

**MODERN DAIRIES LTD.**

Corporate Office : 98-99, Sub City Centre, Sector 34, Chandigarh -160 022 (INDIA)
Tel. : +91-172-2609001, 2609002, Fax : +91-172-2609000
E-mail : info@modern dairies.com, CIN : L74899HR1992PLC032998

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

Ref: MDL/SECT/BSE

Date: 4th June, 2025

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

**Subject: Annual Report of the Company along with
Notice of 33rd Annual General Meeting (AGM)**

Dear Sir,

Pursuant to the relevant Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report for Financial Year 2024-25 along with Notice of the 33rd AGM of the Company to be held on Friday, the 27th June, 2025.

The schedule of the events is set as below:

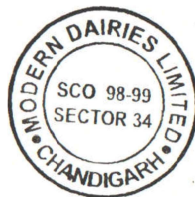
S. No.	Event	Date
1.	Relevant/Cut-off date to vote on AGM resolution	20 th June, 2025
2.	Commencement of e-voting	24 th June, 2025 (9.00 AM)
3.	End of e-voting	26 th June, 2025 (5.00 PM)
4.	Annual General Meeting	27 th June, 2025 (11.00 AM)

Please take the above on your record.

Thanking you

Yours truly,
For MODERN DAIRIES LIMITED

COMPANY SECRETARY



NOTICE OF 33RD ANNUAL GENERAL MEETING

NOTICE

Notice is hereby given that the 33rd Annual General Meeting of the Members of Modern Dairies Limited will be held on Friday, the 27th June, 2025 at 11:00 a.m. through Video Conferencing/ Other audio visual means to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2025, together with the reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Ashwani Kumar Aggarwal (DIN: 00486430), who retires by rotation at this Annual General Meeting and being eligible has offered himself for reappointment.

SPECIAL BUSINESS:

3. To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2026 and pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148(3) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the remuneration payable to M/s. K K Sinha & Associates, Cost Accountants (Firm Registration No. 100279), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for Financial Year ending March 31, 2026 at an annual remuneration comprises of Rs. 50,000/- (Rupees Fifty Thousand Only) for the products subject to Cost Audit under section 138 of the Companies Act, 2013 and Rs. 20,000/- (Rupees Twenty Thousand Only) for the certification for non-auditable products, total amounting to Rs. 70,000/- per annum (Rupees Seventy Thousand Only), be and is hereby approved and confirmed."

RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. To appoint Secretarial Auditors of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of Section 139 of the Companies Act, 2013 and other applicable provisions of the Act, if any and the rules framed thereunder, as amended from time to time, M/s Sanger & Associates, Company Secretaries (Sole Proprietorship), be and is hereby appointed as

Secretarial Auditor of the Company for a period of three (3) years, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2028 at a remuneration and on such terms and conditions as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditor.

RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.

5. To approve the material related party transactions with Nabha Commerce Private Limited and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Company be and is hereby accorded to the Board of Directors, to enter into contracts/arrangements/ transactions with Nabha Commerce Private Limited, a Related Party under Section 2(76) of the Companies Act, 2013 and Regulation 23 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to sale / purchase of products, goods, materials or services for a period of five (5) years till the date of 38th Annual General Meeting to be held in the year 2030, subject to a maximum aggregate transactions of Rs. 60 Crore per year on such terms and conditions as may be mutually agreed between the Company and Nabha Commerce Private Limited, at arm's length basis and at prevailing market prices."

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to decide upon the nature and value of the products, goods, materials or services to be transacted with Nabha Commerce Private Limited, within the aforesaid limit.

RESOLVED FURTHER THAT the Board of Directors of the Company and/or a Committee thereof and/ or Key Managerial Personnel, be and are hereby, authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for

the purpose of giving effect to this resolution, in the best interest of the Company.

- 6 To approve the material related party transactions with Modern Dairyfarms Limited and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Company be and is hereby accorded to the Board of Directors, to enter into contracts/arrangements/ transactions with Modern Dairyfarms Limited, a Related Party under Section 2(76) of the Companies Act, 2013 and Regulation 23 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to sale / purchase of products, goods, materials or services subject to a maximum aggregate transactions of Rs. 55 Crore in a financial year on such terms and conditions as may be mutually agreed between the Company and Modern Dairyfarms Limited, at arm's length basis and at prevailing market prices.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to decide upon the nature and value of the products, goods, materials or services to be transacted with Modern Dairyfarms Limited, within the aforesaid limit.

RESOLVED FURTHER THAT the Board of Directors of the Company and/or a Committee thereof and/ or Key Managerial Personnel, be and are hereby, authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company.

- 7 Ratification of the approval granted by Shareholders for remuneration paid to Mr. Krishan Kumar Goyal as Chairman & Managing Director and Mr. Ashwani Kumar Aggarwal as Executive Director (Whole Time) for the preceding period pursuant to amended Section 197 of the Companies Act, 2013:

To consider and if thought fit, to approve the remuneration paid to Mr. Krishan Kumar Goyal as Chairman & Managing Director and Mr. Ashwani Kumar Aggarwal as Executive Director (Whole Time)

for the preceding period and pass the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), including any amendments thereto, Schedule V of the Companies Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment(s), modification(s) or re-enactments(s) as may be in force or may come into effect from time to time) and rules, regulations, orders, guidelines or clarifications made/issued or as may be issued to that effect, consent of the members be and is hereby accorded to approve the ratification of past remuneration already paid by the Company to Mr. Krishan Kumar Goyal as Chairman & Managing Director and Mr. Ashwani Kumar Aggarwal as Executive Director (Whole Time) in the preceding period in aggregate amounting to Rs. 4,09,41,407/- (Rupees Four Crore Nine Lakhs Forty-One Thousand Four Hundred Seven only). The said remuneration was paid in the due course of Company's operations.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

- 8 To re-appoint Mr. Krishan Kumar Goyal (DIN: 00482035) as Chairman & Managing Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 200 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such other approvals as may be required, approval of the members be and is hereby accorded to re-appoint Mr. Krishan Kumar Goyal (DIN: 00482035) as Chairman & Managing Director of the Company, not liable to retire by rotation, retrospectively with effect from 1st April, 2025 till the conclusion of Annual General Meeting to be held in year 2030, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting and as approved by the Nomination & Remuneration Committee, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination &

NOTICE OF 33RD ANNUAL GENERAL MEETING

Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and remuneration as it may deem fit and as may be acceptable to Mr. Krishan Kumar Goyal, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board of Directors or Company Secretary be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

- 9 Appointment of Dr. Surinder Kumar (DIN: 11032078) as a Non-Executive Independent Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Dr. Surinder Kumar (DIN: 11032078), who was appointed as a Non-Executive Independent Director (Additional Director) of the Company by the Board of Directors with effect from 01st April, 2025, pursuant to the provisions of Section 149(6) and 161(1) and other applicable provisions of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for three (3) Consecutive Years till the conclusion of AGM to be held in the year 2028:

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and are hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto:

- 10 To re-appoint Prof. Sanjay Kaushik (DIN: 09631258) as a Non-Executive Independent Director for second term and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Prof. Sanjay Kaushik (DIN: 09631258), who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible and fulfilling the criteria of independence as provided in the Act and the Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) Consecutive Years on the Board of the Company from the conclusion of the 33rd Annual General Meeting (2025) till the conclusion of the Annual General Meeting to be held in the year 2030 of the Company:

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and are hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”.

- 11 To approve alteration of the Articles of Association of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), consent of the members be and is hereby accorded for alteration of Articles of Association of the Company by inserting new sub clause (iv) in Clause 76 under the Head “Managing Director(s) and Whole Time Director(s)” as under:

(iv) The Chairman and/or Managing Director of the Company shall not be liable to retire by rotation under Section 152(6) of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Director / Company Secretary / Authorized Signatory of the Company be and is hereby authorised on the behalf of the Company, to do all acts, deeds, matters and

things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution along with the filing of necessary E-form with the Registrar of Companies.”

By order of the Board
For Modern Dairies Limited

Shruti Joshi
Company Secretary

Dated: 27th May, 2025

Place: Chandigarh

Registered Office:

136 K.M., G.T. Road,

Karnal –132001 (Haryana)

CIN: L74899HR1992PLC032998

Email: secretarial@modern dairies.com

Website: www.modern dairies.com

Phone: (0172) 2609001/2, **Fax:** (0172) 2609000

NOTES:

- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the Special Business to be transacted at the 33rd Annual General Meeting (AGM) under Item No. 3 to 11 of the Notice, is annexed hereto.
- Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 (“SEBI Circular”) and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time), companies are allowed to hold EGM/AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, EGM/AGM shall be conducted through VC / OAVM.
- Pursuant to various earlier Circulars with effect from 2020 and General Circular No. 09/2024 on September 19, 2024 issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- Pursuant to the provisions of 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 SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the various earlier Circulars with effect from 2020 and General Circular No. 09/2024 on September 19, 2024, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. The facility of casting votes by a member using remote e-Voting system as well as on the date of the AGM will be provided by NSDL.
- In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.modern dairies.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
- AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with various earlier Circulars with effect from 2020 and General Circular No. 09/2024 on September 19, 2024.
- Corporate members intending to send their authorized representatives to attend the Meeting through VC/ OAVM are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment at the Annual General Meeting is annexed hereto.

NOTICE OF 33RD ANNUAL GENERAL MEETING

11. Members who wish to obtain any information about the Company or view the Accounts for the financial year ended 31st March, 2025, may send their queries at least 10 days before the Annual General Meeting at Company's Corporate Office at SCO 98-99, Sub-City Centre, Sector 34, Chandigarh- 160022.

12. The Register of Members and Share Transfer Books of the Company will remain closed from 21st June, 2025 to 27th June, 2025 (both days inclusive).

13. For members who hold shares in physical form, the Securities and Exchange Board of India ("SEBI"), vide its Master Circular SEBI/HO/MIRSD/POD-1/P/ CIR/2024/37 dated 7th May 2024 read with SEBI/ HO/MIRSD/POD1/P/CIR/2024/81 dated 10th June 2024, as amended from time to time, has mandated furnishing of PAN linked with Aadhaar and KYC details (i.e. e-mail address, postal address with PIN code, mobile number, bank account details, PAN details linked with Aadhaar etc.). In case any of the aforesaid documents/ details are not available in the record of the Company/ Registrar and Share Transfer Agent ("RTA"), the member shall not be eligible to lodge grievance or avail any service request from the RTA until they furnish complete KYC details/ documents.

Further, Members who holds shares in electronic form are requested to intimate changes, if any, pertaining to their name, postal address, e-mail 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, etc. to their Depository Participant

14. Members are requested to note that SEBI vide its Circular dated 25th January, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing service requests viz. issue of duplicate share certificate, claim from unclaimed suspense account; renewal/ exchange of share certificate; endorsement; sub division/ splitting of share certificates; consolidation of share certificates/ folios; transmission and transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4.

15. In terms of SEBI notification dated 25th of June, 2022, SEBI has mandated that all requests for transfer of securities including transmission and transposition be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

16. As per Section 72 of the Act, SEBI Circulars in this regard, the facility for making nomination is available

for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website www.moderndaries.com and from the website of Company's Registrar and Transfer Agents at www.mcsregistrars.com. Members are requested to submit the said details to their DPs in case the shares are held by them in the dematerialized form and the Company's RTA in case the shares are held in physical form.

17. As per the provisions of the Companies Act, 2013 and the rules made thereunder and the Regulation 36(1) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Shareholders can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company.

Shareholders who have not registered their e-mail address with the Company can now register the same by submitting duly filled-in 'E-Communication Registration Form' attached at the end of this report with MCS Share Transfer Agent Limited/ Investors Service Department of the Company. The members holding shares in electronic form are requested to register their e-mail addresses with their Depository Participants only.

Even after registering for e-communication, the Shareholders of the Company are entitled to receive such communication in physical form, upon request.

18. 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or RTA.

19. Soft copy of the Annual Report for the financial year 2024-25 is being sent to all the members, whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes.

Pursuant to MCA General Circular No. 09/2024 dated September 19, 2024 and SEBI Circular No. SEBI/ HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, the physical copies of the Annual Report for the financial year 2024-25 is not being sent to the members.

20. Soft copy of the Notice of the 33rd Annual General Meeting of the Company, inter-alia, indicating the process and manner of remote e-voting is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes.

Pursuant to MCA General Circular No. 09/2024 dated September 19, 2024 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, the physical copies of the Notice of 33rd Annual General Meeting of the company are not being sent to the members.

21. Members may also note that the Notice of the 33rd Annual General Meeting and the Annual Report for the financial year 2024-25 will also be available on the Company's website www.moderndairies.com for their download.

For any communication, the members may also send requests at email ID: secretarial@moderndairies.com

22. Procedure for "Remote E-Voting" pursuant to provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members, facility to exercise their right to vote on resolutions proposed to be considered at the 33rd Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- 23 The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, 24th June, 2025 at 09:00 A.M. and ends on Thursday, 26th June, 2025 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, 20th June, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 20th June, 2025.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI Circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

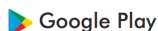
Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under "IDEAS" section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDEAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	<ol style="list-style-type: none"> Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholder/

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Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

- Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

- Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
- After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
- If the user is not registered for Easi/ Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
- Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 - Now, you will have to click on "Login" button.
 - After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sangerassociates@

NOTICE OF 33RD ANNUAL GENERAL MEETING

gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call at 022 - 4886 7000 or send a request to National Securities Depository Ltd., 3rd Floor, Naman Chamber, Plot C-32, G-Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400051 at the designated email address: evoting@nsdl.com or at telephone no. 022- 48867000

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to secretarial@modern dairies.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) to secretarial@modern dairies.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies,

Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial@moderndairies.com. The same will be replied by the company suitably.
24. You can also update your mobile number and e-mail id in the user profile details of the folio, which may be used for sending future communication(s).
25. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. 20th June, 2025.
26. Mr. Rajeev Kumar Sanger, Practising Company Secretary (Membership No. F13092) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
27. The scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than two days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in the favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
28. The Chairman or a person authorised by him in writing shall declare the result of the voting forthwith. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.moderndairies.com and on the website of NSDL and communicated to the BSE Limited.
29. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection, at the Registered Office of the Company, during normal business hours (9:00 AM to 5:00 PM) on all working days (except on public holidays), upto the date of the Annual General Meeting.

By order of the Board
For Modern Dairies Limited

Shruti Joshi
Company Secretary

Dated: 27th May, 2025
Place: Chandigarh

Registered Office:
136 K.M., G.T. Road,
Karnal -132001 (Haryana)
CIN: L74899HR1992PLC032998
Email: secretarial@moderndairies.com
Website: www.moderndairies.com
Phone: (0172) 2609001/2, **Fax:** (0172) 2609000

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("the Act")

ITEM NO. 3

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors M/s. K K Sinha & Associates to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2026 subject to the ratification of the remuneration payable to the Cost Auditors by the shareholders of the Company in accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors M/s. K K Sinha & Associates for the financial year ending 31st March, 2026.

None of the Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

ITEM NO. 4

As per the provisions of Section 204 of the Companies Act, 2013 and amended Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Secretarial Audit shall be conducted by a Company Secretary in practice who shall be appointed on recommendation of Board of Directors with the approval of Shareholders in Annual General Meeting.

Accordingly, the Board recommended to the members of the Company, appointment of M/s. Sanger & Associates, Practicing Company Secretaries as Secretarial Auditor for a period of three (3) years, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2028 to carry out the Secretarial Audit of the Company for the period from the financial year ending 31st March, 2026 to the financial year ending 31st March, 2028.

The Consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for appointment of M/s. Sanger & Associates, Practicing Company Secretaries as Secretarial Auditor of the Company for above said period.

None of the Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders

ITEM NO. 5

Nabha Commerce Private Limited is a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 23 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee of Directors and the Board of Directors of the Company in their meeting approved the related party transactions with Nabha Commerce Private Limited for sale, purchase of goods and to provide / avail services to / from Nabha Commerce Private Limited, a related party, subject to a maximum aggregate transactions of Rs. 60 Crores in a financial year.

The transactions with Nabha Commerce Private Limited are estimated to be upto Rs. 60 Crores in a financial year and being material related party transaction due to more than 10% of the Annual Turnover of Modern Dairies Limited, the transactions are required to be approved by the shareholders as an Ordinary Resolution.

In this regard, the consent of members requested to approve related party transaction with Nabha Commerce Private Limited for sale, purchase of goods and to provide / avail services to / from Nabha Commerce Private Limited, a related party for a period of five (5) years till the date of 38th Annual General Meeting to be held in the year 2030, subject to a maximum aggregate transactions of Rs. 60 Crore per year on such terms and conditions as may be mutually agreed between the Company and Nabha Commerce Private Limited, at arm's length basis and at prevailing market prices.

The said transactions are in the ordinary course of business of the Company and at arm's length basis.

Other details as required as per the Companies (Meetings of Board and its Powers) Rules, 2014.

- (a) Name of Related Party: Nabha Commerce Private Limited.
- (b) Name of Director or Key Managerial Personnel who is related: Mr. Krishan Kumar Goyal, Chairman and Managing Director of the Company.
- (c) Nature of relationship: Mr. Krishan Kumar Goyal and his relatives are the shareholders of Nabha Commerce Private Limited.
- (d) Material Terms of contracts/arrangements/ transactions: Sale / purchase of Milk or Milk Products on arm's length basis.
- (e) Monetary value: Estimated amount Rs. 60 Crores in a financial year.
- (f) Any other information relevant or important for the members to make a decision on proposed transaction: Nil.

The copies of contract setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

Accordingly, consent of the members is sought for passing the Ordinary Resolution as set out at Item No. 5 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives except Mr. Krishan Kumar Goyal along with their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

ITEM NO. 6

Modern Dairyfarms Limited is a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 23 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee of Directors and the Board of Directors of the Company in their meeting approved the related party transactions with Modern Dairyfarms Limited for sale, purchase of goods and to provide / avail services to / from Modern Dairyfarms Limited, a related party, subject to a maximum aggregate transactions of Rs. 55 Crore in a financial year.

The transactions with Modern Dairyfarms Limited are estimated to be upto Rs. 55 Crore in a financial year and being material related party transaction due to more than 10% of the Annual Turnover of Modern Dairies Limited, the transactions are required to be approved by the shareholders as an Ordinary Resolution.

The said transactions are in the ordinary course of business of the Company and at arm's length basis.

Other details as required as per the Companies (Meetings of Board and its Powers) Rules, 2014.

- (a) Name of Related Party: Modern Dairyfarms Limited.
- (b) Name of Director or Key Managerial Personnel who is related: Mr. Krishan Kumar Goyal, Chairman and Managing Director of the Company through his relatives.
- (c) Nature of relationship: The Board of Directors of Modern Dairyfarms Limited is accustomed to act in accordance with the advice, directions or instructions of Mr. Krishan Kumar Goyal, Chairman and Managing Director of the Company through his relatives.
- (d) Material Terms of contracts/arrangements/ transactions: Sale, Purchase and to provide / avail services of Milk or Milk Products on arm's length basis.
- (e) Monetary value: Estimated amount Rs. 55 Crores in a financial year.
- (f) Comments of the Board/ Audit Committee of the listed entity, if any: No Comments
- (g) Any other information relevant or important for the members to make a decision on proposed transaction: Nil.

