

**KMG MILK FOOD LIMITED**  
**Reg. Office: 9<sup>TH</sup> K.M. STONE, PIPLI TO AMBALA, N.H. 1, G.T.**  
**ROADVILLAGE MASANA DISTT. KURUKSHETRA-132118**  
**Ph. 01744-279452 Fax: 01744-279453**  
**Website: [www.kmggroup.com](http://www.kmggroup.com) E-mail: [Compliances.kmg@gmail.com](mailto:Compliances.kmg@gmail.com)**  
**CIN: L15201HR1999PLC034125**

Date: 07.09.2023

To  
The Department of Corporate Services  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001

**SUB-Notice of Annual General Meeting (KMG Milk Food Limited) (BSE Scrip Code: 519415)**

Dear Sir/Madam,

This is to inform you that 31<sup>th</sup> Annual General Meeting of the members of the Company will be held on Saturday 1:00 P.M. on 30<sup>th</sup> September, 2023.

The Date of Closure of Register of Members and Share Transfer Books will be closed from Sunday, the 24<sup>th</sup> Day of September, 2023 to Saturday, the 30<sup>th</sup> day of September, 2023 (both days inclusive) to comply with the requirements of Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Thanking you  
For KMG Milk Food Limited



Basudev Garg  
Whole Time Director  
DIN: 00282038  
R/o: B-2, Friends Colony West  
Mathura Road, New Delhi-110065

**KMG MILK FOOD LIMITED**

**31<sup>ST</sup> ANNUAL REPORT**  
**2022-2023**

**CORPORATE INFORMATION**

**Mr. Basudev Garg**  
Chairman & Whole Time Director

**Mrs. Mithlesh Garg**  
Non- Executive Director

**Mrs. Shivangi Garg**  
Additional Director

**Mr. Arun Kumar Sharma**  
Independent Director

**Mr. Prashant Chandra Pande**  
Independent Director

**Mr. Pardeep Gupta**  
Chief Financial Officer

**Company Secretary & Compliance Officer**

Ms. Deepti Goel

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**Statutory Auditors**

M/s. Gauri Goyal & Associates, Karnal  
(Chartered Accountants)

**Secretarial Auditors**

M/s A. Goyal & Associates, Karnal  
(Company Secretaries)

**Registrar and Transfer Agent**

(Electronic & Physical)

M/s Skyline Financial Services Private Limited  
D-153A 1<sup>st</sup> Floor Okhla Industrial Area Phase-1, New Delhi-110020

**Tel.:** +91-11-40450193-97,26812682-83

**Email:** info@skylinerta.com

**Website:** www.skylinerta.com

**Registered Office**

9<sup>th</sup> KM Stone, Pipli to Ambala,  
G.T. Road, Village Masana, Distt. Kurukshetra-136118, Haryana

**Phone:** 01744-279452, **Fax:** 01744-279453

**Email-** compliances.kmg@gmail.com

**Website-** www.kmgmilkfood.com

**CIN-** L15201HR1999PLC034125

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**KMG Milk Food Limited**

CIN: L15201HR1999PLC034125

Regd. Office: 9<sup>th</sup> k.m. Stone, Pipli to Ambala, N.H. 1, G.T. Road Village Masana Distt. Kurukshetra-132118,  
Haryana

Tel: 01744-279452, Fax: 01744-279453

Website: www.kmgmilkfood.com, Email: compliances.kmg@gmail.com

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**NOTICE**

Notice is hereby given that the 31<sup>st</sup> Annual General Meeting of the members of M/s KMG MILK FOOD LIMITED will be held on Saturday, the 30<sup>th</sup> day of September, 2023, at 01:00 P.M., at the Registered Office of the Company at 9<sup>th</sup> k.m. Stone, Pipli to Ambala, G.T. Road, Village Masana, Distt. Kurukshetra-136118, Haryana to transact the following business:

**ORDINARY BUSINESS:**

- 1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31<sup>st</sup>, 2023 and the reports of the Board of Directors and Auditors thereon.**

“**RESOLVED THAT** financial statement of the company as on 31<sup>st</sup> March, 2023, which includes the Balance Sheet as on 31<sup>st</sup> March, 2023, Profit and Loss Account and Cash Flow Statement of the company for the financial year 2022-2023 along with the Directors’ Report and Auditors’ Report thereon be and is hereby received, considered, approved and adopted.”

- 2. To appoint a director in place of Mrs. Mithlesh Garg (DIN: 00185942), who retires by rotation and being eligible, offers herself for re-appointment.**

Based on terms of Appointment, Executive and Non-Executive Directors are liable to retire by rotation. Mrs. Mithlesh Garg (DIN: 00185942), Non-Executive, Non-Independent Director who is liable to retire by rotation being eligible, seeks re-appointment. The Board recommended his re-appointment.

“**RESOLVED THAT** pursuant to the provision of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the Shareholders of the company be and is hereby accorded to the re-appointment of Mrs. Mithlesh Garg as Director, who is liable to retire by rotation.

- 3. To consider and if thought fit, to pass, the following Resolution for Appointment of Statutory Auditors of the Company:**

“**RESOLVED THAT** pursuant to Sections 139(8)(i) and other applicable provisions if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications or re-enactment thereof for the time being in force) and other applicable acts, rules and regulations, the approval of the members of the Company be and is hereby given for appointment of M/s. Gauri Goyal & Associates, Chartered Accountants (Firm Registration No. 036120N), as the statutory auditors of the Company for filling the casual vacancy in the office of Statutory Auditors, who shall hold the office until the conclusion of 31<sup>st</sup> Annual General Meeting and who shall be eligible for re-appointment.”

“**RESOLVED FURTHER THAT** pursuant to Sections 139, 142 and other applicable provisions if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, (the Rules) Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) and other applicable acts, rules and regulations, M/s. Gauri Goyal & Associates, Chartered Accountants (Firm Registration No. 036120N) who have given written consent for their re-appointment

and a certificate that their re-appointment, if made, will be in accordance with the conditions of Section 141 of the Act and Rule 4 of the Rules, be and are hereby re-appointed as the statutory auditors of the Company to hold office for a period of five (5) years from the financial year 2023-2024 until the conclusion of 36<sup>th</sup> Annual General Meeting on remuneration as mentioned in the explanatory statement and as may be fixed or altered by the Board of Directors of the Company in addition to out of pocket expenses as may be incurred by them during the course of audit.”

**SPECIAL BUSINESS:**

- 4. To consider and to give assent/dissent for passing the following resolution as an ORDINARY RESOLUTION for the appointment of Mrs. Shivangi Garg as a Non-Executive Independent Director of the Company:**

“**RESOLVED THAT** pursuant to Section 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and upon the recommendation of the Nomination and Remuneration Committee, the appointment of Mrs. Shivangi Garg (DIN: 09770518) as a Non-Executive Independent Director of the Company, to hold office for a term of five (5) consecutive years from 14<sup>th</sup> November, 2022 to 13<sup>th</sup> November, 2027, not liable to retire by rotation, on such remuneration as may be fixed by the Board of Directors from time to time, reimbursement of expenses for participation in the meetings of the Board and/or Committees and/or general meetings in terms of applicable provisions of the Companies Act, 2013 as determined by the board and/or committee from time to time, is hereby approved.”

**By Order of the Board of Directors  
For KMG Milk Food Limited**

**Sd/-  
Basudev Garg  
Chairman cum Whole Time Director  
DIN: 00282038**

**Date: 07.09.2023  
Place: Kurukshetra**

**Notes:**

As KMG Milk Food Limited, being a listed company and having more than 1000 shareholders, is compulsorily required to provide remote e-voting facility or postal ballot to members in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, voting by show of hands will not be available to the members at the 31<sup>st</sup> AGM in view of the further provisions of Section 107 read with Section 114 of the Act.

This notice is sent to all the members whose name appears as on 5<sup>th</sup> September, 2023 in the Register of Members.

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE DEPOSITED, AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS (48 HOURS) BEFORE THE SCHEDULED TIME FOR HOLDING THE AFORESAID MEETING. A BLANK PROXY FORM IS ENCLOSED.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.

3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company, provided that not less than three days of notice in writing is given to the company.

4. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.

5. The Register of Contracts or Arrangements in which directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.

6. Route Map for easy location of Venue of Annual General Meeting is attached herewith the Notice of Annual General Meeting.

7. No gifts, gifts coupons, or cash in lieu of gifts is distributed in the Meeting.

8. Additional Information, pursuant to regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, In respect of the directors seeking appointment/ re-appointment at the AGM, is furnished as an annexure to the Notice.

9. Members are requested to bring their attendance slip along with Note that copies of Annual Report will not be distributed at the Annual General Meeting.
10. Members/Proxies/Authorized Representatives are requested to deposit the attendance slip duly filed in and signed for attending the Meeting. Members who hold shares in dematerialization form are requested to write their client ID and DP ID numbers for identification.
11. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the meeting.
12. Members, who have not registered their e-mail address so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held in electronic form and in case the shares are held in physical form to the Company's Registrar and Share Transfer Agents,
13. The Notice for the Annual General Meeting and the Annual Report will be available for inspection at the Registered Office of the Company on all working days in business hours up to the date of Annual General Meeting. The above said shall also be available on the Company's website at [www.kmgmilkfood.com](http://www.kmgmilkfood.com) and on the website of the CDSL//[www.cdslindia.com/](http://www.cdslindia.com/) for inspection and downloading by the shareholders of the company.
14. Members seeking further information on the Accounts, or any other matter contained in the Notice, are requested to write to the Company at least 7 days before the meeting so that relevant information can be kept ready at the meeting.
15. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the Registered Office of the Company during the office hours on all working days (except Saturdays, Sundays, and Public Holidays) between 11: 00 A.M. to 1: 00 P.M up to the date of this Annual General Meeting.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN details to the Company at the Registered Office of the Company.
17. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
18. The Register of Members and Share Transfer Books shall remain closed from 24.09.2023 to 30.09.2023 (Both days inclusive).
19. The Board of Directors has appointed Mr. Ashish Goyal, Practicing Company Secretary as the Scrutinizer for conducting the voting and remote e-voting process in accordance with the law and in a fair and transparent manner and he has consented to act as scrutinizer.



20. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot papers and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within 24 hours from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman or any other Key Managerial Personnel who shall countersign the same and declare the results of the voting within 48 hours of conclusion of Annual General Meeting.
21. The results declared along with the report of Scrutinizer shall be placed on the website of the Company [www.kmgmilkfood.com](http://www.kmgmilkfood.com) and on the website of CDSL immediately after the declaration of results by the Chairman or any other Key Managerial Personnel. The results shall also be forwarded to the Stock Exchange within 48 hours of the conclusion of the Annual General Meeting.
22. The business set out in this Notice shall be conducted through e-voting. In compliance with the provisions of the Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility as an alternate to all its Members to enable them to cast their votes electronically instead of casting their vote at the Meeting. Please note that voting through electronic means is optional.
23. Voting through electronic means:

❖ **The Instructions for Shareholders for Remote E-Voting are as under:**

- (i) The voting period begins on Wednesday, 27<sup>th</sup> September, 2023 at 10:00 a.m. and ends on Friday, 29<sup>th</sup> September 2023 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Saturday, 23<sup>rd</sup> September, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first-time user follow the steps given below:

<b>For Shareholders holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant Company, KMG Milk Food Limited which is 230907046 on which you choose to vote.

(xiii) 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.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) 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.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- (xx) **Note for Non – Individual Shareholders and Custodians –Remote Voting**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [rajevoswal@yahoo.com](mailto:rajevoswal@yahoo.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738) or Mr. Bhavesh Pimputkar (022- 23058543) or Mr. Anand Tirodkar (022- 23058615) or Mr. Deborshi Choudhury (022- 23058634) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**By Order of the Board of Directors**  
**For KMG Milk Food Limited**

**Sd/-**  
**Basudev Garg**  
**Chairman cum Whole Time Director**  
**DIN: 00282038**

**Date: 07.09.2023**  
**Place: Kurukshetra**

**Explanatory Statement**  
**[Pursuant to Section 102 of Companies Act, 2013]**

**Item No. 3:**

M/s. Rajan K. Gupta & Co. LLP, Chartered Accountants (Firm Registration No. 005945C). who were appointed as the Statutory Auditors of the Company at the 30<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2022, resigned w.e.f. 07.09.2023 from the office of statutory auditors due to other pre-occupation.

To fill the casual vacancy caused by resignation of the statutory auditor, the Board of Directors of the Company at its meeting held on 7<sup>th</sup> September, 2023 on recommendations of the Audit Committee, appointed M/s. Gauri Goyal & Associates, Chartered Accountants (Firm Registration No. 036120N) as the Statutory Auditors of the Company pursuant to Section 139(8) of the Companies Act, 2013 to hold the office as such up to this Annual General meeting, subject to the approval of the members. The approval of members for the said appointment is proposed in this meeting.

M/s. Gauri Goyal & Associates, Chartered Accountants (Firm Registration No. 036120N) holds the office until the conclusion of the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. The Company has received consent and a certificate from the Auditors to the effect that their reappointment, if made, would be in accordance with the provisions of Section 139 and 141 of the Companies Act, 2013. The Audit Committee and the Board of Directors at their respective meetings held on 7<sup>th</sup> September, 2023 have recommended their re-appointment as the Statutory Auditors for a period of five (5) years from the conclusion of this 31<sup>st</sup> Annual General Meeting till the conclusion of the 36<sup>th</sup> Annual General Meeting.

