescribed under Section 133 of The Companies Act, 2013.
2. The Company's accounts with lenders have become non-performing assets (NPA) hence interest amounting to Rs. 612 lakhs for the quarter and Rs.1769 lakhs for nine months ended on 31st December 2018 were not provided. The financial results are affected to the same extent.
3. The company has paid managerial remuneration of Rs.13.93 lakhs for the Quarter ended 31st December 2018 and Rs. 42.39 lakhs for the nine months ended 31st December 2018. As per revised guidelines, the company is yet to take the approval of AGM and Lenders.

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

The board of directors had not taken the prior approval of Central Government for the remuneration paid for the previous year. The directors also undertook that in case the approval from the Central Government is not received for the previous year, remuneration received by the directors for the previous year amounting to Rs. 55.48 lakhs shall be refunded.

4. Post implementation of Goods and Services Tax (GST) applicable with effect from July 1, 2017, revenue from operations are required to be disclosed net of GST in accordance with the requirement of Ind-AS 18 and Schedule III of Companies Act 2013. Consequently, revenue from operations for the nine months is not comparable with the previous corresponding nine months which was reported inclusive of Excise Duty. The following additional information is being provided to facilitate such understanding:

Particulars	Rs. (In lakhs)		
	Nine months		Year ended
	31.12.2018	31.12.2017	31.03.2018
Net Sales/Income from operations	41,328.45	34,476.88	46,721.00
Less: Excise duty	-	39.92	39.92
Net sales excluding excise duty	41,328.45	34,436.96	46,681.08



5. The company has been continuously making efforts to resolve the debts with its lenders. Keeping in view the favourable market conditions and good order position the company has prepared the financial results on the basis of going concern assumptions.
6. The financial results of Modern Dairies Limited ('MDL', or 'the Company') were reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on 14th February, 2019. The Statutory Auditors of the Company have carried out a limited review of the above financial results.
7. The figures of the previous period have been reclassified /recasted/ regrouped wherever necessary to conform to current period's figures.

For and on behalf of the Board of Directors

Place: Chandigarh
Date: 14th February, 2019




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



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AARYAA & ASSOCIATES

CHARTERED ACCOUNTANTS

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LIMITED REVIEW REPORT

To,
The Board of Directors
Modern Dairies Limited

1. We have reviewed the accompanying statement of un-audited financial results of **Modern Dairies Limited** for the quarter ended 31st December 2018 prepared as per the applicable Indian Accounting Standards (IndAS) being submitted by the company pursuant to the requirements of regulation 33 of the SEBI (Listing Obligation a Disclosure Requirements) Regulation, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016. This statement is the responsibility of the company's Management and has been approved by Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedure, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We refer to the following Qualifications:
 - *Director's remuneration is not admissible as prescribed in Section 197 of Companies Act, 2013 if there are no profits or profits are inadequate except in accordance with the provision of Schedule V and if it is not able to comply with such provisions, the prior approval of lenders and special resolution in AGM is required.*

The Company is not eligible to pay director remuneration for non-compliance of conditions prescribed in schedule V of the Companies Act, 2013. The company has given the following director remuneration:



S. No.	Name	Designation	Remuneration (for Quarter ended 31 st December, 2018)	Remuneration (Half Yearly)
1.	Mr. Krishan Kumar Goyal	Chairman & Managing Director	7,50,000	22,50,000
2	Mr. Ashwani Kumar Aggarwal	Executive Director	6,43,702	19,89,472

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

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

Interest provisioning on facilities from Consortium banks & Optionally-Convertible Debentures:

The Company's various credit facilities, including the optionally convertible debentures, have been declared "Non-Performing Assets"/recalled by its respective banks. There is a usual practice that banks to discontinue to account for as "income" in respect to the accrued interest on such assets, subsequent to the declaration of these as "Non-performing assets". The bankers of the company too have not accounted as "income" in respect to the interest subsequent to NPA declaration date. In order to achieve the desired congruency on this issue & uncertainty of the amount liable to be paid, the management of the company has not provided for such interest i.e. interest on credit facilities, including the optionally convertible debentures, subsequent to the date of



declaration of these credit facilities as non-performing. Such interest on credit facilities amounts to Rs. 612 lakhs and Rs. 1769 lakhs for quarter and nine months ended 31st December 2018 respectively and Rs. 17 lakhs and Rs. 49.51 lakhs in respect to optionally converted debentures for quarter and nine months ended 31st December 2018 respectively which has resulted in the understatement of current liabilities and losses by same.

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

**FOR AARYAA & ASSOCIATES
CHARTERED ACCOUNTANT**



HARSHARANJIT SINGH CHahal
(Partner)
M No. 091689

Place: Chandigarh

Dated: 14th February, 2019