The copies of contract setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

Accordingly, consent of the members is sought for passing the Ordinary Resolution as set out at Item No. 6 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives except Mr. Krishan Kumar Goyal along with their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

ITEM NO. 7

This is to inform the members that the appointment and payment of remuneration to Whole-time/Executive Directors is governed by the provision of Section 196, of the Companies Act 2013 read with schedule V. As the members are aware that in the preceding years, remuneration had been paid to Mr. Krishan Kumar Goyal as Chairman & Managing Director and Mr. Ashwani Kumar Aggarwal as Executive Director (Whole Time) in the preceding period in aggregate amounting to Rs. 4,09,41,407/- (Rupees Four Crore Nine Lakhs Forty-One Thousand Four Hundred Seven only). The said remuneration was paid in the due course of Company's operations.

Although the remuneration as recommended and approved by the shareholders was well within the limits as prescribed under schedule to the Companies Act 2013 in case of loss or inadequacy of profit, but since the accounts of the company with lenders had gone NPA and as per the provisions of Companies Act the lenders approval was required, but due to default status, the approval could not be obtained.

As the members are aware that the Company's lenders have been paid by OTS debt settlement. The entire settlement amount has been paid to the respective lenders and the lenders have issued their No Dues Certificates to the Company. Their charges have been cleared from the Registrar of Companies.

The approval of the shareholders is proposed in Item No. 7 for the ratification of the payment of remuneration paid to the directors.

None of the Directors except Mr. Krishan Kumar Goyal and Mr. Ashwani Kumar Aggarwal is in any way, concerned or interested, financially or otherwise, in the resolution.

The relatives of Mr. Krishan Kumar Goyal and Mr. Ashwani Kumar Aggarwal may be deemed to be interested in the resolution, to the extent of their shareholding interest, if any, in the Company.

ITEM NO. 8

Mr. Krishan Kumar Goyal is the promoter Director of the Company. He is the Managing Director of the Company

since inception i.e. 1992 except for a short break. He was last appointed as Chairman & Managing Director of the Company w.e.f. 1st April, 2020 for a period of five years. His salary w.e.f. 1st April, 2023 was Rs. 4,25,000/- (Rupees Four Lakhs Twenty Five Thousand only) plus perquisites, in terms of the applicable provisions of the Companies Act.

The Board of Directors of the Company at its meeting held on 1st April, 2025, subject to the approval of the shareholders, has re-appointed Mr. Krishan Kumar Goyal (DIN: 00482035) as Chairman & Managing Director of the Company, not liable to retire by rotation, with effect from 1st April, 2025 till the conclusion of Annual General Meeting to be held in 2030 on terms and conditions including remuneration as recommended by the Nomination & Remuneration Committee of the Board and approved by the Board.

It is proposed to seek the members' approval for the re-appointment and remuneration payable to Mr. Krishan Kumar Goyal as Chairman & Managing Director of the Company, in terms of the applicable provisions of the Act.

The Board of Directors along with approving appointment of Mr. Krishan Kumar Goyal had also approved remuneration by way of salary and perquisites for a period of five years from the date of appointment as given herein below.

TERMS & CONDITIONS:-

1. SALARY

Rs. 5,00,000/- (Rupees Five Lakhs) per month with such annual increments / increases as may be decided by the Board of Directors from time to time.

2. COMMISSION

Commission on profits not exceeding 1% of net profits of the company in any financial year as the Board may determine from time to time. The amount of commission shall be payable after the annual accounts are approved by the Board of Directors and adopted by shareholders.

3. PERQUISITES

- (i) Accommodation: Free furnished residential accommodation with gas, electricity, water and furnishings, etc.
- (ii) Provident Fund: Contribution towards superannuation Fund and Provident Fund shall be as per rules of the Company.
- (iii) Gratuity: Payable at the rate not exceeding half a month's salary for each completed year of service as per rules of the Company.
- (iv) Leave: As per the rules of the Company but not exceeding one month's leave with full salary for every 11 months of service.
- (v) Medical Reimbursement: Reimbursement of medical expenses incurred for self and family.

- (vi) Personal Accident Insurance.
- (vii) Leave Travel Allowance: Leave travel allowance for self and family.
- (viii) Car: Free use of Company's car for Company's work as well as for personal purposes along with driver.
- (ix) Telephone: Telephone and other Communication facilities at Company's cost.
- (x) Insurance: Cost of Insurance cover the risk of any financial liability or loss because of any error of judgment, as may be approved by the Board of Directors from time to time.
- (xi) Reimbursement of Expenses: Reimbursement of all expenses incurred by Mr. Goyal during the course of and in connection with the business of the Company.
- (xii) Others: Subject to any statutory ceilings, Mr. Krishan Kumar Goyal may be given any other allowances, perquisites and facilities as the Board of Directors may decide from time to time.

The terms and conditions can be varied with mutual agreement of both parties subject however to the stipulation that the changes should be in conformity with the provisions of the Companies Act, 2013 read with Schedule V or any amendment thereof.

4. MINIMUM REMUNERATION

In the event of loss or inadequacy of profits in any financial year during the tenure of appointment, Mr. Krishan Kumar Goyal shall, subject to the approval of shareholders, be paid remuneration by way of salary and perquisites as set out above, as minimum remuneration, subject to restrictions, if any, set out in schedule V of the Companies Act, 2013, from time to time.

Mr. Krishan Kumar Goyal is also Chairman & Managing Director of M/s. Modern Steels Limited. He is entitled to a salary of Rs. 2,00,000 (Rupees Two Lakhs Only) per month plus perquisites in that Company subject to the conformity with provisions of schedule V.

Mr. Krishan Kumar Goyal satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Krishan Kumar Goyal under Section 190 of the Act.

Disclosures under Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are annexed hereto.

Further, in terms of section 196 and Schedule V and other applicable provisions of the Companies Act, 2013, consent of the Members by way of Special Resolution is also required for appointment or continuation of employment of a Managerial Person beyond the age of seventy years. During the proposed term of appointment, Mr. Krishan Kumar Goyal will attain the age of seventy years. This Special Resolution, once passed, shall also be deemed as your approval under the aforesaid Regulation, for continuation of Mr. Krishan Kumar Goyal as Managing Director of the Company beyond the age of seventy years.

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the shareholders.

The Documents referred herewith and explanatory statement are open for inspection by any member at the registered office of the Company during business hours on any working day of the Company upto and including the date of meeting.

MEMORANDUM OF INTEREST

Mr. Krishan Kumar Goyal, Managing Director is concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The relatives of Mr. Krishan Kumar Goyal may be deemed to be interested in the resolution set out respectively at Item No. 8 of the Notice, to the extent of their shareholding interest, if any, in the Company.

ITEM NO. 9.

The Board of Directors of the Company appointed Dr. Surinder Kumar (DIN: 11032078) as Additional Non Executive Independent Director of the Company not liable to retire by rotation w.e.f. 01st April, 2025, pursuant to the provisions of Section 161(1) and Section 149(6) of the Companies Act, 2013, and the rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dr. Surinder Kumar is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director alongwith Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he is not debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority of the Act.

The Company has also received declaration from him that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Dr. Surinder Kumar fulfills the conditions for appointment as an Independent Director

as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Dr. Surinder Kumar is independent of the management of the Company.

Disclosures under Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are annexed hereto.

Copy of the draft letter for appointment of Dr. Surinder Kumar as an Independent Director setting out the terms and conditions is available for inspection by Members at the Registered Office of the Company.

Accordingly, consent of the Members is sought for passing a Special Resolution as set out at Item No. 9 of the Notice for appointment of Dr. Surinder Kumar as a Non-Executive Independent Director for a period of 3 consecutive years from the conclusion of this Annual General meeting upto the conclusion of AGM to be held in year 2028.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives, except Dr. Surinder Kumar to whom the resolution relates, is concerned or interested, financially or otherwise, in the Resolution set out at Item no. 9 of the notice.

ITEM NO. 10.

Prof. Sanjay Kaushik (DIN: 09631258) was appointed as Independent Director on the Board of the Company at the 30th Annual General Meeting of the company held on 30th September, 2022 pursuant to the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 to hold office for a period of three consecutive years up to the date of 33rd Annual General Meeting ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Companies Act, 2013).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended reappointment of Prof. Sanjay Kaushik for a second term of five (5) consecutive years on the Board of the Company.

The Board based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Prof. Sanjay Kaushik would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint him as an Independent Director of the Company who shall not be liable to retire by rotation and to hold office for a second term of five (5) consecutive years upto the conclusion of the 38th Annual General Meeting on the Board of the Company in terms of Sections 149(10) and 149(11) of the Companies Act, 2013 and in accordance of other applicable laws.

The Company has received from Prof. Sanjay Kaushik (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act, (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations') and (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he is not debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

Details of Directors whose re-appointment as Independent Directors is proposed at Item No. 10 is provided in the "Annexure" to the Notice pursuant to the Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Copy of draft letter of appointment of Prof. Sanjay Kaushik setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Accordingly, consent of the Members is sought for passing a Special Resolution as set out at Item No. 10 of the Notice for re-appointment of Prof. Sanjay Kaushik as a Non-Executive Independent Director for a period of five (5) consecutive years from the conclusion of this Annual General meeting and upto the conclusion of AGM to be held in year 2030.

The Board of Directors of the Company in its Board Meeting held on 27th May, 2025 has approved the above proposal and recommended passing of the proposed Special Resolutions as contained in Item no. 10 of the Notice, by members of the Company.

Except Prof. Sanjay Kaushik for himself and through his relatives to the extent of their shareholding, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and/or their relatives are in anyway concerned or interested financially or otherwise in the aforesaid Resolutions.

ITEM NO. 11.

This is to inform the members that it is proposed to alter the terms relating to retirement of Directors by rotation in the Articles of Association (AOA) of our Company. In this regard, the Consent of members of the Company is required for approval of the above said alteration.

And as per the provisions of Section 14 of the Companies Act, 2013, a company can alter its Article of Association,

NOTICE OF 33RD ANNUAL GENERAL MEETING

subject to the conditions contained in its memorandum if any, and with the approval of shareholders of the Company by passing a special resolution in general meeting.

Further, the Board of Directors in its meeting held on 27th May, 2025 has subject to the approval of members, approved the above said amendments in the Articles of Association of the Company and recommended passing of the proposed Special Resolutions as contained in Item no. 11 of the Notice, by members of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives except Mr. Krishan Kumar Goyal along with their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 11 of the Notice.

By order of the Board
For Modern Dairies Limited

Shruti Joshi
Company Secretary

Dated: 27th May, 2025
Place: Chandigarh

Registered Office:

136 K.M., G.T. Road,
Karnal –132001 (Haryana)

CIN: L74899HR1992PLC032998

Email: secretarial@modern dairies.com

Website: www.modern dairies.com

Phone: (0172) 2609001/2, **Fax:** (0172) 2609000

INFORMATION REGARDING DETAILS OF THE DIRECTOR SEEKING REAPPOINTMENT IN ANNUAL GENERAL MEETING FIXED ON 27TH JUNE, 2025 PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

ITEM NO. 8

Name of the Director	Mr. Krishan Kumar Goyal
DIN	00482035
Date of Birth	06 th September, 1956
Date of Re-appointment	01 st April, 2020
Brief Resume and expertise in specific functional area	<p>Mr. Krishan Kumar Goyal is a Commerce & Law graduate. He is energetic and dynamic person. He has a vast experience in manufacturing industry and is well versed with the modern management practices.</p> <p>He is also Chairman & Managing Director of Modern Steels Ltd. He has served many positions in the Confederation of Indian Industry (CII) including Chairman, CII Chandigarh Council (NR) from 2003-2006. He has also served as member of Board of Governors, Punjab Engineering College, Chandigarh.</p>
List of outside Directorships held	<p>Modern Steels Limited</p> <p>Chandigarh Finance Private Limited</p> <p>Bharat Forgings Pvt. Ltd.</p>
Chairman/Member of the Committee of the Board of Directors of the Company	NIL
Chairman/Member of the Committee of Directors of other Companies	NIL
Shareholding in the Company	As on 31 st March 2025, Mr. Krishan Kumar Goyal holds 30,97,343 Equity Shares of the Company
Relationship with other Directors	Not Applicable

ITEM NO. 9

Name of the Director	Dr. Surinder Kumar
DIN	11032078
Date of Birth	23 rd November, 1963
Date of Appointment	01 st April, 2025
Brief Resume and expertise in specific functional area:	<p>Dr. Surinder Kumar aged 61 years is M.Sc (Dairy Tech), Ph.D. (Dairy Technology) from NDRI Karnal and Lead Auditor, FSMS, ISO 22000. He has more than 35 years of experience in dairy development sector in the country in various capacities. He has more than 5 years of experience as Assistant Commissioner (Dairy Development) in Dept. of Animal Husbandry, Dairying & Fisheries, Min. of Agriculture, Govt. of India, Delhi.</p>
List of outside Directorships held	NIL
Chairman/Member of the Committee of the Board of Directors of the Companies	NIL
Shareholding in the Company	NIL
Relationship with other Directors	Not Applicable

NOTICE OF 33RD ANNUAL GENERAL MEETING

ITEM NO. 10

Name of the Director	Prof. Sanjay Kaushik
DIN	09631258
Date of Birth	13 th May, 1966
Date of Appointment	30 th September, 2022
Brief Resume and expertise in specific functional area:	<p>Prof. Sanjay Kaushik, aged 59 years is an M.Com, Ph.D. Prof. Kaushik is a Professor with University Business School, Punjab University, Chandigarh. He is also a Chair Professor of Strategic Management and Dean of College Development Council with Panjab University, Chandigarh.</p> <p>He has rich knowledge in Human Resource Management and General Management & Banking.</p> <p>He has 35 years Teaching & Research experience. He has guided 35 Ph.D. students and 50+ M. Phil students</p>
List of outside Directorships held	NIL
Chairman/Member of the Committee of the Board of Directors of the Companies	NIL
Shareholding in the Company	NIL
Relationship with other Directors	Not Applicable



MODERN DAIRIES LIMITED

MODERN DAIRIES LIMITED
CIN: L74899HR1992PLC032998

Registered Office: 136 K.M., G.T. Road, Karnal - 132001 (Haryana)

Email: secretarial@modern dairies.com, **Website:** www.modern dairies.com

Phone: (0172) 2609001/2, **Fax:** (0172) 2609000

GREEN INITIATIVE IN CORPORATE GOVERNANCE

Dear Shareholders,

In case you have not registered your email address for receiving communication from Company in electronic mode, you may submit the Registration Form given herein below to the Share Transfer Agents namely M/s. MCS Share Transfer Agent Limited, 179-180, DSIDC Shed, 3rd Floor, Okhla Industrial Area, Phase – 1, New Delhi – 110020 or to the Company at its office at Modern Dairies Limited, SCO. 98-99, Sub City Centre, Sector 34, Chandigarh-160022. Shareholders holding shares in demat mode are requested to register their email address with their respective Depository Participants:

E-COMMUNICATION REGISTRATION FORM

(As per the provisions of the Companies Act, 2013 and the rules made thereunder and the SEBI
(Listing Obligation and Disclosure Requirements) Regulations, 2015)

Folio No. / DP ID & Client ID : _____

Name of 1st Registered Holder : _____

Name of Joint Holder(s) : _____

Registered Address : _____

E-mail ID (to be registered) : _____

I/we shareholder(s) of Modern Dairies Limited agree to receive communication from the Company in electronic mode.

Please register my/our above e-mail id in your records for sending communication through e-mail.

Signature: _____

Date: _____

Note: Shareholder(s) are requested to keep the Company / Depository Participant informed as and when there is any change in the e-mail address.

33rd
ANNUAL
REPORT
2024-2025



MODERN DAIRIES LIMITED

BOARD OF DIRECTORS

Chairman and Managing Director
Mr. Krishan Kumar Goyal

Prof. Sanjay Kaushik, Independent Director
Prof. Meena Sharma, Independent Director
Dr. Surinder Kumar, Independent Director
Mr. Ashwani Kumar Aggarwal, Executive Director

CHIEF FINANCIAL OFFICER

Mr. Mukesh Sehgal

COMPANY SECRETARY

Ms. Shruti Joshi

AUDITORS

M/s. APT & Co LLP
Chartered Accountants

CORPORATE OFFICE

SCO 98-99, Sub City Centre,
Sector 34, Chandigarh-160022, India

REGISTERED OFFICE & WORKS

136 KM, G.T. Road,
Karnal - 132001 (Haryana)

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REGISTRARS & SHARE TRANSFER AGENTS

M/s. MCS Share Transfer Agent Limited
179-180, DSIDC Shed, 3rd Floor,
Okhla Industrial Area, Phase - 1,
New Delhi – 110020

DIRECTORS' REPORT

Dear Members,

Your Directors hereby present their 33rd Annual Report together with the Audited Financial Statements of Modern Dairies Limited for the year ended 31st March, 2025.

Rs. in Lacs

FINANCIALS	Year Ended 31.03.2025	Year Ended 31.03.2024
Net Sales and other Income	3,48,92	3,62,04
Operating Profit	14,77	22,19
Finance Cost	1,83	3,82
Cash Profit	12,94	18,37
Depreciation & Amortization Expenses	3,15	3,43
Profit before Exceptional Items	9,79	14,94
Exceptional Items	55,94	19,29
Profit for the year	65,73	34,23

PERFORMANCE

Your company during this Financial Year under review earned revenue of ₹ 3,48,92 Lacs as against ₹ 3,62,04 Lacs over the previous year. The operating profit this year was ₹14,77 Lacs as against ₹22,19 Lacs in the previous year.

The focus of the company continues to be in the fresh dairy, cultured products, cheese and milk nutritional ingredient business. It is a growing market segment and your company has also achieved growth in these segments. This year the prices of raw milk remained on the higher side than the last year which resulted in reduced margins particularly on the sale of fresh dairy and cultured products.

The new fiscal has started with increased availability of milk and the general forecast of good monsoon this year further augurs well for the agriculture and dairy sector.

DIVIDEND

In view of requirements of funds for operations, your directors are unable to recommend any dividend for the Financial Year ended on 31st March, 2025.

MILK CESS

As the members are aware that the Company had filed a Special Leave Petition before the Hon'ble Supreme Court against the decision dated 28th May, 2010 of Punjab & Haryana High Court with regard to the levy of milk cess under the Haryana Murrah Buffalo and other Animal Breed Act, 2001. The said SLP was filed by the Company in the year 2010 and admitted in the Supreme Court. In 2012, the Hon'ble Supreme Court had granted interim stay upon payment of 50% of milk cess levied and demanded by Govt. of Haryana in favour of the Company.

As per the last demand notice dated 1.1.2024 issued by Govt. of Haryana upto December quarter 2023 stand Rs. 544.31 Crore, which includes Milk Cess and interest thereon. The Company as an abundant caution is providing for the Milk Cess in the accounts. As on 31st March 2025, the total Milk Cess provision amount is Rs. 21.30 Crore, out of which Rs. 9.91 Crore (Rs. 5.91 Crores + Rs. 4.00 Crores) has been already deposited as per Hon'ble Supreme Court's and Hon'ble Punjab & Haryana High Court's order.