The Board, based on the recommendation of the Audit Committee, recommends the resolution as set out in item no. 3 of this notice to be passed as an ordinary resolution. None of the directors and key managerial personnel or their relatives are interested financially or otherwise in the resolution as set out in item no. 3 of this notice.

**Item No. 4:**

Appointment of Mrs. Shivangi Garg as a Non-Executive Independent Director of the Company

The Board of Directors vide Resolution adopted on 14<sup>th</sup> November, 2022, appointed Mrs. Shivangi Garg (DIN: 09770518) as an Additional Director of the Company, pursuant to Sections 149, 152, 161 read with Schedule IV and other applicable provisions of the Act.

In terms of Section 149 and other applicable provisions of the Act and Rules made thereunder, the proposed resolution seeks the approval of members for the appointment of Mrs. Shivangi Garg as a Non-Executive Independent Director for a term of 5 (five) consecutive years from 14<sup>th</sup> November, 2022 to 13<sup>th</sup> November, 2027, not liable to retire by rotation.

The Company has received consent from Mrs. Shivangi Garg to act as a Director and declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and also a declaration under Section 164 of the Act that he is not disqualified from being appointed as a Director.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member proposing the candidature of Mrs. Shivangi Garg for the office of Independent Director, to be appointed under Section 149 of the Act.

Mrs. Shivangi Garg, in the opinion of the Board, is a person of integrity and possesses the relevant expertise and experience. Further, in the opinion of the Board of Directors, Mrs. Shivangi Garg, the Independent Director, fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the management and his appointment as an Independent Director would be beneficial to the company and this will enable the Board to discharge its functions and duties effectively.

A copy of the letter of appointment of Mrs. Shivangi Garg as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during the normal business hours.

The Board recommends the Ordinary Resolution set forth in the notice (Item No. 4) for approval by the shareholders.

**Concern or interest, financial or otherwise of Directors and Key Managerial Personnel and their relatives:**

Except Mrs. Shivangi Garg, the appointee, none of the Directors/Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution.

Other details as required under Secretarial Standards on General Meetings (SS-2) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are furnished separately, which form part of this statement.

**By Order of the Board of Directors**  
**For KMG Milk Food Limited**  
**Sd/-**  
**Basudev Garg**  
**Chairman cum Whole Time Director**  
**DIN: 00282038**

**Date: 07.09.2023**  
**Place: Kurukshetra**

**Details of Directors seeking Appointment/Re-appointment at the Annual General Meeting**

<b>Name of the Director and DIN</b>	Mrs. Mithlesh Garg (DIN: 00185942)	Mrs. Shivangi Garg (DIN: 09770518)
<b>Age</b>	68	45
<b>Qualification</b>	Graduate	Graduate
<b>Experience</b>	Good amount of experience in directing the board of various companies.	Expertise in Finance and Legal
<b>Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid</b>	The details are provided in the resolution at Item no. 2 of this notice.	The details are provided in the resolution at Item no. 4 of this notice.
<b>Date of first appointment on the Board</b>	29/09/2014	14/11/2022
<b>Shareholding in the company</b>	0.01 %	0.01 %
<b>Other Directorships</b>	4 (Four)	NIL
<b>Membership/ Chairmanship of Committees of other Boards</b>	NIL	NIL

**By Order of the Board of Directors  
For KMG Milk Food Limited**

**Sd/-  
Basudev Garg  
Chairman cum Whole Time Director  
DIN: 00282038**

**Date: 07.09.2023  
Place: Kurukshetra**

**DIRECTOR'S REPORT FOR THE FINANCIAL YEAR ENDED 2022- 2023**

**TO THE MEMBERS OF KMG MILK FOOD LIMITED**

Your directors are pleased to present the 31<sup>st</sup> Annual Report on the business and operations of the Company together with the Audited Financial Statement for the year ended 31<sup>st</sup> March, 2023.

**FINANCIAL PERFORMANCE**

The Summarized financial results are:

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>
Income from Operations	1,329,415.41	830,123.87
Other Income	26,441.70	11,038.11
<b>Total Income</b>	<b>1,355,857.11</b>	<b>841,161.98</b>
Operating Expenses	---	---
Employee Benefit Expenses	75,672.28	90,890.28
Finance Costs	537.09	224.42
Other Expenses	117,158.71	236,885.79
<b>Exceptional Item</b>	<b>---</b>	<b>---</b>
<b>Profit/ (Loss) before Tax</b>	<b>20,836.29</b>	<b>(7,036.03)</b>
Tax Expenses		
• Current Year	---	---
• Previous Year	---	---
• MAT Entitlement	---	---
• Deferred Tax	(6,162.79)	6,626.00
<b>Net Profit/ (Loss) for the Year</b>	<b>26,999.08</b>	<b>(13,662)</b>

**STATE OF COMPANY'S AFFAIRS**

During the period under review the total Income of the Company is Rs. 1,355,857.11 (in hundreds) as compared to previous year Rs. 841,161.98 (in hundreds).

The Company during the period has profit before tax of Rs. 20,836.29 (in hundreds) as compared to loss of Rs. 7,036.03 (in hundreds) in the previous year and Net Profit of the company during the reporting period is Rs. 26,999.08 (in hundreds) as compared to loss of Rs. 13,662 (in hundreds) in the previous year.

**MATERIAL CHANGES AND COMMITMENTS AFTER THE DATE OF CLOSE OF FINANCIAL YEAR 2022-23**

There are no material changes and/or commitment affecting the financial position of the company after the close of financial year 2022-23 till the date of report.

**DIVIDEND**

With a view to conserve resources of the company, your directors do not recommend any dividend for the year ended March 31, 2023 under review.

### **TRANSFER TO RESERVES**

The Company has transferred a Net Profit of Rs. 26,999.08 (in hundreds) to Reserves.

### **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

No amount was transferred to Investor Education and Protection Fund as there was no unclaimed dividend.

### **HUMAN RESOURCES DEVELOPMENT**

Human Resource has gained prime importance in last few years. Your Company lays emphasis on competence and commitment of its human capital recognizing its pivotal role for organization growth. During the year, the Company maintained a record of peaceful employee relations. Your Company believes that the human capital is of utmost importance to sustain the market leadership in all product segments and also to capture new markets.

We have identified the high Performers and rewarded them appropriately, which has helped to achieve better employee engagement. Competency based training program has been devised for High - Potential employees with focus on their Individual Development Plan & helping them to become future leaders.

Your directors wish to place on record their appreciation for the commitment shown by the employees throughout the year.

### **DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In order to prevent sexual harassment of women at work place an act "The Sexual Harassment of Women at Workplace" (Prevention, Prohibition and Redressal) Act, 2013 has been notified in December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at workplace of any women employee.

Your Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up a committee for implementation of said policy.

The Company has zero tolerance for sexual harassment and during the year under review, there were no complaint received and no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **BUSINESS EXCELLENCE AND QUALITY INITIATIVES**

"Business Excellence" is an integral part of Business Management and is the application of quality management theory and tools to run our business more efficiently. Business Excellence is the culture of your company, which works as an enabler to our commitment to higher customer satisfaction, increase in stakeholder value & better process management through the never-ending cycle of continuous improvement. Innovation in services and business models is a key agenda of the Management along with a customer-focused culture towards building long-term customer relationships.



**DETAILS OF SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES, AND HIGHLIGHTS OF THEIR PERFORMANCE AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY**

During the year ended 31<sup>st</sup> March, 2023, the Company did not have any subsidiary companies/joint ventures/ associate companies.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has adequate system of Internal Controls to help Management review the effectiveness of the Financial and Operating Controls and assurance about adherence to Company's laid down Systems and Procedures. As per the provisions of the Companies Act, 2013, internal controls and documentation are in place for all the activities. Both Internal Auditors and Statutory Auditors have verified the Internal Financial Controls (IFC) at entity level and operations level and satisfied about control effectiveness. The controls are reviewed at regular intervals to ensure that transactions are properly authorized, correctly reported and assets are safeguarded.

Assurance on the effectiveness of Internal Financial Controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the Internal Financial Control systems by the internal auditors during the course of their audits. During the financial year under review, no material or serious observations have been received from the Auditors of the Company, citing inefficiency or inadequacy of such controls and business practices.

The Audit Committee periodically reviews the findings and commendations of the Auditors and takes corrective action as deemed necessary. The Board of Directors have framed a policy which ensures the orderly and efficient conduct of its business, safeguarding of its assets, to provide greater assurance regarding prevention and detection of frauds and accuracy and completeness of the accounting records of the company.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

During the year under review, there is no material order(s) passed by the regulators or courts or tribunal impacting the going concern status and company's operation in future.

**DISCLOSURE REGARDING COMPANIES (SHARE CAPITAL AND DEBENTURE) RULES 2014**

As required under Companies (Share Capital and Debenture) Rules 2014, during the year under review, the Company has not issued equity shares with differential voting rights, sweat equity shares, preference shares, and employee stock options and also not made any provision for purchase of its own shares by employees or by trustees. There was no change in the Authorised and Paid-up Capital of the Company:

**Equity:**

Authorized Shares Capital:	- Rs. 15,00,00,000
Issued Shares Capital:	- Rs. 5,30,46,000
Subscribed & Paid-up Capital:	- Rs. 5,30,46,000

**DISCLOSURE REGARDING VOTING RIGHT NOT EXERCISED DIRECTLY BY THE EMPLOYEES**

During the year under review, there is NIL disclosure as required under provisions of section 67(3) of Companies Act, 2013.

## **RISK MANAGEMENT**

The Company is exposed to inherent uncertainties owing to the sector in which it operates. A key factor in determining a Company's capacity to create sustainable value is the ability and willingness of the Company to take risks and manage them effectively and efficiently. Many types of risks exist in the Company's operating environment and emerge on a regular basis due to many factors such as changes in regulatory framework, economic fundamentals etc.

In order to evaluate, identify and mitigate these business risks, the Company has a robust Risk Management framework. This framework seeks to create transparency, ensure effective risk mitigation process and thereby minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The Business risks as identified are reviewed and a detailed action plan to mitigate the identified risks is drawn up and its implementation is monitored.

## **CORPORATE GOVERNANCE**

Since, the paid-up capital of the Company is less than Rupees 10 Crores and Net worth is less than Rupees 25 Crores, the provisions of the Corporate Governance as stipulated under Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company. Therefore, taking Auditors Certificate on Corporate Governance as required under Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is not applicable to the Company.

However, your Company has made every effort to comply with the provisions of the Corporate Governance and to see that the interest of the Shareholders and the Company are properly served. It has always been the Company's endeavor to excel through better Corporate Governance and fair & transparent practices, many of which have already been in place even before they were mandated by the law of land. The management of Company believes that it will further enhance the level of Corporate Governance in the company.

## **ANNUAL SECRETARIAL COMPLIANCE REPORT**

The Annual Secretarial Compliance Report under Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 read with SEBI circular no: CIR/CFD/CMD1/27/2019 dated 8<sup>th</sup> February, 2019, BSE circular no. LIST/COMP/10/2019-20 dated 9<sup>th</sup> May, 2019 and BSE circular no LIST/COMP/12/2019-20 dated 14<sup>th</sup> May, 2019 is not applicable to the Company due to exemption under Regulation 15(2) of SEBI (LODR) Regulations, 2015.

## **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. Ashish Goyal, Proprietor of M/s A. Goyal & Associates, Company Secretary in Practice to undertake the secretarial audit of the Company for Financial Year 2022-23. The Secretarial Audit Report is appended as **Annexure 'A'** to this Report. There are no adverse remarks/ observations/ qualifications/ reservations / disclaimers in the Secretarial Audit Report.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, ("the Act") your Directors, based on the representations received from the Operating Management and after due enquiry, confirm that:

- i. in the preparation of the annual accounts for financial year ended 31<sup>st</sup> March, 2023, the applicable accounting standards have been followed and there are no material departures in adoption of these standards.
- ii. they have in consultation with the Statutory Auditors selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as of 31<sup>st</sup> March, 2023 and of the profit/loss of the Company for the year ended on that date.
- iii. they have taken proper and sufficient care for the 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 fraud and other irregularities.
- iv. they have prepared the annual accounts for financial year ended 31<sup>st</sup> March, 2023 on a going concern basis.
- v. they have laid down adequate internal financial controls to be followed by the Company and that such internal financial controls were operating effectively during the financial year ended 31<sup>st</sup> March, 2023.
- vi. they have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively during the financial year ended 31<sup>st</sup> March, 2023.

## **BOARD EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The Company has formulated a Policy for performance evaluation of the Independent Directors, the Board, its committees and other individual Directors which includes criteria for performance evaluation of the Non-Executive Directors and Executive Directors.

The evaluation framework for assessing the performance of Directors comprises of various key areas such as attendance at Board and Committee Meetings, quality of contribution to Board discussions and decisions, strategic insights or inputs regarding future growth of the Company and its performance, ability to challenge views in a constructive manner, knowledge acquired with regard to the Company's business/ activities, understanding of industry and global trends, etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on 5<sup>th</sup> January, 2017.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

Feedback was sought by way of well-defined and structured questionnaires covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, areas of responsibility, execution and performance of specific duties, obligations and governance, compliance, oversight of Company's subsidiaries, etc., and the evaluation was carried out based on responses received from the Directors.

In a separate meeting of independent directors, performance of non-independent directors, the board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

#### **MANAGEMENTS' DISCUSSION AND ANALYSIS REPORT**

Managements' Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming **Annexure 'B'** of the Director's Report.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

A statement giving details of conservation of energy, technology absorption, foreign exchange earnings and out-go, in accordance with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is given in **Annexure 'C'** to this Report.

#### **FIXED DEPOSITS**

Your Company has not accepted any fixed deposits covered under Chapter V of the Company Act, 2013 and as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### **• Retirement by Rotation**

In accordance with the provisions of Section 152 of The Companies Act, 2013 Mrs. Mithlesh Garg, Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment.

##### **• Appointment / Re-appointment and Cessation of Directors & KMP**

Following are the Directors of the Company as on 31<sup>st</sup> March, 2023:

<b>S. No.</b>	<b>Name of Directors</b>	<b>Category of Directors</b>
1.	Mrs. Mithlesh Garg	Non-Executive- Non-Independent Director

2.	Mr. Prashant Chandra Pande	Non-Executive- Independent Director
3.	Mr. Arun Kumar Sharma	Non-Executive- Independent Director
4.	Mrs. Shivangi Garg	Additional Director

Pursuant to the provisions of Section 203 of the Act, your Company has following Key Managerial Personnel(s) as on 31<sup>st</sup> March, 2023:

<b>S. No.</b>	<b>Name of KMPs</b>	<b>Designation</b>
1.	Mr. Basudev Garg	Whole-time Director
2.	Mr. Pardeep Gupta	Chief Financial Officer
3.	Ms. Deepti Goel	Company Secretary and Compliance Officer

During the year under review, Mrs. Shivangi Garg has been appointed as Additional Director w.e.f. 14.11.2022.

During the year under review, Mr. Santosh Sharma, director of the company, who was appointed as additional director w.e.f. 11.06.2022 and regularized at the AGM w.e.f. 30.09.222 has resigned from the position of directorship w.e.f. 23.12.2022.

During the year under review, Mr. Sanjiv Sharan Director of the Company has resigned w.e.f. 23.05.2022.

After the closure of the financial year 2022-23, Ms. Preeti Varshney has resigned from the position of Company Secretary and Compliance Officer and Ms. Deepti Goel has been appointed as Company Secretary and Compliance Officer w.e.f. 01.05.2023.

#### **DECLARATION BY THE INDEPENDENT DIRECTORS**

All Independent Directors has given declarations to the company confirming that they meet the criteria of independence as laid down under Section 149(6) of The Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

#### **AUDITORS AND AUDITOR'S REPORT**

M/s. Gauri Goyal & Associates, Chartered Accountants (Firm Registration No. 036120N), were appointed as Statutory Auditors of the Company at meeting of Board of Directors on recommendations of the Audit Committee held on 7<sup>th</sup> September, 2023, to fill the casual vacancy caused by resignation of the statutory auditor, M/s. Rajan K. Gupta & Co. LLP, Chartered Accountants (Firm Registration No. 005945C).

The Board has recommended the same for the approval of shareholders at this 31<sup>st</sup> Annual General Meeting. The said appointment is pursuant to applicable provisions of the Companies Act 2013 and the SEBI Listing Regulations, 2015. On appointment, M/s. Gauri Goyal & Associates, will hold the office for a period of 5 (five) years from the conclusion of the 31<sup>st</sup> Annual General Meeting of the Company till the conclusion of the 36<sup>th</sup> Annual General Meeting of the Company.

M/s. Gauri Goyal & Associates, have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

During the year the Statutory Auditors have confirmed that they satisfy the independence criteria required the Companies Act, 2013, code of ethics issued by Institute of Chartered Accountants India.

The auditor report and notes on accounts referred to in the Auditors Report is self-explanatory and there are no adverse remarks or qualifications in the Report.

#### **COST AUDIT AND AUDITORS**

The section 148 read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 are not applicable to the Company. Hence, the Board of Directors of your company had not been appointed Cost Auditor for obtaining Cost Compliance Report of the company for the financial year 2022-23.

#### **FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

There are no such frauds reported by auditors, which are committed against the company by officers or employees of the company.

#### **LISTING OF SECURITIES AND FEES**

The Company's Equity Shares are listed on BSE Ltd. Your company has already paid Listing Fees for the financial year 2022-23.

#### **SECRETARIAL STANDARDS**

The Company has complied with all the Secretarial Standards issued till the end of the financial year 2022-23.

#### **MEETINGS OF THE BOARD OF DIRECTORS**

The Details of Meetings of the Board of Director Held during the Financial Year 2022-23:

As per the disclosures furnished none of the Directors are disqualified to act as directors of this Company or any other public Company under Section 164 and other applicable provisions of the Companies Act, 2013.

The requisite information as prescribed under Clause 49 of the Listing Agreement is placed before the Board from time to time and is generally provided as part of the agenda papers of the Board Meeting and /or is placed at the table during the course of the meeting.

During the financial year ended March 31, 2023, Six (6) Board Meetings were held and the requisite Quorum was present. The interval between two meetings was well within the maximum period mentioned under Section 173 of Companies Act, 2013 and Regulation 17(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board meeting was held on the following dates:

1. 27<sup>th</sup> May, 2022
2. 30<sup>th</sup> May, 2022
3. 11<sup>th</sup> June, 2022
4. 10<sup>th</sup> August, 2022
5. 14<sup>th</sup> November, 2022
6. 13<sup>th</sup> February, 2023

The maximum time gap between any two consecutive meetings did not exceed 120 days.

**DETAILS OF GENERAL MEETINGS OF THE COMPANY:**

During the year 2022-23, following General meetings were held as follows:

**Annual General Meeting:** 30<sup>th</sup> September, 2022

**Extraordinary General Meeting:** N.A.

**COMPOSITION OF COMMITTEES**

The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with the approval of the Board and function under their respective Charters. These committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are usually placed before the Board for noting.

The Board currently has the following Committees:

- A. Audit Committee.
- B. Nomination & Remuneration Committee.
- C. Stakeholders Relationship Committee.

**A. Audit Committee**

The composition of the Audit Committee is in alignment with the provisions of Section 177 of the companies Act, 2013 read with the Rules issued there under and Regulation 18 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The composition of the Audit Committee as on 31<sup>st</sup> March, 2023 and number of meetings attended by the Members during the year are given below:

<b>Name of Member</b>	<b>Status</b>	<b>No. of meetings entitled to attend</b>	<b>Meetings attended</b>
Mr. Arun Kumar Sharma	Chairman (Independent Director)	4	4
Mr. Prashant Chandra Pande	Member (Independent Director)	4	4
Mr. Basudev Garg	Member (Independent Director)	4	4

During the year, Four (4) Audit Committee meetings were held on the following dates:

- 1. 27<sup>th</sup> May, 2022
- 2. 10<sup>th</sup> August, 2022
- 3. 14<sup>th</sup> November, 2022
- 4. 13<sup>th</sup> February, 2023

All the recommendations made by the Audit Committee were accepted by the board.

## **B. Nomination and Remuneration Committee**

The policy formulated under Nomination and Remuneration Committee are in conformity with the requirements as per provisions of sub-Section (3) of Section 178 of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company had Constituted Nomination and Remuneration Committee to decide and fix payment of remuneration and sitting fees to the Directors of the Company as per provisions u/s 178 of the Companies Act, 2013.

The composition of the Nomination and Remuneration Committee as on 31<sup>st</sup> March, 2023 and number of meetings attended by the Members during the year are given below:

<b>Name of Member</b>	<b>Status</b>	<b>No. of meetings entitled to attend</b>	<b>Meetings attended</b>
Mr. Arun Kumar Sharma	Chairman (Independent Director)	3	3
Mr. Prashant Chandra Pande	Member (Independent Director)	3	3
Mr. Basudev Garg	Member (Independent Director)	3	3

During the year, Three (3) Nomination and Remuneration Committee meetings were held on the following dates:

1. 27<sup>th</sup> May, 2022
2. 10<sup>th</sup> August, 2022
3. 13<sup>th</sup> February, 2023

## **C. Stakeholder Relationship Committee**

The Stakeholders Relationship Committee of the Board of Directors was constituted in line with the provision of Regulation 20 of SEBI (LODR) Regulations 2015 read with section 178 of the Act to look after Shareholders'/Investors' Grievance like redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices/annual reports etc.

The composition of the Stakeholder Relationship Committee as on 31<sup>st</sup> March, 2023 and number of meetings attended by the Members during the year are given below:

<b>Name of Member</b>	<b>Status</b>	<b>No. of meetings entitled to attend</b>	<b>Meetings attended</b>
Mr. Arun Kumar Sharma	Chairman (Independent Director)	3	3
Mr. Prashant Chandra Pande	Member (Independent Director)	3	3
Mr. Basudev Garg	Member (Independent Director)	3	3

During the year, Three (3) Stakeholder Relationship Committee meetings were held on the following dates:

1. 27<sup>th</sup> May, 2022



2. 10<sup>th</sup> August, 2022
3. 13<sup>th</sup> February, 2023

#### **RELATED PARTY TRANSACTIONS**

Your Company has historically adopted the practice of undertaking related party transactions only in the ordinary and normal course of business and at arm's length as part of its philosophy of adhering to highest ethical standards, transparency and accountability.

However, there were no related party transactions of the Company under the said policy and as per provisions of section 188 of Companies Act 2013 & rules made there under. There are no materially significant related party transactions made by the Company with its promoters, Directors or management, their relatives etc. that may have potential conflict with the interest of the Company at large. Suitable disclosures as required by the Accounting Standards (AS 18) are disclosed.

Your company is exempted under Regulation 15 (2) of SEBI (LODR) Requirements 2015 to file Related Party Transaction disclosure under Reg 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Hence, it is not mandatory for the Company to file the RPT for half year ended 31<sup>st</sup> March, 2023 with the Exchange.

#### **DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT REGULATION 34(3) READ WITH SCHEDULE V (D) OF THE SEBI (LODR), 2015**

Pursuant to Schedule V (D) read with Regulation 34(3) of the Listing Regulations, the Board of Director and its Senior Management have given declaration regarding compliance with the Code of Conduct which is annexed with the Board Report as **Annexure 'D'**.

#### **CERTIFICATION FROM CHIEF FINANCIAL OFFICER**

A Certificate from the Chief Financial Officer, Pursuant to Regulation 17(8) read with schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 has been placed before which is annexed with the Board Report as **Annexure 'E'**.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

During the year under review, no loans, guarantees or investments under Section 186 of the Companies Act, 2013 have been given by the Company.

#### **EXTRACT OF ANNUAL RETURN**

As per, MCA vide Notification dated 28.08.2020 has amended Rule 12(1) of the Companies (Management and Administration), Rules, 2014 by inserting the following proviso:

“Provided that a company shall not be required to attach the extract of the annual return with the Board's report in Form No MGT. 9, in case the web link of such annual return has been disclosed in the Board's report in accordance with sub-section (3) of section 92 of the Companies Act, 2013”.

Therefore, Company is not required to append the extract of Annual Return in Form MGT-9 to the Board's Report and the annual return in the prescribed format is available at website of the company at [www.kmgmilkfood.com](http://www.kmgmilkfood.com).

## **POLICIES & DISCLOSURES**

### **❖ Vigil Mechanism**

Your company is committed to high standards of ethical, moral and legal business conduct. Accordingly, your company has established the Whistle Blower Policy which is in compliance with the provision of Section 177(10) of Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 for directors and employees of the Company to report genuine concerns or grievances. The vigil mechanism provides the safeguard against the victimization of person who uses such mechanism. The Company has framed the Whistle Blower Policy, which is periodically reviewed by the Audit Committee and the Board.

During the financial year 2022-2023, all the directors and employees had full access to approach the vigil mechanism officer. No complaint was received during the year 2022-2023 of any sort from any directors and employees of your company.

### **❖ Corporate Social Responsibility**

Pursuant to Section 135 of the Companies Act, 2013 and rules made there under, every company having net worth of Rupees Five Hundred Crores or more, or turnover of Rupees One Thousand Crores or more or a net profit of Rupees Five Crores or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board.

However, it is not applicable in the case of your Company. Hence there is no need to form Corporate Social Responsibility Committee and Corporate Social Responsibility Policy for the company as per the requirement of the Companies Act, 2013.

### **❖ Material Subsidiary**

There is no material subsidiary\* of the company, so no policy on material subsidiary is required to be adopted.

\* **“Material Subsidiary”** shall have the meaning as defined in Regulation 16(1)(c) of the LODR Regulations, pursuant to which a material subsidiary means a subsidiary, whose income or net worth exceeds 10% (ten percent) of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

## **CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the Companies Act, 2013 (“the Act”) and Accounting Standard (AS)- 21 on Consolidated Financial Statements read with other with other applicable provision, there is no requirement of Consolidated Financial Statements.

## **GREEN INITIATIVE IN THE CORPORATE GOVERNANCE**

In view of the 'Green Initiative in Corporate Governance' introduced by the Ministry of Corporate Affairs vide its circular no. 17/2011 dated 21<sup>st</sup> April, 2011, all members who are holding shares of the Company in physical mode, are requested to register their e-mail IDs with the Company, so as to enable the company to send all notices/ reports/documents/ intimations and other correspondences etc. through e-mails, in the electronic mode instead of receiving physical copies of the same.