The Company's legal counsels are regularly following and the final decision is pending before the Hon'ble Supreme Court of India.

PLEDGE RELEASE OF PROMOTER SHAREHOLDING

The shareholding of Promoters and Promoter group aggregating to 10654779 Equity Shares was pledged in favour of Punjab National Bank and other consortium members.

However, the Lenders on 13.01.2025 have released the pledge on above said shares (i.e. 10654779 Equity Shares) of Promoters and Promoter group on full settlement and payment of Debts by the Company.

STATUS OF COMPANY'S ACCOUNTS WITH LENDERS

It is informed to the Hon'ble members that Punjab National Bank had approved the One Time Settlement (OTS) of all its debts in 2022. The Company has paid all its dues as per the schedule. Further upon payment, PNB has issued No Dues Certificate to the Company.

The Canara Bank had approved its OTS towards full and final settlement of all its debts in financial year 2024-25. The Company duly paid the dues of the Bank and the Canara Bank has issued its No Dues Certificate to the Company.

Accordingly, all the charges of the bankers have been satisfied from the Registrar of Companies.

QUALITY, FOOD SAFETY & ENVIRONMENT STANDARDS

Quality and safety are paramount for the company. The company adheres to stringent quality control and inspection processes, following best practices of the industry with respect to Good Management Practices (GMP) and Good Hygienic Practices (GHP). This ensures the company's diversified products have high standards for quality, safety and nutrition. The company has adopted a very robust quality management system which has been certified by DNVGL Netherlands for updated version of ISO 9001, FSSC 22000 and ISO 14001.

In its pursuit for excellence, the Company facility has got Good Manufacturing Practices (GMP) certificate from World Health Organization (WHO) for its Pharma Grade Lactose.

The facilities are approved and registered with USFDA, Export Inspection Agency & APEDA for supply of its products in the domestic and international market. Most of the leading Multinational Food Companies in India have approved our operations as suitable for supplies of company's products to them.

SHARE CAPITAL

The Company has Authorised Share Capital of Rs. 35,00,00,000/- (Rupees Thirty Five Crore only) divided into 3,50,00,000 (Three Crore Fifty Lakhs) equity shares of Rs. 10/- (Rupees Ten). The Paid up Equity Share Capital is Rs. 25,65,88,610/- (Rupees Twenty Five Crore Sixty Five Lakhs Eighty Eight Thousand Six Hundred Ten only) as on 31st March, 2025.

Raising of funds by issuance of Warrants convertible into Equity Shares through Preferential Issue on a private placement basis

Members are aware that in the fiscal year ending 31.03.2025, the Company got approval from BSE Ltd for allotment of 86,00,000 warrants convertible into equity shares of the Company ("Convertible Warrants") of face value Rs. 10/- each at Rs. 50/- each (including premium of Rs. 40/- per share) as determined in accordance with Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,

2018 ("SEBI ICDR Regulations"), by way of preferential issue on a private placement basis to the persons forming part of Promoters and Promoter group.

Conversion of Warrants into Equity Shares of Company on exercise of option attached with convertible Warrants

This is to inform the Hon'ble members that, 23,00,000 Warrants out of the above said 86,00,000 Warrants have been converted to the equivalent number of Equity Shares of the Company (i.e. 23,00,000 Equity Shares) on exercise of the right of conversion by the Allottees. The same are also listed on BSE Ltd.

Utilization of funds

In pursuance to Regulation 32(7A) of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015, this is to inform that the Company in the financial year ended 31.03.2025 raised through above said preferential issue the total funds of Rs. 19,37,50,000/- (Rupees Nineteen Crore Thirty Seven Lakhs Fifty Thousand only) out of which Rs. 13,22,19,824 (Rupees Thirteen Crore Twenty Two Lacs Nineteen Thousand Eight Hundred Twenty Four only) has been utilized for the operations of the Company upto the end of the year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the period under review, the details of Directors and Key Managerial Personnel are as follows:

Mr. Krishan Kumar Goyal (DIN: 00482035) was appointed as Managing Director of the Company for a period of five consecutive years w.e.f. 01st April, 2020 and is to be further reappointed subject to approval of shareholders with effect from 01st April, 2025 till the conclusion of Annual General Meeting to be held in year 2030 in terms of the provisions of Companies Act, 2013.

Dr. Surinder Kumar (DIN: 11032078) was appointed as Non-Executive Independent Director on 01st April, 2025 for a period of three (3) years. He will hold office as an Additional Independent Director upto the ensuing Annual General Meeting. After the confirmation from the Shareholders in the ensuing AGM, he will be confirmed as an Independent Director upto the conclusion of AGM to be held in 2028.

In pursuance of Section 152 of the Companies Act, 2013, at-least two-third of the Directors (excluding Independent Directors) shall be subject to retirement by rotation. One-third of such Directors must retire from office at each AGM and a retiring Director is eligible for re-appointment. Accordingly, Mr. Ashwani Kumar Aggarwal, Executive Director (DIN: 00486430), is liable to retire by rotation at ensuing Annual General Meeting and being eligible, offers himself to be reappointed at this AGM. In view of his considerable experience, Board of Directors recommends his reappointment as Director of Company.

Pursuant to the provisions of Section 149 and 152 of the Companies Act, 2013, Prof. Sanjay Kaushik was appointed as Non-Executive Independent Director of the Company w.e.f. 30th September, 2022 for a period of three years till the conclusion of Annual General Meeting to be held in the year 2025 and is to be further reappointed for a second term of five consecutive years commencing from this Annual General Meeting till the conclusion of Annual General Meeting to be held in year 2030 in terms of the provisions of Companies Act, 2013.

Pursuant to the provisions of Section 149 and 152 of the Companies Act, 2013, Mr. Ajay Kumar Sharma was re-appointed as Non-Executive Independent Director of the Company for a second term of three consecutive years commencing from the date of Annual General Meeting i.e. 27th September, 2024 till the conclusion of Annual General Meeting to be held in year 2027. However, we report with regret that due to sad & sudden demise of Mr. Ajay Kumar Sharma, he had ceased to be a Director of the Company w.e.f. 02.01.2025.

The following are the Key Managerial Personnel of your Company in accordance with the provisions of Section 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. Mr. Krishan Kumar Goyal (Chairman and Managing Director)
2. Mr. Ashwani Kumar Aggarwal (Whole time Director)
3. Mr. Mukesh Sehgal (Chief Financial Officer)
4. Ms. Shruti Joshi (Company Secretary)

BOARD MEETINGS

During the financial year 2024-25, 5 (Five) meetings of the Board of Directors were held. The details of the meetings of the Board are furnished in the Corporate Governance Report which is attached to this Report.

ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

In pursuance of Section 134 (3) (p) of the Companies Act, 2013 read with rules made thereunder, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors carried out the performance evaluation of the Board as a whole, its Committees and individual Directors. The evaluation was carried out using individual questionnaires covering composition of Board, conduct as per Company values & beliefs, contribution towards development of strategy & business plan, risk management, receipt of regular inputs and information, codes & policies for strengthening governance, functioning, performance & structure of Board Committees, skill set, knowledge & expertise of Directors, preparation & contribution at Board meetings, Leadership etc.

As part of the evaluation process, the performance of Non-Independent Directors, the Chairman and the Board was conducted by the Independent Directors. The performance evaluation of the respective Committees and that of Independent and Non Independent Directors was done by the Board excluding the Director being evaluated.

The Board of your Company formed an opinion that the Independent Directors of our Company are maintaining high standard of integrity and possessing expertise, requisite qualifications and relevant experience for performing their role as an Independent Directors.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013 read with the rules made thereunder and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, that they meet the criteria of independence as laid out in sub section (6) of Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD DIVERSITY AND REMUNERATION POLICY

The Board has, on recommendation of the Nomination & Remuneration Committee of the Company in accordance with Para A of Part D of Schedule II and Regulation 19 of Listing Regulations has framed Nomination & Remuneration Policy for appointment and remuneration of Directors, Key managerial Personnel and Senior Management Employees, which includes the criteria for determining qualification, positive attributes, independence of a Director and other matters provided under sub-section 3 of section 178 of the Companies Act, 2013. As on 31st March, 2025 the Board consists of four members out of which two are Executive Directors and two are Independent Directors.

The Board periodically evaluates the need for change in its composition and size. We affirm that the remuneration paid to the Directors is as per the terms approved by the Nomination and Remuneration Committee of the Company.

COMMITTEES OF THE BOARD OF DIRECTORS

Your Company has the following four Board Level Committees established by the Board in compliance with the requirements of the business and relevant provisions of applicable laws and statutes:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee
- Allotment Committee

The details regarding composition, terms of reference, number of meetings held, etc. of the above Committees are included in the Report of Corporate Governance, which forms parts of the Annual Report. There has been no instance where the board has not accepted recommendation of Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Allotment Committee. Further, the provisions of Companies Act mandating constitution of Risk Management Committee is not yet applicable to the Company.

AUDITORS

Statutory Auditors

M/s. APT & Co. LLP, Chartered Accountants, (Registration No. 014621C/N500088), were re-appointed for their second term as Statutory Auditors of the Company at the last Annual General Meeting held on 27th September, 2024 for a period of two years till the

conclusion of the Annual General Meeting to be held in the year 2026 at a remuneration mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

Cost Auditors

Pursuant to Section 148 and other applicable provisions of Companies Act, 2013, if any and the rules framed thereunder, the Board of Directors have approved the re-appointment and remuneration of M/s. K.K. Sinha & Associates, Cost Accountants as Cost Auditors of the Company to conduct the cost audit for the year 2025-26 on the recommendations of the Audit Committee subject to the ratification of the remuneration by the shareholders.

Secretarial Auditors

The Board of Directors pursuant to Section 204 and the rules framed thereunder and subject to approval of Shareholders approved appointment of M/s. Sanger & Associates, Company Secretaries (Sole Proprietorship) as Secretarial Auditors of the Company for a period of three (3) years to hold office from this ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2028 at a remuneration and on such terms as mutually agreed between the Board of Directors of the Company and the Secretarial Auditors.

AUDITOR'S REPORT

Statutory Auditors' Report

The Statutory Auditors of the Company, M/s. APT & Co. LLP, Chartered Accountants, have submitted the Auditor's Report forming part of Financial Statements in this Annual Report which has observation on Standalone Financial Statements for the period ended 31st March, 2025.

Auditor's Qualification/ Observation

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

The Company is not eligible to pay director remuneration for non-compliance of conditions prescribed in schedule V of the companies Act, 2013. During the year, the company has given the director remuneration to Mr. Ashwani Kumar Aggarwal

(Executive Director) & Mr. Krishan Kumar Goyal (Managing Director) amounting to Rs. 65,80,797/- for the period from 1st April, 2024 to 31st December, 2024.

Including the above mentioned remuneration, the company has paid total managerial remuneration of Rs. 4,09,41,407/-, till date, without complying the provisions of Schedule V of the companies Act, 2013.

Management Reply

This is to inform the Hon'ble members that in the preceding period, remuneration had been paid to Mr. Krishan Kumar Goyal as Chairman & Managing Director and Mr. Ashwani Kumar Aggarwal as Executive Director (Whole Time), aggregating to Rs. 4,09,41,407/- (Rupees Four Crore Nine Lakhs Forty-One Thousand Four Hundred Seven only) which was in the due course of Company's operations.

The remuneration approved by the Board of Directors and Shareholders was well within the limits as prescribed under schedule to the Companies Act 2013 in case of loss or inadequacy of profit, but since the accounts of the company with lenders had gone NPA and as per the provisions of Companies Act, the Lenders approval was required and our Company's request was under their consideration.

In the meanwhile, the Company's lenders have been paid by OTS Debt Settlement. The entire settlement amount has been paid to the respective Lenders. They have issued their No Dues Certificates to the Company. The Managerial remuneration to Mr. Krishan Kumar Goyal and Mr. Ashwani Kumar Aggarwal was paid in the due course of operations of the Company. In the light of the above the Board considered and recommended to the Shareholders for ratification of past remuneration already paid.

Secretarial Auditors' Report

The Secretarial Auditor M/s. Sanger & Associates, Company Secretaries has submitted the Secretarial Audit Report for the Financial Year 2024-25 in Form No. MR-3 and forming part of this Directors Report annexed as "Annexure-A".

Secretarial Auditors' Qualification in Secretarial Audit Report

Director's remuneration is not admissible as prescribed in Sec-197 of companies Act, 2013 except in accordance with the provision of Schedule V and

if it is not able to comply with such provisions, the prior approval of lenders is required. The Company is not eligible to pay director remuneration for non-compliance of conditions prescribed in schedule V of the companies Act, 2013

Management Reply

This is to inform the Hon'ble members that in the preceding period, remuneration had been paid to Mr. Krishan Kumar Goyal as Chairman & Managing Director and Mr. Ashwani Kumar Aggarwal as Executive Director (Whole Time), aggregating to Rs. 4,09,41,407/- (Rupees Four Crore Nine Lakhs Forty-One Thousand Four Hundred Seven only) which was in the due course of Company's operations.

The remuneration approved by the Board of Directors and Shareholders was well within the limits as prescribed under schedule to the Companies Act 2013 in case of loss or inadequacy of profit, but since the accounts of the company with lenders had gone NPA and as per the provisions of Companies Act, the Lenders approval was required and our Company's request was under their consideration.

In the meanwhile, the Company's lenders have been paid by OTS Debt Settlement. The entire settlement amount has been paid to the respective Lenders. They have issued their No Dues Certificates to the Company. The Managerial remuneration to Mr. Krishan Kumar Goyal and Mr. Ashwani Kumar Aggarwal was paid in the due course of operations of the Company. In the light of the above the Board considered and recommended to the Shareholders for ratification of past remuneration already paid.

RISK MANAGEMENT

The Company recognises that risk is an internal and unavoidable component of business and is committed to managing the risk in a proactive and efficient manner. The Company has formulated Risk Management Policy to identify and then manage threats / risks that could have impact on the goals and objectives of the Company. The Audit Committee of the Company periodically reviews and evaluates the adequacy of risk management system. The actual identification, assessment and mitigation of risks is however done by the executives of the Company.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Your Company is committed to highest standards of ethical, moral and legal business conduct.

Accordingly, the Board of Directors have formulated Vigil Mechanism/Whistle Blower Policy which provides a robust framework for dealing with genuine concerns and grievances of Employees, Directors and Senior Executives. Your Company has an ethics hotline which can be used by employees, Directors, senior executives, suppliers, dealers etc. to report any violations to the Code of Conduct. Specifically, employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company.

During financial year 2024-25, no complaints were received.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

MDL (Modern Dairies Limited) has aligned its current system of internal financial control with the requirement of Companies Act, 2013.

MDL's internal controls commensurate with its size and nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies.

The management assessed the effectiveness of the Company's internal control over financial reporting (as defined in Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) as of 31st March, 2025. The assessment involved self-review and external audit.

M/s. APT & Co. LLP, Chartered Accountants, the Statutory Auditors of MDL have audited the financial statements included in this annual report and have issued an attestation report on our internal control over financial reporting (as defined in Section 143).

The Audit Committee reviews reports submitted by the management and audit reports submitted by internal auditors and Statutory Auditors. Suggestions for

improvement are considered and the Audit Committee follows up on corrective action.

Based on its evaluations (as defined in Section 177 of Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), the Audit Committee has concluded that, as of 31st March, 2025, the internal financial controls were adequate and operating effectively.

MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no adverse material changes or commitments occurred after 31st March, 2025 till the date of this report, which may affect the financial position of the Company.

DEPOSITS

The Company has neither accepted nor invited any deposit from the public and hence directives issued by Reserve Bank of India and the provisions of Chapter V (Acceptance of deposits by Companies) of the Companies Act, 2013 and rules framed there under are not applicable for the year.

TRANSFER TO RESERVES

Considering the financial position of the Company and requirements of regular funds for operations, no amount has been transferred to the General Reserves of the Company during Financial Year 2024-25.

EXTRACT OF ANNUAL RETURN

In terms of requirement of section 134 (3) (a) read with Section 92(3) of the Companies Act, 2013, the Annual return of the Company has been placed on the Company's website and can be accessed on the website of the Company at www.moderndairies.com.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo as per Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules 2014, is given in the "Annexure-B" and forms part of this report.

CORPORATE SOCIAL RESPONSIBILITY

The provisions regarding Corporate Social Responsibility ("CSR") as enumerated under Section 135 of the Companies Act 2013 were applicable to the Company for the period under review.

As per the applicable provisions, the Company has to spend at least two per cent of the average net profits of the company made during the three immediately preceding financial years, i.e. FY 21-22, FY 22-23 & FY 23-24, which came to Rs. 34.22 Lacs. The Company is happy to inform that the total amount spent by the Company during the year was Rs.34.29 Lacs on the CSR activities. The Annual Report on CSR activities in the prescribed Form is attached as "Annexure-C" to this report.

The CSR Policy is available on the website of the Company at www.moderndairies.com.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Companies Act, 2013 for Financial Year 2024-25 forms part of the notes to the financial statements.

RELATED PARTY TRANSACTIONS

All contracts or arrangements entered into by the Company with Related Parties have been done at an arm's length and are in the ordinary course of business. Related Party disclosures as per INDAS-24 have been provided in the Notes to the Financial Statements.

During financial year 2024-25, your company has entered into material contract/ arrangement/ transaction with related parties in accordance with its Policy on Materiality of Related Party Transactions.

The details of material related party transactions are reported in Form AOC-2 and attached as "Annexure-D" to this report.

CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION & ANALYSIS

A separate report on Corporate Governance & Management Discussion & Analysis is attached to this report.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company has in place a policy on Prevention of Sexual Harassment at workplace. This policy is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees are covered under this Policy.

As per the said Policy, an Internal Complaints Committee is also in place to redress complaints received regarding sexual harassment. No complaints were received during financial year 2024-25.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is compliant with the applicable Secretarial Standards (SS) viz. SS-1 & SS-2 on Meetings of the Board of Directors and General Meetings respectively.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (b) they have 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 at 31st March, 2025 and of the profit of the Company for the year;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts are prepared on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

APPRECIATION

Your Directors wish to place on record their sincere appreciation for the continued support from its business associates and stakeholders of the Company.

By order of the Board of Directors
For Modern Dairies Limited

Krishan Kumar Goyal

Place: Chandigarh Chairman & Managing Director

Date: 27th May, 2025

DIN: 00482035

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**INDUSTRY STRUCTURE & DEVELOPMENTS**

India has a large, growing and increasingly sophisticated dairy consuming population. Demand for dairy products is growing at a fast rate.

Dairy development programmes have eventually transformed India from a milk-deficient nation into the world's largest milk producer. Our world leading agritech and dairy technology could make a huge difference to India's agricultural productivity and dairy production efficiency. Today, India contributes one-fourth of the global milk output alone. The dairy companies not only provide nutritious milk and milk products at affordable prices to consumers but also provide livelihoods to crores of dairy farmers across the country.