## **OTHERS**

- a.** The details of application made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year: **NIL**
- b.** The details of difference between amount of valuation done at the time of one-time settlement and the valuation done while taking loan from Banks or Financial Institutions along with the reasons thereof: **NIL**

## **ACKNOWLEDGEMENTS**

Your directors thank the Company's stakeholders in large including investors, customers, banks, financial institutions, rating agencies, debenture holders, debenture trustees and well-wishers for their continued support during the year. Your directors place on record their appreciation of the contribution made by the employees of your Company at all levels. Your Company's consistent growth was made possible by their hard work, solidarity, cooperation, and support. The Board sincerely expresses its gratitude to Securities and Exchange Board of India and Ministry of Corporate Affairs for the guidance and support received from them including officials there at from time to time.

**By Order of the Board of Directors**  
**For KMG Milk Food Limited**  
**Sd/-**  
**Basudev Garg**  
**Chairman cum Whole Time Director**  
**DIN: 00282038**

**Date: 07.09.2023**  
**Place: Kurukshetra**

**ANNEXURES TO THE DIRECTORS' REPORT**

<b>Annexure A</b>	Secretarial Audit Report
<b>Annexure B</b>	Management Discussion and Analysis Report
<b>Annexure C</b>	Conservation of Energy, Technology Absorption and Research & Development and Foreign Exchange Earnings and Outgo
<b>Annexure D</b>	Declaration of Compliance with the Code of Conduct Regulation 34(3) Read with Schedule V(D) of the SEBI(LODR), 2015
<b>Annexure E</b>	Certification from Chief Financial Officer

**ANNEXURE-A**

**Form No. MR-3 Secretarial Audit Report**  
**For the Financial Year Ended 31.03.2023**  
**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies**  
**(Appointment and Remuneration Personnel) Rules, 2014]**

To,  
The Members,  
**KMG Milk Food Limited**  
9<sup>th</sup> K.M. Stone, Pipli to Ambala,  
G.T. Road Village Masana,  
Distt. Kurukshetra-136118, Haryana

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s KMG Milk Food Limited** (hereinafter called "the Company") Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):
  - a. The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - c. The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2015;
  - d. The SEBI (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
  - e. The company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited.
  - f. I have relied on the representation made by the company and its officers for systems and mechanism put in place by the company for compliance under the applicable Acts, laws and regulations to the company, the details of which are attached as Annexure to the management representation.

I have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards Issued by the Institute of Company Secretaries of India,
- b. The Listing Agreement entered into by the Company with Bombay Stock Exchange and The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that, having regard to the compliance system prevailing in the company and on examination of the relevant documents and records in pursuance thereof, on the test check basis, Company has complied with the following laws applicable specifically to the Company:

- a) Food Safety and Standards Act, 2006. (b). Food Safety and Standards Rules, 2011.
- b) Food Safety and Standards (Packaging and Labeling) Regulation, 2011.
- c) Food Safety and Standards (Licensing and Registration of Food businesses) Regulation, 2011.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following observations for Audit for the period 2022-2023.

- During the year the Company has not appointed Internal Auditors and no internal audit report was issued.

**I report that:**

- a) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) The Compliance by the Company of applicable financial laws like direct taxes and indirect taxes and maintenance of financial records and books of accounts has not been reviewed in this Audit, since the same has been the subject to be review by statutory financial audit and designated professionals.
- d) Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

We have checked the compliance management system of the Company, to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**I further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- Adequate notice is given to all directors to schedule the Board Meeting, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, suits, rules, regulations and guidelines.

**For A. Goyal & Associates**  
**Company Secretaries**

**Sd/-**  
**CS Ashish Goyal**  
**Proprietor**  
**Membership No.: 52796**  
**C.P. No.: 19535**  
**UDIN: A052796E000965015**

**ANNEXURE-B**

**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

**INDUSTRY STRUCTURE AND DEVELOPMENT**

The Dairy Industry plays an important role in the socio-economic development of India. India's production of milk has strongly increased over time with significant technical, policy and institutional support. This led to significant changes in the Indian dairy sector. In fact, the Indian dairy sector has undergone significant structural changes over time and some interesting patterns are unfolding along the milk value chain.

Dairy industry in India is instrumental in providing cheap nutritional food to the vast population of India and also generates huge employment opportunities for people in the rural places. India's dairy industry is largely traditional, local and informal. Milk production is dominated by smallholders. Approximately 78 percent of milk producers are marginal and small farmers, and they together contribute around 68 percent to total milk production. This trend holds true more or less across all the states. A series of efforts have been made to promote organized milk marketing in the country and several policy initiatives have been taken to develop formal milk marketing and processing institutions in the country. The Indian foods industry is growing rapidly. The Agricultural and Processed Food Products Export Development Authority (APEDA), under the Ministry of Commerce, is investing a substantial share of its budgeted allocation in promoting technology upgradation and value addition in key segments (rice, wheat, pulses oilseeds, spices, and dairy products among others).

The prospectus of the country's dairy sector is increasingly attractive. The sector's growth is being catalyzed by modern retail format growth, making it possible to stock a large product variety under one roof coupled with customer centric distribution schemes.

**QUALITY & FOOD SAFETY POLICY**

The Company's Quality Policy is: -

“Company is committed to manufacture and supply nutritional and safe products to satisfy customer requirements by a motivated team using eco-friendly measures with continual improvement in quality and food safety.”

The Company has consistently shown quality improvement with regard to various processes, keeping strict control over deviations. Customer complaints are resolved using laid down systems of quality assurance. Several initiatives are being taken to further improve customer satisfaction in consonance with the Company's quality policy.

**OPPORTUNITIES & THREATS**

**Strengths and Opportunities:**

- Great potential for export of milk products.
- Established and expanding domestic market for dairy products.



- Increasing demand for fluid milk as well as value added Products.
- By product Utilization for import substitution.
- Huge Employment generation & opportunities for Self-employment.
- Liberalized Government policies in the dairy sector.
- Availability of large resources of unconventional feeds and fodders for Dairy owners.
- Availability of diverse germ plasm of dairy cattle and buffaloes that have unique features like heat tolerance, disease resistance, draft ability and ability to survive, breed and produce under stress conditions.

**Weaknesses and Threats:**

- Entry of Multi-National Companies manufacturing dairy products in domestic market.
- Increasing chemical contaminants as well as residual antibiotics in milk.
- Poor microbiological quality of milk.
- Incentive on export of quality feed ingredients particularly cakes.
- Deficiency of molasses, a rich source of energy and binding agent in feed industry and constituent of urea molasses mineral lick.
- Excessive grazing pressure on marginal and small community lands resulting in complete degradation of land.
- Extinction of the indigenous breeds of cattle due to indiscriminate use of crossbreeding programmed to enhance milk production.

The liberalization of the Dairy Industry is likely to be exploited by multi-nationals. They will be interested in manufacturing milk products which yield high profits. It will create milk shortage in the country adversely affecting the consumer.

The analysis also shows that the 'strengths' and 'opportunities' far outweigh 'weaknesses' and 'threats'. Strengths & opportunities are fundamental, and weaknesses & threats are transitory.

**SEGMENT WISE / PRODUCT WISE PERFORMANCE**

The Company is primarily engaged in the business of manufacture, purchase and sales of a wide range of Dairy products like ghee, skimmed milk powder, whole milk powder, dairy whitener, lactose and milk. The income from these activities and export of dairy products is not materially significant in financial terms. Accordingly, segment information has not been disclosed.

**OUTLOOK**

The growth in the Indian economy and the Indian Dairy industries sales is expected further increase in 2023 over 2022.

The future growth expected in the domestic Dairy industries will give a fillip to the dairy industry may face stagnation for couple of years after a phenomenon growth in the past. The Indian dairy industry as whole offers great potential considering the low penetration along with rising income levels and a rapidly growing middle class. These factors will witness a boost in demand for the customers. With the dairy industries fast growing in term of volume.

**RISK AND CONCERNS**

The major risk and concerns attributed to the performance of the company are:

- a. Although the export sales are less in comparison to domestic sales, fluctuation in foreign

- exchange rates and international prices of dairy products may influence the performance of the company.
- b. Increase in input costs, change in tax structure, change in interest rates, changes in Government policies/ laws of land, development and stability of Indian economy against the negative external and internal forces may also impact the overall performance of the company.
  - c. Profitability may be affected on account of competition from existing and prospective manufacturers of the company's products.
  - d. Dairy business is primarily influenced by monsoon. Unfavorable monsoon may affect the milk availability and Company may not get milk upto installed capacity and demand.
  - e.

### **ADEQUACY OF INTERNAL CONTROL SYSTEMS**

The Company has an adequate system of internal controls to ensure that transactions are properly authorised, recorded, and reported, apart from safeguarding its assets. Such internal controls are according to the nature of its business and size of its operations, in order to ensure that all assets are safeguarded against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly and adequately. The internal control system is supplemented by well-documented policies, guidelines and procedures and reviews carried out by the Company's internal audit function, which submits reports periodically to the Management and the Audit Committee of the Board.

The performance of the Company is regularly reviewed by the Audit Committee and/or the Board of Directors to ensure that it is in consonance with the overall corporate policy and in line with pre-set objectives. The Audit Committee of the Board is headed by a non-executive independent Director and all audit findings are reported on a quarterly basis to it.

### **HUMAN RESOURCE DEVELOPMENT**

Being a manufacturing Company, workers form an important link in the chain of growth. The Company maintained a cordial relationship with its personnel during the year under review. The workers are motivated by better service conditions, which is at par with the best in the industry. During the year under review, the Company had undertaken extensive steps for optimizing the use of its manpower through, productivity improvement, and role enrichment. There is a continuous focus on enhancing productivity in all facets of our operations.

### **INDUSTRIAL RELATIONS**

The industrial relations in the Company with the workers at all levels are very cordial and are expected to remain cordial in future as well. The Management acknowledges the contribution of all employees in increasing its turnover manifolds.

### **DISCLAIMER STATEMENT**

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations, or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include finished goods prices, raw materials costs and availability, global and domestic demand supply conditions, fluctuations in exchange rates, changes in Government regulations and

tax structure, economic developments within India and the countries with which the Company has business contacts. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future based on subsequent developments, information or events.

**By Order of the Board of Directors**  
**For KMG Milk Food Limited**

**Sd/-**  
**Basudev Garg**  
**Chairman cum Whole Time Director**  
**DIN: 00282038**

**Date: 07.09.2023**  
**Place: Kurukshetra**

**ANNEXURE-C**

**PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988**

**I. CONSERVATION OF ENERGY**

**a) Steps taken or impact on conservation of energy:** Energy conservation efforts are ongoing activities. During the year under review further efforts were made to ensure optimum utilization of electricity.

**b) Steps taken by the company for utilizing alternate sources of energy:** NIL

**c) The Capital investment on energy conservation equipment's:** NIL

**II. TECHNOLOGY ABSORPTION, ADAPTION & INNOVATION AND RESEARCH & DEVELOPMENT**

No research & development or technical absorption or adaption & innovation taken place in the company during the Financial Year 2022-23, the details as per rule 8(3) of The Companies (Accounts) Rules, 2014 are as follows:

**i. Efforts made towards technology absorption:** NIL

**ii. Benefits derived like product improvement, cost reduction, product development or import substitution:** NIL

**iii. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):**

a. Details of technology imported: NIL

b. Year of Import: NIL

c. Whether the technology been fully absorbed: NIL

d. Areas where absorption has not taken place and the reasons there of: NIL

**iv. Expenditure incurred on Research and Development:** NIL

**III. FOREIGN EXCHANGE EARNINGS AND OUTGO**

As your Company does not deal in Foreign Exchange, therefore the particulars relating to Foreign Exchange Earnings and Outgo are not applicable to your Company.

**Foreign Exchange Earnings:** NIL

**Foreign Exchange Outgo:** NIL

**By Order of the Board of Directors**  
**For KMG Milk Food Limited**

Sd/-  
**Basudev Garg**  
**Chairman cum Whole Time Director**  
**DIN: 00282038**

**Date: 07.09.2023**

**Place: Kurukshetra**

**ANNEXURE-D**

**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT REGULATION 34(3) READ  
WITH SCHEDULE V (D) OF THE SEBI (LODR), 2015**

I do hereby declare that pursuant to Schedule V (D) read with Regulation 34(3) of the Listing Regulations, all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2023.

**By Order of the Board of Directors  
For KMG Milk Food Limited**

**Sd/-  
Basudev Garg  
Whole-Time Director**

**Sd/-  
Pardeep Gupta  
Chief Financial Officer**

**Date: 07.09.2023  
Place: Kurukshetra**

**ANNEXURE-E**

**CFO Certification**

The Board of Directors  
**KMG Milk Food Limited**  
9<sup>th</sup> K.M. Stone, Pipli to Ambala,  
G.T. Road Village Masana,  
Distt. Kurukshetra-136118, Haryana

I, Pardeep Gupta, Chief Financial Officer of KMG Milk Food Limited to the best of my knowledge and belief, certify that:

We have reviewed the Balance Sheet as on 31<sup>st</sup> March, 2023, Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information of the Company, and the Board's report for the year ended 31<sup>st</sup> March, 2023.

These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statement made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

The financial statements and other financial information included in this report, present in all material respect a true and fair view of the Company's affairs, the financial condition, result of operations and cash flows of the Company as at and for the period presented in this report and are in compliance with the existing accounting standards and/or applicable laws and regulation.

There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.