Further, Dairy Industry strengthens the rural economy, develop the ecosystem of self-employment and small entrepreneurship, increase social inclusion, and increase opportunities to set new standards in innovation and research.

OPPORTUNITIES AND THREATS**OPPORTUNITIES**

- The primary catalyst for the expansion of India's dairy sector is the surge in consumption and consumer base, driven by population increase and rising income.
- Increased disposable money has allowed more people to purchase nutritious foods, notably dairy products, which is a key component of traditional Indian diet.

- Rising demand for nutrition-rich dairy products, including proteins, vitamins and minerals is anticipated to propel market expansion.
- Dairy companies are responding by offering a variety of cultured products such as dahi, lassi, flavored yoghurts, fortified milk and probiotic drinks that cater to health conscious consumers.
- With all these factors the dairy industry is all set for a bright future and growth in value added dairy products segment.

THREATS

- Intense competition exists in various product segments, with companies constantly innovating to offer differentiated products.
- While the dairy market in India is growing, competition for market share remains fierce due to the presence of established brands and new entrants.
- The export of Milk Products from the country are in direct competition from the global markets. It is imperative that our milk production cost is also competitive against global supply chain.

RISK AND CONCERN

Milk is the primary raw material for the Dairy industry. Climate challenges, such as droughts or excessive heat can adversely affect feed and fodder dynamics, resulting in reduced milk production, straining milk procurement. This can adversely affect the performance of the Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

To provide reasonable assurance that assets are safeguarded against loss or damage and that accounting records are reliable for preparing financial statements, management maintains a system of accounting and controls including an internal audit process. Internal controls are supported by management reviews.

The Board of Directors have an Audit Committee that is chaired by an Independent Director. The Committee meets periodically with Management, Internal Auditor, Statutory Auditors to review the Company's program of internal controls, audit plans and results, recommendations of the auditors and management's responses to those recommendations.

FINANCIAL PERFORMANCE AND RESULTS OF OPERATIONS

Your company during this Financial Year under review earned revenue of ₹ 3,48,92 Lacs as against ₹ 3,62,04

Lacs over the previous year. The operating profit this year was ₹14,77 Lacs as against ₹22,19 Lacs in the previous year.

The focus of the company continues to be in the fresh dairy, cultured products, cheese and milk nutritional ingredient business. It is a growing market segment and your company has also achieved growth in these segments. This year the prices of raw milk remained on the higher side than the last year which resulted in reduced margins particularly on the sale of fresh dairy and cultured products.

HUMAN RESOURCES

The Company regards its employees as valuable asset and continuously reviews and evolves policies and procedures to attract and retain its pool of technical and managerial personnel through a conducive work environment.

As at 31st March, 2025, the Company had a total workforce of 453 persons.

CAUTIONARY STATEMENT

The Management Discussion and Analysis Report may contain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed in the statement as important factors could influence the Company's operations such as Government policies, political and economic developments and such other factors are risk inherent to the Company's growth.

By order of the Board of Directors
For Modern Dairies Limited

Krishan Kumar Goyal
Chairman & Managing Director
DIN: 00482035

Place: Chandigarh
Date: 27th May, 2025

ANNEXURE 'A' TO DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
THE MEMBERS,
Modern Dairies Limited.
CIN: L74899HR1992PLC032998
136, K.M. G.T. Road, Karnal,
Haryana-132001.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MODERN DAIRIES 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 MODERN DAIRIES LIMITED 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 31st MARCH 2025 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 MODERN DAIRIES LIMITED ("The Company") for the financial year ended on 31st March, 2025 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 Byelaws Framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to

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 Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013.
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
 - (d) The SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not Applicable as the company has not provided any share-based benefits to the employees during the year.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and Chapter V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Not applicable as the company has not issued any debt securities during the financial year under review.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and the amendments thereof - Not Applicable, as none of the securities of the company were delisted during the audit period.
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable as the company has not

bought back any of its securities during the financial year under review.

I 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 test-check basis, the Company has complied with the following laws applicable specifically to the Company: -

- a) Industrial Disputes Act, 1947.
- b) The Payment of Wages Act, 1936.
- c) The Minimum Wages Act, 1948.
- d) Employees' State Insurance Act, 1948.
- e) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- f) The Payment of Bonus Act, 1965.
- g) The Payment of Gratuity Act, 1972.
- h) The Contract Labour (Regulation & Abolition) Act, 1970.
- i) The Maternity Benefit Act, 1961.
- j) The Child Labour (Prohibition & Regulation) Act, 1986.
- k) The Employees' Compensation Act, 1923.
- l) Equal Remuneration Act, 1976.
- m) Water (Prevention and Control of Pollution) Act, 1974
- n) Water (Prevention and Control of Pollution) Cess Act, 1977.
- o) Air (Prevention and Control of Pollution) Act, 1981.
- p) Environment (Protection) Act, 1986.

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

- i. Secretarial Standards in respect of Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) as amended from time to time issued by The Institute of Company Secretaries of India.
- ii. The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 being listed on the BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observation:

Director's remuneration is not admissible as prescribed in Sec-197 of companies Act, 2013 except

in accordance with the provision of Schedule V and if it is not able to comply with such provisions, the prior approval of lenders is required. The Company is not eligible to pay director remuneration for non-compliance of conditions prescribed in schedule V of the companies Act, 2013.

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive 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 Meetings, 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.
- The Company has obtained all necessary approvals under the various provisions of the act.
- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act and any other Act against/on the Company, its directors, and officers.

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, rules, regulations and guidelines.

For Sanger & Associates
Company Secretaries

CS Rajeev Kumar Sanger
M No. F13092
C.P No. 22007

Place: Panchkula
Date: 27.05.2025

UDIN: F013092G000488811

ANNEXURE:-A

To,
The Members,
Modern Dairies Limited.
CIN: L74899HR1992PLC032998
136, K.M. G.T. Road, Karnal,
Haryana-132001.

Secretarial Audit report on even date, for the financial year 2024-25 is to be read along with this letter.

Management Responsibility

1. It is the responsibility of the management of the Company to maintain Secretarial records, devise proper system to ensure compliance with the provision of all applicable laws and regulation and to ensure that the system is adequate and operate effectively.

Auditor responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial Compliances.
3. I believe that audit evidence and information obtained from the management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, I have obtained the management's representation about compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. 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 affair of the Company.
6. I have not verified the correctness and appropriateness of financial records and books of account of the Company.

For Sanger & Associates
Company Secretaries

CS Rajeev Kumar Sanger
M No. F13092
C.P No. 22007

Place: Panchkula
Date: 27.05.2025

UDIN: F013092G000488811

ANNEXURE 'B' TO DIRECTORS' REPORT

Information as per section 134(3)(m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2025

FORM 'A'**A) POWER AND FUEL CONSUMPTION**

	Current year 2024-25	Previous Year 2023-24
POWER		
a) Electricity Power		
Purchase Units (Kwh)	1,76,83,200	1,82,85,270
Total Amount	13,95,02,458	14,41,92,009
Rate per Unit	7.89	7.89
b) Other Generation		
Through Diesel Generator		
Unit (Kwh)	1,12,556	97,110
Total Amount	31,21,439	27,13,729
Unit per litre of Diesel Oil	3.13	3.17
Cost / Unit	27.73	27.94
FUEL		
Quantity (MT)	16,588	20,130
Total Amount Rs.	8,75,33,693	12,83,32,932
Rate / Unit Rs. per MT	5,277.04	6,375.08

B) CONSUMPTION PER UNIT OF PRODUCTION

Products: Liquid Milk, Skimmed Milk Powder, Whole Milk Powder, Dairy Whitener, Pure Ghee, Butter, Casein, WPC, Lactose etc.

Unit per 1000 kgs. of milk processed

Electricity (kwh)	85.04	80.25
Fuel Quantity (Kgs.)	79.58	82.21

NOTE:

As the Company manufactures several products, it is impracticable to apportion the utilities to different products. However, consumption of electricity and fuel has been given per thousand kgs. of milk processed.

FORM 'B'**1. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

The Company is regularly working on the continual improvement of its products looking at its customers / market requirements.

2. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars with regard to Foreign Exchange earnings and outgo appear on the relevant note of the Balance Sheet.

By order of the Board of Directors
For Modern Dairies Limited

Place: Chandigarh
Date: 27th May, 2025

Krishan Kumar Goyal
Chairman & Managing Director
DIN: 00482035

ANNEXURE - 'C' TO DIRECTORS' REPORT

Annual Report on Corporate Social Responsibility Activities as per Section 135 of the Companies Act, 2013 for Financial Year 2024-25

1. Brief outline on CSR Policy of the Company:
 - The Company has framed Corporate Social Responsibility (CSR) Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.
The CSR Policy has been uploaded on the website of the Company at www.moderndairies.com.
2. Composition of CSR Committee:
 - Pursuant to Section 135(9) of the Companies Act, 2013, Provision of constituting CSR Committee were not applicable to the Company during F.Y. 2024-25.
3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company
 - www.moderndairies.com
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):
 - Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:
 - Not Applicable
6. Average net profit/ (loss) of the company as per section 135(5) for last three financial years:

Financial Year	Net Profit (Amount in ₹ Lacs)
2021-22	495.22
2022-23	1215.61
2023-24	3422.86
Average Net Profit	1711.23

7. Calculation of Below:

(a) Two percent of average net profit /(loss) of the company as per section 135(5)	Rs. 34.22 Lacs
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
(c) Amount required to be set off for the financial year, if any	Nil
(d) Total CSR obligation for the financial year (7a+7b-7c).	Rs. 34.22 Lacs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
34.29 Lacs	Nil	NA	NA	Nil	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
Not Applicable												

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (Rs. in Lacs)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.			Name	CSR Registration number.
1.	Promoting education, enhancing vocation skills and livelihood enhancement projects for children	(ii)	Yes	Haryana	Karnal	5.00	No	Mission to the Desperate & Destitute of India, Karnal (HRY)	CSR00019339
2.	Providing support to Old Age Home and livelihood enhancement facilities for Senior Citizens	(iii)	Yes	Haryana	Karnal	2.00	No	Subhadra Manav Kalyan Sewa Sansthan, Karnal (HRY)	CSR00046264
3.	For Eradicating Hunger and Malnutrition	(i)	Yes	Haryana	Panchkula	11.00	No	Shree Mata Mansa Devi, Bhandara Committee, Panchkula (HRY)	CSR00007594
4.	Animal Welfare	(iv)	Yes	Haryana	Panchkula	5.00	No	Panchkula Gaushala Trust, Panchkula (HRY)	CSR00018078
5.	For Eradicating hunger and malnutrition	(i)	NA	PAN India		4.04	No	The Akshaya Patra Foundation, Bangaluru	CSR00000286
6.	For promoting education, enhancing vocation skills and livelihood enhancement for children	(ii)	No	Uttar Pradesh	Shrawasti	5.00	No	Sunshine Public School, Ikauna, Dist. Shrawasti, UP	CSR00081481
7.	The PM Cares Fund	-	-	-	-	2.25	Yes	-	-
TOTAL						34.29			

- (d) Amount spent in Administrative Overheads: Nil
(e) Amount spent on Impact Assessment, if applicable: Not Applicable
(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 34.29 Lacs**
(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (Rs. in Lacs)
(i)	Two percent of average net profit/ (loss) of the company as per section 135(5)	34.22
(ii)	Total amount spent for the Financial Year	34.29
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.07
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.07

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer.	
Not Applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing.
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

(a)	Date of creation or acquisition of the capital asset(s)	N.A.
(b)	Amount of CSR spent for creation or acquisition of capital asset	Nil
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	N.A.
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	N.A.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

By order of the Board of Directors
For Modern Dairies Limited

Place: Chandigarh
Dated: 27th May, 2025

Krishan Kumar Goyal
Chairman and Managing Director
DIN: 00482035

ANNEXURE 'D' TO DIRECTORS' REPORT**FORM No. AOC-2**

*(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014)*

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis - No such contract or arrangement.
2. Details of material contracts or arrangement or transactions at arm's length basis-

(a)	Name(s) of the related party and nature of relationship	Nabha Commerce Private Limited Mr. Krishan Kumar Goyal (Managing Director) and his relatives are shareholders of Nabha Commerce Private Limited.	Modern Dairyfarms Limited The Board of Directors of Modern Dairyfarms Limited are accustomed to act in accordance with the advice, directions or instructions of Mr. Krishan Kumar Goyal, Chairman and Managing Director of the Company through his relatives.
(b)	Nature of contracts/ arrangements/ transactions	sale / purchase of milk ingredients.	sale / purchase of milk or milk products.
(c)	Duration of the Contract/ arrangements/ transactions	During the year	During the year
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	During F.Y. 2024-25, the Company was engaged in the sale / purchase of milk or milk products at arm's length basis upto the duly approved Value of Rs. 130 Crores.	During F.Y. 2024-25, the Company was engaged in the sale / purchase / contract manufacturing of milk or milk products at arm's length basis upto the duly approved Value of Rs.180 Crores.
(e)	Date(s) of approval by the Board, if any:	At quarterly board meetings	At quarterly board meetings
(f)	Amount paid as advances, if any:	Nil	Nil

By order of the Board of Directors
For Modern Dairies Limited

Place: Chandigarh
Date: 27th May, 2025

Krishan Kumar Goyal
Chairman & Managing Director
DIN: 00482035

CORPORATE GOVERNANCE REPORT

In line with the requirement for providing a “Report on Corporate Governance” as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 of the Stock Exchange as applicable, given below is a Report on Company’s Corporate Governance norms:

1. COMPANY’S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Modern Dairies Limited is committed in adopting the best practices of Corporate Governance.

The Company endeavors to act on the principles of transparency, accountability, trusteeship, integrity and passion. The ultimate objective being of realizing long term shareholders values, while taking into account the interest of other stakeholders.

2. BOARD OF DIRECTORS

A. Composition and category of the Board of Directors

As on 31st March, 2025, the Board of Directors of the Company comprises of an optimum combination of Executive and Non-Executive Directors. The Board consist of 4 Directors out of which 2(Two) are Independent Directors (including one woman director) and 2(Two) are Non-Independent Executive Directors.

All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of Companies Act, 2013. All the directors have made necessary disclosures about their directorships and the committee positions held by them in other companies during the year 2024-25.

A list of Directors including the Chairman of the Board, their status as Executive/Non-Executive and Independent/Non- Independent, their attendance at the Board meetings held during the year and number of Directorships and Committee Chairmanships/Memberships held by them in other public companies for the year ended on 31st March, 2025 is set out below:

Name of the Director	Category of the Director	No. of Board meetings entitled to attend	No. of Board meetings attended	Last AGM attended	No. of other Directorships in Public Company	No. of Committee positions held in other public Companies		Relationship with directors inter-se
						Chairman	Member	
Mr. Krishan Kumar Goyal	Chairman & Managing Director Non Independent (Promoter) Director	5	5	Yes	1*	-	-	NA
Mr. Ashwani Kumar Aggarwal	Non Independent Executive Director	5	5	Yes	-	-	-	NA
Prof. Sanjay Kaushik	Non-Executive Independent Director	5	5	Yes	-	-	-	NA
Prof. Meena Sharma	Non-Executive Independent Director	5	5	Yes	-	-	-	NA
Mr. Ajay Kumar Sharma**	Non-Executive Independent Director	4	3	Yes	-	-	-	NA

* Mr. Krishan Kumar Goyal is also a Chairman and Managing Director in Modern Steels Limited.

** Due to the sad demise of Mr. Ajay Kumar Sharma, Non-Executive Independent Director, he ceased to be Director and member of the Committees of the Board of Directors of the Company w.e.f. 02.01.2025.

Dr. Surinder Kumar is appointed as an Additional Independent Director by the Board of Directors w.e.f. 01.04.2025

Note: In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Membership/Chairmanship of the Audit Committee and Stakeholders Relationship Committee in other Public Limited Companies (listed/unlisted) have been considered.

B. Board Meetings and Attendance

During the financial year ended on 31st March, 2025, five meetings of Board of Directors were held. The details of Board Meetings held during the year are as under:

Date of Board Meeting	Board's Strength	No. of Directors Present
18 th May, 2024	5	5
10 th August, 2024	5	5
29 th August, 2024	5	5
11 th November, 2024	5	4
03 rd February, 2025	4	4

None of the Non-Executive Directors are holding any equity shares in the Company.

C. The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are available with the Board: Understanding of Industry, Leadership, Corporate Accounts & Finance, Production, Technical, Sales, Marketing, Branding, Risks, Administration and General Management, Board procedures and Corporate Governance.

List of Directors possessing the skills/expertise and competencies:

Name of the Directors	Skills/Expertise and Competencies
Mr. Krishan Kumar Goyal	Understanding of Industry, Leadership, Corporate Accounts & Finance, Production, Sales, Marketing, Administration, Board Procedures and Governance, General Management, etc.
Mr. Ashwani Kumar Aggarwal	Understanding of Industry, Leadership, Accounts & Finance, Production, Technical, Sales, Marketing, Branding, Board procedures and Governance, etc.
Prof. Sanjay Kaushik	Corporate Accounts & Finance, Board Procedures and Corporate Governance, etc.
Prof. Meena Sharma	Corporate Accounts & Finance, Board Procedures and Corporate Governance, etc.
Mr. Ajay Kumar Sharma*	Corporate Accounts & Finance, Board Procedures and Corporate Governance, etc.
Dr. Surinder Kumar	Corporate Accounts & Finance, Board Procedures and Corporate Governance, etc.

* Due to the sad demise of Mr. Ajay Kumar Sharma, Non-Executive Independent Director, he ceased to be Director of the Company w.e.f. 02.01.2025.

D. Details of Independent Directors:

The Board hereby confirms that the Independent Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and are independent of the management.

In accordance with the provisions of Regulations 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has been conducting various familiarizing programme for Independent Directors. The details of such familiarization programme have been disclosed on the website of the Company.

3. AUDIT COMMITTEE**a. Terms of reference of Audit Committee**

- (1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

- (b) changes, if any, in accounting policies and practices and reasons for the same;
- (c) major accounting entries involving estimates based on the exercise of judgment by management;
- (d) significant adjustments made in the financial statements arising out of audit findings;
- (e) compliance with listing and other legal requirements relating to financial statements;
- (f) disclosure of any related party transactions;
- (g) modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- (21) consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- (22) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

The audit committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) internal audit reports relating to internal control weaknesses;
- (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and

(6) statement of deviations:

- (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

b. Composition of Audit Committee

- i. The Company has constituted an Audit Committee as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under Section 177 of the Companies Act, 2013. During the Financial Year 2024-25, the Committee comprises of 4(four) Directors, out of which 3 (three) are Independent Directors and 1(one) is Executive and Non-Independent Director.
- ii. The Chairperson of the Audit Committee is Prof. Sanjay Kaushik, who is a Non-Executive Independent Director.
- iii. All of the above Directors are financially literate and have accounting and related financial management expertise.
- iv. The Chairperson of the Audit Committee was present at the last Annual General Meeting to answer the Shareholders queries.
- v. The Company Secretary of the Company is the Secretary of the Audit Committee.
- vi. Audit Committee meetings are attended by Chief Financial Officer of the Company.

c. Meetings and attendance of Audit Committee

The Committee met four times during the year on 18th May, 2024, 10th August, 2024, 11th November, 2024 and 03rd February, 2025.