We are responsibility for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:

- a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company is made known to us by others particularly during the period in which this report is being prepared.
- b) Designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Indian Accounting Standards (Ind AS).
- c) Evaluate the effectiveness of the Company's disclosure, controls and procedures.
- d) Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected or is reasonably likely to materially effect, the Company's internal control over financial reporting.

- e) We have disclosed, based on our most recent evaluation of the Company's internal over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions).
- f) Any deficiencies in the design or operation of internal controls that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there has been no material weakness in internal controls over financial reporting including any corrective actions with regard to deficiencies.
- g) Any significant changes in the internal controls during the year are covered by this report.
- h) All significant changes in accounting policies during the year, if any and the same have been disclosed in the notes to the financial statements.
- i) Any instances of significant fraud of which we are aware that involve the Management or other employees who have a significant role in the Company's internal control system.

We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.

We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

**By Order of the Board of Directors  
For KMG Milk Food Limited**

**Sd/-  
Pardeep Gupta  
Chief Financial Officer**

**Date: 07.09.2023  
Place: Kurukshetra**

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF KMG MILK FOOD LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of KMG MILK FOOD LIMITED ("the Company"), which comprise the Balance Sheet as at March 31<sup>st</sup>, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31<sup>st</sup>, 2023, the loss and other comprehensive expenses, Cash Flow Statement, and statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 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 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 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no Key Audit Matters to communicate in our audit report.

Emphasis of Matter

We draw attention to the following matter:

- The Internal Auditor has not been appointed by the Company during the financial year to which this report related.

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 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 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.

#### 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 Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, Cash flows of the company, changes in equity of the Company in accordance with the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 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 Ind AS 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 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 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.

Materiality is the magnitude of misstatements in the 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.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, 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 paragraph 3 & 4 of the order.
2. As required by Section 143(3) of the Act, based on our audit 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, Cash Flow Statement, Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid Ind AS 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 March 31st, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2023 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company have the following pending litigations which would impact its financial position:
- a) In the matter of Semen Bank Officer/Haryana Live Stock Development Board, Pehowa, Harayana (Milk Cess) vs. Company of Rs 71,31,64,397/- including interest of 69,79,07,522/-.
- b) In the matter of Company vs Hitkari Industries Ltd in the Karkadoma Court for Rs.1,85,000 + 123,671/- Delhi.
- c) In the matter of Company v/s Shree Ganesh Trading Co. Kurukshetra, Kurukshetra Court for Rs. 128,693/- plus Interest
- d) In the matter of Company vs. Baldev Bhui in the Karkadoma Court for Rs.1,30,000/- Delhi.
- e) In the matter of Company vs. Prem Prakash in the Karkadoma Court for Rs. 90,000+67,000/- Delhi.
- f) Company vs. J Rai Milk Food Industry, Jalandhar in the Kurukshetra Court, Haryana for Rs. 2,04,00,000/-.
- g) In the matter of Company vs. Rana Milk Food Pvt. Ltd., in the council Micro and Small Enterprises Facilitation Council (MSEFC) for recovery of due amount Rs. 21,10,000/-.
- h) In matter of Company vs. Creamy Dairy Industries Pvt. Ltd., in the council Micro and Small Enterprises Facilitation Council (MSEFC) for recovery of due amount Rs. 15,88,920/-.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Rajan K Gupta & Co**  
**Chartered Accountants**  
**FRN 005945C**  
**Sd/-**  
**Rajan Gupta**  
**Partner**  
**M.No 074696**  
**UDIN: 23074696BGUGRK3037**

**Date: 03.06.2023**  
**Place: Ghaziabad**

### **“Annexure A” to the Independent Auditors’ Report**

Referred to Independent Auditors’ Report to the members of the Company on the Ind AS financial statements of the Company for the year ended March 31st, 2023, we report that:

1. Property, Plant & Equipments under Clause 3(i) of the Order-:

(a) The Company has maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipments and intangible assets during the year;

Company has no intangible assets during the year;

(b) 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 a regular programme of physical verification of its property, plant and equipment at reasonable intervals;

No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the records of the Company, the title deeds of immovable disclosed in the financial statements are held in the name of the Company.

(d) 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 not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.

2. Inventories under clause 3(ii) of the order-:

(a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory for each class of inventory.

(b) 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 not sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets.

3. Investments, Guarantee / Security, Loans or Advances under clause 3(iii) of the order-:

(a) the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, therefore clause 3(iii)(a) of the order is not applicable to the company;

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the investments made and the terms and conditions of the

grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and there payments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.

(e) The company has not any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans; therefore, no disclosures required under clause 3(iii)(e) of the order;

(f) 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 not given any loans either repayable on demand or without specifying any terms or period of repayment.

4. Compliance of provisions of Secs. 185 & 186 under clause 3(iv) of the order: -

(a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.

5. Public Deposits under clause 3(v) of the order: -

(a) According to the information and explanation given to us, the Company has not accepted any deposit during the year and accordingly the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder are not applicable to the company;

6. Cost Records under clause 3(vi) of the order: -

(a) According to the information and explanation given to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. Accordingly, clause 3(vi) of the Order is not applicable

7. Statutory Dues under clause 3(vii) of the order: -

(a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Goods & Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2023 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanations given to us, no amounts payable in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise or value added tax or cess which have not been deposited on account of any disputes.

8. Unrecorded Income under clause 3(viii) of the order: -

(a) There are no any transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961;

9. Repayment of Dues under clause 3(ix) of the Order: -

(a) In our opinion and according to the information and explanations given to us, the Company has not taken any loan from Bank, financial institutions, from the government or from any other lender and has not issued any debentures. Therefore, the provisions of clause 3 (ix)(a) of the Order is not applicable to the Company;

(b) 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 not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) The company has not applied for any term loan therefore the clause 3(ix)(c) of the order is not applicable to the company;

(d) Company has not raised any fund on short term basis which have been utilized for long term purposes;

(e) The company is not a Holding company of any other entity, therefore clause 3(ix)(e) is not applicable to the company;

10. Use of money raised through issue of own shares under clause 3(x) of the order:

(a) In our opinion and according to the information and explanations given to us, the Company had not raised money by way of further public offer (including debt instruments) during the year. Therefore, the provisions of clause 3 (x)(a) of the Order are not applicable to the Company.

(b) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (x)(b) of the Order are not applicable to the Company and hence not commented upon.

11. Fraud under clause 3(xi) of the order: -

(a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

12. Nidhi Company under clause 3(xii) of the order: -

(a) According to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13. Related Party Transaction under clause 3(xiii) of the order: -

(a) According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.(Refer note No. 26 to the Financial Statements)

14. Internal Audit under clause 3(xiv) of the order: -

(a) Based on information and explanation provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business but have not appointed any Internal Auditor yet to report the internal audit during the year.

15. Non-cash transactions with Directors under clause 3(xv) of the order:

a. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16. Registration u/s 45-IA of RBI Act under clause 3(xvi) of the order:

(a) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

17. Cash Losses under clause 3(xvii) of the Order:

(a) The company has not any cash losses during the year and in the immediately preceding financial year; therefore, the clause is not applicable;

18. Auditor's resignation under clause 3(xviii) of the order:

(a) No any resignation of Statutory auditors during the year, therefore clause is not applicable.

19. Financial Position under clause 3(xix) of the order:

(a) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. CSR Compliance under clause 3(xx) of the order:

(a) According to the information and explanations provided to us during the course of audit Section 135 of the Companies Act, 2013 is not applicable to the Company. Accordingly, Clause is not applicable to the company.

**For Rajan K Gupta & Co**  
**Chartered Accountants**  
**FRN 005945C**

**Sd/-**  
**Rajan Gupta**  
**Partner**  
**M.No 074696**  
**UDIN: 23074696BGUGRK3037**

**Date: 03.06.2023**  
**Place: Ghaziabad**



**“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of KMG Milk Food Limited**

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 KMG Milk Food Limited (“the Company”) as of March 31st, 2023 in conjunction with our audit of the 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. 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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 March 31st, 2023, 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. Further, as per the Section 138 of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014, the Internal Auditor required to be appointed by the Company therefore it is advisable to the company to do the internal audit through the Internal Auditor or a firm of internal auditors.

**For Rajan K Gupta & Co**  
**Chartered Accountants**  
**FRN 005945C**

**Sd/-**  
**Rajan Gupta**  
**Partner**  
**M.No 074696**  
**UDIN: 23074696BGUGRK3037**

**Date: 03.06.2023**  
**Place: Ghaziabad**

**KMG MILK FOOD LIMITED**  
**31<sup>st</sup> ANNUAL REPORT 2022-2023**

**KMG Milk Food Limited**  
**CIN : L15201HR1999PLC034125**  
**Balance Sheet as on 31st March, 2023**

(Amount in hundred ₹)

Particulars	Note No	As at 31 March, 2023	As at 31 March, 2022
<b>Assets</b>			
<b>Non-current assets</b>			
1 (a) Property, plant and equipment	1	203,418.45	206,826.59
(b) Capital work - in - progress		-	-
(c) Goodwill		-	-
(d) Other intangible assets		-	-
<b>Financial Assets</b>			
(i) Investments	2	-	-
(iii) Loans		-	-
(iv) Bank Balances		-	-
(v) Others		-	-
(f) Other non - current assets	3	8,347.07	84,434.23
(g) Deferred tax assets (net)		-	-
<b>Current assets</b>			
(a) Inventories	4	359,418.38	267,311.22
<b>Financial assets</b>			
(i) Investments		-	-
(ii) Trade Receivable	5	97,482.88	111,677.68
(iii) Cash and Cash equivalent	6	20,302.27	15,652.76
(iv) Loans	7	107,218.14	29,392.19
(c) Current tax assets (net)		-	-
(d) Other current assets	8	26,828.67	21,291.18
<b>Total Assets</b>		<b>823,015.86</b>	<b>736,586.03</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
1 (a) Equity share capital	9	530,460.00	530,460.00
(b) Instruments entirely equity in nature		-	-
(c) Other Equity	10	(604,294.87)	(631,293.95)
<b>Total Equity</b>		<b>(73,834.87)</b>	<b>(100,833.95)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(a) (i) Long-term Borrowings	11	313,712.33	281,212.33
(ii) Trade Payable		-	-
-Total outstanding dues of Small Enterprises and Micro enterprises		-	-
- Total outstanding dues of creditors other than small enterprises and micro enterprises.		-	-
(iii) Other Financial liabilities	12	300,000.00	300,000.00
(b) Deferred Revenue/Income		-	-
(c) Deferred tax liabilities (net)	13	17,683.97	23,847.00
(d) Other non-current liabilities		-	-
		<b>631,396.30</b>	<b>605,059.33</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(a) (i) Borrowings		-	-
(ii) Trade Payable		-	-
-Total outstanding dues of Small Enterprises and Micro enterprises		727.20	4,170.73
- Total outstanding dues of creditors other than small enterprises and micro enterprises.	14	74,902.21	27,539.06
(iii) Other Financial liabilities	15	189,825.02	200,650.86
(b) Other current liabilities		-	-
(c) Provisions		-	-
<b>Total Liabilities</b>		<b>896,850.73</b>	<b>837,419.98</b>
<b>Total equity and liabilities</b>		<b>823,015.86</b>	<b>736,586.03</b>

**The accompanying notes are an integral part of the financial statements**

This is the balance sheet referred to in our report of even date

**For Rajan K Gupta & Co**  
Chartered Accountants  
FRN 005945C

For and on behalf of Board of Directors  
**KMG Milk Food Limited**

**Rajan Gupta**  
Partner  
501 P 74696

**Mithlesh Garg**  
Director  
DIN-00185942

**Basudev Garg**  
Chairman & Whole  
DIN-00282038

Place: **Ghaziabad**  
Date: 03.06.2023  
UDIN: 23074696BGUGRK3037

**Deepthi Goel**  
Company Secretary  
ACS-36841

**KMG MILK FOOD LIMITED**  
**31<sup>st</sup> ANNUAL REPORT 2022-2023**

**KMG MILK FOOD LIMITED**

CIN : L15201HR1999PLC034125

Statement of Profit and Loss for the year ended 31 March, 2023

(Amount in hundred ₹)