The composition and status of attendance of members at the Audit Committee held during the year 2024-25 is as under:

Name of Director	Designation in Committee	No. of Meetings held	No. of Meetings entitled to attend	No. of Meetings attended
Prof. Sanjay Kaushik	Chairman	4	4	4
Mr. Ashwani Kumar Aggarwal	Member	4	4	4
Mr. Ajay Kumar Sharma*	Member	4	3	2
Prof. Meena Sharma	Member	4	4	4

* Due to the sad demise of Mr. Ajay Kumar Sharma, Non-Executive Independent Director, he ceased to be Director and member of the Committees of the Board of Directors of the Company w.e.f. 02.01.2025.

4. NOMINATION AND REMUNERATION COMMITTEE**a. The terms of reference of the Committee are as follows:**

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- (2) Formulation of criteria for evaluation of performance of Independent Directors and the board of directors;
- (3) Devising a policy on diversity of board of directors;
- (4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- (5) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors.
- (6) Recommend to the board, all remuneration, in whatever form, payable to senior management.

All members of the Nomination and Remuneration Committee are Non-Executive and persons of repute and have sound knowledge of management practices.

b. Composition of Nomination and Remuneration Committee

- The Company has constituted a Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Committee comprises of 3(three) Directors, all are Independent Directors.
- Prof. Sanjay Kaushik is the Chairperson of the Nomination & Remuneration Committee.
- The Chairperson of Nomination & Remuneration Committee was present at the last Annual General Meeting of the Company.

c. Meeting and attendance of Nomination and Remuneration Committee

The Committee met 1 (One) time during the year on 10th August, 2024.

The composition and status of attendance of members at the Nomination & Remuneration Committee held during the year 2024-25 is as under:

Name of Director	Designation in Committee	No. of Meetings held	No. of Meetings entitled to attend	No. of Meetings attended
Prof. Sanjay Kaushik	Chairman	1	1	1
Prof. Meena Sharma	Member	1	1	1
Mr. Ajay Kumar Sharma*	Member	1	1	1

* Due to the sad demise of Mr. Ajay Kumar Sharma, Non-Executive Independent Director, he ceased to be Director and member of the Committees of the Board of Directors of the Company w.e.f. 02.01.2025.

d. Performance evaluation criteria

A formal evaluation of the performance of the Board, its Committees, the Chairman and the individual Directors was carried out for FY 2024-25. Led by the Nomination and Remuneration Committee ('NRC'), the evaluation was carried out using individual questionnaires covering composition of Board, conduct as per Company values & beliefs, contribution towards development of strategy & business plan, risk management, receipt of regular inputs and information, codes & policies for strengthening governance, functioning, performance & structure of Board Committees, skill set, knowledge & expertise of Directors, preparation & contribution at Board meetings, leadership etc.

5. REMUNERATION OF DIRECTORS

The Executive Directors are paid remuneration as per the terms approved by the Board of Directors and confirmed by the shareholders of the Company. Service contracts are entered into in terms of regulations governing their appointment and terms of remuneration. The remuneration is fixed considering various factors such as qualification, experience, expertise, prevailing remuneration in the competitive industries, financial position of the Company etc. The remuneration structure comprises Basic Salary, Perquisites and Allowances, contribution to Provident Fund and other funds in accordance with various related provisions of the Companies Act, 2013. The Non-Executive Directors are paid sitting fee of Rs. 20,000/- per Board Meeting and Rs.10,000/- for Committee Meetings attended by them.

**a. Details of Remuneration paid to the Directors during the financial year ended 31st March, 2025
(Amount in ₹)**

Name of the Director	Salary	Perquisites	Benefits/PF	Sitting Fee	Total
Mr. Krishan Kumar Goyal	51,00,000	-	-	-	51,00,000
Mr. Ashwani Kumar Aggarwal	22,96,332	11,09,817	16,535	-	34,22,684
Prof. Sanjay Kaushik	-	-	-	2,10,000	2,10,000
Prof. Meena Sharma	-	-	-	2,10,000	2,10,000
Mr. Ajay Kumar Sharma	-	-	-	1,10,000	1,10,000

- There was no pecuniary relationship or transactions of the Non-Executive Directors viz-a-viz the Company.

- c. The Non-Executive Directors are not paid any remuneration except the sitting fees for attending the Board/Committee meetings.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

- a. The Company has formed a Stakeholders Relationship Committee as per Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The role of the committee shall inter-alia include the following:
- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
 - (2) Review of measures taken for effective exercise of voting rights by shareholders.
 - (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
 - (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- b. During the F.Y. 2024-25, the Committee comprised of 4 (four) Directors, out of which 3 (three) were Independent Directors and 1 (one) is Executive and Non-Independent Director. Mr. Ajay Kumar Sharma, Non-Executive Independent Director was the Chairman of the Committee nominated by Board.
- c. The Chairperson of the Stakeholders Relationship Committee was present at the last Annual General Meeting to answer the Shareholders queries.
- d. Ms. Shruti Joshi, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.
- e. The Committee met 4 (four) times during the year on 18th May, 2024, 10th August, 2024, 11th November, 2024 and 03rd February, 2025.

The composition and status of attendance of members at the Stakeholder's Relationship Committee held during the year 2024-25 is as under:

Name of Director	Designation in Committee	No. of Meetings held	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Ajay Kumar Sharma*	Chairman	4	3	3
Mr. Ashwani Kumar Aggarwal	Member	4	4	4
Prof. Sanjay Kaushik	Member	4	4	4
Prof. Meena Sharma	Member	4	4	4

* Due to the sad demise of Mr. Ajay Kumar Sharma, Non-Executive Independent Director, he ceased to be Director and member of the Committees of the Board of Directors of the Company w.e.f. 02.01.2025.

- f. Details of Complaints:
During the year 2024-25, the Company received 2(two) Complaints as on 29.03.2025 from the Shareholders, which were duly resolved by the Company on 16.04.2025.

7. ALLOTMENT COMMITTEE

- a. The Company has formed a Allotment Committee of the Board of Directors to approve allotment of securities i.e., Shares/Debentures/Warrants etc., from time to time, in compliance with the requirement of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The role of the committee shall inter-alia include the following:
- to allot various securities of the Company (viz. Shares/Debentures/Warrants etc.), from time to time.

- reviewing applications for share allotments.
 - making recommendations to the Board in connection with Right Issue, Private Placement, etc.
 - take all necessary steps, decisions required in connection with allotment of securities of the company, to settle any question, queries or doubt that may arise in regard to the allotment of securities..
- b. The Committee comprised of 3 (three) Directors, out of which 2 (two) are Independent Directors and 1 (one) is Executive and Non-Independent Director. Mr. Ashwani Kumar Aggarwal, Executive (Whole-Time) Director was the Chairman of the Committee.
- c. During the F.Y. 2024-25, two meetings of Allotment Committee were held and passed the Resolutions by Circulation for approval of allotment of securities in the Company. The outcome was duly informed to the Board of Directors of the Company.

The composition of members at the Allotment Committee during the year 2024-25 is as under:

S. No.	Name of the Director	Member/Chairman
1	Mr. Ashwani Kumar Aggarwal	Chairman
2	Prof. Sanjay Kaushik	Member
3	Prof. Meena Sharma	Member

8. GENERAL BODY MEETINGS

• Annual General Meeting

The details of Annual General meeting held in the last three years are as follows:

Financial Year	Location	Date	Time
2021-22	Registered office: 136 KM., G.T. Road, Karnal 132 001 (Haryana)	30 th September, 2022	11.00 A.M.
2022-23	Registered office: 136 KM., G.T. Road, Karnal 132 001 (Haryana)	27 th September, 2023	11.00 A.M.
2023-24	Registered office: 136 KM., G.T. Road, Karnal 132 001 (Haryana)	27 th September, 2024	11.00 A.M.

• Special Resolutions passed in previous three AGMs:

- (i) In the 30th AGM dated 30th September, 2022, the following Special Resolutions were passed.
 - (a) Appointment of Prof. Sanjay Kaushik (DIN: 09631258) as a Non-Executive Independent Director of the Company.
 - (b) Appointment of Prof. Meena Sharma (DIN: 07241589) as a Non-Executive Independent Director of the Company.
 - (c) Appointment of Mr. Ajay Kumar Sharma (DIN: 09710194) as a Non-Executive Independent Director of the Company.
- (ii) In the 31st AGM dated 27th September, 2023, the following Special Resolutions were passed:
 - (a) To consider and approve remuneration payable to Mr. Krishan Kumar Goyal as Chairman & Managing Director of the Company.
 - (b) To reappoint Mr. Ashwani Kumar Aggarwal (DIN: 00486430) as Executive Director (Whole-Time Director) of the Company.
- (iii) In the 32nd AGM dated 27th September, 2024, the following Special Resolutions were passed:
 - (a) To re-appoint Prof. Meena Sharma (DIN: 07241589) as a Non-Executive Independent Director for second term.
 - (b) To re-appoint Mr. Ajay Kumar Sharma (DIN: 09710194) as a Non-Executive Independent Director for second term.
 - (c) To Approve Issue of Warrants Convertible into Equity Shares of the Company on Preferential Allotment Basis to Promoter and Promoter Group.

- **Extra-ordinary General Meeting**

During the year, no Extraordinary General Meeting of the Company was held.

- **Postal Ballot**

The Company has not passed any resolution through postal ballot during the financial year and as of now there is no proposal to pass any resolution through postal ballot.

9. MEANS OF COMMUNICATION

Quarterly results: The Quarterly /Half yearly/ Yearly results of the Company, and information relating to Annual General Meeting, Book Closures is published in The Financial Express and Jansatta i.e. in English and regional language newspaper and is also notified to the Stock Exchange as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In addition, the Company also files quarterly results, Shareholding Pattern etc. in such form so as to enable Stock Exchange to put it on their website.

Website: www.moderndairies.com

Annual Report: The Annual Report containing Directors' Report, Corporate Governance Report, Auditors' Report, Audited Financial Statement is circulated to the members by email or by post.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web based complaints redress system. The salient features of this system are centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned Companies and online viewing by investors of actions taken on the complaint and its current status.

Designated email-id: The Company has designated following email ID exclusively for Investor Servicing: secretarial@moderndairies.com

Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders.

GENERAL SHAREHOLDER INFORMATION

1. Company Registration Details:

The Company is registered in the State of Haryana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L74899HR1992PLC032998.

2. Annual General Meeting:

Day, Date & Time: Friday, 27th June, 2025 at 11:00 a.m.

Venue: Through Video Conferencing/other Audio Visual means.

3. Financial Year

From: 1st April, 2024

To: 31st March, 2025

Financial Calendar(tentative) for:

Adoption of Results for the quarter ended:	In the Month of (tentative)
30 th June, 2025	August, 2025 (2 nd week)
30 th September, 2025	November, 2025 (2 nd week)
31 st December, 2025	February, 2026 (2 nd Week)
31 st March, 2026	May, 2026
Annual General Meeting	By September, 2026

4. Book Closure Date:

From 21st June, 2025 to 27th June, 2025 (both days inclusive)

5. Dividend Payment Date

No Dividend is proposed for the Financial Year 2024-25.

5. Listing on Stock Exchanges:

Your Company's equity shares are listed at:

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001

6. Payment of Listing Fees and Depository Fees

Your Company has made payment of Annual Listing Fees for Financial Year 2025-26 to the BSE Stock Exchange, where the securities of Company are listed.

Your Company has also made payment of Annual Custody/Issuer fee for Financial Year 2025-26 to NSDL & CDSL.

7. Stock Code:

BSE: 519287

ISIN No. Equity: INE617B01011

ISIN for Fully Convertible Warrants: INE617B13016

8. Stock Data:

MONTH	MODERN DAIRIES LTD. ON BSE				BSE SENSEX		
	High Rs.	Low Rs.	Close Rs.	Volume	High	Low	Close
2024							
April	36.70	28.85	34.86	6,33,178	75124.28	71816.46	74482.78
May	50.00	34.60	47.53	28,21,242	76009.68	71866.01	73961.31
June	54.35	41.50	49.00	17,03,737	79671.58	70234.43	79032.73
July	61.20	48.50	51.24	15,78,809	81908.43	78971.79	81741.34
August	54.00	47.45	53.88	7,92,531	82637.03	78295.86	82365.77
September	62.00	53.03	58.11	12,52,342	85978.25	80895.05	84299.78
October	60.00	51.52	58.39	6,59,100	84648.40	79137.98	79389.06
November	76.00	53.10	67.54	14,75,765	80569.73	76802.73	79802.79
December	72.60	58.00	60.79	4,93,288	82317.74	77560.79	78139.01
2025							
January	73.99	55.00	62.80	8,79,731	80072.99	75267.59	77500.57
February	66.80	45.20	47.53	5,24,348	78735.41	73141.27	73198.10
March	57.25	44.50	53.21	4,29,163	78741.69	72633.54	77414.92

9. Registrars and Share Transfer Agents (For Physical as well as for Demat Segment):

M/s. MCS Share Transfer Agent Limited

179-180, DSIDC Shed, 3rd Floor, Okhla Industrial Area, Phase – 1, New Delhi – 110020.

Tel.No.: +91-11-414061 49/50/51, Fax No.: +91-11- 41709881.

E-mail: helpdeskdelhi@mcsregistrars.com, helpdeskreply@mcsregistrars.com,

Website: www.mcsregistrars.com.

All shareholders of the Company can avail online services from our Registrars & Share Transfer Agents M/s. MCS Share Transfer Agent Limited, with regard to Investor Grievances. Please login on the site of M/s. MCS Share Transfer Agent Limited at www.mcsregistrars.com and click on Investors Services and you can register your queries/grievances and details as required by you. The registered queries/grievances on the site will be responded by M/s. MCS Share Transfer Agent Limited on priority basis.

10. Share Transfer System:

92.911% of the equity shares of the Company are in the electronic form. Transfer of these shares is done through the depositories with no involvement of the Company. However, SEBI vide its press release on March 27, 2019 clarified that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository with effect from April 01, 2019.

11. Distribution of Shareholdings as on 31st March, 2025:

SHAREHOLDING		SHAREHOLDERS		NO. OF SHARES	
From	To	Number	% of total	Number	% of total
1	500	14 853	86.31	24,38,909	10.46
501	1000	1,220	7.09	9,90,270	4.25
1001	2000	506	2.94	7,81,593	3.35
2001	3000	177	1.03	4,64,128	1.99
3001	4000	64	0.37	2,34,927	1.01
4001	5000	91	0.53	4,31,979	1.85
5001	10000	146	0.85	11,06,535	4.74
10001	50000	104	0.60	21,07,195	9.04
50001	100000	22	0.13	15,48,962	6.64
100001	And above	26	0.15	1,32,15,363	56.67
TOTAL		17,209	100.00	2,33,19,861	100.00

The Company had allotted 8600000 Warrants, convertible into equivalent number of equity shares, on a preferential basis on 13.03.2025 to Promoters and Promoter Group of the Company.

On 20.03.2025, out of the above said 8600000 Warrants, 2300000 Warrants have been converted to the equivalent number of Equity Shares of the Company (i.e. 23,00,000 Equity Shares) on exercise of the right of conversion by the Allottees. The corporate action for the dematerialization of these securities was under process with NSDL as on 31.03.2025, which was done on 13.05.2025. Because of this the same was not reflected in the shareholding figure and we have taken care as follows.

Shareholding Pattern of the Company as on 31st March, 2025:

Category	No. of shares held	No. of Warrants held	%age of shareholding
1. Promoters & Promoter Group	1,29,59,879	63,00,000	50.59
2. Mutual Funds & Banks	9,400	-	0.04
3. Bodies Corporate (not included above)	3,35,103	-	1.31
4. Indian Public	1,21,10,436	-	47.26
5. NRIs/OCBs	2,05,043	-	0.80
TOTAL	2,56,19,861	63,00,000	100.00

12. Dematerialization of Shares:

The trading in Company's shares is permitted only in dematerialised form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scripless trading, the Company has enlisted its shares with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Share Dematerialization record: The following data indicates the extent of Dematerialization of Company's shares as on 31st March, 2025:

No. of Shares: 2,16,66,709	92.911% of the total equity
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13. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

14. Plant Location of the Company:

Registered Office & Works: 136 K.M., G.T. Road, Karnal 132 001(Haryana).

15. Correspondence Address:

All queries of investors regarding the Company's shares in Physical/D'mat form may be sent at the following addresses:

Modern Dairies Limited
SCO 98-99, Sub City Centre
Sector 34, Chandigarh-160022
Tel.: +91-172- 2609001, 2609002, 2609003
Fax.: +91-172- 2609000
E-mail:secretarial@moderndairies.com
Company's Website: www.moderndairies.com

M/s. MCS Share Transfer Agent Limited
179-180, DSIDC Shed, 3rd Floor, Okhla Industrial
Area, Phase – 1, New Delhi – 110020
Tel. No.: +91-11-414061 49/50/51
Fax No.: +91-11- 41709881
E-mail: helpdeskdelhi@mcsregistrars.com,
helpdeskreply@mcsregistrars.com
Website: www.mcsregistrars.com

16. Other Disclosures:

- a) Disclosure on materially significant related party transactions.
- b) Details of non-compliance by listed Company, penalties: NA
- c) Detail of establishment of vigil mechanism, whistle blower policy:

The Company has established a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Directors and employees to report concerns about unethical behavior. No person is denied access to the Chairman of the Audit Committee.

- d) Details of compliance with mandatory requirements:

The Company is complying with all the mandatory requirements as given by Stock Exchange/Registrar of Companies.

- e) The Company is not having any subsidiary, therefore no policy for determining material subsidiaries.
- f) A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

- g) Total fees for all services paid by the listed entity, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Details relating to fees paid to the Statutory Auditors are given in Relevant Note to the Financial Statements.

- h) Your Company has in place a policy on Prevention of Sexual Harassment at workplace. This policy is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees are covered under this Policy.

As per the said Policy, an Internal Complaints Committee is also in place to redress complaints received regarding sexual harassment. No complaints were received during financial year 2024-25.

Declaration regarding compliance by the Board Members and Senior Management Personnel with the Company's code of conduct.

The Shareholders,

I, Krishan Kumar Goyal, Chairman and Managing Director of the Company do hereby declare that all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct adopted by the Board of Directors, as applicable to the Board of Directors and Senior Management of the Company.