		Particulars	Note No	For the year Ended 31 March,2023	For the year Ended 31 March,2022
A		<b>Continuing operations</b>			
		<b>Income</b>			
	1	Revenue from operations	16	1,329,415.41	830,123.87
	2	Other income	17	26,441.70	11,038.11
	3	<b>Total Income (I)</b>		<b>1,355,857.11</b>	<b>841,161.98</b>
	4	<b>Expenses</b>			
		Cost of Material Consumed	18	1,045,926.08	284,285.89
		Purchase of traded goods	19	158,987.00	284,780.69
		Changes in inventories of finished goods	20	(78,796.14)	(66,317.93)
		Employee benefits expense	21	75,672.28	90,890.28
		Finance Cost	22	537.09	224.42
		Depreciation and amortization expense	23	15,535.80	17,448.87
		Other expenses	24	117,158.71	236,885.79
		<b>Total Expenses (II)</b>		<b>1,335,020.82</b>	<b>848,198.01</b>
	5	<b>Profit/(loss) before exceptional items and tax</b>		20,836.29	(7,036.03)
	6	<b>Exceptional Items</b>		-	-
	6	<b>Profit/(loss) before extraordinary items and tax</b>		20,836.29	(7,036.03)
	7	<b>Extraordinary items</b>		-	-
	7	<b>Profit/(loss) before tax</b>		<b>20,836.29</b>	<b>(7,036)</b>
	8	<b>Tax expense</b>			
		Current tax		-	-
		(Less): MAT credit (where applicable)		-	-
		Current tax expense relating to prior years		-	-
	9	<b>Net current tax expense</b>		-	-
		Deferred tax		(6,162.79)	6,626.00
		<b>Total Tax expense</b>		<b>(6,162.79)</b>	<b>6,626.00</b>
	10	<b>Profit/(loss) for the year</b>		26,999.08	(13,662.03)
		Minority shareholders interest- loss/(profit)		-	-
		Share in loss of associates		-	-
	11	<b>Profit/ (Loss) for the year from continuing operations (A)</b>		<b>26,999.08</b>	<b>(13,662.03)</b>
B		<b>Discontinuing operations</b>			
		Profit/(loss) before tax from discontinuing operations		-	-
		Tax expense of discontinuing operations		-	-
	12	<b>Profit/(loss) after tax from discontinuing operations (B)</b>		-	-
		<b>Profit/(loss) for the year (A+B)</b>		<b>26,999.08</b>	<b>(13,662)</b>
C	13	<b>Other comprehensive income</b>			
	(i)	Items that will not be reclassified to profit or loss		-	-
	(ii)	Income tax relating to items that will not be reclassified to profit or loss		-	-
	(III)	Items that will be reclassified to profit or loss		-	-
	(IV)	Income tax relating to items that will be reclassified to profit or loss		-	-
D	14	<b>Total comprehensive income for the period (XIII + XIV)</b>		<b>26,999.08</b>	<b>(13,662)</b>
		Earnings per share (In Rs.)	25		
		Basic		50.90	(0.26)
		Diluted		50.90	(0.26)
<b>The accompanying notes are an integral part of the financial statements</b>					
This is the Statement of Profit & Loss in our report					
<b>For Rajan K Gupta &amp; Co</b> Chartered Accountants FRN 005945C			For and on behalf of Board of Directors <b>KMG Milk Food Limited</b>		
<b>Rajan Gupta</b> Partner M.No 074696		<b>Mithlesh Garg</b> Director DIN-00185942		<b>Basudev Garg</b> Chairman & Whole time DIN-00282038	
51   Page UDIN: 23074696BGUGRK3037 Place:Ghaziabad Dated : 03.06.2023			<b>Deepti Goel</b> Company Secretary ACS - A69927		

<b>KMG Milk Food Limited</b>				
CIN : L15201HR1999PLC034125				
<b>Statement of Changes in Equity for the year ended 31st March, 2023</b>				
(All amount in hundred ₹ , unless stated otherwise)				
<b>A. Equity share capital*</b>				
<b>As at 31st March, 2023</b>				
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Restated balance at the beginning of the current reporting period	Restated balance at the beginning of the current reporting period
53,046,000	-	53,046,000	-	53,046,000
<b>As at 31st March, 2022</b>				
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Restated balance at the beginning of the current reporting period	Restated balance at the beginning of the current reporting period
53,046,000	-	53,046,000	-	53,046,000
*Refer Note No 9				
<b>B. Other Equity</b>				
<b>As at 31st March, 2023</b>				
Particulars	Reserve and Surplus			
	Capital Reserve	Retained Earnings	Total	
Balance as on 1st April 2022	-	(631,294)	(631,294)	
Changes in accounting policy or prior period item	-	-	-	
Restated balance at the beginning of the current reporting period	-	(631,294)	(631,294)	
Profit/(loss) for the year	-	26,999	26,999	
Other Comprehensive income/(Expnse) {Net of taxes}	-	-	-	
Balance as on 31st March 2023	-	(604,295)	(604,295)	
<b>As at 31st March, 2022</b>				
Particulars	Reserve and Surplus			
	Capital Reserve	Retained Earnings	Total	
Balance as on 1st April 2021	-	(6,176)	(6,176)	
Changes in accounting policy or prior period item	-	-	-	
Restated balance at the beginning of the current reporting period	-	(6,176)	(6,176)	
Profit/(loss) for the year	-	(13,662)	(13,662)	
Other Comprehensive income/(Expnse) {Net of taxes}	-	-	-	
Balance as on 31st March 2022	-	(19,838)	(19,838)	

KMG MILK FOOD LIMITED

CIN : L15201HR1999PLC034125

Notes to financial statements for the year ended 31 March, 2023

(All amount in hundred ₹, unless stated otherwise)

**Note -1: Property, plant and equipment**

	Freehold land and Buildings	Plant and Equipments	Office Equipments	Furniture & Fixture	Vehicles	Intangible assets	Total
<b>Gross Block</b>	Cost or Valuation						
	<b>At 1st April, 2021</b>	315,015.74	944,019.85	-	3,340.81	106,710.74	1,369,087.14
	Addition	722.65	4,696.68	-	113.00	165.25	5,697.58
	Disposals	-	-	-	-	-	-
	<b>At 31st March, 2022</b>	<b>315,738.39</b>	<b>948,716.53</b>	<b>-</b>	<b>3,453.81</b>	<b>106,710.74</b>	<b>1,374,784.72</b>
	Addition	2,048.69	7,624.69	2,454.28	-	-	12,127.66
	Disposals	-	-	-	-	-	-
<b>At 31st March, 2023</b>	<b>317,787.08</b>	<b>956,341.22</b>	<b>2,454.28</b>	<b>3,453.81</b>	<b>106,710.74</b>	<b>1,386,912.38</b>	
<b>Depreciation</b>	Depreciation and Impairment						-
	<b>At 1 April, 2021</b>	190,437.33	862,900.24		3,130.52	94,041.17	1,150,509.26
	Depreciation Charge for the year	4,709.23	8,926.52		16.79	3,669.36	17,448.87
	Disposals	-	-		-	-	-
	<b>At 31st March, 2022</b>	<b>195,146.56</b>	<b>871,826.76</b>		<b>3,147.31</b>	<b>97,710.53</b>	<b>1,167,958.13</b>
	Depreciation Charge for the year	4,817.97	7,422.09	779.70	34.59	2,475.32	15,535.80
	Disposals						
<b>At 31st March, 2023</b>	<b>199,964.53</b>	<b>879,248.85</b>	<b>779.70</b>	<b>3,181.90</b>	<b>100,185.85</b>	<b>1,183,493.93</b>	
<b>Net Block</b>	<b>at 31st March, 2023</b>	117,822.55	77,092.37	1,674.58	271.91	6,524.89	203,418.45
	<b>at 31st March, 2022</b>	<b>120,591.83</b>	<b>76,889.77</b>	<b>-</b>	<b>306.50</b>	<b>9,000.21</b>	<b>206,826.59</b>

**Financial Assets**

<b>Note-2: Investment</b>			
S.No	Particulars	As at 31 March,2023	As at 31 March,2022
1	Government Securities (NSC)	-	-
	Total	-	-

<b>Note-3: Other Non Current Assets</b>			
S.No	Particulars	As at 31 March,2023	As at 31 March,2022
	<b>Security deposits</b>		
(a)	HSEB	8,312.07	31,562.10
(b)	Barcode	30.00	30.00
(c)	Telephone	5.00	5.00
(d)	HDFC-FDR (Pledge for bank Gurantee-date of maturity)	-	50,000.00
(e)	Interest accrued on FDR	-	2,837.13
	<b>Total</b>	<b>8,347.07</b>	<b>84,434.23</b>

**Note-4: Inventories**

S.No	Particulars	As at 31 March,2023	As at 31 March,2022
1	Raw Material	-	-
2	Finished Goods	359,418.38	244,506.93
3	Consumable/ Packing Material	-	22,804.29
	<b>Total</b>	<b>359,418.38</b>	<b>267,311.22</b>

**Note-6: Cash and cash equivalent**

S.No	Particulars	As at 31 March,2023	As at 31 March,2022
1	<b>Balances with banks:</b>		
	On current accounts	18,989.39	14,525.79
2	Cash on hand	1,312.88	1,126.97
	<b>Total</b>	<b>20,302.27</b>	<b>15,652.76</b>

**Note-7: Loans**

(Secured considered good unless otherwise stated)

S.No	Particulars	As at 31 March,2023	As at 31 March,2022
1	Loan to directors	-	-
2	<b>Other Loans &amp; Advance:</b>		
	Earnest Money	-	10,000.00
	Advance to Parties	74,713.54	2,895.76
	GST Input paid	32,504.60	16,496.43
	<b>Total loans</b>	<b>107,218.14</b>	<b>29,392.19</b>
	Current	107,218.14	29,392.19
	Non-Current	-	-
	<b>Total loans</b>	<b>107,218.14</b>	<b>29,392.19</b>

**Note-8: Other Current Assets**

S.No	Particulars	As at 31 March,2023	As at 31 March,2022
1	TDS Receivable	22,305.67	18,719.59
2	Staff Advance	2,246.00	500.00
3	Prepaid expenses	1,277.00	1,760.82
4	Others	1,000.00	310.77
	<b>Total</b>	<b>26,828.67</b>	<b>21,291.18</b>



**Note 5: Trade Receivables**

S.No.	Particulars	As at 31 March 2023	As at 31 March 2022
(a)	Secured, considered good	97,482.88	111,677.68
(b)	Credit impaired	-	-
	<b>Total</b>	<b>97,482.88</b>	<b>111,677.68</b>

Ageing of Trade Receivables		As at March 31, 2023					
S.No.	Particulars	Outstanding for the following period from due date of payment					Total
		Less than six months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables – considered good	43,817.79	2,815.65	50,849.44	-	-	97,482.88
	<i>Last year figures</i>	6,523.36	70,401.23	6,483.32	-	28,269.77	111,677.68
(ii)	Undisputed Trade Receivables –considered doubtful	-	-	-	-	-	-
	<i>Last year figures</i>	-	-	-	-	-	-
(iii)	Disputed Trade Receivables considered good	-	-	-	-	-	-
	<i>Last year figures</i>	-	-	-	-	-	-
(iv)	Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
	<i>Last year figures</i>	-	-	-	-	-	-

**Note: Trade receivables include debts due from:**

S.No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Directors	-	-
2	Other officers of the Company	-	-
3	Firms in which any director is a partner	-	-
4	Private companies in which any director is a director or member	-	-

**Note-9:Share Capital**

Particulars	As at 31 March,2023	As at 31 March,2022
<b>Authorised</b>		
1,50,00,000 (Previous Year 60,00,000) equity shares of Rs.10/- each	1,500,000.00	600,000.00
	<b>1,500,000.00</b>	<b>600,000.00</b>
<b>Issued, subscribed and fully paid up</b>		
53,04,600 (Previous Year 53,04,600) equity shares of Rs.10/- each	530,460.00	530,460.00
	<b>530,460.00</b>	<b>530,460.00</b>



**a. Reconciliation of the no. of shares and amount outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31 March,2023		As at 31 March,2022	
	Number of Shares	Amount	Number of Shares	Amount
<b>Equity shares of Rs 10 each fully paid up</b>				
Share outstanding at the beginning and at the end of the year	5,304,600	530,460.00	5,304,600	530,460.00
Share issued during the year	-	-	-	-
Share bought back during the year	-	-	-	-
At the beginning and at the end of the year	5,304,600	530,460.00	5,304,600	530,460.00

**b. Rights, preferences and restrictions attached to equity shares**

The company has a single class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. In the event of liquidation of the company, the holders of equity shares will be entitled to receive residual assets of the company, after distribution of all preferential amounts in proportion to the number of equity shares held.

**c. Equity shares held by holding /ultimate holding company and/or their subsidiaries/associates**

Particulars	As at 31 March,2023		As at 31 March,2022	
	Number of Shares	Amount	Number of Shares	Amount
<b>Equity shares of Rs. 10 each fully paid, held by M/S KMG International Ltd</b>	99,840	9,984.00	99,840	9,984.00

**d. Shareholders holding more than 5% shares of the company**

Particulars	As at 31 March,2023		As at 31 March,2022	
	Number of Shares	% holding	Number of Shares	% holding
<b>Equity Shares of Rs.10 each fully paid up, held by</b>				
Shri Basudev Garg	2,836,135	53.47%	2,836,135	53.47%
Surender Ghandhi	530,460	10.00%	530,460	10.00%

**e. Promoters Shareholding**

Shares held by the promoters at the end of the year			% Change during the year	
Promoter Name	No. of Shares	% of total Shares	No. of Shares	% of total Shares
Smt Mithlesh Garg	100	0.00%	-	0%
Shri Basudev Garg	2,836,135	53.47%	-	0%
Smt Shivangi Garg	100	0.00%	-	0%
Shri Rahul Garg	100	0.00%	-	0%
M/S KMG International Ltd	99,840	1.88%	-	0%

<b>Note-10: Other Equity</b>			
S.No	Particulars	As at 31 March,2023	As at 31 March,2022
1	<b>Retained earning</b>		
	Opening Balance	(631,293.95)	(617,631.92)
	Addition during the period	26,999.08	(13,662.03)
	<b>Total</b>	<b>(604,294.87)</b>	<b>(631,293.95)</b>
1	<b>Note:-</b> Debit balance of statement of profit and loss shall be shown as a negative figure under the head 'Surplus'. Similarly, the balance of 'Reserves and Surplus', after adjusting negative balance of surplus, if any, shall be shown under the head 'Reserves and Surplus' even if the resulting figure is in the negative.		