For Modern Dairies Limited

Place: Chandigarh
Date: 27th May, 2025

Krishan Kumar Goyal
Chairman & Managing Director
DIN: 00482035

Certificate on Compliance with the conditions of Corporate Governance under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To,
The Members of
Modern Dairies Limited
136 K.M., G.T. Road, Karnal, HR 132001 IN

I have examined the compliance of conditions of Corporate Governance by Modern Dairies Limited (the company) (CIN: L74899HR1992PLC032998) for the year ended on 31st March 2025 as per the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination has been limited to review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit not an expression of opinion on the financial statements of the Company

In our opinion, and to the best of our information, and according to the explanations given to us, I certify that the Company has complied with the conditions of Corporate Governance as per the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sanger & Associates
Company Secretaries

Place: Panchkula
Date: 24.05.2025

CS Rajeev Kumar Sanger
M.No. F13092
C.P. No. 22007
UDIN: F013092G000428540

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Certificate Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Modern Dairies Limited
CIN: L74899HR1992PLC032998
136 K.M., G.T. Road, Karnal, HR 132001 IN

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Modern Dairies Limited [CIN L74899HR1992PLC032998] and having registered office at 136 K.M., G.T. Road, Karnal, HR 132001 IN (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sanger & Associates
Company Secretaries

CS Rajeev Kumar Sanger
M.No. F13092
C.P. No. 22007

UDIN: F013092G000428749

Place: Panchkula
Date: 24.05.2025

INDEPENDENT AUDITORS' REPORT

To
The Members of Modern Dairies Limited
Report on the Financial Statements

OPINION

We have audited the standalone financial statements of Modern Dairies Limited ("the Company"), which comprise the balance sheet as at March 31, 2025, and the statement of Profit and Loss, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report and Emphasis of Matters, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, its profit (including other comprehensive loss), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

The prior approval of lenders is required to pay director's remuneration as prescribed in Section 197 of companies Act, 2013. The Company is not eligible to pay director's remuneration for non-compliance of conditions prescribed in Section 197 of the companies Act, 2013. During the year ended 31st March, 2025, the company has given such director's remuneration to Mr. Ashwani Kumar Aggarwal (Executive Director) & Mr. Krishan Kumar Goyal (Managing Director) amounting to Rs. 66,08,470.

Apart from the managerial remuneration for the year ended 31st March, 2025, as mentioned above the company has paid director's remuneration of Rs. 3,43,32,937/- till date without complying the provisions of Section 197 of the companies Act, 2013.

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements

under the provisions of the Companies Act, 2013 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITORS' RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect 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 the

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

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

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

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

our independence, and where applicable, related safeguards.

EMPHASIS OF MATTER

Interest provisioning on various facilities from lenders

The One-Time Settlement (OTS) scheme with Punjab National Bank, which was under implementation in the previous year, has been successfully completed during the current year. All dues have been fully settled, and there are no outstanding amounts payable to the bank as of the reporting date.

Write-off

As explained by the management, subsequent to OTS with various banks, the company thoroughly examined its various bank accounts and a difference of Rs.140 Lacs in bank accounts was found, which was by virtue of old cheques issued and received, which being old are untraceable. It being unrecoverable is being written off as debit in Miscellaneous expenditure in profit and loss account.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e. There are no observations or comments on financial transactions or matters which may have any adverse effect on the functioning of the company except mentioned in the basis of qualified opinion.
 - f. On the basis of the written representations received from the directors as on March 31,

2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

- g. 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is not in accordance with the provisions of section 197 of the Act; and
- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 2. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 4. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) during the year by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any

manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company during the year from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
5. No dividend has been declared or paid during the year by the Company
 6. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

FOR APT & CO LLP
Chartered Accountants

CA. Amrit Pal Singh
Partner

Place: Chandigarh
Date: 27th May, 2025

Membership no. 508134
(Firm Registration No.
014621C/N500088)
UDIN: 23508134BGYZDE7987

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of the company for the year ended 31st March, 2025. To the best of our knowledge and belief and information & explanation given to us, we further report that:-

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The company is maintaining proper records showing full particulars of intangible assets;
- (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals which in our opinion is appropriate having regards to size of the company and nature of its assets. No material discrepancies have been noticed during the year.
- (c) Based on our examination of these records and other sufficient appropriate audit evidences, in our opinion, the title deeds of all the immovable properties (which are included under the head 'Property, Plant and Equipment') are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible or both during the year ended March 31, 2025.
- (e) There are no proceedings initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The inventory of the company has been physically verified by the management at reasonable intervals during the year and in our opinion the coverage and procedure of such verification by the management is appropriate. No material discrepancies were noticed.
- (b) There has been no sanctioning of working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year ended March 31, 2025.
- (iii) The company has not made any 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 during the year ended on 31st march 2025.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause (iv) of the Order are not applicable.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause (v) of the Order are not applicable.
- (vi) The company has made and maintained the cost records specified by central government under sub section (1) of section 148 of the companies Act.
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues including goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
- (b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise, goods and service tax and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (in lacs)	Amount paid under protest (in lacs)	Period to which the amount relates	Forum where dispute is pending
The Haryana Murrah Buffalo and Other Milk Animal Breed (Preservation and Development of Animal Husbandry and Dairy Development Sector) Act, 2001	Milk Cess	2130.38	9,91.00	2001-02 to 2024-25	Hon'ble Supreme Court of India
The Haryana Murrah Buffalo and Other Milk Animal Breed (Preservation and Development of Animal Husbandry and Dairy Development Sector) Act, 2001	Interest on milk cess	52,966.00	-	2001-02 to 2024-25	Hon'ble Supreme Court of India
Haryana Tax on Entry of Goods into Local Areas Act, 2003	Entry Tax	164.58	-	2007-08 to 2017-18	Hon'ble Punjab & Haryana High Court

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause (viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has defaulted on timely payment of credit facilities and interest thereon to Banks loans. However, the same has been settled through OTS scheme. All dues have been fully settled, and there are no outstanding amounts payable to the bank as of the reporting date
 (b) The Company has not been declared as a willful defaulter by any bank or financial institution or other lender during the year.
 (c) There were no Term loans availed during the year under audit.
 (d) The Company has not availed funds on short term basis during the year under audit.
 (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures during the year.
 (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments and term loans during the year).
 (b) The Company has made preferential allotment of shares to certain investors through a share warrant mechanism. The company has complied with the provisions of Sections 42 and 62 of the Companies Act, 2013 in respect of such allotment. Further, the funds raised have been utilized for the purpose for which they were intended to use.
- (xi) (a) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
 (b) During the year and up to the date of this report, no report under section 143 (12) of the Act has been filed by secretarial auditor or by the predecessor auditors or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 (c) There has been no Whistle blower complaint received during the year by the company.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under Clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind-AS.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
 (b) The reports of the Internal Auditors for the period under audit were considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause (xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
 (b) The company is a Manufacturing company of milk and Milk Products registered under companies Act 2013. Hence, it is not required to obtain certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.
 (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause (xvi)(c) of the Order is not applicable to the Company.
 (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause (xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year ended 31st March 2025.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information, 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 makes us to believe that any material uncertainty exists as on the date of the audit report, 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.

- (xx) The Company has fully spent the required amount towards Corporate Social responsibility (CSR) and there are no unspent CSR amounts for the year requiring a transfer to a fund specified in Schedule VII of the Act or special account in compliance with the provision of sub-section (6) of Section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For APT & CO LLP
Chartered Accountants

CA Amrit Pal Singh
Partner

Membership No. 508134

(Firm Registration No. 014621C/N500088)

UDIN: 23508134BGYDZE7987

Place: Chandigarh
Date: 27th May, 2025

Annexure 2

Annexure to the Independent Auditor's Report of even date to the members of Modern Dairies Limited, on the financial statements for the year ended 31st March, 2025

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of Modern Dairies Limited ("the Company") as of and for the year ended 31st March 2025, we have audited the internal financial controls over financial reporting (IFCoFR) of the company as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors 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 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 the company's 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 Act.

Auditors Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under Section 143(10) of the Companies Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2025, 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.

For APT & CO LLP
Chartered Accountants

Place: Chandigarh
Date: 27th May, 2025

CA Amrit Pal Singh
Partner
Membership No. 508134
(Firm Registration No. 014621C/N500088)
UDIN: 23508134BGYDZE7987

BALANCE SHEET AS AT 31ST MARCH 2025
(All amounts in ₹ Lacs, unless stated otherwise)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
1) Non-current assets			
(a) Property, Plant and Equipment	3	31,02.42	29,69.92
(b) Capital work-in-progress	3(a)	42.67	1,26.92
(c) Other Intangible assets	3	-	1.31
(d) Financial Assets			
(i) Investments	4	1.33	1.33
(ii) Other Financial Assets	5	5,52.23	5,22.26
(e) Deferred tax assets (net)	6	17,23.31	-
Total Non Current Assets		54,21.96	36,21.74
2) Current assets			
(a) Inventories	7	27,33.17	28,59.52
(b) Financial Assets			
(i) Trade receivables	8	20,51.79	18,75.20
(ii) Cash and cash equivalents	9	8,57.90	1,54.86
(c) Other current assets	10	6,24.98	4,75.14
(d) Asset Held for Disposal	11	1.60	1.60
Total Current Assets		62,69.44	53,66.32
Total Assets		1,16,91.40	89,88.06
EQUITY AND LIABILITIES			
1) EQUITY			
(a) Equity Share capital	12	25,65.89	23,35.89
(b) Other Equity	13	14,69.73	(85,07.72)
Total Equity		40,35.62	(61,71.83)
LIABILITIES			
2) Non-Current liabilities			
(a) Financial Liabilities			
(i) Long Term Borrowings	14	7,25.48	7,86.26
(b) Long Term Provisions	15	1,50.26	1,29.43
Total Non Current Liabilities		8,75.74	9,15.69
3) Current liabilities			
(a) Financial Liabilities			
(i) Trade payables - Total Outstanding dues of:	16		
– Micro enterprises and small enterprises		3,15.82	2,15.03
– Creditors other than Micro enterprises and Small enterprises		40,64.06	40,16.15
(ii) Other financial liabilities	17	-	67,91.01
(b) Other current liabilities	18	11,76.43	20,84.45
(c) Short Term Provisions	19	12,23.73	11,37.56
Total Current Liabilities		67,80.04	1,42,44.20
Total Equity and Liabilities		1,16,91.40	89,88.06

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

For **APT & CO LLP**
Chartered Accountants
Firm Registration No 014621C/N500088

CA Amrit Pal Singh
Partner
M. No. 508134

Krishan Kumar Goyal
(Chairman & Managing Director)
(DIN: 00482035)

For Modern Dairies Limited

Ashwani Kumar Aggarwal
(Director)
(DIN: 00486430)

Place: Chandigarh
Date: 27th May, 2025

Mukesh Sehgal
(Chief Financial Officer)

Shruti Joshi
(Company Secretary)

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2025*(All amounts in ₹ Lacs, unless stated otherwise)*

Particulars	Notes	For the Year ended 31 March 2025	For the Year ended 31 March 2024
REVENUE			
I Revenue From Operations	20	3,48,09.49	3,61,49.51
II Other Income	21	82.16	54.67
III Total Income (I+II)		3,48,91.65	3,62,04.18
EXPENSES			
Cost of materials consumed	22	2,75,18.68	2,82,33.15
Changes in inventories of finished goods, and work-in-progress	23	1,11.19	(2,08.03)
Employee benefits expense	24	15,19.53	13,79.57
Finance costs	25	1,82.90	3,82.08
Depreciation and amortization expenses	26	3,15.11	3,42.98
Other expenses	27	42,65.38	45,80.90
Total expenses (IV)		3,39,12.79	3,47,10.65
V Profit before exceptional items and tax (III-IV)		9,78.86	14,93.53
VI Exceptional Items			
Exceptional Items Income		56,31.82	27,95.51
Exceptional Items Expense		37.88	8,66.18
Total Exceptional Item (VI)		55,93.95	19,29.33
VII Profit before tax (V+VI)		65,72.81	34,22.86
VIII Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		(17,23.31)	-
Total Tax Expense (VIII)		(17,23.31)	-
IX Profit for the period from continuing operations (VII-VIII)		82,96.11	34,22.86
X Profit for the period		82,96.11	34,22.86
XI Other Comprehensive Income			
Items that will not be reclassified to profit or loss	28	(26,16)	(3,01)
XII Total Comprehensive Income for the period (X+XI)		82,69.95	34,19.85
(Comprising Profit and Other Comprehensive Income for the period)			
XIII Earnings per equity share (for continuing operation):			
(1) Basic		35.46	14.68
(2) Diluted		35.32	14.68
XIV Earnings per equity share (for discontinued & continuing operations)			
(1) Basic		35.46	14.68
(2) Diluted		35.32	14.68

This is the statement of profit and loss referred to in our report of even date

For **APT & CO LLP**

Chartered Accountants

Firm Registration No 014621C/N500088

CA Amrit Pal Singh**Partner**

M. No. 508134

Krishan Kumar Goyal

(Chairman & Managing Director)

(DIN: 00482035)

For **Modern Dairies Limited****Ashwani Kumar Aggarwal**

(Director)

(DIN: 00486430)

Place: Chandigarh

Date: 27th May, 2025**Mukesh Sehgal**

(Chief Financial Officer)

Shruti Joshi

(Company Secretary)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2025

(All amounts in ₹ Lacs, unless stated otherwise)

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
A Cash flow from operating activities:		
Profit before Exceptional Item and Tax	9,52.70	14,90.52
Adjustments for:		
Depreciation and amortisation	3,15.11	3,42.98
Provision for milk cess	59.06	59.06
Balances written off	0.98	0.02
Liabilities written back	(18.89)	(14.47)
Interest expense	1,82.90	3,82.08
Interest income	(9.89)	(9.65)
Employee benefits	32.46	31.58
Profit on sale of Property, Plant and Equipment	(2.16)	-
Operating profit before working capital changes	15,12.26	22,82.13
Adjustments for movement in:		
(Increase)/Decrease in long-term loans and advances	(29.97)	(51.77)
(Increase)/Decrease in inventories	1,26.35	(1,43.74)
(Increase)/Decrease in trade receivables	(1,76.59)	17.62
(Increase)/Decrease in other current assets	(1,54.75)	58.48
Increase/(Decrease) in long-term provisions	20.83	2.73
Increase/(Decrease) in trade payables	1,67.59	9,54.59
Increase/(Decrease) in other current liabilities	5,86.49	1,76.72
Increase/(Decrease) in short-term provisions	(5.35)	(4,17.05)
Net cash generated from operations	20,46.86	28,79.70
Taxes paid	33.94	63.84
Net cash generated from operating activities	20,12.92	28,15.86
B Cash flow from investing activities:		
Purchase of fixed assets (including capital work in progress and movement in creditors for capital goods)	(3,62.68)	(4,95.19)
Proceeds from sale of fixed assets	2.79	-
Interest received	9.89	9.65
Net cash used in investing activities	(3,50.00)	(4,85.54)
C Cash flow from financing activities		
Repayment of long-term borrowings	(60.78)	7,86.26
Proceeds from Short terms borrowings	-	(77.33)
Proceeds from share warrant	7,87.50	-
Proceeds from Issue of share	2,30.00	-
Proceeds from Issue of share - Securities Premium	9,20.00	-
Interest/Principal paid	(28,36.60)	(29,07.96)
Net Cash used in financing activities	(9,59.88)	(21,99.03)
Net increase/(decrease) in cash and cash equivalents	7,03.04	1,31.29
Cash and cash equivalents at the beginning of the year	1,54.86	23.57
Cash and cash equivalents at the end of the period	8,57.90	1,54.86
Components of cash and cash equivalents:-		
Cash on hand	9.19	8.71
Balances with Scheduled Banks in current accounts	8,48.71	1,46.15
Cash and cash equivalents in cash flow statement:	8,57.90	1,54.86

Note: The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 (IND AS-7) on "Cash flow statements" as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). Notes 1 to 41 form an integral part of these financial statements

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

For **APT & CO LLP**

Chartered Accountants

Firm Registration No 014621C/N500088

CA Amrit Pal Singh
Partner

M. No. 508134

Place: Chandigarh

Date: 27th May, 2025

Krishan Kumar Goyal
(Chairman & Managing Director)
(DIN: 00482035)

Mukesh Sehgal
(Chief Financial Officer)

For **Modern Dairies Limited**

Ashwani Kumar Aggarwal
(Director)
(DIN: 00486430)

Shruti Joshi
(Company Secretary)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025**1. CORPORATE INFORMATION**

Modern Dairies Limited (the Company) is a public listed company incorporated under the provisions of the Companies Act 1956 on 20th April 1992. The Company is engaged in manufacturing of Milk and Milk products.

2. SIGNIFICANT ACCOUNTING POLICIES**2.1) Basis of preparation of Financial Statements****i) Statement of Compliance**

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Companies Act, 2013 and other accounting pronouncements of The Institute of Chartered Accountants of India.

ii) Basis of Preparation

Effective from 1st April 2017, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind-AS 101, "First Time Adoption of Indian Accounting Standards, with 1st April 2016 as the transition date. The transition was carried out from Indian Accounting principles generally accepted in India as prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

iii) Classification of Assets and liabilities as Current and Non-Current

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule III to the Companies Act, 2013.

Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities.

2.2) Use of Estimates

The preparation of financial statements, in conformity with Ind-AS require estimates and assumptions to be made by management, that may affect the reported amount of assets and liabilities as on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Changes in the estimates are reflected in the financial statements in the period changes are made, and if material their effects are disclosed in the notes to the financial statements.

2.3) Property, Plant and Equipment and Depreciation

Under the Indian GAAP, Property, plant and equipment were carried in the balance sheet on historical cost. The company has elected to regard the carrying values as deemed cost as per Para D7AA of Ind-AS 101 as on transition date i.e. 1st April 2016.

All tangible fixed assets are stated at cost less accumulated depreciation. Cost includes freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation including site restoration up to the time when the asset is ready for intended use. Such Costs also include Borrowing Cost if the recognition criteria are met. When a major inspection/repair occurs, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

As per the provision of IND AS-16, major spare parts, stand-by equipment and servicing equipment qualify as property, plant and equipment when an entity expects to use them during more than one period and the company has elected to do the same.

Depreciation on tangible fixed assets has been provided on straight-line method according to the Schedule II of the Companies Act 2013.

Assets held for Disposal

Assets held for disposal are valued at lower of cost or Net realizable value in accordance with IND AS-105.

2.4) Intangibles and Amortization

Intangible assets are recognized if it is probable that the future economic benefits attributable to those assets will flow to the enterprise. Intangibles assets are amortized on straight line basis over their useful lives, which range from 1-5 years, determined on the basis of expected future economic benefits. The amortization period and method would be reviewed at the end of each financial year.

2.5) Inventories

- (a) Inventories are valued at the lower of cost and net realizable value
 - i) **Raw Materials and Packing Material:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO Basis (net of GST).
 - ii) **Work in Progress:** Cost for this purpose includes direct materials, Labour and other direct cost and a proportion of manufacturing overhead and all appropriate allocable overheads.
 - iii) **Finished Goods:** Cost for this purpose includes direct materials, labour and other direct cost and a proportion of manufacturing overhead and all appropriate allocable overheads (net of GST). Cost is determined on monthly average cost basis.
 - iv) **Stock of Stores, spares & Fuel** are valued at cost and cost is computed on FIFO Basis (net of GST).
- (b) **Disposable and Used Stocks and Carbon Credit Units** are valued at net realizable value.
- (c) Stocks in working condition are valued at cost or realizable value whichever is less

2.6) Foreign Exchange Transaction

The transactions in Foreign exchange are accounted for at the exchange rates prevailing on the date of the transactions. The current assets and current liabilities are converted at the exchange rate prevailing at the last working day of the accounting year. The resultant gains/losses are recognized in the profit & loss account relating to current assets & current liabilities. Exchange differences on foreign currency transactions relating to fixed assets acquired from a country outside India have been adjusted to revenue.

Forward Exchange contracts not intended for trading or speculation purpose

In case of forward exchange contract, the premium or discount arising at the inception of such contract is amortized as income or expense over the life of contract as well as exchange difference on such contract i.e.

Difference between the exchange rate at the reporting/ settlement date and the exchange rate on the date of inception/ the last reporting date, is recognized as income/ expense for the year.

2.7) Employees Benefits

- (a) **Short Term Obligations**
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the financial reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as provision for employee benefit under short term provisions in the balance sheet.
- (b) **Post Employment obligations**
The company operates the following post-employment schemes:
Defined benefit plan such as gratuity, provident fund
- (c) **Defined benefit obligations**
The defined benefit obligations (Other than Provident Fund) are calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of related obligation.
The liability or asset recognized in the balance sheet in respect defined benefit obligations (except provident fund) is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets, if any.
The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.
Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized directly in other comprehensive income.
Changes in the present value of the defined benefit obligations resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(d) Provident Fund

Retirement benefits in the form of provident fund and family pension fund whether in pursuance of law or otherwise is accounted on accrual basis and charged to statement of profit and loss of the year.

2.8) Investments**(a) Classification**

The company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit & loss) and
- Those measured at amortized cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses arising from fair valuation will either be recorded in profit and loss or other comprehensive income. For investments in equity instruments, this will depend on whether the company has made any irrevocable election at the time of initial recognition to account for the equity investment for fair value through other comprehensive income.

(b) Measurement

The company measures a financial asset at its fair value and in the case of financial assets not at fair value through profit and loss, at fair value including transaction cost that are directly attributable to the acquisition of the financial asset. Transaction cost of financial asset carried at fair value through profit and loss are expensed in profit or loss.

2.9) Borrowing Costs

To capitalize the borrowing costs that is directly attributable to the acquisition or Construction items of property, plant and equipment which take substantial period of time to get ready for their intended use. Other borrowing Costs are recognized as an expense in the year in which they are incurred.

2.10) Financial Instruments**a) Recognition and Initial measurement**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs in relation to financial assets and financial liabilities, other than those carried at fair value through profit or loss (FVTPL), are added to the fair value on initial recognition. Transaction costs in relation to financial assets and financial liabilities which are carried at fair value through profit or loss (FVTPL), are charged to the statement of profit and loss.

b) Classification and subsequent measurement of financial assets**i) Debt Instruments**

For the purpose of subsequent measurement, financial assets in the nature of debt instruments are classified as follows:

Amortized cost – Financial assets that are held within a business model whose objective is to hold the asset in order to collect contractual cash flows that are solely payments of principal and interest are subsequently measured at amortized cost less impairments, if any. Interest income calculated using effective interest rate (EIR) method and impairment loss, if any are recognized in the statement of profit and loss.

Fair value through other comprehensive income (FVOCI) – Financial assets that are held within a business model whose objective is achieved by both holding the asset in order to collect contractual cash flows that are solely payments of principal and interest and by selling the financial assets, are subsequently measured at fair value through other comprehensive income. Changes in fair value are recognized in the other comprehensive income (OCI) and on de-recognition, cumulative gain or loss previously recognized in OCI is reclassified to the statement of profit and loss. Interest income calculated using EIR method and impairment loss, if any are recognized in the statement of profit and loss.

Fair value through profit or loss (FVTPL) – A financial asset which is not classified in any of the above categories are subsequently measured at fair valued through profit or loss. Changes in fair value and income on these assets are recognized in the statement of profit and loss.

ii) Equity Instruments

The Company has made investment in equity instruments that are initially measured at cost. These investments are strategic in nature and held on a long-term basis.

c) Classification and subsequent measurement of financial liabilities

For the purpose of subsequent measurement, financial liabilities are classified as follows:

Amortized cost – Financial liabilities are classified as financial liabilities at amortized cost by default. Interest expense calculated using EIR method is recognized in the statement of profit and loss.

Fair value through profit or loss (FVTPL) – Financial liabilities are classified as FVTPL if it is held for trading, or is designated as such on initial recognition. Changes in fair value and interest expense on these liabilities are recognized in the statement of profit and loss.

d) De-recognition of financial assets and financial liabilities

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows including risks and rewards of ownership. A financial liability is derecognized when the obligation under the liability is discharged or expires.

2.11) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of GST. Revenue is recognized net of returns, trade allowances, rebates, value added taxes and net of amount collected on behalf of the third parties.

Revenue from Goods

Revenue from goods comprise of value of sales of products (net of returns) and cash and trade discounts. Sales are recognized with the transfer of significant risk and rewards of ownership of the goods, with the company losing effective control and the recovery of the consideration is probable.

Revenue from Services

Revenue from services are recognized in proportion to the stage of completion of transaction at the end of reporting period, and cost incurred in the transaction including same to complete the transaction and revenue (representing economic benefit associated with the transaction) can be measured reliably.

Interest

Interest income is recognized on a time proportion basis (accrual basis) taking into account the amount outstanding and the rate applicable.

2.12) Taxes on Income

Provision for Taxation is made on the basis of the taxable profits computed for the current accounting period in accordance with the Income Tax Act 1961. Deferred Tax resulting from timing difference between Book Profits and Tax Profits is accounted for at the applicable rate of tax to extent the timing differences are expected to crystallize, in case of Deferred Tax Liabilities with reasonable certainty and in case of Deferred Tax Assets with virtual certainty that there would be adequate future taxable income against which Deferred Tax Assets can be realized.

2.13) Provisions for Contingent liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be outflow of resources. Contingent liabilities are disclosed by way notes.

2.14) Earning Per Share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by taking into the account the aggregate of the weighted average number of equity shares outstanding during the period and weighted average number of equity shares which would be issued on conversion of all the dilutive potential equity shares into equity shares

2.15) Cash Flow Statement

Cash and cash equivalents for the purpose of Statement of Cash Flows include bank balances, cheques and drafts on hand, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments that are readily convertible into cash. Bank overdrafts are included as a component of cash and cash equivalents for the purpose of Statement of Cash flows. The cash flow statement has been in accordance with the Ind AS-7 on "Cash Flow Statements" issued by the Companies (Accounting Standard) Rules, 2013.

2.16) Accounting policies not specifically referred to above are consistent with Indian Accounting Standards.

3 Fixed assets For the year ended 31st March, 2025

Particulars	Gross block				Accumulated depreciation and amortisation			Amount in ₹ Lacs	
	As on 1 April 2024	Additions during the Period	Sales / Adjustment during the Period	As on 31 March 2025	As on 1 April 2024	Depreciation for the Period	Sales / Adjustment during the Period	As on 31 March 2025	As on 31 March 2024
Tangible assets									
Freehold land	1,89.93	-	-	1,89.93	-	-	-	-	1,89.93
Buildings	13,48.19	-	-	13,48.19	5,07.58	41.78	-	5,49.36	7,98.84
Plant and equipment	79,66.19	4,32.55	-	83,98.74	60,51.99	2,65.21	-	63,17.20	20,81.54
Furniture and fixture	19.27	1.96	-	21.23	11.00	1.16	-	12.16	9.07
Office equipments	53.10	5.63	0.24	58.49	37.88	5.15	0.13	42.89	15.60
Vehicles	13.19	6.78	0.86	19.11	11.51	0.50	0.34	11.67	7.44
Total	95,89.87	4,46.93	1.10	1,00,35.70	66,19.96	3,13.80	0.47	69,33.28	31,02.42
Intangible assets									
Computer software	13.84	-	-	13.84	12.53	1.31	-	13.84	-
Total	13.84	-	-	13.84	12.53	1.31	-	13.84	-
Grand Total	96,03.71	4,46.93	1.10	1,00,49.55	66,32.49	3,15.11	0.47	69,47.12	31,02.42

For the Year ended 31st March 2024

Particulars	Gross block				Accumulated depreciation and amortisation			Amount in ₹ Lacs	
	As on 1 April 2023	Additions during the year	Sales / Adjustment during the year	As on 31 March 2024	As on 1 April 2023	Depreciation for the year	Sales / Adjustment during the year	As on 31 March 2024	As on 31 March 2023
Tangible assets									
Freehold land	1,89.93	-	-	1,89.93	-	-	-	-	1,89.93
Buildings	13,42.06	6.13	-	13,48.19	4,39.40	68.18	-	5,07.58	8,40.62
Plant and equipment	75,20.89	4,45.29	-	79,66.19	57,85.02	2,66.97	-	60,51.99	19,14.19
Furniture and fixture	17.98	1.28	-	19.27	9.91	1.09	-	11.00	8.26
Office equipments	50.14	2.96	-	53.10	32.18	5.70	-	37.88	15.22
Vehicles	13.19	-	-	13.19	11.37	0.13	-	11.51	1.89
Total	91,34.20	4,55.67	-	95,89.87	62,77.88	3,42.08	-	66,19.96	29,69.92
Intangible assets									
Computer software	13.84	-	-	13.84	11.64	0.89	-	12.53	1.31
Total	13.84	-	-	13.84	11.64	0.89	-	12.53	1.31
Grand Total	91,48.04	4,55.67	-	96,03.71	62,89.52	3,42.97	-	66,32.49	29,71.22

*During the financial year 2017-18, the company had adopted IND AS 101, "First time adoption of IND AS" transition date was 01-04-2016. The transition of IND AS has been carried out from the accounting principles generally accepted in India (Indian GAAP). While adopting IND AS, Net Block of Property Plant & Equipment under Indian GAAP was considered as the fair market value and converted into Gross Block. The impact of this resulted in a reduction of the gross block by Rs 66,21.78 Lacs.

	As at 31 March 2025 Amount in ₹ lacs	As at 31 March 2024 Amount in ₹ lacs
3(a) Capital Work-in-Progress		
Capital Work-in-Progress	42.67	1,26.92
	<u>42.67</u>	<u>1,26.92</u>
Capital Work-in-Progress ageing schedule		
Less than 1 year	42.67	1,26.92
More than 1 year	-	-
Total	<u>42.67</u>	<u>1,26.92</u>
4 Investments		
Non trade investments (at cost, unquoted)		
Investment in equity instruments (unquoted, Other than Related Party)	1.04	1.04
Capgemini Technology Services India Limited (62 equity shares (Previous year 62) of ₹ 10 each fully paid up)		
Investment in Government securities		
National savings certificates (pledged with sales tax authorities)	0.29	0.29
	<u>1.33</u>	<u>1.33</u>
Aggregate amount of unquoted investments	1.33	1.33
5 Other Financial Assets (unsecured considered good, unless otherwise stated)		
Security deposits	5,49.47	5,13.44
Balances with statutory and government authorities	-	6.06
Fixed Deposits (having maturities more than 12 months) (Pledged with bank for issuing Bank Guarantee to NHAI)	2.76	2.76
	<u>5,52.23</u>	<u>5,22.26</u>
6 Deferred Tax Assets (net)		
Deferred Tax assets		
Unabsorbed Depreciation	13,58.71	-
Brought Forward Losses	2.84	-
Employee Benefits	70.96	-
Milk Cess Provision	3,01.62	-
Deferred Tax Liabilities		
Timing difference of depreciation on Property, Plant and Equipment	10.82	-
Deferred Tax Assets (net)	<u>17,23.31</u>	<u>-</u>

	As at 31 March 2025 Amount in ₹ lacs	As at 31 March 2024 Amount in ₹ lacs
7 Inventories		
For method of valuation refer note no. 2.5		
Raw materials	52.63	55.20
Raw materials (Goods in transit)	-	25.96
Work-in-progress	3,51.65	1,47.52
Finished goods	15,41.60	18,56.92
Stores and spares	4,69.90	4,62.26
Carbon Credit Units	70.04	70.04
Packing materials	2,47.35	2,41.62
	<u>27,33.17</u>	<u>28,59.52</u>
8 Trade receivables (Unsecured)		
Unsecured, Considered doubtful	1.85	2.65
Less: Allowance for bad and doubtful debts	<u>1.85</u>	<u>2.65</u>
	-	-
Unsecured, Considered good	<u>20,51.79</u>	<u>18,75.20</u>
	<u>20,51.79</u>	<u>18,75.20</u>
Trade receivables ageing schedule		
(Outstanding from the date of the transaction)		
(i) Undisputed Trade Receivables - Considered Good		
Less than 6 months	20,43.72	18,75.11
From 6 months to 1 year	8.08	0.09
More than 1 years	-	-
Total	<u>20,51.79</u>	<u>18,75.20</u>
(ii) Trade receivables (Undisputed Considered Impaired) outstanding for a period from due date of payment	-	-
(iii) Disputed Trade Receivables - Considered Doubtful from due date of payment		
Upto 3 years	-	-
More than 3 years	1.85	2.65
Total	<u>1.85</u>	<u>2.65</u>
(iv) Trade receivables (Disputed Considered good) outstanding for a period from due date of payment	-	-
(v) Dues from directors or from firms or private companies respectively in which any director is a partner, a director or a member	-	-

	As at 31 March 2025 Amount in ₹ lacs	As at 31 March 2024 Amount in ₹ lacs
9 Cash and cash equivalents		
(i) Cash on hand	9.19	8.71
(ii) Balances with banks in current account	8,48.71	1,46.15
	<u>8,57.90</u>	<u>1,54.86</u>
10 Other Current Assets (Unsecured, Considered good)		
Prepaid expenses	59.87	58.05
Advances to suppliers other than related parties	37.44	35.12
Balances with statutory and government authorities	4,85.92	3,34.15
Others	41.75	47.82
	<u>6,24.98</u>	<u>4,75.14</u>
11 Asset Held for Disposal		
Asset Held for Disposal	1.60	1.60
	<u>1.60</u>	<u>1.60</u>

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount in ₹ lacs	Number	Amount in ₹ lacs
12 Equity Share capital				
Authorised share capital				
Equity shares of ₹ 10 each	3,50,00,000	35,00.00	3,00,00,000	30,00.00
Equity shares of ₹ 10 each	<u>3,50,00,000</u>	<u>35,00.00</u>	<u>3,00,00,000</u>	<u>30,00.00</u>
Issued, subscribed and fully paid up				
Equity shares of ₹10 each	2,56,19,861	25,61.99	2,33,19,861	23,31.99
Total	<u>2,56,19,861</u>	<u>25,61.99</u>	<u>2,33,19,861</u>	<u>23,31.99</u>
Forfeited shares				
Amount originally paid up	76,900	3.90	76,900	3.90
		<u>25,65.89</u>		<u>23,35.89</u>

- (a) The Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (b) There is a movement in equity share capital during the current year and no movement during the previous year.

Reconciliation of share capital (Equity)	As at 31 March 2025		As at 31 March 2024	
	Number	Amount in ₹ lacs	Number	Amount in ₹ lacs
Balance at the beginning of the year	2,33,19,861	23,35.89	2,33,19,861	23,35.89
Add: Issued during the year	23,00,000	2,30.00	-	-
Add: Bonus issues made during the year	-	-	-	-
Add: Issued pursuant to the scheme of merger	-	-	-	-
Add: Shares issued pursuant to a contract without payment being received in cash	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Balance at the end of the year	2,56,19,861	25,65.89	2,33,19,861	23,35.89

(c) Shareholders holding more than 5% of the shares

	As at 31 March 2025 Amount in ₹ lacs			As at 31 March 2024 Amount in ₹ lacs		
	Number	Amount	% of holding	Number	Amount	% of holding
Equity shares of ₹10 each						
Alka Goyal	3,228,972	3,22.90	12.60%	28,28,972	2,82.90	12.13%
Krishan Kumar Goyal	3,097,343	3,09.73	12.09%	22,97,343	2,29.73	9.85%
Krishan Kumar Goyal (HUF)	1,480,000	1,48.00	5.78%	12,80,000	1,28.00	5.49%
	7,806,315	7,80.63	30.47%	64,06,315	6,40.63	27.47%

(d) The Company has not issued any share pursuant to a contract without payment being received in cash in the current year and preceding five years. The Company has not issued any bonus shares nor has there been any buy-back of shares in the current year and preceding five years.

(e) Detail of Shareholding by Promoters

Particulars	As at 31 March 2025				As at 31 March 2024		
	Number	Amount in ₹ lacs	% of Total Shares of the company	% Change during the year	Number	Amount in ₹ lacs	% of Total Shares of the company
Equity shares of ₹ 10 each							
Alka Goyal	32,28,972	322.90	12.60%	0.47%	28,28,972	282.90	12.13%
Krishan Kumar Goyal	30,97,343	309.73	12.09%	2.24%	22,97,343	229.73	9.85%
Krishan Kumar Goyal (HUF)	14,80,000	148.00	5.78%	0.29%	12,80,000	128.00	5.49%
Chandigarh Finance Pvt. Ltd.	12,71,892	127.19	4.96%	1.65%	7,71,892	77.19	3.31%
Aditya Goyal	8,83,872	88.39	3.45%	-0.34%	8,83,872	88.39	3.79%
Shree Ganesh Invest. & Inds. Ltd.	7,20,000	72.00	2.81%	-0.28%	7,20,000	72.00	3.09%
Times Finvest and Commerce Ltd	6,70,000	67.00	2.62%	-0.26%	6,70,000	67.00	2.87%
Nabha Commerce Pvt. Ltd.	5,27,600	52.76	2.06%	-0.20%	5,27,600	52.76	2.26%
Amarjit Goyal	5,00,200	50.02	1.95%	-0.19%	5,00,200	50.02	2.14%
Mala Builders Pvt Ltd	4,00,000	40.00	1.56%	1.56%	-	-	-
Amarjit Goyal (HUF)	1,50,000	15.00	0.59%	-0.06%	1,50,000	15.00	0.64%
Bharat Forgings Pvt. Ltd	30,000	3.00	0.12%	-0.01%	30,000	3.00	0.13%
Total	1,29,59,879	1295.99	50.59%	4.87%	1,06,59,879	1065.99	45.70%

13 Other Equity
Amount in ₹ lacs

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Money Received Against Share Warrants	
Balance as on 31st March, 2023	2,23.74	30,73.42	(1,52,24.73)	-	(1,19,27.57)
Changes in Accounting policy/ Prior Period Errors	-	-	-	-	-
Restated Balance at the beginning of the Reporting Period	2,23.74	30,73.42	(1,52,24.73)	-	(1,19,27.57)
Profit for the year	-	-	34,22.86	-	34,22.86
Other Comprehensive Income for the year	-	-	(3.01)	-	(3.01)
Total Comprehensive Income for the year	2,23.74	30,73.42	(1,18,04.88)	-	(85,07.72)
Transaction with owners in capacity as owners	-	-	-	-	-
Dividends	-	-	-	-	-
Transferred to Retained Earnings	-	-	-	-	-
Bonus Shares	-	-	-	-	-
Movement During the Year	-	-	-	-	-
Balance as on 31st March, 2024	2,23.74	30,73.42	(1,18,04.88)	-	(85,07.72)

Amount in ₹ lacs

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Money Received Against Share Warrants	
Balance as on 31st March, 2024	2,23.74	30,73.42	(1,18,04.88)	-	(85,07.72)
Changes in Accounting policy/ Prior Period Errors	-	-	-	-	-
Restated Balance at the beginning of the Reporting Period	2,23.74	30,73.42	(1,18,04.88)	-	(85,07.72)
Profit for the year	-	-	82,96.11	-	82,96.11
Other Comprehensive Income for the year	-	-	(26.16)	-	(26.16)
Total Comprehensive Income for the year	2,23.74	30,73.42	(35,34.93)	-	(2,37.77)
Transaction with owners in capacity as owners	-	-	-	-	-
Premium Against Share Warrant received during the year	-	9,20.00	-	-	9,20.00
Dividends	-	-	-	-	-
Transferred to Retained Earnings	-	-	-	-	-
Bonus Shares	-	-	-	-	-
Movement During the Year	-	-	-	7,87.50	7,87.50
Balance as on 31st March, 2025	2,23.74	39,93.42	(35,34.93)	7,87.50	14,69.73

	As at 31 March 2025 Amount in ₹ lacs	As at 31 March 2024 Amount in ₹ lacs
14 Long-term borrowings		
Loan from Related Party (unsecured)	7,25.48	6,79.41
Loan from Others (unsecured)	-	1,06.85
	<u>7,25.48</u>	<u>7,86.26</u>

Rate of Interest and Terms for repayment

Unsecured Loan obtained from Related Party carries 9.85% rate of interest (March 31, 2024 - @ nil to 9.85%) and shall be repaid after 1 year

Unsecured Loan obtained from Others carries nil rate of interest (March 31, 2024 - @ 9%) and has been fully repaid during the year.