<b>Note-11: Long Term Borrowings</b>			
S.No	Particulars	As at 31 March,2023	As at 31 March,2022
1	Loan and advance from related parties	313,712.33	281,212
	Other Loans and advances		-
	<b>Total</b>	<b>313,712.33</b>	<b>281,212</b>

Note: Unsecured loan from director of the company.

<b>Note-12: Other Long Term Liabilities</b>			
S.No	Particulars	As at 31 March,2023	As at 31 March 2022
1	Business Advance	300,000.00	300,000
	<b>Total</b>	<b>300,000.00</b>	<b>300,000</b>

**Note-13 : Deferred Tax Liabilities (Net)**

S.No	Particulars	As at 31 March,2023	As at 31 March,2022
	<b>Deferred tax liability arising on account of:</b>		
1	Employee benefits	-	-
2	Depreciation	(6,162.79)	6,626
3	Opening Balance	23,846.76	17,221
	Less: Deferred Tax Assets	-	-
	<b>Total</b>	<b>17,683.97</b>	<b>23,847</b>

<b>Note-15: Other financial Liabilities</b>			
<b>S.No</b>	<b>Particulars</b>	<b>As at 31 March,2023</b>	<b>As at 31 March,2022</b>
1	Expenses Payable	4,955.57	7,379
2	Received from Directors	44,687.36	38,717
3	Shree Ganesh ji Maharaj	2.53	3
4	Advance Received	1,367.31	13,594
5	Statutory Remittance	138,812.25	140,958
	<b>Total financial liabilities</b>	<b>189,825.02</b>	<b>200,651</b>
	<b>Total current</b>	189,825.02	200,651
	<b>Total non-current</b>	-	-
1	Statutory Remittance includes Rs. 1,37,91,251 (Previous year 14016251 ) for the outstanding of milk cess against the supreme court order dated 07-09-2012		

**Note-14: Trade Payables**

S.No.	Particulars	As at 31 March 2023	As at 31 March 2022
1	Total outstanding dues of micro enterprises and small enterprises	727	4,171
2	Total outstanding dues of creditors other than micro enterprises and small enterprises	74,902	27,539
	<b>Total</b>	<b>75,629</b>	<b>31,710</b>

**14.1: Due to Micro, small and medium enterprises as defined under the MSMED Act, 2006**

S.No.	Particulars	As at 31 March 2023	As at 31 March 2022
1	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year - Principal amount due to micro and small enterprises - Interest due on above	727.20 -	4,170.73 -
		<b>727.20</b>	<b>4,170.73</b>
2	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with amounts of payment made to supplier beyond the appointed day during each accounting year	-	-
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year ) but without adding the interest specified under the MSMED Act 2006	-	-
4	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

**14.2 Ageing of trade payable**

Ageing of Trade payables		As at March 31, 2023				Total
S.No.	Particulars	Outstanding for the following period from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME <i>(last year figures)</i>	727 4,170.73	-	-	-	727 4,171
(ii)	Others <i>(last year figures)</i>	74,902 27,539.06	-	-	-	74,902 27,539
(iii)	Disputed dues MSME <i>(last year figures)</i>	-	-	-	-	-
(iv)	Disputed dues others <i>(last year figures)</i>	-	-	-	-	-

- Note
- (a) No interest is paid / payable during the year to any enterprise registered under the MSME Act.
  - (b) The above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under MSME.
  - (c) Ageing has been considered from the date of transaction.
  - (d) Trade payables are non-interest bearing and are normally settled on 60-day terms
  - (d) Previous year figures have been reported in italics above.

**Note-16: Revenue from operations**

S.No	Particulars	For the year Ended 31 March,2023	For the year Ended 31 March,2022
<b>1</b>	<b>Revenue from operations</b>		
<b>(a)</b>	<b>Sale of products</b>		
	Export		-
	Domestic		
	Sale	1,302,094.62	679,785.12
<b>(b)</b>	<b>Sale of Services</b>		
	Job Work	27,320.79	150,338.75
		1,329,415.41	830,123.87
<b>2</b>	<b>Other operating revenues</b>		-
	<b>Revenue from operations (Gross)</b>	<b>1,329,415.41</b>	<b>830,123.87</b>
	Less : Excise duty		-
	<b>Revenue from operations (Net)</b>	<b>1,329,415.41</b>	<b>830,123.87</b>

**Note-17: Other income**

S.No	Particulars	For the year Ended 31 March,2023	For the year Ended 31 March,2022
1	Sundry Balance written Off	2,079.62	7,070.37
2	Interest on		3,949.74
	- Fixed Deposit	2,027.92	
	- Security	1,296.25	
3	Rental Income	21,000.00	
4	Others	37.91	18.00
	<b>Total</b>	<b>26,441.70</b>	<b>11,038.11</b>

**Note-18: Cost of Material Consumed**

S.No	Particulars	For the year Ended 31 March,2023	For the year Ended 31 March,2022
1	Opening Stock	22,804.29	8,926.60
2	Add Purchase including Packing Materials	1,059,237.09	298,163.58
	<b>Total</b>	<b>1,082,041.38</b>	307,090.18
3	Less: Closing Stock	36,115.30	22,804.29
	<b>Total</b>	<b>1,045,926.08</b>	<b>284,285.89</b>

**Note-19: Purchase of Traded Goods**

S.No	Particulars	For the year Ended 31 March,2023	For the year Ended 31 March,2022
a.	Butter	158,987.00	29,500.00
b.	Skimmed Milk Powder	-	92,718.59
c.	Cream	-	18,979.75
d.	Whole Milk Powder	-	8,669.76
e.	Loose Ghee	-	134,912.59
	<b>Total</b>	<b>158,987.00</b>	<b>284,780.69</b>

**Note-20: Change in Inventories of finished goods**

S.No	Particulars	For the year Ended 31 March,2023	For the year Ended 31 March,2022
	<b>Inventories at the end of the year:</b>		
1	Finished goods	323,303.07	222,491.48
2	Work-in-progress	-	-
3	Stock-in-trade	-	22,015.45
		<b>323,303.07</b>	<b>244,506.93</b>
	<b>Inventories at the beginning of the year:</b>		
1	Finished goods	222,491.48	178,189.00
2	Work-in-progress	-	-
3	Stock-in-trade	22,015.45	-
		<b>244,506.93</b>	<b>178,189.00</b>
	<b>Total</b>	<b>(78,796.14)</b>	<b>(66,317.93)</b>

**Note-20.1: Details of Finished Goods**

S.No	Particulars	For the year Ended 31 March,2023	For the year Ended 31 March,2022
a.	Loose Ghee	295,287.01	87,174.23
b.	Skimmed Milk Powder	-	9,046.44
c.	Butter	-	-
d.	Cream	-	197.56
e.	Whole milk powder	-	6,318.96
f.	Other items	-	54,098.00
	<b>Total</b>	<b>295,287.01</b>	<b>156,835.19</b>

**Note-21: Employee benefit expense**

S.No	Particulars	For the year Ended 31 March,2023	For the year Ended 31 March,2022
1	Salaries, wages and bonus	74,521.33	88,605
2	Contribution to provident fund and other funds	877.23	1,175
3	ESI	217.26	358
4	Staff welfare expenses	56.46	752
	<b>Total</b>	<b>75,672.28</b>	<b>90,890</b>





<b>Note-22: Other expenses</b>			
<b>S.No</b>	<b>Particulars</b>	<b>For the year Ended 31 March,2023</b>	<b>For the year Ended 31 March,2022</b>
1	Freight Inward	201.25	1,198.65
2	Cess	2,250.00	7,350.00
3	Cold Storage Charges	-	549.75
4	Consumables	-	172.80
5	Power and Fuel Expenses	34,395.49	66,057.58
6	Repairs and maintenance		
	- Building		3.90
	- Machinery	2,994.99	7,783.82
	- Others	351.84	307.50
7	Miscellaneous expenses	4,811.36	3,800.84
8	Legal and professional expenses	6,127.10	5,792.01
9	Office Expenses	58.10	5,226.27
10	Stock Exchange Expenses	3,000.00	3,225.00
11	Travelling and conveyance	3,192.92	2,237.87
12	Fees & Taxes	10,670.75	3,334.30
13	Vehicle Mainenance Expenses	1,303.33	3,923.16
14	Printing and stationery	329.20	475.78
15	Donation	5,010.00	180.00
16	Penalty	41,301.09	54.55
17	Rate & Taxes	-	274.55
18	Statutory Audit Fees	900.00	1,100.00
	<b>Total</b>	<b>117,158.71</b>	<b>236,885.79</b>

<b>Note-23: Finance Cost</b>			
<b>S.No</b>	<b>Particulars</b>	<b>For the year Ended 31 March,2023</b>	<b>For the year Ended 31 March,2022</b>
1	Bank Charges	537.09	224
	<b>Total</b>	<b>537.09</b>	<b>224</b>

<b>Note-24: Depreciation and amortization expenses</b>			
<b>S.No</b>	<b>Particulars</b>	<b>For the year Ended 31 March,2023</b>	<b>For the year Ended 31 March,2022</b>
1	Depreciation of tangible assets	15,535.80	174
	<b>Total</b>	<b>15,535.80</b>	<b>174</b>

<b>Note-25: Earning per share</b>			
<b>S.No</b>	<b>Particulars</b>	<b>For the year Ended 31 March,2023</b>	<b>For the year Ended 31 March,2022</b>
1	<b>Net profit attributable to equity shareholders</b>		
	Profit after tax	26,999.08	(13,662.03)
2	Nominal value of equity share (Rs.)	10	10
3	Total number of equity shares outstanding at the beginning of the year	53,046	5,304,600
4	Total number of equity shares outstanding at the end of the year	53,046	5,304,600
5	Weighted average number of equity shares	53,046	5,304,600
	<b>Basic/ diluted earning per share (Rs.)</b>	<b>50.90</b>	<b>(0.26)</b>

**Note-26: Related Party transactions**

Related Party relationships/ transactions warranting disclosures under Accounting Standard – 18 on “Related Party Disclosures” prescribed under The Companies (Accounting Standards) Rules, 2006 are as under:

S.No.	Name and relation of Related Party	Nature of Relationship with the reporting enterprise
1	Mithlesh Garg	Director
2	Basudev Garg	Director
3	Pradeep Gupta	Director
4	KMG International Ltd.	Enterprises in which Director is a Director
5	Pradeep Gupta	Key Managerial Personnel
6	Preeti Varshney	Key Managerial Personnel
7	Rahul Garg	Relative of Director

**Related Party Transactions**

S.No.	Name	Nature of Transaction	As at 31 March 2023	As at 31 March 2022
1	Basudev Garg	Loan Taken	5,000	16,000.00
2	Shivani Garg	Loan Taken	7,000	-
3	Mithlesh Garg	Loan Taken	5,500	20,000.00
4	Rahul Garg	Loan Taken	5,000	-
5	Siya Garg	Loan Taken	5,000	
6	Vania Garg	Loan Taken	500	
7	Khushaan Garg	Loan Taken	1,500	-
8	Pradeep Gupta	Salary	4,112	3,691.98
9	Preeti Varshney	Salary	1,980	1,800.00
		<b>Total</b>	<b>35,592</b>	<b>41,491.98</b>

**Closing Balances of Related Party Transactions**

S.No.	Name	Nature of Transaction	As at 31 March 2023	As at 31 March 2022
1	Basudev Garg	Loan	99,462.33	94,462.33
2	Mithlesh Garg	Loan	171,250.00	165,750.00
3	KMG International Ltd.	Loan	-	300,000.00
4	Rahul Garg	Loan	15,000.00	10,000.00
5	Shivangi Garg	Loan	18,000.00	11,000.00
	Siya Garg	Loan	5,000.00	-
	Vania Garg	Loan	500.00	-
	Khushaan Garg	Loan	1,500.00	-
6	Pradeep Gupta	Expense Payable	365.00	326.67
7	Preeti Varshney	Expense Payable	170.00	150.00
		<b>Total</b>	<b>311,247.33</b>	<b>581,689.00</b>

**Note-27: Lease**

**Operating lease: Company as lessee**

The Company has not entered into any operating leases for office premises, rentals during for the year.

**Operating lease: Company as lessor**

At the inception of the lease the Company classifies each of its leases as either an operating leases or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over lease term.

Lease income recognised in the statement of profit and loss during the period ended 31st March, 2023 is Rs.21000 thousand (March 31, 2022: Rs. 65,000). (Refer note no. 17)

**Note-28: Corporate Social Responsibility**

A company having: (i) a net worth of Rupees 500 crore or more; (ii) a turnover of Rupees 1000 crore or more; or (iii) a net profit of Rupees 5 crore or more, is required to comply with the CSR provisions specified under Section 135 of the Companies Act, 2013. As the company is not satisfying the requirements as prescribed under section 135, hence, the company is not liable to make any provision.