15 Long-term provisions

Provisions for gratuity	1,50.26	1,29.43
	<u>1,50.26</u>	<u>1,29.43</u>

The following table set out the status of the plan for gratuity as required under Indian Accounting Standard IND AS 19:

Change in projected benefit obligation

Projected benefit obligation at the beginning of the year*	1,86.67	1,69.40
Service cost	18.97	19.08
Interest cost	13.50	12.50
Actuarial gain	26.16	3.01
Benefits paid	(10.69)	(17.32)
Projected benefit obligation at the end of the year*	2,34.60	1,86.67

Reconciliation of present value of obligation on the fair value of plan assets

Present value of projected benefit obligation at the end of the year*	2,34.60	1,86.67
Liability recognised in the balance sheet*	2,34.60	1,86.67

*This includes short term portion of ₹ 84.35 lacs (previous year ₹ 57.24 lacs) as disclosed under note 19.

Components of net gratuity costs are

Service cost	18.97	19.08
Interest cost	13.50	12.50
Net gratuity costs	32.46	31.58

Other Comprehensive Income

Actuarial (gain)/loss for the year on PBO	26.16	3.01
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	As at 31 March 2025 Amount in ₹ lacs	As at 31 March 2024 Amount in ₹ lacs
--	--	--

Actuarial Assumptions
Economic Assumptions

Discount rate	6.79%	7.23%
Rate of increase in compensation level	5.00%	5.00%
Average remaining life (years)	15.46	16.50

Demographic Assumptions

Mortality table	Indian assured lives mortality (2012-14)	Indian assured lives mortality (2012-14)
Retirement age	58	58
Withdrawal rates		
- upto 30 years	3%	3%
- from 31 to 44 years	2%	2%
- above 44 years	1%	1%

16 Trade payables

	As at 31 March 2025 Amount in ₹ lacs	As at 31 March 2024 Amount in ₹ lacs
Dues to micro and small enterprises	3,15.82	2,15.03
Dues to others than micro enterprises and small enterprises	40,64.06	40,16.15
	43,79.88	42,31.18

Trade Payable ageing schedule (Undisputed)
Dues outstanding for a period:

	MSME Creditors	Other Creditors	MSME Creditors	Other Creditors
Less than 1 year	3,15.82	40,41.94	2,15.03	39,67.35
From 1 year to 2 years	-	-	-	22.70
From 2 years to 3 years	-	1.39	-	25.25
More than 3 years	-	20.73	-	0.85
Total	3,15.82	40,64.06	2,15.03	40,16.15

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Principal amount remaining unpaid	2,78.80	1,86.32
Interest due thereon remaining unpaid	-	-

	As at 31 March 2025 Amount in ₹ lacs	As at 31 March 2024 Amount in ₹ lacs
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the period	8.32	18.60
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under MSMED Act, 2006	-	-
Interest accrued and remaining unpaid as at end of the period	37.03	28.71
Further interest remaining due and payable even in the succeeding periods, 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.	-	-
Dues to micro enterprises and small enterprises (Disputed) for a period;	-	-
Dues to other than micro enterprises and small enterprises (Disputed) for a period;	-	-
Refer to note no 37 for related parties outstanding		
17 Other financial liabilities		
Dues to Banks	-	63,32.27
Interest accrued but not due on borrowings	-	4,58.74
	-	67,91.01
18 Other current liabilities		
Statutory & Other Dues	50.28	1,44.93
Employee related payables	2,06.69	1,78.64
Income Accrued Under Suspense	-	14,94.51
Advance from Customers	6,13.31	35.03
Security Deposits	1,91.01	2,21.35
Others	1,15.14	9.99
	11,76.43	20,84.45
19 Short Term Provisions		
Provision for gratuity (Refer Note no. 15)	84.35	57.24
Provision for milk cess	21,30.38	20,71.32
Less: Milk cess paid under protest	9,91.00	9,91.00
	12,23.73	11,37.56

	For the year ended 31 March 2025 Amount in ₹ Lacs	For the year ended 31 March 2024 Amount in ₹ Lacs
20 Revenue		
Revenue from operations		
Sale of Products	2,76,53.51	2,90,95.59
Sale of Services	70,26.89	69,02.39
Other Operating Revenue	1,29.09	1,51.53
Revenue from operations	3,48,09.49	3,61,49.51
Details of products sold (contributing more than 10% of the total revenue)		
Ghee	1,60,16.25	1,67,41.67
Others	1,16,37.25	1,23,53.93
	2,76,53.51	2,90,95.59
21 Other income		
Interest income	9.89	9.65
Profit on sale of Property, Plant and Equipment	2.16	-
Gain on Foreign Exchange Fluctuation	1.40	-
Balances written back	18.89	14.47
Miscellaneous Income	49.82	30.55
	82.16	54.67
22 Cost of materials consumed		
Opening stock		
Raw materials	55.20	1,32.68
Packing materials	2,41.62	3,21.57
	2,96.82	4,54.25
Add: Purchases of raw materials during the year	2,60,95.07	2,67,19.75
Add: Purchases of packing materials during the year	14,26.77	13,55.97
	2,75,21.84	2,80,75.72
Less: Closing stock		
Raw materials	52.63	55.20
Packing materials	2,47.35	2,41.62
	2,99.98	2,96.82
	2,75,18.68	2,82,33.15

	For the year ended 31 March 2025 Amount in ₹ Lacs	For the year ended 31 March 2024 Amount in ₹ Lacs
23 Changes in inventories of finished goods and work-in-progress		
Opening stock		
- Finished goods	18,56.92	17,19.10
- Work-in-progress	1,47.52	77.31
	<u>20,04.44</u>	<u>17,96.41</u>
Closing stock		
- Finished goods	15,41.60	18,56.92
- Work-in-progress	3,51.65	1,47.52
	<u>18,93.25</u>	<u>20,04.44</u>
	<u>1,11.19</u>	<u>(2,08.03)</u>
24 Employee benefit expense		
Salaries, wages and bonus	14,60.97	13,23.98
Contribution to provident and other defined contribution funds	54.71	51.52
Staff welfare expenses	3.85	4.07
	<u>15,19.53</u>	<u>13,79.57</u>
25 Finance costs		
Interest expenses		
- to banks	48.47	2,72.76
- others	1,34.43	1,09.32
	<u>1,82.90</u>	<u>3,82.08</u>
26 Depreciation/ Impairment Loss and amortization expenses		
Depreciation/ Impairment Loss and amortization expenses of tangible assets	3,13.80	3,42.08
Amortisation of intangible assets	1.31	0.90
	<u>3,15.11</u>	<u>3,42.98</u>

	For the year ended 31 March 2025 Amount in ₹ Lacs	For the year ended 31 March 2024 Amount in ₹ Lacs
27 Other expenses		
Consumption of stores and spare parts	8,78.81	9,02.76
Power and fuel	23,17.43	27,83.33
Rent	64.77	61.78
Repairs to		
- building	38.55	41.71
- machinery	89.46	87.39
- others	14.01	10.33
Insurance	18.53	18.11
Legal and professional expenses	1,03.82	73.75
Payment to auditors	15.37	11.12
Rates and taxes	8.50	10.57
Travelling and conveyance	74.95	61.91
Provision for milk cess	59.06	59.06
Freight and forwarding charges	1,12.63	1,35.85
Other Manufacturing exp.	53.01	65.71
Corporate social responsibility (CSR) expenditure	34.29	-
Miscellaneous expenses	3,82.19	2,57.52
	42,65.38	45,80.90
28 Other Comprehensive Income		
Actuarial Gain/(Loss) on Obligation	(26.16)	(3.01)
	(26.16)	(3.01)
29 Contingent Liabilities & Commitments		
Contingent Liabilities:	As at 31 March 2025 Amount in ₹ Lacs	As at 31 March 2024 Amount in ₹ Lacs
a) Claim against the Company not acknowledged as debts	-	-
b) Other money for which Company is contingent liable	5,31,30.58	5,31,30.58
Commitments:		
a) Estimated amounts of contractors remaining to be executed On capital accounts and not provided for	-	-
b) Letter of credited against import of material	-	-
30 The One-Time Settlement (OTS) scheme with Punjab National Bank, which was under implementation in the previous year, has been successfully completed during the current year. All dues have been fully settled. No Due Certificate has already been received from the Bank.		

31 Regarding Milk Cess liability to Govt. of Haryana under Haryana Murrah Buffalo and other Milch Animal Breed Act, 2001 Act. The company has filed a Special Leave Petition before the Hon'ble Supreme Court against the decision dated 28th May, 2010 of Punjab & Haryana High Court regarding levy of Milk Cess under the above act. The SLP was admitted in the Hon'ble Supreme Court and it had granted interim stay in September, 2012. The matter is pending before the Hon'ble Supreme Court. Ending September quarter i.e. 30.09.2023, Company received demand notice amounting to Rs. 512.76 Crore and further received the recovery notice for above amount from the office of Tehsildar, District Karnal. The company filed a writ petition in Hon'ble Punjab & Haryana High Court against this demand recovery notice and stay of recovery proceedings. The Hon'ble High Court stayed the recovery proceedings and instructed the company to deposit Rs. 4 Crores by 31.03.2024. The company has complied and deposited the due amount as per the said order. The company had received the last demand notice as on 31st December, 2023 from the Govt. of Haryana for Rs. 544.31 Crores for Milk Cess along with compounded Interest. The company as an abundant caution has provided for the Milk Cess Provision in the accounts for the current year Rs. 59.06 Lacs, making total amount of Rs. 21.30 Crore as on 31st March 2025, out of which Rs. 5.91 Crore and Rs. 4.00 Crore, total amounting to Rs. 9.91 Crore has been already deposited as per Hon'ble Supreme Court's & Hon'ble Punjab & Haryana High Court's orders. The respective milk cess matters are pending before Hon'ble Supreme Court & Hon'ble Punjab & Haryana High Court.

32 Earnings per share:

	As at 31 March 2025 Amount in ₹ Lacs	As at 31 March 2024 Amount in ₹ Lacs
Profit after taxation as per Statement of profit and Loss (₹ in lacs)	82,96.11	34,22.86
Weighted Average No. of Equity shares for Basic EPS	2,33,95,477	2,33,19,861
Add: Weighted Average No. of Potential Equity Share	93,888	-
Weighted Average No. of Equity shares for Diluted EPS	2,34,89,365	2,33,19,861
Basic earnings per share in rupees (face value ₹ 10/- each)	35.46	14.68
Diluted earnings per share in rupees (face value ₹ 10/- each)	35.32	14.68

33 Payment to Auditors*

Audit Fees	9.76	9.40
Tax Audit fees	0.70	0.75

*Exclusive of GST

34 The Information required by paragraph 5 of general instructions for preparation of the statement of profit and loss as per schedule III of Companies Act, 2013

a) Value of Imports (CIF Basis)

	For the year ended 31 March, 2025 (Amount in ₹ Lacs)	For the year ended 31 March, 2024 (Amount in ₹ Lacs)
1) Raw Material	24.99	3,72.31
2) Stores & Spares	-	-
3) Plant & Machinery	-	50.40

b) Expenditure in Foreign Currency

Professional and consultation fees	-	-
Others	-	-

c) Value of Raw materials and packing materials consumption

		For the year ended 31 March, 2025		For the year ended 31 March, 2024
	%age	Amount in ₹ Lacs	%age	Amount in ₹ Lacs
Cost of Materials Consumed				
Imported	0.09	24.99	1.32	3,72.31
Indigenous	99.91	2,74,93.69	98.68	2,78,60.84
		<u>2,75,18.68</u>		<u>2,82,33.15</u>
Store & Spares				
Imported	—	—	—	—
Indigenous	100.00	8,45.79	100.00	8,16.16
		<u>8,45.79</u>		<u>8,16.16</u>

35 OPERATING SEGMENT

The Company is engaged in the business of Milk Products Manufacturing which in context of Indian Accounting Standards – 108 “Operating Segment” issued by the Institute of Chartered Accountants of India is considered as the only Business Segment. Accordingly, the disclosure requirements of Ind AS 108 are not applicable.

36 In the opinion of the Board of Directors, Current Assets, Loan and Advances have value on realization in the ordinary course of business at least equal to the amounts at which they are stated and provision for all known liabilities have been made in accounts.

37 As per the Indian Accounting Standard – 24 issued by the Institute of Chartered Accountants of India “Related Party Disclosure “. In view of this the company has given the following disclosures for the year.

The company has identified the related parties having transactions during the year, as per detail given below.

A) Related Party and their relationship
Key management personnel (KMP)

Mr. Krishan Kumar Goyal (Chairman and Managing Director)

Mr. Ashwani Kumar Aggarwal (Executive Director)

Mr. Mukesh Sehgal (Chief Financial Officer)

Ms. Shruti Joshi (Company Secretary)

Entities in which directors of the Company are able to exercise control or have significant influence

Mala Builders Pvt. Ltd.

Smile Finvest Pvt. Ltd.

Nabha Commerce Pvt. Ltd.

Modern Dairyfarms Ltd.

Chandigarh Finance Pvt. Ltd.

B) Transactions with the related parties

(Amount in ₹ Lacs)

Particulars	Key Management Personnel	Relatives of Key Management Personnel & their enterprises	Associates
Remuneration Including Perks	1,56.57 (133.35)	— (—)	— (—)
Interest On Unsecured Loan	—	1,22.18 (32.46)	— (—)
Loan Taken	— (—)	13,25.00 (6,50.00)	— (—)
Loan Repaid	25.00 (—)	12,80.82 (—)	— (—)
Loan Given	— (—)	— (—)	— (—)
Loan Received back	— (—)	— (—)	— (—)
Interest Income	— (—)	— (—)	— (—)
Rent Paid	— (—)	51.36 (48.00)	— (—)
Share of Expenses Received	— (—)	— (—)	— (—)

Particulars	Key Management Personnel	Relatives of Key Management Personnel & their enterprises	Associates
Share of Expenses Paid	– (–)	39.00 (6.00)	– (–)
Purchase of Raw Material & Stores	– (–)	1,08,61.73 (–)	– (–)
Sales of Finished Products	– (–)	74,25.37 (–)	– (–)

C) Balances of the related parties**(Amount in ₹ Lacs)**

Particulars	Key Management Personnel	Relatives of Key Management Personnel & their enterprises	Associates
Unsecured Loans – Long Term	– (25.00)	7,18.00 (6,50.00)	– (–)
Interest Payable	– (–)	7.48 (4.41)	– (–)
Remuneration Payable	79.74 (43.50)	– (–)	– (–)
Trade Payables	– (–)	15,79.52 (4.82)	– (–)
Advances From Customer	– (–)	5,29.84 (–)	

38 The company has paid Managerial Remuneration amounting to Rs.66,08,470/- to directors without prior approval from the lenders. The Company's lenders have been paid by OTS Debt Settlement. The entire settlement amount has been paid to the respective Lenders. They have issued their No Dues Certificates to the Company. Board has recommended to the share holder for the ratification of remuneration already paid.

39 Subsequent to the One-Time Settlement (OTS) with various banks, the company undertook a comprehensive review and reconciliation of its bank accounts. During this exercise, a discrepancy amounting to ₹140 lakhs was identified, primarily arising from old cheques issued and received in prior years. Due to the age of these transactions and the lack of traceable supporting documentation, the balances were deemed irrecoverable. Accordingly, the company has decided to write off the said amount by debiting it to Miscellaneous Expenditure in the Profit and Loss Account.

40 Financial Ratios

The ratios for the years ended March 31, 2025 are as follows:

Sr No.	RATIOS	FORMULAS	31.03.2025	31.03.2024
1	Current Ratio	Current Asset/Current Liabilities	0.92	0.38
2	Debt Equity Ratio	Total Debt/ Shareholder Equity	0.18	-1.23
3	Debt Service Coverage Ratio	Net Operating Income/Debt Service	1.63	1.90
4	Return on Equity Ratio	Net Income/Shareholder Equity	2.06	-0.55
5	Inventory Turnover Ratio	COGS/Avg Inventory	11.08	10.05
6	Trade Recievable Turnover Ratio	Net Credit Sale/Avg Account Recievable	17.70	19.18
7	Trade Payable Turnover Ratio	Net Credit Purchase/Avg Account Payable	6.39	7.46
8	Net Capital Turnover Ratio	Net Annual Sales / Working Capital	-68.17	-4.07
9	Net Profit Ratio	Net Profit/Total Income	0.24	0.09
10	Return on Capital Employed	EBIT/Capital Employed	0.24	-0.35
11	Return on Investment	Net Return on Investment/Assets	0.17	0.05

41 Figures for the previous year have been regrouped/rearranged wherever considered necessary.

For **APT & CO LLP**
Chartered Accountants
Firm Registration No 014621C/N500088

For **Modern Dairies Limited**

CA Amrit Pal Singh
Partner
M. No. 508134

Krishan Kumar Goyal
(Chairman & Managing Director)
(DIN: 00482035)

Ashwani Kumar Aggarwal
(Director)
(DIN: 00486430)

Place: Chandigarh
Date: 27th May, 2025

Mukesh Sehgal
(Chief Financial Officer)

Shruti Joshi
(Company Secretary)



This image shows a full page of blank white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page, providing a template for writing or drawing. There are no margins, text, or other markings on the paper.