**Note : 29 Key Ratios**

S.No	Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	% of Change	Reason
1	Current Ratio	Total Current Assets	Total Current Liabilities	2.30	1.92	-20%	
2	Debt Equity Ratio	Total Borrowing	Total Equity	0.59	0.53	-12%	
3	Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Noncash operating expenses + Interest + Other non-cash	Debt service = Interest and lease payments + Principal repayments	0	0	0%	
4	Return on Equity (ROE)	Profit /(Loss) for the period less Preference dividend (if any)	Average total equity	5.1%	-2.6%	298%	Change is due to company profitability are change from the last year. During the year company has incurred the loss.
5	Inventory Turnover Ratio	Cost of goods sold = Cost material Consumed + Purchases of stock in trade + Change in inventories of Finished Goods, Work in progress and Stock in trade	Average Stock	3.34	1.25	-167%	Change is due to the reduction in the cost of material consumed from the last year.
6	Trade receivables turnover ratio	Revenue from Operations	Average Trade Receivables	12.71	7.73	-65%	Change is due to the decrease in the average trade receivable

7	Trade payables turnover ratio	Net purchase = Purchase of Stock in trade + Purchase of Raw Material	Average Trade Payables	32.22	17.24	-87%	Change is due to company less purchase has been done by the compnay in the current year.
8	Net capital turnover ratio	Revenue from Operations	Working Capital = Total Current Asset - Total Current Liabilities	3.84	3.90	1%	
9	Net profit ratio	Profit/ (Loss) for the period	Revenue from Operations	1.6%	-0.8%	285%	Change is due to company profitality are change from the last year. During the year company has incurred the loss.
10	Return on capital employed (ROCE)	Earning before finance cost and tax	Capital employed = Tangible Net worth + Total Borrowings + Deferred Tax Liabilities(if any)	4.1%	-1.4%	396%	Change is due to company profitality are change from the last year. During the year company has incurred the loss.

Note : Ratio for Return on Investment not covered since no investments is held by the Company.

**Note-30: Borrowings secured against current assets**

The Company do not have borrowings which is taken form the bank or financial institution against security of current assets during the year.

**Note-31: Loans or Advances disclosures**

During the year company does not have granted any Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

**Note-32:Contigent Liabilities**

- a. No provision has been made in the account for doubtful debts and advances. These all are considered by the management as recoverable.
- b. Company has received the notice from Semen Bank Officer/Haryana Live Stock Development Board (HLSD), Pehowa, Harayana dated 05.04.2018 regarding payment of cess of Rs. 71,3164397/- Including Interest of Rs 69,79,07,522/- for the period 09.09.2001 to 31.03.2018. Company has applied for OTS Scheme with Haryana Live Stock Development Board during the month of Nov. 2019 but as per the information received by the company HLSD Board has rejected the appliaction. However company has also filed the another application for waving off interest which is still is in consideeration by the board.

**(A) The pending court cases against and for the company is as under:**

1. In the matter of Semen Bank Officer/Haryana Live Stock Development Board, Pehowa, Harayana(Milk Cess) vs. Company of Rs. 71,3164397/- Including Interest of Rs 69,79,07,522/-
2. In the matter of Company vs Hitkari Industries Ltd in the Karkadoma Court for Rs.185000 + 123671/- Delhi.
3. Company V/s Shree Ganesh Trading Co. Kurukshetra, Kurukshetra Court for Rs 128693+Interest

**Court cases for recovery u/s 138**

1. In the matter of Company vs. Baldev Bhui in the Karkadoma Court for Rs.1,30,000/- Delhi.
2. In the matter of Company vs. Prem Prakash in the Karkadoma Court for Rs.90,000+67,000/- Delhi.
3. Company vs. J Rai Milk Food Industry, Jalandhar in the Kurukshetra Court, Haryana for Rs. 2,04,00,000/-

**Cases under MSME**

- 1) In the matter of Company vs. Rana Milk Food Pvt. Ltd., in the council Micro and Small Enterprises Facilitation Council (MSEFC) for recovery of due amount Rs. 21,10,000/
- 2) In the matter of Company vs. Creamy Dairy Industries Pvt. Ltd., in the council Micro and Small Enterprises Facilitation Council (MSEFC) for recovery of due amount Rs. 15,88,920/-.

**Note-33 Other Statutory Compliance**

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year

(v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. 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
- b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries), or
- b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) During the previous year ended 31st March, 2021 the Central Government has published The Code on Social Security, 2020 and Industrial Relations Code, 2020 ("the Codes") in the Gazette of India, inter alia, subsuming various existing labour and industrial laws which deals with employees related benefits including post employment. The effective date of the code and the rules are yet to be notified. The impact of the legislative changes, if any, will be assessed and recognised post notification of the relevant provisions.



**Note-34:** There are no subsequent event observed after the reporting period which have the material impact on the company's operations.

**Note-35:** Significant accounting policies and practices adopted by the Company are disclosed in the statement annexed to these financial statements as Annexure I.

**Note-36:** Previous year figures have been regrouped / reclassified, where necessary, to confirm to this year's classification.

**For Rajan K Gupta & Co.**  
Chartered Accountants  
FRN 005945C

For and on behalf of Board of Directors  
**For KMG Milk Food Limited**

**Rajan Gupta**  
Partner  
M.No 074696

**Mithlesh Garg**  
Director  
DIN-00185942

**Basudev Garg**  
Chairman & WTD  
DIN-00282038

**Pradeep Kumar**  
CFO  
PAN-AKWPG5616L

Place: Ghaziabad  
Dated : 03.06.2023

**Deepti Goel**  
Company Secretary  
ACS-A69927



**KMG Milk Food Limited**

CIN : L15201HR1999PLC034125

**Cash Flow Statement for the Financial Year ending 31<sup>st</sup> March, 2023**

(Amount in hundred ₹)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) after interest and before tax	20,836.29	(7,036.03)
Adjustment for		
Depreciation and Amortization Expenses	15,535.80	17,448.87
Interest Income	(3,324.17)	(3,949.74)
(Profit)/ Loss on sale of PPE	-	-
Provision for Retirement benefit	-	-
Finance Cost	537.09	224.42
Operating Cash Profit before Working Capital Changes	33,585.01	6,687.52
Adjustment for		
Increase / (Decrease) in current financial and other assets	(69,168.64)	(15,316.40)
Increase / (Decrease) in current financial and other liabilities	33,093.78	(22,532.53)
Increase / (Decrease) in inventories	(92,107.16)	(80,195.64)
Cash Flow from Operations	(94,597.01)	(111,357.05)
Tax Paid (Net)	-	-
Net Cash flow from Operating Activities	<b>(94,597.01)</b>	<b>(111,357.05)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Decrease/ (Increase) in Investment	-	330.00
Sale of Property, plant and equipment	-	-
Purchase of Property, plant and equipment	(12,127.66)	(5,697.58)
Interest Received	3,324.17	3,949.74
Proceeds from bank deposits	76,087.16	(2,278.33)
Net Cash flow from Investing Activities	<b>67,283.67</b>	<b>(3,696.17)</b>
<b>C CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
Increase / (Decrease) in Long- Term Advances	32,500.00	36,000.00
Increase / (Decrease) in Short Term Borrowing	-	-
Increase / (Decrease) in other current Assets	-	-
Financial Expenses Paid	(537.09)	(224.42)
Net Cash flow from Financial Activities	<b>31,962.91</b>	<b>35,775.58</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	4,649.57	(79,277.64)
Add: Balance at the beginning of the year	15,652.76	94,930.40
Cash and Cash Equivalents at the close of the year	20,302.27	15,652.76

This is the cash flow statement referred to in our report of even date

For Rajan K Gupta & Co

**Chartered Accountants**

FRN 005945C

**Rajan Gupta**

Partner

M.No 074696

Place: Ghaziabad

Date:

For and on behalf of Board of Directors

**KMG Milk Food Limited**

**Mithlesh Garg**

Director

DIN-00185942

**Basudev Garg**

Chairman & Whole time

DIN-00282038

**Deepti Goel**

Company Secretary

ACS - A69927

**Pradeep Gupta**

CFO

PAN-AKWPG5616L

**KMG Milk Food Limited**

CIN: L15201HR1999PLC034125

Regd. Office: 9<sup>th</sup> k.m. Stone, Pipli to Ambala, N.H. 1, G.T. Road Village Masana Distt.

Kurukshetra-132118, Haryana

Tel: 01744-279452, Fax: 01744-279453

Website: www.kmgmilkfood.com, Email: compliances.kmg@gmail.com

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**Proxy Form**  
**FORM NO. MGT-11**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name of the member (s): .....
Registered address: .....
E-mail ID: .....Folio No/ Client ID: .....DP ID: .....

I/We, being the member(s) holding ..... shares of the above-named Company, hereby appoint

- 1.** Name: ..... Address: .....  
E-mail Id: ..... Signature:....., or failing him,  
**2.** Name: ..... Address: .....  
E-mail Id: ..... Signature:....., or failing him,  
**3.** Name: ..... Address: .....  
E-mail Id: ..... Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **31<sup>st</sup> Annual General Meeting** of the company to be held on **Saturday, the 30<sup>th</sup> day of September, 2023, at 01:00 P.M.**, at the Registered Office of the Company at **9<sup>th</sup> k.m. Stone, Pipli to Ambala, G.T. Road, Village Masana, Distt. Kurukshetra-136118, Haryana** and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.:**

S. No.	Particulars of Resolution	For	Against
1.	Adoption of Financial Statements for the year ended March 31, 2023.		
2.	Re-appointment of Mrs. Mithlesh Garg who retires by rotation		
3.	Appointment of Statutory Auditors of the Company		
4.	Regularisation of Mrs. Shivangi Garg as a Non-Executive Independent Director		

Signed this.....day of..... 20.....  
Signature of shareholder .....

Signature of Proxy holder(s) .....

Affix Revenue Stamp of Re. 1
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**Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

2. A proxy need not be a member of the Company. 3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

**KMG Milk Food Limited**

CIN: L15201HR1999PLC034125

Regd. Office: 9<sup>th</sup> k.m. Stone, Pipli to Ambala, N.H. 1, G.T. Road Village Masana Distt.

Kurukshetra-132118, Haryana

Tel: 01744-279452, Fax: 01744-279453

Website: www.kmgmilkfood.com, Email: compliances.kmg@gmail.com

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**BALLOT/POLL FORM**

The member who are not able to attend the Annual General Meeting can send their assent or dissent in writing in respect of the resolutions as set out in the notice by sending the duly filed and signed ballot/Poll form to Mr. Manoj Kumar Jain, PCS, Scrutinizer c/o F-2, Plot No-299, Sector-4, (Near Vaishali Metro Station) Vaishali, Ghaziabad, UP-201010 Ph: 0120-4138598 so as to reach him on and before 30<sup>th</sup> September, 2023.

<b>Name</b>	
<b>Address</b>	
<b>DP Id</b>	
<b>Client Id</b>	
<b>No. of Shares held</b>	

I/We hereby exercise my/our vote in respect of the Ordinary Resolution(s)/Special Resolution as specified in the notice of KMG Milk Food Limited dated 31<sup>st</sup> August, 2023 to be passed through ballot/poll for the business stated in the said notice by conveyance my /our assent or dissent to the resolution in the relevant box.

Resolution	Type of Resolution (Ordinary/Special)	I/We assent to the Resolution (For)	I/We dissent to the Resolution (Against)
<b>A. Ordinary Business</b>			
1. Adoption of Audited Financial Statements for the financial year ended March 31, 2023 and reports of the Board of the Directors and the Auditors thereon.	<b>Ordinary</b>		
2. Re-appointment of Mrs. Mithlesh Garg (DIN: 00185942) as director, who retires by rotation and being eligible, offers herself for re-appointment.	<b>Ordinary</b>		
3. Appointment of M/s Gauri Goyal & Associates, Chartered Accountants (FRN 036120N) as Statutory Auditors of the company.	<b>Ordinary</b>		
<b>B. Special Business</b>			
4. Regularization of Additional Director, Mrs. Shivangi Garg (DIN: 09770518) as a Non-Executive Independent Director of the company.	<b>Ordinary</b>		

**Signature of the Member/ Beneficial Owner**

**KMG Milk Food Limited**

CIN: L15201HR1999PLC034125

Regd. Office: 9<sup>th</sup> k.m. Stone, Pipli to Ambala, N.H. 1, G.T. Road Village Masana Distt.

Kurukshetra-132118, Haryana

Tel: 01744-279452, Fax: 01744-279453

Website: www.kmgmilkfood.com, Email: compliances.kmg@gmail.com

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**ATTENDANCE SLIP**

**31<sup>st</sup> Annual General Meeting on Saturday, the 30<sup>th</sup> day of September, 2023, at 01:00 p.m.**

(This attendance slip duly filled in, to be handed over at the meeting)

Day: .....

Date: .....

Time: .....

Place: .....

Member's Folio No.: .....

DP ID: .....

No of shares Hold: .....

Client ID: .....

Name & address of the member (In Block letters):

.....

Name of Proxy(s) (in Block Letters):

.....

(To be filled only when shareholder has to appoint a proxy)

I hereby record my presence at the 31<sup>st</sup> Annual General Meeting of the Company held on **Saturday, the 30<sup>th</sup> day of September, 2023, at 01:00 P.M.**, at the Registered Office of the Company at **9<sup>th</sup> k.m. Stone, Pipli to Ambala, G.T. Road, Village Masana, Distt. Kurukshetra-136118, Haryana.**

.....  
Signature of Shareholder/Proxy  
(To be signed at the time of handing over this slip)

Route Map for 31<sup>st</sup> Annual General Meeting (AGM) of the Company to be held on Saturday, the 30<sup>th</sup> day of September, 2023, at 01:00 P.M., at the Registered Office of the Company at **9<sup>th</sup> k.m. Stone, Pipli to Ambala, G.T. Road, Village Masana, Distt. Kurukshetra-136118, Haryana**

